

SECTION 9. That, if the Company shall fail to perform any of the covenants contained in Sections 5, 6 and 7 of this Article, the Trustee, or any receiver appointed hereunder, may make advances to perform the same in its behalf, and the Company hereby agrees to repay all sums so advanced in its behalf, on demand, with interest at five per cent. (5%) per annum after demand, and all sums so advanced, with interest as aforesaid, shall be secured hereby having the benefit of the lien hereby created, in priority to the indebtedness evidenced by the Bonds and coupons; but no such advance shall be deemed to relieve the Company from any default hereunder.

SECTION 10. That the Company will cause this Indenture and all indentures supplemental hereto at all times to be recorded and filed and kept recorded and filed in such manner and in such places as may be provided by law in order fully to preserve and protect the security of the Bondholders and all the rights of the Trustee.

SECTION 11. That the Company will, upon reasonable request, execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectively the purposes of this Indenture, especially to make subject to the lien hereof any property agreed to be subjected hereto, or intended so to be, to transfer to any new trustee or trustees the estate, powers, instruments and funds held in trust hereunder and to confirm the lien of this Indenture with respect to any series of Bonds.

SECTION 12. That in case the Company shall hereafter create any mortgage upon, or pledge of, the mortgaged property or any part thereof, such mortgage or pledge shall be and shall be expressed to be subject to the prior lien of this Indenture for the security of all Bonds then authenticated and delivered or thereafter to be authenticated and delivered hereunder. That, subject to the provisions of Article XII, in case the Company shall here-

after acquire or own any property (other than property of the nature specifically excepted by the terms of the granting clauses of this Indenture), which is not subject to a prior lien and which it has the power to subject either to the lien of this Indenture or to a prior lien as a first lien, it will subject such property to the lien of this Indenture as a first lien.

SECTION 13. That the Company will not execute, or permit to be authenticated and delivered, any Bonds hereunder in any manner other than in accordance with the provisions of this Indenture and the agreements in that behalf herein contained, and will not suffer or permit any default to occur under this Indenture, but will faithfully observe and perform all the conditions, covenants and requirements of this Indenture (including all indentures supplemental hereto).

SECTION 14. That the Company will not acquire, by purchase, merger or otherwise, any property subject to a lien or liens which will on acquisition be an unfunded prior lien or prior liens.

(a) If at the time of first acquisition by the Company of property subject to such lien or liens, the principal amount of outstanding indebtedness secured by such lien or liens shall exceed seventy per cent. (70%) of the lesser of the cost or the fair value of the property of the nature of property additions subject to such lien or liens; and

(b) unless the net earnings of such property available for interest, depreciation and property retirement (determined in the manner provided in Article I) for any twelve consecutive calendar months during the period of fifteen calendar months immediately preceding the first day of the month in which the first acquisition of property subject to such lien or liens occurs, shall have been in the aggregate equal to not less than the greater of two and one-half times the amount of

the annual interest charges on, or ten per cent. (10%) of the principal amount of, all outstanding indebtedness secured by such lien or liens.

That, in case the Company shall propose to acquire any property subject to such a lien as permitted by this Section, it will prior to, or simultaneously with, the first acquisition of any such property file with the Trustee certificates with respect to such property of the nature prescribed by paragraphs (2), (14), (15) and (16) of Section 4(a) of Article III and Subdivisions (b) and (c) of said Section 4 and Section 3 (b) of Article III (except that the certificate of the nature prescribed by Section 3(b) of Article III shall refer only to the net earnings of such property and to the indebtedness secured by such liens to which such property is subject), and an opinion of the nature prescribed by paragraphs (1) to (5), both inclusive, of Section 4(e) of Article III.

SECTION 15. That the Company will not issue, or permit to be issued, any prior lien bonds secured by any funded prior lien in addition to the prior lien bonds secured by such prior lien at the time it became a funded prior lien, other than in lien of lost, stolen or mutilated bonds or on the exchange for bonds already outstanding of an equal principal amount of other bonds of the same issue and the same series, if any, and of the same maturity.

SECTION 16. That the Company will not issue, or permit to be issued, any prior lien bonds secured by any unfunded prior lien in addition to the prior lien bonds secured by such unfunded prior lien at the time of first acquisition by the Company of property subject thereto (other than in lien of lost, stolen or mutilated bonds or on the exchange for bonds already outstanding of an equal principal amount of other bonds of the same issue and the same series, if any, and of the same maturity),

(e) except upon the basis of

(1) property additions subject to such unfunded prior lien or prior liens purchased, constructed or otherwise acquired by the Company after the time of the first acquisition by the Company of property subject to such unfunded prior lien, and then only to the extent of seventy per cent. (70%) of the amount of net bondable value of such property additions;

(2) the deposit of cash with the trustee of such prior lien or with the Trustee in an amount equal to the principal amount of the prior lien bonds to be issued, which cash may thereafter be withdrawn only on the basis of (i) property additions purchased, constructed or otherwise acquired by the Company after the time of its first acquisition of any property subject to such unfunded prior lien, in an amount not exceeding seventy per cent. (70%) of the amount of the net bondable value of such property additions, or (ii) the cancellation of prior lien bonds secured by such prior lien in a principal amount equal to the amount of cash withdrawn; or

(3) an equal aggregate principal amount of prior lien bonds secured by such unfunded prior lien, or by another unfunded prior lien which constitutes a lien on all or part of the property subject to such unfunded prior lien prior to the lien thereof, and then or thereafter paid at maturity by the Company or redeemed or purchased by the Company (otherwise than out of funds included in the trust estate or similar funds held by the trustee or other holder of such prior lien or other prior lien) or otherwise cancelled;

and

(A) unless the aggregate of the net earnings available for interest, depreciation and property retirement (determined