

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

(c) contingent obligations.

SECTION 5. The Company covenants and agrees that it will preserve and maintain its corporate existence and will carry on and conduct its business and affairs, and that it will at all times diligently preserve all the rights and franchises to it granted and upon it conferred, in so far as they shall continue to be advantageous to the Company, and shall and will at all times maintain, preserve and keep its rolling equipment and plants, including fixtures and appurtenances, and every part thereof, constituting the mortgaged premises, in good repair, working order and condition and equipped with suitable machinery and appliances, and will from time to time make all needful and proper repairs, renewals and replacements, so that all times the value of the security for the bonds issued hereunder and the efficiency of the property hereby mortgaged shall be fully preserved and maintained. The Company will mark or cause to be marked both sides of each of the cars, forming part of the trust estate (including after-acquired cars, which shall become subject to the lien of this First Mortgage) so as plainly to show that all right, title and interest of the Company in and to such car has been assigned to the Trustee hereunder. The Company will promptly pay and discharge all taxes, assessments and governmental charges lawfully levied or imposed upon it, as well as all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien or charge upon its property; provided, however, that the Company shall have the right in good faith to contest any such tax, assessment, charge or claim and, pending such contest, to delay or refuse payment thereof, unless in the opinion of the Trustee property subject hereto shall thereby be in danger of being forfeited or lost. The Trustee shall be under no obligation to form or express any such opinion and shall not be liable to anyone for any action or non-action in such connection.

SECTION 6. The company covenants and agrees that it will not voluntarily create or suffer to be created any debt, lien or charge which would be equal or prior to the lien of these presents upon the trust estate or any part thereof, or upon the income thereof) except as otherwise permitted by this First Mortgage), and that within six months after the same shall accrue it will pay or cause to be paid, or will make adequate provision to satisfy and discharge, all lawful claims and demands which, if unpaid, might by law be given equality