

## TITLE TO REAL ESTATE

to prevent the Company from adopting another or different system of operation and substituting equipment and property adapted thereto for the then existing plants, buildings, machinery, and equipment and property of every kind.

§4.07 That in case the Company shall hereafter create any mortgage upon the mortgaged property, or any part thereof, such mortgage unless otherwise required by the provisions of the Underlying Mortgage shall be and shall be expressed to be subject to the prior lien of this Indenture upon the mortgaged property for the security of all bonds then outstanding or issued hereunder.

§4.08. That the Company will cause this Indenture, and any and all supplemental indentures, or instruments of further assurance mortgaging, conveying or assigning any property to the Trustee to be filed and/or recorded as a mortgage of both real and personal property in such manner and in such places and at such times as may be required to preserve and protect the security of the lien hereby created on the mortgaged property and the rights and remedies of the Trustee and the holders of the bonds.

§4.09. That, on or before May 1 of each year, beginning with the year 1941, it will file with the Trustee and transmit to each bondholder at his address which shall appear on the bond registry, a copy of its annual report for the preceding calendar year.

§4.10. That it will not declare or pay any dividend on its Common Stock until all the Bonds and all First Mortgage and Refunding Bond Interest Scrip outstanding shall have been retired or provision for such retirement made, and it will not declare or pay any dividend on its Preferred Stock prior to April 1, 1946 (the Preferred Stock becomes cumulative January 1, 1946) and then only if (a) all First Mortgage and Refunding Bond Interest Scrip shall have been retired or provision for such retirement made; (b) there is net income for the 12 months' periods ending on the last day of the third month next preceding the quarterly dividend payment date, beginning with January 31, 1946, in question, determined in accordance with good accounting practice, available for the payment of the annual dividend requirements on such Preferred Stock, and (c) in respect of the January 1, and April 1 dividends in each year, the cash resources of the Company, in the judgment of its Board of Directors, shall be sufficient to enable the Company to make the sinking fund payment due on March 1 of each year and to pay the dividends on the Preferred Stock due on January 1 and April 1 of the same year. The Company covenants to file with the Trustee before the payment of any such January 1 and April 1 Preferred Stock dividend, a copy, certified by its Secretary or one of its Assistant Secretaries, of a resolution adopted by the Board of Directors of the Company setting forth such judgment and determination by said Board.

§4.11. That upon the discharge of the Underlying Mortgage, all cash held by the trustee thereunder except insurance monies not exceeding \$10,000 in respect of any one loss and cash held for the payment of premiums, if any, and interest on the Underlying Bonds and charges the payment of principal and expenses due the trustee thereunder, pursuant to the provisions of such Underlying Mortgage, shall be paid over to the Trustee hereunder and shall be used as provided in §5.09 and/or §5.10

§4.12. Covenants in this Article 4 with respect to "property" shall be construed to refer only to property subject to the lien of this Indenture.

## ARTICLE 5.

## POSSESSION, USE AND RELEASE OF MORTGAGED PROPERTY.

§5.01. Unless there shall exist at the time an Event of Default as specified in §7.02,

(1) the Company shall be suffered and permitted, except as otherwise herein provided, to retain actual possession of all the mortgaged property and to maintain, operate, use and enjoy the same and every part thereof for the purposes of the Company and to receive and disburse all income, revenue, tolls, rents, issues and profits therefrom, and to make, construct or acquire additions, improvements, betterments, developments, extensions, enlargements, renewals, replacements and substitutions to or of any of its properties and to acquire other properties, as fully and completely as if this Indenture had not been made;

(2) the Company shall have the right to enjoy and receive the benefit of all contracts and leases made by it in the course of its business, the operation of any of its properties, or otherwise, and in the usual course of business to modify, extend or cancel said contracts and leases without the consent of the Trustee; and

(3) the Company may, without any release or consent by the Trustee, deal in, sell, exchange or dispose of products, appliances, merchandise, materials and supplies in the ordinary course of business.

§5.02. Unless there shall exist at the time an Event of Default as specified in §7.02, the Company may at any time and from time to time without any release or consent by the Trustee or accountability to the Trustee for any consideration received by the Company, sell, exchange or otherwise dispose of any of the mortgaged property which is not necessary to or required for the