

COMPARED

be prior to the lien hereof, to the end that the priority of the lien created by this Indenture shall at all times be fully preserved as against such liens; and the Company further covenants that it will not commit or suffer any waste of the Trust Estate, and that it will promptly pay or cause to be discharged, or make adequate provision for the discharge of all lawful claims or demands of mechanics, laborers, materialmen, supply houses or other entitled to liens under the lien laws, which, if unpaid, might by law be given precedence to this indenture as a lien upon any part of the Trust Estate, or the income thereof, provided, however, that nothing in this section shall require the Company to pay any taxes, assessments, charges or other lien or claim against any part of the Trust Estate, so long as the Company shall in good faith and by appropriate legal proceedings, or otherwise, contest the validity thereof, provided, however, that before contesting the validity of any such tax, assessment, charge or other lien or claim, against any part of the Trust Estate, the Company shall deposit with the Trustee herein a sum sufficient to pay all such contested taxes, assessments, charges, liens or claims, together with all penalties, interest, costs or other charges that may result, accrue, and become due and payable by the Company of such deferred payment and contest.

In case the Company shall fail to pay in due season, as hereinabove provided, any such taxes, assessments, charges or liens, then the Trustee may at his option to do so or to make any inquiry as to the validity thereof, pay the same, and shall first be reimbursed the amount so paid, with interest from the date of the payment at the rate of eight per cent (8%) per annum, out of the Trust Estate and the proceeds thereof, before the payment of any of the principal or interest of any of said notes, and any such payment by the Trustee shall be without impairment of or prejudice to any of the rights of the Trustee under this Indenture by reason of such default by the Company.

The Company will, at all times, so long as any of the notes remain unpaid, insure and keep insured against loss or damage by fire or other casualty the following portions of the Trust Estate, to-wit:

All steel storage tanks and the contents thereof, having a capacity of one thousand barrels or more; all insurable warehouses and the contents thereof; all insurable buildings all insurable garages and contents thereof; and all insurable dwellings of the reasonable value of one thousand dollars or more each; and will further insure such other portions of the Trust Estate, as, in the discretion of the Company it may deem necessary and proper it to protect against loss or damage by fire or other casualty. All insurance so affected shall be in amounts which corporations of like character usually carry upon property of the same kind and under like conditions, and shall be for the benefit of and payable in case of loss, to the Trustee, as his interest may appear.

The Company will take out such insurance in reputable insurance companies, and will deliver to the Trustee duplicate receipts for all premiums necessarily paid in keeping up such insurance. In case of any loss or damage, the money received by the Trustee on that account shall be paid out and applied from time to time, as requested by the Company, in replacement of or additions to the property destroyed or injured; provided, however, that the Company shall have furnished sufficient additional funds in order to complete such repairs or replacements.

In case the Company shall not desire to have the insurance proceeds so used, the Trustee shall, at the option of the Company, and upon its written request, apply such insurance moneys either to the redemption of the notes or the payment of interest, or applied on the obligation hereby secured.

Should the Company make default in affecting insurance, as aforesaid, the Trustee may, in his discretion, effect such insurance, and all moneys paid as premiums therefor, to-