

As additional security hereunder. Should any of the property of the Companies covered by insurance be lost, destroyed or damaged during the continuance of this Indenture, the money payable upon such policies of insurance shall be paid to the Trustee hereunder for the benefit of the trust hereby created. The proceeds of any such policy may, at the option of the Marquette Company, be used in repairing or replacing, at the same, or at some other place, the property so damaged or destroyed, or as an additional payment to the sinking fund to be used as provided in Article Five hereof. In the event that the Marquette Company shall not elect, within sixty days from the date such money is paid to the Trustee and notify the Trustee in writing of such election, to have the proceeds of insurance used as aforesaid in repairing or replacing property, the funds so received by the Trustee shall be used and applied by it without further direction of the Marquette Company for the redemption of bonds in accordance with the terms of Article Five hereof. ~~Continued~~

Before any such funds are paid out for repairing or replacing damaged or destroyed property, the Company which owns the property shall furnish to the Trustee a verified detailed statement showing the repairs or replacements so made or contracted for and the amounts expended therefor or the value of the labor and material furnished therefor, and the value of such repairs or replacements as a part of the mortgaged premises shall also, if required by the Trustee, be appraised by an appraiser selected by the Marquette Company and approved by the Trustee. The amount of such moneys paid out by the Trustee for such purpose shall never exceed the amount actually expended therefor, and shall in no event exceed the value fixed by such appraiser in case an appraisal is made.

SECTION 10. In order to prevent any accumulation of coupons after maturity, the Companies will not, directly or indirectly, extend or assent to the extension of the time for the payment of any coupon on any of the bonds, and will not, directly or indirectly, be a party to or approve of any such arrangement by purchasing or funding said coupons or in any other manner. In case the payment of any such coupon should be so extended whether or not by or with the consent of the Companies, such coupons so extended shall not be entitled in case of default hereunder, to the benefit of this Indenture, except subject to the prior payment in full of the principal of all the bonds then outstanding and of all coupons the payment of which shall not have been so extended.

ARTICLE THREE.

SECTION 1. The holder of any bond issued hereunder shall have the right, at any time prior to the date of maturity thereof, unless sooner redeemed or purchased as hereinafter provided, to convert such bond into common stock of the Marquette Company, receiving shares of the par value of \$10 each, aggregating the par value of the bond so converted. During such period the Marquette Company will, on presentation and surrender of such bonds, in negotiable form, with all unmatured coupons attached, at its office or agency in the City of Pittsburgh, Pennsylvania, issue and deliver to the holder thereof a certificate for such number of shares of its full paid capital stock as at par shall be equal to the face value of such bonds so presented and surrendered. The rights of the holder of any bond which may be called for redemption or purchase, to convert it into stock, shall continue only until and including the date so fixed for its redemption or purchase as hereinafter provided.

For the purpose of such conversion, the Marquette Company agrees forthwith to issue and deposit with the Trustee \$300,000, par value of its capital stock, which stock shall be issued only for bonds so converted. In the event that any stock dividends shall be declared by the Marquette Company between the date hereof and the conversion of all bonds now issued hereunder, the holder of bonds who shall convert the same into stock shall have