

Trustees may be required to pay thereon or to retain therefrom under any present or future law of the United States of America, or of any State, County, municipality or other taxing authority therein. The interest which shall be represented by coupons annexed to the bonds shall be payable only upon presentation and surrender of such coupons as they respectively shall mature. When and as paid, all coupons shall forthwith be cancelled.

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SECTION 2. The Companies agree that, beginning August 1, 1924, they will deposit, with the Trustee monthly on the first of each month, the monthly accruals of interest on all bonds then outstanding hereunder, the money so deposited to be held by the Trustee in a special account and applied to the payment of the next semi-annual installment of interest on such bonds. The Companies further agree that beginning June 1, 1926, they will deposit with the Trustee monthly on the first day of each month a sum equal to one-twelfth of the principal of the bonds which mature on the following June 1st, the money so deposited to be held by the Trustee in a special account and applied to the payment of the bonds next maturing. In case of default, as set forth in Article Seven hereof, the funds so held by the Trustee in such special accounts shall be held by it for the benefit of all bonds outstanding and used and applied as set forth in said Article Seven with respect to the proceeds of the sale of property hereunder.

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SECTION 3. The Companies covenant that so long as any of the bonds issued hereunder are outstanding, neither they nor either of them will issue any other bonds or other obligations secured by a mortgage or deed of trust, or chattel mortgage, or any other lien on its property or any part thereof; except an issue of \$1,000,000 par value of Eight Per Cent Secured Convertible Income Bonds, dated June 1, 1924, that the Gladys Belle Company will not pay any cash dividends on its common stock which will

(a) reduce its net quick assets to an amount less than one-half of the bonds then outstanding; or

(b) reduce its quick assets so that they shall be less than four times the amount of its current liabilities, or

(c) reduce its net tangible assets so that they shall be less than four times the par value of the bonds then outstanding hereunder.

SECTION 4. The Marquette Company, will, from time to time, reimburse the holder or registered owner of any bond for any and all payments made by him for any tax (except succession or inheritance taxes) which shall have been validly levied and assessed by any State or Commonwealth of the United States of America against such holder or registered owner by reason of his ownership of any such bonds; not in excess, however, of six mills per annum on each dollar of the principal amount of the bonds owned by him, assessed by any Commonwealth or State, provided that written request for the reimbursement of the amount of such tax so paid by him shall be made to the Marquette Company by such holder or registered owner within sixty days from the date of the payment thereof by him, accompanied by the affidavit of such holder or registered owner as to the payment by him of such tax. Such affidavit shall state the serial number or numbers of said bond or bonds, the fact of ownership, the residence of the affiant at the time said tax was assessed against him, by what taxing authority it was assessed, the date when such tax was imposed, and that such tax was duly and validly assessed upon and paid by the affiant as the owner of said bond or bonds by reason of his ownership thereof. Such affidavit shall be filed with the Marquette Company within the period of sixty days from the date of each and every payment of any such tax. The Marquette Company shall not be liable to reimburse any holder or registered owner of bonds for any such taxes referred to in this Section 4 unless such request be made and such affidavit be filed within the period named, and it shall not, in any event, be liable