

tinues to carry the village lighting load, the Mills will so operate this plant as to discharge continuously not less than 260 c.f.s. or the natural streamflow if less than 260 c.f.s. There will be no charge against the Power Company for such operation.

Whenever the upper hydroelectric plant discontinues furnishing lighting service to the mill village and is operated to furnish power to the textile plant on the same basis as the lower hydroelectric plant, the Power Company will compensate the Mills for the loss of energy which it could have produced due to possible drawdowns of the upper plant pond. The payments are to be made on a basis similar to that outlined above for the lower hydroelectric plant.

7. This indenture shall not be construed as a grant, conveyance, abandonment or other limitation of any right or property, prescriptive or otherwise, of the Mills providing for, or in anywise connected with its ownership, use and operation of its said two hydroelectric power plants except as said right and property are hereby expressly limited.

8. The covenants herein contained shall be construed as covenants running with the land and shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns.

9. The Mills shall not be liable in any way for damage to persons or property caused by failure of the flow of the river unless directly attributable to the wilful default or gross negligence of the Mills.

10. If the Power Company shall fail to pay the compensation hereinabove provided for when due and such default shall continue for a period of thirty (30) days after written notice thereof, this agreement shall terminate at the election of the Mills and thenceforth the Mills shall have the same right to impound the water in the river as if this agreement had not been entered into, without prejudice, however, to such other remedies as the Mills may have to recover such compensation.