

paragraph C of said subdivision 1 of this Section, there shall be delivered to the Trustee the obligations of the Subsidiary in exchange for which such bonds shall have been authenticated and delivered hereunder.

G. The opinion of counsel which may be required by subparagraph B of subdivision 2 of this Section 13.

H. The certificate required by subdivision D of Section 9 and the opinion and resolution required by Section 14 of this Article.

Section 14. *General Requirements as to Authentication of Bonds.*

No bonds shall be authenticated under the provisions of this Mortgage except upon receipt by the Trustee of the following:

(a) A certified copy of an order or orders of any commission or governmental body having jurisdiction to regulate the issue of bonds under this Mortgage, authorizing or consenting to the issue of bonds under this Mortgage in an aggregate principal amount at least equal to the principal amount of the bonds which the Trustee is then requested to authenticate, together with an opinion of counsel satisfactory to the Trustee, who may be counsel to the Company, that such order is the only authority required from any commission or governmental body in connection with the issuance of such bonds, or, in the alternative, the opinion of such counsel that no such order, authorization or consent is required;

(b) In the case of the creation of a new series of bonds a certified copy of a resolution of the Board of Directors of the Company establishing and designating the series to be created and setting forth all the specifications, provisions and agreements in respect thereof by this Mortgage provided or permitted.

Section 15. *Authority to Trustee for Authentication of Bonds.*

The statements, certificates, reports, resolutions, opinions and other instruments provided for in this Article Second may be accepted by the Trustee as satisfactory and conclusive evidence as to the statements therein contained and shall be full authority and protection to the Trustee for the authentication and delivery of bonds hereunder.

ARTICLE THIRD.

*Particular Covenants of the Company.*

THE COMPANY HEREBY COVENANTS AND AGREES:

Section 1. *Covenant of Seizin.*

That it is lawfully seized and possessed of all the property hereby mortgaged and pledged, that it has good right and lawful authority to mortgage and pledge the same as provided in and by this Mortgage, that this Mortgage is a valid lien thereon and that said property is free and clear of any mortgage, lien, charge or encumbrance, except taxes for the current year and the mortgages described in the granting clause hereof, and that it will warrant and defend the title thereto against all claims and demands whatsoever.

Section 2. *Covenant to Maintain Lien of Mortgage.*

That this Mortgage will be kept a lien upon the premises and property described or mentioned in the granting clause hereof, and upon renewals and replacements thereof, and upon all other or after-acquired property covered by the granting clause hereof, subject only to the lien of the mortgages described in the granting clause hereof and to the lien of any encumbrances to which any such after-acquired property may be subject as and when acquired.

The Company specifically reserves the right that this Mortgage may, at any time after the recording thereof, be modified with the consent of the holders of all the bonds at that time outstanding hereunder, and covenants and agrees that this Mortgage as so modified shall be in all respects superior and prior to the lien of the mortgage of the Company to The Chase National Bank of the City of New York, as Trustee, dated November 1, 1924.

Section 3. *Covenant to Pay Principal and Interest.*

That it will promptly pay the principal of and the interest upon the bonds issued hereunder and secured hereby at the time and place and in the manner specified in said bonds and in the coupons thereto annexed, and, if so provided in any such bonds, such payment will, to the extent so provided, be made without deduction for taxes and will also promptly pay the principal of and the interest upon any bonds or other obligations issued under and secured by any mortgage prior to the lien hereof, and will not suffer or permit any default to occur under this Mortgage, or under any of the mortgages described in Section 2 of this Article, or any mortgage prior to the lien hereof, but will faithfully observe and perform all the conditions, covenants and requirements hereof and thereof.

Section 4. *Covenant to Pay Taxes and Assessments.*

That it will, from time to time, pay and discharge all taxes, assessments, imposts and governmental charges lawfully imposed upon it and upon any of the real property, plants, franchises and upon all other property at any time subject to the lien of this Mortgage, and upon the income or profits thereof, when the same shall become lawfully due and payable, so that the lien and priority of this Mortgage shall be fully preserved in respect of all property covered hereby; provided, however, that nothing contained in this Section shall require the Company to pay any such tax, assessment, impost or charge so long as the Company shall, in good faith, and by appropriate legal proceedings, contest the validity thereof, or that such tax, assessment, impost or charge is a charge on the property covered by this Mortgage, provided that such delay in payment shall not subject the mortgaged and pledged property to forfeiture or sale. If the Company shall fail to keep this covenant, the Trustee, without prejudice to any of its other rights resulting from such default, may and, upon request of the holders of any one or more of the bonds secured hereby and upon being provided with adequate funds for that purpose, shall pay such tax, assessment, impost or charge. All amounts so paid, with interest thereon at six (6) per centum per annum, shall be a lien upon the property hereby mortgaged and pledged prior to the bonds secured hereby, but no such payment shall be deemed to relieve the Company from any default hereunder.

Section 5. *Covenant against Extension of Coupons.*

That, in order to prevent any accumulation of coupons and claims for interest on registered bonds, it will not directly or indirectly extend, or assent to the extension of the time for the payment of any coupon or claim for interest on any of the bonds issued hereunder, and will not directly or indirectly be a party to or approve of any such arrangement by purchasing or funding said coupons or claims for interest or in any other manner. Any coupon or claim for interest on any bond which shall have been extended in contravention of the provisions of this Section shall not be entitled, in case of a default hereunder, to payment until the prior payment in full of the principal of all the bonds and of all the coupons and claims for interest not so extended.

Section 6. *Covenant to Maintain Office or Agency.*

That it will at all times, until the payment of all the bonds issued hereunder, keep or cause to be kept an office or agency in the Borough of Manhattan, City of New York, State of New York, where notices and demands under this Mortgage may be served or made and will give written notice to the Trustee of the location thereof. In default of such written notice, presentation and demand may be made and notice served at the principal office of the Trustee in the City of New York, State of New York, and in that event the Trustee shall be deemed and be the representative of the Company for such purpose, but the Trustee shall be under no duty or obligation with respect to any such notice, presentation or demand.

Whenever any bonds or coupons issued hereunder are by their terms payable at some place other than the principal office of the Trustee in the City of New York, State of New York, or whenever the Company shall enter into an agreement so to pay such principal or interest, the Company covenants to arrange for such payment in such designated places.

Section 7. *Covenant of Further Assurance.*

That all property of every kind comprehended in any manner in the granting clauses of this Mortgage, immediately upon the acquisition thereof by the Company and without any further conveyance or assignment, shall become and be subject to the lien of this Mortgage as fully and completely as though now owned by the Company and specifically described in the granting clauses hereof; and that at any and all times the Company will do, execute, acknowledge, deliver, file and record or cause to be done, executed, acknowledged, delivered, filed and recorded, all and every such further acts, deeds, conveyances, bills of sale, transfers and assurances in law, for the better assuring, conveying, assigning and confirming unto the Trustee all and singular the estates and property, interests, rights, privileges and immunities by this Mortgage conveyed or assigned, or intended so to be, or which the Company may be, or hereafter become, bound to convey or assign to the Trustee, as the Trustee shall reasonably require.