

Ref. Mtge. - 6317
Rev. 9-5-56

SECTION 13. The Mortgagor will from time to time upon written demand of the holder or holders of not less than a majority in principal amount of the notes at the time outstanding: (a) make, execute, acknowledge and deliver or cause to be made, executed, acknowledged and delivered all such further and supplemental deeds of trust, mortgages, instruments and conveyances as may reasonably be requested by such noteholder or noteholders; and (b) take or cause to be taken all such further action as may reasonably be requested by such noteholder or noteholders to effectuate the intention of these presents and to provide for the securing and payment of the principal of and interest on the notes and for the purpose of fully conveying, transferring and confirming unto the Mortgagee the property hereby conveyed, mortgaged and pledged, or intended so to be, whether now owned by the Mortgagor or hereafter acquired by it. The Mortgagor will cause this Mortgage and any and all supplemental mortgages and deeds of trust and every additional instrument which shall be executed pursuant to the foregoing provisions forthwith upon execution to be recorded and filed and rerecorded and refiled as conveyances and mortgages and deeds of trust of real and personal property in such manner and in such places as may be required by law in order fully to preserve the security for the notes and to perfect and maintain the superior lien of the Underlying Mortgage and of this Mortgage and all supplemental mortgages and deeds of trust and the rights and remedies of the Mortgagee and the noteholders.

SECTION 14. Any noteholder may, at any time or times in succession without notice to or the consent of the Mortgagor and upon such terms as such noteholder may prescribe, grant to any person, firm or corporation who shall have become obligated to pay all or any part of the principal of or interest on any note held by or indebtedness owed to such noteholder or who may be affected by the lien hereby created, an extension of the time for the payment of such principal or interest, and after any such extension the Mortgagor will remain liable for the payment of such note or indebtedness to the same extent as though it had at the time of such extension consented thereto in writing.

SECTION 15. The Mortgagor, subject to applicable laws and rules and orders of regulatory bodies, will charge for electric energy and other services furnished by it rates which shall be sufficient to pay and discharge all taxes, maintenance expense, cost of electric energy, and other operating expenses of its electric transmission and distribution system and electric generating facilities, if any, and also to make all payments in respect of principal of and interest on the notes when and as the same shall become due, and to provide and maintain a reasonable reserve for working capital of the Mortgagor.

SECTION 16. The Mortgagor will not declare or pay any dividends, patronage refunds, or make any retirement of patronage capital or other cash distribution to its members or stockholders or to consumers unless after such payment, retirement or distribution the liquid assets of the Mortgagor, after deducting therefrom the total of current liabilities of the Mortgagor, will equal at least forty per centum (40%) of the reserves for depreciation applicable to properties of the Mortgagor in accordance with good accounting practice, or equal the sum of interest and principal payments due in a twenty-four month period in which maximum interest and principal payments become due and payable according to the terms of notes then outstanding, whichever is larger; provided, however, that in no event will the Mortgagor make any such payment, retirement or distribution if there remains unpaid any installment of principal or interest due on the notes, or if the Mortgagor is in default hereunder. Any general cancellation, or abatement of charges for electric energy or other services furnished by the Mortgagor shall be deemed a cash distribution to consumers. For the purpose of this Section: "liquid assets of the Mortgagor" shall be deemed to include only the following: (1) cash or bank deposits other than deposits or cash required to be deposited in special trust accounts pursuant to the Loan Contract, or by direction of the noteholders pursuant to this Mortgage, (2) investments or deposits in building and loan associations, (3) investments in obligations of the United States of America, and (4) advance payments, which shall be deemed to be payments in respect of the notes in addition to the amounts due thereon or applied thereto; "current liabilities" shall not be deemed to include (i) liabilities which the Mortgagor is authorized, under the Loan Contract or this Mortgage, to pay from moneys deposited in the above mentioned trust accounts, nor (ii) principal payments due and payable on the notes within the next succeeding twelve months.

SECTION 17. In the event that the Mortgaged Property, or any part thereof, shall be taken under the power of eminent domain, all proceeds and avails therefrom, except to the extent that all noteholders shall consent to other use and application thereof by the Mortgagor, shall forthwith be applied by the Mortgagor: first, to the ratable payment of any indebtedness by this Mortgage secured other than principal of or interest on the notes; second, to the ratable payment of