

President and the Treasurer or chief accounting officer of the Mortgagor Company stating (1) the general nature and character of the repair, reconstruction or restoration, classifying the same under appropriate headings, (2) the actual cash cost thereof, (3) that such repair, reconstruction or restoration has been completed and paid for by the Mortgagor Company and also (4) that the Mortgagor Company has not been reimbursed for any part of such expenditures in cash or bonds either under this or any other section of this Indenture or any section of any underlying mortgage; or (b) for the purposes and in the manner provided in Section 2 of Article Ten concerning the application of the proceeds of the sale of property released from the lien of this Indenture. In case of any loss, the amount of which is less than One Thousand Dollars (\$1,000.), the insurance moneys received by the Trustee therefor shall, however, be immediately paid over by it to the Mortgagor Company to be applied by the latter to one of the purposes specified in this Section.

So long as there is no default by the Mortgagor Company in the performance of its agreements set forth in this Indenture or in the Bonds secured hereby, the Mortgagor Company shall be entitled to retain possession of the insurance policies, but upon such default the Mortgagor Company agrees to surrender possession of such policies to the Trustee upon demand.

Section 10. The Mortgagor Company covenants and agrees that it will not, directly or indirectly, extend or assent to the extension of the time for payment of any coupon upon any of the bonds secured by this Indenture, and that it will not, directly or indirectly, be a party to or approve any arrangement therefor by purchasing or refunding said coupons or in any other manner. In case the payment of any such coupon should be so extended by, or with the consent of, the Mortgagor Company, such coupon so extended shall not be entitled, in case of default hereunder, to the benefit or security of this Indenture, except subject to the prior payment in full of the principal of all the bonds outstanding, and of all coupons belonging to such bonds, the payment of which has not been so extended; the intention of this covenant being to prevent any accumulation of unpaid coupons after maturity.

Section 11. The Mortgagor Company covenants and agrees that while any of these bonds are outstanding it will not after March 1, 1912, declare or pay any cash dividend to its stockholders excepting out of its net earnings derived from operations subsequent to December 31, 1911, remaining after deducting the usual and proper charges, including for maintenance, renewals and depreciation an amount of not less than fifteen per cent. (15%) of its gross earnings. Such fifteen per cent. (15%) shall, for the purpose of the calculations under this section, be regarded as a proper charge for maintenance, renewals and depreciation. The calculations required by this Section shall be made annually as of December 31st and shall take into consideration solely the earnings and cash dividends for the period subsequent to December 31, 1911. The first calculation shall be made within two months from December 31, 1912 (and shall take into consideration the figures for the calendar year 1912 only), in order to determine the amount of cash dividends permissible under this Section out of earnings for that year, including in the computation all cash dividends which have theretofore been declared subsequent to the dividend of March 1, 1912, the latter being considered as declared out of earnings of the