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Mortgage

Springfield Consolidated Water Company

to

Columbia Avenue Trust Company,
Trustee.

To secure an issue of First Mortgage, Five per cent.
Gold Bonds amounting to \$25,000,000

Dated November 26, 1908

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Mortgage

Springfield Consolidated Water Company

to

**Columbia Avenue Trust Company,
Trustee.**

**To secure an issue of First Mortgage, Five per cent.
Gold Bonds amounting to \$25,000,000**

Dated November 2d, 1908

This Indenture, made this second day of November, in the year one thousand nine hundred and eight (1908), by and between SPRINGFIELD CONSOLIDATED WATER COMPANY, a corporation organized under the laws of the State of Pennsylvania, hereinafter called the "WATER COMPANY," party of the first part, and COLUMBIA AVENUE TRUST COMPANY, a corporation also organized under the laws of the State of Pennsylvania, hereinafter called the "TRUSTEE," party of the second part,—

WITNESSETH :

WHEREAS, Rydal Water Company was duly organized under the laws of the Commonwealth of Pennsylvania for the supply of water to the public in the township of Abington, in the county of Montgomery and Commonwealth aforesaid, on the twenty-seventh day of January, 1905, and the certificate of incorporation thereof was duly recorded in the county of Montgomery aforesaid on the third day of February, 1905, in Miscellaneous Book No. 58, page 288, and in the county of Philadelphia and Commonwealth aforesaid on the sixth day of February, 1905, in Charter Book No. 31, page 52, &c.

AND WHEREAS, pursuant to proceedings duly had under the Act of Assembly of the Commonwealth of Pennsylvania approved the twenty-second day of April, A. D. 1893, entitled "An Act regulating the change of corporate titles," the Secretary of the Commonwealth aforesaid, under certificate bearing date the twenty-seventh day of July, 1908, and recorded in the county of Montgomery aforesaid in Miscellaneous Book No. 67, page 347, &c., and in the county of Philadelphia in Charter Book No. 37, page 525, certified that the name, style and title of the

Rydal Water Company was thereby changed to SPRINGFIELD CONSOLIDATED WATER COMPANY.

AND WHEREAS, at a meeting and election of the stockholders of the said WATER COMPANY, convened at the general office of said Company in the city of Philadelphia on the twenty-eighth day of September, 1908, at which meeting all the stockholders of the WATER COMPANY were present either in person or by proxy, having duly waived the sixty days' notice of said meeting required to be given by the seventh section of the sixteenth article of the Constitution of said Commonwealth, the following resolution was unanimously adopted by the vote of all the stockholders and the entire capital stock of the WATER COMPANY in favor thereof, to wit:

"RESOLVED, that the indebtedness of this Company be increased from nothing to Twenty-five million dollars (\$25,000,000) by the issue of bonds of this Company bearing interest at the rate of five per cent, per annum, in such denominations as may be determined and approved of by the Board of Directors, with semi-annual interest coupons thereto attached, the principal of said bonds to be payable on the first day of November, 1958, but payable at the option of this Company at the price of One hundred and two and a half per cent. of par and accrued interest at any interest-paying period on or after November 1st, 1913, and both principal and interest to be payable in lawful gold coin of the United States of America of the present standard of weight and fineness, or its equivalent, without deduction for any tax or taxes which may be assessed or levied thereon by the United States, the State of Pennsylvania, or by any municipality of said State, which taxes this Company shall bind itself to pay, the payment of said issue of bonds and all interest thereon to be secured by a first mortgage to COLUMBIA AVENUE TRUST COMPANY of all the franchises and property of this Company, real, personal and mixed, now owned and held or hereafter to be acquired by it, in such form and subject to such covenants and conditions as shall be determined and approved of

by the Board of Directors; and for the purpose of fully executing and carrying out the objects expressed in this resolution, all necessary power and authority is hereby conferred upon the Board of Directors."

AND WHEREAS, due return of said election has been made and filed in the office of the Secretary of the Commonwealth of Pennsylvania.

