

plied with; provided that the Company may cause to be refunded, renewed or extended beyond its maturity any outstanding prior lien debt not pledged hereunder if the aggregate amount of such prior lien debt shall not thereby be increased and if prior to such refunding, renewal or extension it shall cause to be filed with the Trustee hereunder a resolution of its Board of Directors stating that in the opinion of such Board such refunding, extension or renewal is advisable for the protection of the interests of the Company and is not materially prejudicial to the interests of the holders of the Bonds issued hereunder, and a certificate signed by a disinterested and competent person selected by the Company and approved by the Trustee, stating in substance that in his opinion such refunding, renewal or extension will not be materially prejudicial to the interests of the bondholders.

§ 5.06. That upon the discharge of any prior lien all cash held by the trustee or mortgagee thereunder, except cash held for the payment of principal of and premium, if any, and interest on the prior lien debt secured thereby and other charges and expenses due the trustee or mortgagee thereunder pursuant to the provisions of any such lien and except any moneys held for the payment of prior lien debt in any sinking fund under such lien (other than release and/or insurance moneys which by the terms of such prior lien may be applied as part of a sinking fund), shall be paid over to the Trustee hereunder and shall be treated as trust money and paid over to the Company or applied pursuant to the provisions of § 7.02.

§ 5.07. That in case the Company shall hereafter create any mortgage, other than a purchase money mortgage, upon the mortgaged property, or any part thereof, such 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 thereafter issuable hereunder.

§ 5.08. That it will from time to time duly pay and discharge all taxes, assessments and governmental charges lawfully imposed upon the mortgaged property or upon any part thereof, or upon the income

For the purposes of this paragraph the unpaid balance of the purchase price of property to be acquired by the Company pursuant to the provisions of any conditional sales agreement or lease-purchase agreement shall be deemed to be secured by a purchase money mortgage on such property.

Further, that except as provided in § 5.05, it will not suffer or permit the issue under any prior lien of any prior lien debt in addition to the prior lien debt outstanding under such lien at the time of the acquisition by the Company of the property subject to such lien, unless all such additional prior lien debt shall forthwith be acquired by the Company and pledged hereunder, except (a) in substitution for mutilated, lost or destroyed evidences of such debt, and/or (b) upon exchange of one form and one denomination thereof for other forms or other denominations thereof, and/or (c) upon exchanges for or conversions of prior lien debt issued under any other prior lien in cases where the holders of the debt secured by such other prior lien have the right to require such exchange or conversion.

Further, that it will cause any prior lien debt pledged under any prior lien which shall be released from such lien either to be cancelled (and the Trustee furnished with evidence satisfactory to it of such cancellation), or to be pledged with the Trustee hereunder, unless required to be pledged or deposited under some other prior lien under such conditions that the same shall cease to be outstanding as defined in § 1.08.

Further, that all mortgaged property hereafter acquired by the Company and made the basis of the issue of any Bonds or the release of cash or property (except cash or property subject to prior liens) under this Indenture shall be free and clear from all liens and encumbrances of every nature having priority over or being on a parity with, or which may become entitled to priority over or become on a parity with, the lien of this Indenture, except permitted liens; and that it will warrant and forever defend the same to the Trustee against the claims of all persons except as aforesaid.

§ 5.05. That all covenants and conditions contained in any prior lien and in the debt secured thereby will be fully performed and com-