

said shall have the same right, lien and privilege under this Mortgage, and so that, subject to the terms hereof, the principal of and interest and premium, if any, on every Note shall be equally and proportionately secured hereby, as if all the Notes at any time outstanding had been executed, delivered and negotiated simultaneously with the execution and delivery of this Mortgage; and it is hereby covenanted and declared that all the Notes are to be issued and delivered, and that the Trust Estate is to be held by the Trustees, upon and subject to the following covenants, conditions, uses and trusts.

ARTICLE I

Form, Terms and Execution of Notes

Section 1.01. General Provisions. The aggregate principal amount of Notes which may be issued and delivered and outstanding under this Mortgage is unlimited, subject to compliance with Article IX and except as may be limited by law, and excluding Notes issued and delivered under Section 1.06. Series A Notes in the aggregate principal amount of \$40,000,000 shall be issued and delivered on the date of delivery of this Mortgage, all as provided in Article II hereof. The power of the Company to issue Additional Notes hereunder may be exercised from time to time whenever Notes may be issued and delivered in accordance with Article IX hereof; and this Mortgage shall be and constitute a continuing lien to secure the full and final payment of the principal of, and premium, if any, and interest on, all Notes which may from time to time under the provisions of this Mortgage be executed and delivered hereunder, and issued by the Company. All Notes may have such letters, numbers or other marks of identification or designation and such legends or endorsements thereon as may be determined by the Board of Directors of the Company (hereinafter termed the "Board") or by the officers executing such Notes, such determination by said officers to be evidenced by their signing the Notes, and as are not inconsistent with the provisions of this Mortgage. All Notes shall be issued in the

denomination of Fifty Thousand Dollars (\$50,000) or, at the option of the Company, in any multiple of One Thousand Dollars (\$1,000), the exercise of such option to be evidenced by the execution and delivery thereof.

Upon the issuance of Notes hereunder, the Company shall deliver to the Trustee:

(a) Copies of the Notes so issued, certified by the President or any Vice-President of the Company to be true and complete copies thereof;

(b) A certificate of the President or any Vice-President of the Company, dated the date of issuance of such Notes, stating (i) the principal amounts and date of issuance of such Notes, (ii) the names and addresses of the payees thereof and (iii) that such Notes were issued in compliance with all applicable requirements of this Mortgage;

(c) The separate amortization schedules relating to such Notes to be delivered to the Trustee as provided for in Section 1.04; and

(d) If any Notes previously issued are to be cancelled in connection with the issuance of such Notes, the Notes to be so cancelled.

The Trustee shall have no liability or responsibility with respect to the propriety of the issuance of any Note by the Company, except that the Trustee shall examine the copies of the Notes and other instruments and documents delivered to it in connection with the issue of any Additional Notes to determine whether the same comply in form with the requirements of this Mortgage.

No Additional Note shall be entitled to the benefits of, or be secured by, this Mortgage nor shall any such Additional Note become valid or obligatory for any purpose unless, on the date such Additional Note was issued, the Trustee shall have received with respect to such Additional Note the instruments and documents specified in this Section 1.01 and in Section 9.04. Notwithstanding the foregoing, the holder of any Additional Note shall be entitled to rely on a receipt or other instrument signed by the Trustee acknowledging