AND WHEREAS, pursuant to the authority conferred by said vote of said stockholders at a meeting of the Board of Directors of the said WATER COMPANY duly called and held on the 28th day of September, 1908, it was unanimously resolved:

1. That in pursuance of the consent given by the stockholders of this Company to the increase of its indebtedness from nothing to Twenty-five million dollars (\$25,000,000), the President and Secretary of this Company be and the same are hereby authorized and directed to execute in the name and on the behalf and under the corporate seal of this Company, bonds of this Company to the aggregate amount of Twenty-five million dollars (\$25,000,000), bearing interest at the rate of five per cent. per annum, all to be dated November 2nd, 1908, payable on the first day of November, 1958, with interest thereon from and after the second day of November, 1908, with semi-annual interest coupons thereto attached, payable on the first day of May and November in each and every year, until the maturity of the bonds, which bonds and coupons, save as to numbers and amounts, are all of like tenor and date, both principal and interest to be payable in gold coin of the United States of America of the present standard of weight and fineness, or its equivalent.

2. That said bonds shall be issued in the following denominations:—

Twenty thousand (20,000), numbered from one (1) to twenty thousand (20,000), both inclusive, in the denomination of One thousand dollars (\$1000) each.

Nine thousand (9000) to be numbered from twenty thousand and one (20,001) to twenty-nine thousand (29,000), both

inclusive, in the denomination of Five hundred dollars (\$500) each.

Five thousand (5000) to be numbered from twenty-nine thousand and one (29,001) to thirty-four thousand (34,000), both inclusive, in the denomination of One hundred dollars (\$100) each.

3. That each of said bonds shall have endorsed thereon the certificate of the TRUSTEE under the mortgage to secure the payment thereof, and shall have interest coupons attached bearing the number of the bond to which they are attached, and authenticated by an engraved fac-simile signature of the Treasurer, which shall be as binding upon the Company as if the signature of the Treasurer of the Company were affixed to such interest warrants in his own proper handwriting, and which said bonds, coupons and certificates, saving as to numbers, signatures, dates and amounts, are all to be substantially in the following form, that is to say:

UNITED STATES OF AMERICA.

State of Pennsylvania.

(Vignette)

SPRINGFIELD CONSOLIDATED WATER COMPANY.

	\$1000
	or
No.....	\$500
	or
	\$100
First Mortgage Five Per Cent. Gold Bond.	

FOR VALUE RECEIVED, SPRINGFIELD CONSOLIDATED WATER COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of Pennsylvania, acknowledges itself indebted and hereby promises to pay to bearer, or if registered as hereinafter provided for, to the registered owner hereof,

the sum of One thousand (1000) or Five hundred (500) or One hundred (100) dollars in gold coin of the United States of America of the present standard of weight and fineness, or its equivalent, at the office of COLUMBIA AVENUE TRUST COMPANY in the city of Philadelphia, on the first day of November, in the year 1958, with interest thereon at the rate of five per cent. per annum, payable semi-annually from the date hereof, in like gold coin on the first days of May and November in each and every year, at the office of the said COLUMBIA AVENUE TRUST COMPANY in the city of Philadelphia, State of Pennsylvania, upon presentation and surrender of the annexed coupons therefor as they severally mature.

Both the principal and interest of this bond are payable without deduction for any United States, State, municipal, or other tax or taxes, which the said SPRINGFIELD CONSOLIDATED WATER COMPANY may be required to pay or deduct therefrom, under or by reason of any present or future law; the said SPRINGFIELD CONSOLIDATED WATER COMPANY hereby agreeing to pay such tax or taxes.

This bond is one of a series of Thirty-four thousand bonds amounting in the aggregate to Twenty-five million dollars (\$25,000,000)—twenty thousand thereof, numbered from one to twenty thousand (1—20,000) inclusive, being of the denomination of One thousand dollars (\$1000.00) each; nine thousand thereof, numbered from twenty thousand and one to twenty-nine thousand (20,001—29,000) inclusive, being of the denomination of Five hundred dollars (\$500.00) each; and five thousand thereof, numbered from twenty-nine thousand and one to thirty-four thousand (29,001—34,000) inclusive, being of the denomination of One hundred dollars (\$100.00) each—all being, except as to numbers and amounts, of like tenor, date and effect, and are executed and delivered upon and in pursuance of appropriate resolutions of the stockholders and Board of Directors of the said SPRINGFIELD CONSOLIDATED WATER COMPANY, and are payable without preference, priority or distinction of one over another.

