

BOND AND NO TRANSFER SHALL BE VALID UNLESS MADE ON THE BOOKS OF THE TRUSTEE BY THE REGISTERED OWNER IN PERSON OR BY THE LEGAL REPRESENTATIVE OF SUCH OWNER, AND SIMILARLY NOTED ON THE BOND, BUT THE SAME MAY BE DISCHARGED FROM REGISTRY BY TRANSFER TO BEARER, AFTER WHICH IT SHALL BE TRANSFERABLE BY DELIVERY, BUT SHALL BE SUBJECT TO RE-REGISTRATION. THE COMPANY AND THE TRUSTEE MAY TREAT THE BEARER OF ANY UNREGISTERED BOND HEREBY SECURED AS THE ABSOLUTE OWNER OF ANY SUCH BOND, FOR THE PURPOSE OF RECEIVING PAYMENT THEREOF, AND FOR ALL OTHER PURPOSES WHATSOEVER, AND NEITHER THE COMPANY NOR THE TRUSTEE SHALL BE AFFECTED BY ANY NOTICE TO THE CONTRARY.

ARTICLE III.

THE COMPANY COVENANTS AND AGREES THAT IT WILL PUNCTUALLY PAY OR CAUSE TO BE PAID TO ANY HOLDER OR HOLDERS OF BONDS ISSUED HEREUNDER OR SECURED HEREBY, THE PRINCIPAL THEREOF AND THE INTEREST THEREON, AND WILL PERFORM THE AGREEMENTS AND COVENANTS ON ITS PART TO BE PERFORMED, CONTAINED IN THE BONDS HEREBY SECURED AND IN THIS INSTRUMENT, AND THAT IT WILL FROM TIME TO TIME DULY PAY AND DISCHARGE ALL TAXES AND ASSESSMENTS AND GOVERNMENTAL CHARGES LAWFULLY IMPOSED UPON THE PROPERTY AND PREMISES HEREBY MORTGAGED OR UPON THE INCOME OR PROFITS THEREOF, THE LIEN OF WHICH MIGHT OR COULD BE HELD PRIOR OR SUPERIOR TO THE LIEN OF THIS INDENTURE, AND THAT IT WILL FULLY PRESERVE THE PRIORITY OF THIS INDENTURE IN RESPECT TO ALL SUCH PROPERTIES, EXCEPT AS HEREIN OTHERWISE PROVIDED. THE COMPANY RESERVES THE RIGHT AND COVENANTS AND AGREES AT ALL TIMES TO OPERATE THE MORTGAGED PREMISES AND PROPERTY, AND AGREES TO MAINTAIN, PRESERVE AND KEEP THE SAME IN GOOD REPAIR, WORKING ORDER AND CONDITION.

THE COMPANY AGREES AND COVENANTS THAT THE LIEN OF THIS INDENTURE SHALL NOT BE SUBORDINATED TO ANY OTHER LIENS IN PRIORITY EXCEPT AS HEREIN PROVIDED.

THE COMPANY FURTHER AGREES AND COVENANTS THAT IT WILL DILIGENTLY PRESERVE AND PROTECT ALL RIGHTS AND FRANCHISES NOW OR HEREAFTER CONFERRED UPON IT, AND IT WILL NOT DO OR OMIT TO DO ANY ACT OR THING WHEREBY ITS PROPERTY, RIGHTS, LICENCES OR FRANCHISES MAY BECOME LOST, IMPAIRED, OR SUBJECT TO FORFEITURE.

ARTICLE IV.

DURING THE LIFE OF THIS BOND ISSUE, AN ACCOUNT SHALL BE KEPT FOR RETIREMENT EXPENSE, WHICH SHALL INCLUDE SUCH AMOUNTS IN ADDITION TO APPROPRIATIONS FROM SURPLUS TO REPLACEMENT RESERVE AS THE BOARD OF TRUSTEES MAY DETERMINE TO BE NECESSARY (OR AS MAY BE REQUIRED BY LAW OR THE STATE COMMISSION REGULATING SAME), TO PROVIDE A RESERVE AGAINST WHICH MAY BE CHARGED THE ORIGINAL COST OF ALL PROPERTY RETIRED FROM SERVICE, PLUS THE COST OF DISMANTLING LESS SALVAGE. THE AMOUNTS CHARGED TO THIS ACCOUNT OR APPROPRIATED FROM SURPLUS AND CREDITED TO THE "RETIREMENT RESERVE" SHALL BE IN ADDITION TO THE NECESSARY COSTS OF KEEPING THE PLANT AND EQUIPMENT IN A HIGH STATE OF EFFICIENCY THROUGH CHARGES OF REGULAR MAINTENANCE ACCOUNTS.

ARTICLE V.

THIS DEED OF TRUST SHALL NOT OPERATE OR BE HELD TO PROHIBIT THE COMPANY FROM SELLING, CONVEYING OR OTHERWISE DISPOSING OF, FOR THE USE, BENEFIT AND MAINTENANCE OF THE COMPANY, FREE FROM ENCUMBRANCE, HEREBY CREATED, ANY OF THE PROPERTY DESCRIBED HEREIN, OR HEREAFTER TO BE ACQUIRED WHICH AT THAT TIME CANNOT BE ADVANTAGEOUSLY USED IN THE PROPER AND JUDICIOUS MANAGEMENT OR MAINTENANCE OF THE BUSINESS OF SAID COMPANY, AND THE WRITTEN CERTIFICATE OF THE PRESIDENT OF THE COMPANY, UNDER ITS CORPORATE SEAL AND ATTESTED BY ITS SECRETARY, SETTING FORTH THAT THE PROPERTY DESIGNATED IN SAID CERTIFICATE CANNOT BE ADVANTAGEOUSLY USED IN THE PROPER AND