

all the Bonds duly issued hereunder according to the terms thereof. As the coupons are paid they shall be forthwith canceled.

§5.02. The Company will not, directly or indirectly, extend, or assent to the extension of, the time for payment of any coupon or claim for interest upon any Bond, and it will not, directly or indirectly, take part in any arrangement therefor by purchasing any such coupon or claim or in any other manner. No coupon or claim for interest which in any way at or after maturity shall have been transferred or pledged by the Company, separate or apart from the Bond to which it relates, or which shall in any manner have been kept alive after maturity by extension or by purchase thereof by or on behalf of the Company, shall be entitled, in case of a default hereunder, to any benefit of or from this Indenture, except after the prior payment in full of the principal of the Bonds and of all coupons and claims for interest not so transferred, pledged, kept alive or extended.

§5.03. On the Completion Date and upon completion of the second stage of pipe line development (if and when completed), the Company will have good and marketable title to all property then included in the Pipe Line System, except such as has been released from the lien hereof, subject only to permitted liens and to defects in title to lands on which the Company has easements or rights-of-way for pipe line purposes, which, in the opinion of counsel, do not impair the right of the Company to continue the use of such property for such purposes, and subject to construction liens cash in the amount of which is held by the Trustee pursuant to §9.05 hereof, and subject to such other minor defects in title not constituting permitted liens as the Company shall have power by appropriate legal proceedings to cure without substantial expense or which, in the opinion of counsel, are inconsequential; the Company has and will continue to have good right and lawful authority to mortgage all of the mortgaged property as provided in this Indenture; and the mortgaged property will be, upon the Completion Date and upon completion of the second stage of pipe line development (if and when completed), free and clear of any deed of trust, mortgage, lien, charge or encumbrance thereon or affecting the title thereto prior to the lien of this Indenture, except construction liens referred to above, permitted liens and purchase money liens of