Payment of said bonds and coupons is secured by and in

the manner and upon the terms stated in and by a certain mortgage or deed of trust executed and delivered by the said SPRINGFIELD CONSOLIDATED WATER COMPANY, bearing date the second day of November, 1908, conveying to the said COLUMBIA AVENUE TRUST COMPANY as TRUSTEE all the real and personal property, franchises, rights and privileges of the said WATER COMPANY, of every name, nature and description and wheresoever situate, whether now owned and held or hereafter to be acquired by it, IN TRUST for the holders of said bonds, which mortgage or deed of trust is hereby referred to for a description of the mortgaged property, and the nature and extent of the security, the rights of the holders of the bonds secured by it, and the terms and conditions upon which said bonds are issued, and which rights, terms and conditions are made a part of this bond.

This bond shall become payable at the price of One hundred and two and one-half per cent. and accrued interest at the option of the SPRINGFIELD CONSOLIDATED WATER COMPANY at any interest period on or after November 1, 1913, notice thereof to be given to the holder hereof by advertisement twice a week for three weeks in two newspapers published in the city of Philadelphia, State of Pennsylvania, that said bond is called for payment at the price of One hundred and two and one-half per cent. and accrued interest on the date to be stated in said advertisement, after which date so fixed for payment, all interest hereon shall cease in accordance with the terms of said mortgage, as by reference thereto will more fully and at large appear.

This bond may, at the option of the owner, be registered in the name of the owner on the SPRINGFIELD CONSOLIDATED WATER COMPANY'S books, at the office of the COLUMBIA AVENUE TRUST COMPANY, in the city of Philadelphia, State of Pennsylvania, and a certificate of such registration shall be endorsed hereon; and upon such registration, the registered owner only, or the legal representative of such owner, shall be entitled to receive the principal of this bond. Such registered owner may, however, make this bond transferable by delivery, by registering the same on the books of said Company to bearer, and having a certificate

of such registration endorsed hereon; and successive registrations may, in like manner, be made from time to time, in the name of the owner, or to bearer, at the option of any holder hereof. The coupons shall in all cases be negotiable by delivery, whether the bond itself be registered or not.

This bond shall not become obligatory for any purpose until it shall have been authenticated by the endorsement of the TRUSTEE under said mortgage or deed of trust, upon the certificate hereon provided for such purpose.

No action shall be maintained by any holder of this bond against any stockholder or director of the WATER COMPANY individually to enforce any statutory or contractual liability.

IN WITNESS WHEREOF, the said SPRINGFIELD CONSOLIDATED WATER COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereunto affixed, and to be duly attested by its Secretary, and the coupons attached hereto to be authenticated by an engraved fac-simile signature of its Treasurer, the second day of November, in the year one thousand nine hundred and eight (1908).

SPRINGFIELD CONSOLIDATED WATER COMPANY,

(Corporate Seal) By President.

Attest: Secretary.

COUPON.

\$

May,

On the first day of or 19 , for value received, the November,

SPRINGFIELD CONSOLIDATED WATER COMPANY promises to pay to the bearer, at the office of the COLUMBIA AVENUE TRUST

COMPANY, in the city of Philadelphia, State of Pennsylvania,
 (\$25.00)
 Twenty-five or Twelve 50/100 or Two 50/100 dollars (\$12.50)
 (\$ 2.50)
 in United States gold coin of the standard of weight and fineness
 of November 2nd, 1908, or its equivalent, being six months' in-
 terest due on that day on its first mortgage bond No.

.....
 Treasurer.

TRUSTEE'S CERTIFICATE.

This bond is one of the bonds described in the within men-
 tioned mortgage.

COLUMBIA AVENUE TRUST COMPANY, TRUSTEE,
 By

.....
 President.

AND WHEREAS, at the meeting of the Board of Directors
 aforesaid, it was also unanimously resolved that for the purpose
 of securing the payment of the said issue of Twenty-five million
 dollars (\$25,000,000) of bonds as aforesaid, the President and
 Secretary of the SPRINGFIELD CONSOLIDATED WATER COMPANY
 be and they thereby were authorized and directed to execute and
 deliver under the seal of the said corporation a mortgage or deed
 of trust to COLUMBIA AVENUE TRUST COMPANY in the form
 then presented and approved, being the form of this present
 indenture.

