

in lieu thereof a new bond of like tenor, amount and date, bearing the same serial number, which bond, when so issued, shall be duly certified by the trustee upon receiving indemnity satisfactory to said Trustee.

ART. II.

The Hotel Company shall pay the principal of all the Bonds issued under this Deed of Trust or Mortgage, when the principal shall become due by the terms of the Bonds, upon the surrender of the Bonds, and it shall pay the interest thereon according to the terms of the bonds upon presentation and surrender of the proper coupons for such interest and until the principal of the bond is paid. As the coupons annexed to said Bonds are paid they shall be cancelled.

ART. III

The Hotel Company, so long as there is no default in the payment of any interest or of the principal of any of the bonds secured by this mortgage, or in any of the agreements of the Hotel Company herein set forth, shall have the possession, operation and management, and the use of the property covered by this mortgage, and shall receive the revenues, income and profits thereof as if this mortgage had not been made; Provided, However, that immediately upon default the Trustee shall be empowered to demand and receive from the Hotel Company, or from any debtor of the Hotel Company, such revenues, income and profits for the benefit of the Bondholders, and after any such default the Hotel Company shall have no right to appropriate such revenues, incomes and profits, except for the benefit of the Bondholders.

ART. IV.

The Hotel Company shall, subject to the provisions aforesaid, properly maintain and operate the hotel owned or controlled by it and all other assets covered by this mortgage, and preserve the same, and repair, renew and replace the mortgaged property as may be necessary, and will keep its property of an insurable nature insured for the sum of Sixty Thousand Dollars (\$60,000), with reputable insurance companies, against loss or damage by fire, policies providing for the payment of any loss to the Trustee, and which shall be deposited with the said Trustee for the benefit of the Bondholders; Provided, however, that the Trustee shall, from time to time, in the event of loss, pay from the proceeds of such insurance actually received by it, such amounts as may be required by the Hotel Company to repair or replace the property damaged or destroyed. Such proceeds shall be paid out by the Trustee to the Hotel Company pursuant to a resolution of the Board of Directors of the Hotel Company, a certified copy of which shall be lodged with the Trustee, together with a certificate, verified under oath by the President or Treasurer of the Hotel Company, certifying that said Hotel Company has expended for such building, replacement or repair the sum stated in the resolution and certified to have been so expended, and such resolution and certificate shall be complete authority and protection to the Trustee, and the Trustee shall in no wise be liable for any improper application of the sums so paid out. Unless so used, the proceeds of the insurance policies shall be held or disposed of by the Trustee the same as provided for the disposal of moneys to be paid into the sinking fund.

ART. V.

The Hotel Company for the purpose of creating a sinking fund for the redemption of bonds of the issue hereby secured, or to further secure the payment of said bonds when due, shall and will on or before the first day of January 1915, and on or before the first day of January of the next succeeding four years, pay to the Trustee the sum of Four Thousand Dollars (\$4,000) in cash, or surrender to the Trustee, for cancellation, bonds