

ceived by the Trustee under which any other provision of this Mortgage are required to be paid out and disposed of under the provisions of this Article, shall be paid over from time to time by the Trustee to the Company to reimburse the Company for expenditures made by it at any time after June 1, 1922, and whether prior or subsequent to the receipt of such money by the Trustee, (1) for extensions or purchased property (as defined in Section 4 of Article III hereof) of the Company such as might have been made the basis of an application for additional bonds under any of the provisions of this Mortgage, or (2) for the replacement of property destroyed by fire (to the extent that insurance moneys arising from such loss are in the hands of the Trustee.)

Such payments shall be made by the Trustee only upon receipt by it of:

(1) A request in writing signed by the President or a Vice President and by the Treasurer or an Assistant Treasurer of the Company for the payment of the amount of money stated therein; and

(2) A certificate signed by the President or a Vice President and by the Treasurer or an Assistant Treasurer of the Company stating:

(a) That the Company after June 1, 1922, has made extensions or acquired purchased property (describing the same with reasonable detail) or has made certain replacements of property destroyed by fire (describing the same with reasonable detail) and that such property (including any of such replacements) was not encumbered by any mortgage lien at the time of its acquisition by the Company other than the lien of this Mortgage, or of some underlying mortgage) and is subject to a lien of this mortgage

(b) That the Company has actually expended for such property the amount specified in the certificate and said certificate shall further distinctly specify whether any of such expenditures, and if so what portion were expended to replace property destroyed by fire;

(c) That no part of such expenditures has been previously used as a basis for the issuance of any bonds or the withdrawal of any moneys under this section or the withdrawal of any deposited cash under this mortgage or to compensate any excess of the nature described in sub-paragraph (3) of Section 2 of Article III hereof or certified to comply with the requirements of Article VIII hereof; and

(d) That the Company is not, to the knowledge of the officer signing then Certificate, in default in any of the terms, covenants or conditions of this mortgage.

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The request and certificate hereinbefore in this Article provided for, shall be full warrant and authority to the Trustee for the payment of any moneys as requested therein; but before making any such payment the Trustee may, in its discretion, cause to be made such independent investigation as it may see fit and may decline to take action unless satisfied by such investigation of the truth and accuracy of the matters so investigated. The expense of any such investigation shall be paid by the Company, or if paid by the Trustee, shall be repaid by the Company upon demand, with interest after demand at the rate of six per cent per annum.

Any such moneys in the hands of the Trustee, and not theretofore paid over or requested to be paid over to reimburse the Company as aforesaid shall, on the election and in accordance with a new request in writing signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of the Company, be applied by the Trustee to the purchase of bonds issued and outstanding hereunder at not exceeding (if they be then redeemable) their redemption price or to the redemption of bonds under and in accordance with the provisions of Article VI of this Mortgage; and any bonds so purchased or redeemed shall be cancelled and shall not be reissued.

ARTICLE XI Remedies in case of default.

Section 1. In case default shall be made in the payment of interest on any bonds issued hereunder; and any such default shall continue for a period of sixty days; or in case default shall be made in the payment of the principal of any such bond when due; or in case default shall be made in the due observance or performance of any other covenant or condition herein required to be kept or performed by the Company, and any such last mentioned default shall continue for a period of sixty days after written notice