AND WHEREAS, all things necessary to make said bonds,
 when certified by said TRUSTEE as in these presents provided,
 valid, binding, legal and negotiable obligations of the said
 WATER COMPANY, and these presents a valid mortgage to secure
 the payment of said bonds, have been done and performed, and
 the creation and issue of said bonds and mortgage have been
 in all respects duly authorized.

Now Therefore This Indenture Witnesseth: That in order to secure the due and punctual payment of the principal and interest of all bonds secured by and issued or to be issued in accordance with this indenture of mortgage at any time outstanding, according to their tenor and effect, and also to secure the fulfillment of the conditions and covenants hereinafter contained, and in consideration of the purchase and acceptance of said bonds by the holders thereof, and of the sum of One dollar to the WATER COMPANY duly paid by the TRUSTEE at or before the ensealing of these presents, the receipt whereof is hereby acknowledged, and of the acceptance by the TRUSTEE of the trust hereby created, the SPRINGFIELD CONSOLIDATED WATER COMPANY has granted, bargained, sold, aliened, conveyed and confirmed, remised, released, assigned, transferred and set over unto COLUMBIA AVENUE TRUST COMPANY as TRUSTEE, its successors and assigns forever, all and singular the property, rights and franchises of the WATER COMPANY, viz:—

1. All the following described six certain lots or pieces of land and other property on the Neshaminy Creek, comprising a saw-mill and other buildings situate partly in the village of Newportville and partly in the township of Bristol and in the township of Bensalem, in the county of Bucks and State of Pennsylvania, bounded and described as follows, to wit:

One of the said pieces of land, whereon the saw-mill is erected, beginning in the edge of Neshaminy Creek in the middle of the Trenton Road; thence up said road and through the middle of the abutment of the bridge, south seventy-seven degrees east, to the northwest side of the race; thence up the side of the race all the way to the abutment of the dam; thence by the abutment of the dam to the edge of Neshaminy Creek, and thence down the same to the place of beginning.

Another of the said pieces of land beginning in the southeast side of the race in the middle of the Trenton Road aforesaid, south seventy-seven degrees east, to a corner, and north sixty-nine and one-half degrees east, two and eight-tenths perches, to a corner; thence north twenty-five and one-quarter degrees east,

two and four-tenths perches, to the side of said road at a corner of land of David P. Everitt; thence following the same course along the upper side of the creek-side or Hulmeville Road and by land of said David P. Everitt, ten and eight-tenths perches, to land now or late of Edmund Rue; thence by said land, crossing Hulmeville Road, north sixty-eight and three-quarters degrees west, three perches, to the side of the race aforesaid, and thence down the race to the place of beginning.

Another of said pieces of land, called the Board Yard Lot, beginning at the intersection of the Bristol Road with the aforesaid Trenton Road; thence along said Bristol Road by land of the estate of Charles G. Artzt, deceased, south twenty-one and one-quarter degrees west, twelve and seventy-six hundredths perches, to a corner of other land of said Artzt Estate; thence by the same, north sixty-two and three-quarters degrees west, four and twenty-nine hundredths perches, north twenty-two degrees east, twenty feet, north sixty-two and three-quarters degrees west, twenty feet, and north twenty-two degrees east, six and thirteen-hundredths perches, to the middle of the aforesaid Trenton Road, and thence up the same, north sixty-nine and one-half degrees east, seven and twenty-five hundredths perches, to the place of beginning.

Another of said pieces of land, whereon the dwelling-house is erected, beginning in the said creek-side road at a corner of land of William R. Vandegrift, thence along said road by the aforesaid lot and other property of the estate of Charles G. Artzt, deceased, south twenty-six and one-half degrees west, five and three-tenths perches, to line of land now or late of Moses Larue; thence up said Larue's line, south sixty-three and one-half degrees east, fifteen and fifty-two hundredths perches, to a stone in the Bristol Road aforesaid; thence along the said road by land of Lena Goslin, north twenty-one and a half degrees east, five and six-tenths perches, to another corner of land of William R. Vandegrift; and thence by the same, north sixty-three and one-half degrees west, fourteen and seventy-two hundredths perches, to the place of beginning.

