

of Article VII), to secure any indebtedness of the Company or any Subsidiary Mortgage Company, or any indebtedness of any Subsidiary Company, which such Subsidiary Company is permitted to incur under Clause (3) of Section 8 of this Article.

SECTION 10. That, so long as any Bonds of Series "A" are outstanding, the Company will not permit any Subsidiary Company to issue any additional preferred stock after the date hereof (or in the case of a Subsidiary Company hereafter acquired after the date of acquisition); nor to issue any additional common stock after such date unless the Company or the Subsidiary Company owning the stock of such Subsidiary Company shall acquire an amount of such additional common stock at least proportionate to the proportion of common stock previously owned by the Company or such Subsidiary Company in the Subsidiary Company so increasing its common stock. The term "issue any additional stock" shall be deemed to include the disposition of any Treasury Stock.

SECTION 11. That the Company will at all times take or cause to be taken all such action as from time to time may be necessary to preserve the corporate existence and corporate rights and franchises of the Company and of any and all Subsidiary Companies, and if the corporate existence of any such corporation shall expire while any Bonds issued hereunder are outstanding, all such steps as may be necessary or permitted to secure the extension of such corporate existence beyond the time when the Bonds outstanding hereunder shall become due, and all such steps as may be necessary to comply with such statutes in all states and countries in which it and/or any Subsidiary Companies shall do business as it shall be advised by counsel learned in the law that it or they should comply with in order fully to be authorized to conduct such business.

SECTION 12. That they will keep all the property of a character usually insured by companies similarly situated, which is at any time covered by this Indenture, and will cause each Subsidiary Company to keep all of its property of a similar character, insured against loss or damage by fire, or by such other casualty and to such amount as such property is usually insured for by companies similarly situated, by reputable insurance companies, loss, if any, to be made payable to the trustee or trustees of the Underlying Mortgages and/or to any mortgagees mentioned in Subdivisions (1), (2), (3), and (4) of Section 9 of this Article and to the Trustee hereunder as their respective interests may appear. If the total amount received by the Trustee upon all policies shall, in the case of any one loss, be less than the sum of \$100,000., the amount shall be paid forthwith to the Company by the Trustee to be used by the Company to pay for replacements of or substitutions for the injured or destroyed property, but the Trustee shall not be obliged to see to the application thereof. In all other cases the proceeds of any and all insurance on any part of the mortgaged property which may be received by the Trustee shall be held and applied by the Trustee as hereafter provided in Article X of this Indenture.

There shall be deposited with the Trustee, at such reasonable times as it may request, and at least once a year without any such request, a detailed statement of the policies of insurance effected by the Company and the Subsidiary Companies then outstanding and in force. In case the Trustee shall at any time notify the Company in writing that it disapproves of any insurance company in which the Company or a Subsidiary Company has insured any of such property, other insurance with companies satisfactory to the Trustee shall forthwith be effected by the Company.

So long as there are outstanding any bonds or obligations secured by mortgages which (a) constitute liens on all or any part of the properties of any Subsidiary Company or (b) constitute liens on all or any part of the properties of the Company prior to the