

the successor corporation shall subject all of the properties and franchises then owned or thereafter acquired by it (except properties of the nature specifically excepted from the lien hereof) to the lien of this Indenture; and in case of the exercise of any other privilege with respect to property additions conferred upon the Company by this Indenture, the successor corporation shall subject all property additions which are made the basis for the exercise of such privilege to the lien of this Indenture; in each case with similar force, effect and standing as if the Company had itself acquired or constructed such property additions and had not been consolidated with or merged into such successor corporation or had not sold the property of the Company as an entirety to such successor corporation. All Bonds so authenticated and delivered shall in all respects have the same rank and security as the Bonds theretofore or thereafter authenticated and delivered in accordance with the terms of this Indenture.

The Trustee may receive the opinion of counsel as conclusive evidence that any supplemental Indenture complies with the foregoing conditions and provisions of this Section.

SECTION 3. No consolidation or merger of the Company into another corporation and no conveyance of all or substantially all of the assets of the Company to another corporation shall or is intended to subject to the lien of this Indenture any or all of the property or franchises of the successor corporation formed upon such consolidation or merger or to which such sale shall have been made, except as hereinafter in this Section 3 provided, unless the successor corporation, in its discretion, shall subject the same to the lien hereof or unless the successor corporation shall exercise the privilege of obtaining the authentication and delivery of additional Bonds pursuant to Section 4 or 5 of Article VIII or the withdrawal, pursuant to Section 3(a) of Article VIII, of monies deposited with the Trustee pursuant to Section 5(a) of Article III; but the foregoing provisions of this Section 3 notwithstanding, this Indenture shall, after such consolidation, merger or sale constitute a lien of the same herein provided upon all properties and franchises acquired by such successor corporation from

the Company, which were subject to the lien hereof immediately prior to such consolidation, merger or sale and upon all additions, extensions, improvements, repairs and replacements to or about the plants or properties included in the trust estate immediately prior to such merger, consolidation or sale, appurtenant to the trust estate as so constituted (as distinguished from the additions, extensions, improvements, repairs and replacements to or about the plants or properties appurtenant to the plants or properties of the successor corporation and additional plants or properties thereafter acquired by the successor corporation upon which the Indenture need not constitute a lien). Nothing contained in this Article XIII, however, shall affect or lessen the extent of the lien of this Indenture upon the property of the Company hereafter acquired, by reason of the acquisition by the Company of all or substantially all of the property of another corporation.

ARTICLE XIII

CONCERNING THE TRUSTEE

SECTION 1. The Trustee hereby accepts full responsibility for the exercise of due care in the performance of its powers and duties as the same have been defined by the express terms of this Indenture. The Trustee shall not be required, save as herein specifically provided, to ascertain or inquire as to the performance of any of the covenants or agreements herein contained on the part of the Company. The Trustee shall be entitled to reasonable compensation (which shall not be limited by any provisions of law in regard to the compensation of trustee of an express trust, for all services rendered by it in the execution of the trusts hereby created, which compensation as well as all expenses reasonably incurred and disbursements actually made hereunder, including counsel fees, the Company agrees to pay. In default of such payment by the Company, the Trustee shall have a lien thereon on the mortgaged and pledged property and the proceeds thereof prior to the lien of the bonds and coupons issued

hereunder. The Trustee shall not be under any responsibility, if acting in good faith, for the selection, appointment or approval of any engineer, appraiser or counsel or of any other person or firm for any of the purposes expressed in this Indenture. The Trustee may execute any of the trusts or powers hereof and perform any duty hereunder either directly or by or through its agents or attorneys and it shall not be answerable for the default, omission, mistake or misconduct of any agent or attorney selected by it, if such person shall have been selected with reasonable care, or for any error of judgment made in good faith by a responsible officer or officers of the Trustee. Nor, except as otherwise provided in this Indenture, shall the Trustee be liable for anything whatever in connection with this trust, except for its own negligence or willful misconduct. The Trustee shall not be responsible for the validity or execution of this Indenture, or of any Indenture supplemental hereto, or of the Bonds, nor for the value of the mortgaged and pledged property or any part thereof nor for the title of the Company thereto nor for the security afforded thereby and hereby nor for the validity of any securities at any time held hereunder, nor for the recitals herein or in the Bonds contained (such recitals being made solely by the Company).

The Trustee shall be protected and held harmless in acting upon any notice, consent, certificate, bond or other instrument or paper believed by it to be genuine and to have been executed by the proper party. Upon any application by the Company for the authentication and delivery of Bonds or for the taking of any other action provided for herein or in any Indenture supplemental hereto, the regulations, certificates, statements, opinions, reports, orders or other instruments required by any of the provisions of this Indenture or of any Indenture supplemental hereto to be delivered to the Trustee as a condition of the granting of such application or the taking or permitting by it of such action may be received by the Trustee as conclusive evidence in the absence of bad faith on its part, of any fact or matter therein set forth and shall be full warrant, authority and protection to the Trustee, acting on the faith thereof, not only with respect to the facts but also with

respect to the opinions therein set forth; and before granting any such application or taking or permitting any such action, the Trustee, in the absence of bad faith on its part, shall not be bound to make any further investigation into the matters stated in any such resolution, certificate, statement, opinion, report, order or other instrument, unless requested in writing so to do by the holders of not less than ten per cent. (10%) in principal amount of the Bonds and furnished with adequate security and indemnity against the costs and expenses of such examination. The Trustee shall be entitled to receive a certificate signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company as conclusive proof of any fact or matter required to be ascertained by it hereunder, unless otherwise specifically required herein. If the Trustee shall determine or shall be requested, as aforesaid, to make such further investigation it shall be entitled to examine the books, records and premises of the Company, either itself or by an agent or attorney; and unless satisfied, with or without such investigation, of the truth and accuracy of the matters stated in such resolution, certificate, statement, opinion, report, order or other instrument, it shall be under no obligation to grant the application. The reasonable expense of every such examination shall be paid by the Company, or if paid by the Trustee, shall be repaid by the Company, upon demand, with interest at the rate of six per cent. (6%) per annum, and until such repayment shall be secured by a lien on the mortgaged and pledged property and the proceeds thereof prior to the lien of the Bonds and coupons issued hereunder. The Trustee may advise with counsel and the opinion of such counsel, and any such certificate, of any other evidence, prescribed by this Indenture, which the Trustee may accept, shall be a full protection and justification for anything suffered or done by it in good faith in reliance thereupon. The Trustee shall not be accountable for the use or application by the Company of any Bonds authenticated and delivered hereunder or of the proceeds of such Bonds, or for the use or application of any moneys paid over by it in accordance with any provisions of this Indenture.