

State of Maryland, where the bonds and coupons may be presented for payment, and where notices and demands in respect of the bonds and coupons and of this Indenture may be served, and will designate by written notice to the Trustee, such office or agency. In default of any such office or agency or of such designation thereof, presentation and demand may be made and notices served at the office of the Trustee.

SECTION 3. The Company covenants and agrees that when and as the coupons annexed to the bonds secured hereby are paid by it, such coupons shall be cancelled and no purchase or sale of such coupons or advances or loans on the same, made on behalf of or at the request of or with the privity of the Company, and no redemption of said coupons or any of them by any guarantor of the payment thereof, shall be taken or operate as keeping said coupons alive or in force as a lien upon the trust estate as against the holders of the bonds or of the coupons appertaining thereto, and in no event will the Company directly or indirectly extend or assent to the extension of the time of payment of any coupon or claim for interest secured hereby and the Company will not directly or indirectly be a party to or approve any arrangement therefor by purchasing or funding such coupon or claim for interest, or in any other manner.

SECTION 4. The Company covenants and agrees that it will not, so long as any Ten-Year First Mortgage 7% Gold Bonds or any Ten-Year 8% Mortgage Gold Bonds or any other funded debt is outstanding, declare or pay any cash dividend upon its capital stock or make any distribution of its capital, surplus or earnings to any of its stockholders, or purchase or redeem any of its capital stock, if, at such time, or by such action, the net quick assets of the Company, including the net quick assets of each and every subsidiary company, to the extent stated below in this Section 4, are or would be reduced by such action to less than 100% of the principal amount of all bonds and/or other funded debt then outstanding.

whenever used herein means the excess of current assets

The term "net Quick assets"/over current liabilities, except that when used in the case of a subsidiary company, it shall be understood to mean only that proportion of the net quick assets of such subsidiary which the amount of voting capital stock of such subsidiary owned by the company bears to the entire outstanding voting capital stock of such subsidiary.

The term "current assets" whenever used herein means and includes only:

(a) cash in bank and on hand, accounts, bills, acceptances, and notes, considered to be good, of any person, firm, corporation, government or body politic, accrued interest, accrued rent and accrued royalties and such deferred charges to operation, prepaid expenses of the business or expenditures chargeable to future operations, if any, and other similar items as by general custom of certified public accountants of good standing are considered current assets.

(b) cash items; inventories including supplies of all kinds, taken at not more than their fair market value; readily marketable shares of stock, bonds, and other securities (except those issued by the Company or by a subsidiary) taken at not more than their fair market value; obligations of the United States of America, or of any state, county or municipality therein, taken at not more than their fair market value.

The term "current liabilities" whenever used herein means and includes only:

(a) all indebtedness payable within one year from the date as of which current liabilities are being ascertained, excluding all liabilities under the above mentioned bonds and any other funded debt, other than accrued interest and accrued sinking fund obligations, if any;

(b) drafts or bills of exchange drawn for the whole or any part of the amount payable on account of goods sold to others and which drafts or bills of exchange have not been negotiated; and