Another of said pieces of land beginning in the edge of said

creek at the lower corner of lot now or late of Moses Larue; thence by said lot, south sixty-three and one-half degrees east, to a corner of land of Jesse Trump, in the creek-side road; thence along said road by the Trump lot and by lot late of Jacob Van Horn, south twenty-six and one-half degrees west, six and ninety-six hundredths perches; thence by land now or late of John Murphy, south three and eighty-eight hundredths perches, to lot of Garrett Vandegrift; thence by same, north sixty-three and one-half degrees west, to the edge of Neshaminy Creek, and thence up the same to the place of beginning.

Another of said pieces of land beginning in the edge of Neshaminy Creek at another corner of land of Garrett Vandegrift, and thence by same, south seventy and one-quarter degrees east, six and three-tenths perches, to the middle of said creek-side road; and thence along the same, south eleven and one-half degrees west, and by lot now or late of Robert B. Lovett, eleven and seven-tenths perches, to land now or late of Joseph Satterthwaite; thence by same, north seventy and three-quarters degrees west, to the edge of the creek aforesaid, seven perches; and thence up the same to the place of beginning.

Also all the right, title and interest which the said mortgagor has to and in any land along the creek between the two last described lots and one equal undivided third part of the dam, the race and the ground occupied by and belonging with said dam and race, described as follows: Beginning in the middle of the aforesaid Trenton Road and thence up the side of the race by the second described lot to a corner of same; thence continuing up the southeast side of the race by land now or late of Edmund Rue, north fourteen degrees east, twenty-four perches, to a corner; thence by land late of John Goslin and near the side of the race, north two degrees east, twenty-seven and two-tenths perches; thence by land now or late of George Goslin and near the side of the race, north one degree east, five and forty-eight hundredths perches, north twelve and one-half degrees east, eight perches, north twenty-three and one-half degrees east, three perches, and north sixteen and one-half degrees east, twenty perches, to a corner; thence up the side of the race aforesaid

and by land now or late of Edward Croasdale to the edge of the creek above the dam, and thence up the edge of the creek to the upper corner of the last mentioned lot; thence crossing over said creek and extending up it to a corner of land of John Praul; thence by said Praul's land, south twenty-two degrees west, thirteen and two-tenths perches, south thirty-two and one-half degrees west, twenty-seven perches, to a white oak, south forty-seven degrees west, twenty and eighty-four hundredths perches, north eighty degrees west, seventy and eight-hundredths perches, to a white oak, south eighteen degrees west, two and eight-hundredths perches, and south eighteen degrees east, eleven and eighty-four hundredths perches, to said Neshaminy Creek below the dam; thence across the creek and up the edge of same by the first described lot to the abutment of the dam, and thence by said abutment to the northwest side of the race; thence continuing by the same lot down the northwest side of the race to the middle of the aforesaid Trenton Road; and thence crossing the race to the place of beginning. Also one equal undivided third part of the whole water-power formed by said race and dam, the owner of the above described saw-mill to bear one-third of the whole expense of keeping up and in repair the said race and dam at all times hereafter, and the owner of the adjacent merchant and grist mill to judge what is necessary for these purposes; both mills to have the right of running at all times hereafter when there is water running over the dam; while the water does not run over the dam, the saw-mill shall have the right of running on Tuesdays and Fridays of each and every week, and the merchant and grist mill the balance of the week; the owners of both said mills respectively shall have the right at all times hereafter of entering on and taking the ground on both sides of the race from the bridge to the dam for the purpose of repairs.

Also all those two certain lots or pieces of land and other property, comprising a merchant and grist mill, with the buildings thereon, situate on Neshaminy Creek, partly in the village of Newportville, township of Bristol, and partly in the township of Bensalem, county of Bucks and State of Pennsylvania, one

thereof beginning in the edge of said creek at a corner of lot of Mary Reeder; thence by same, south sixty-three and one-half degrees east, to a corner of land of Edward Baker in the creek-side road; thence along the said road by land of said Edward Baker and Frederick Morrill, north twenty-six and one-half degrees east, nine and eighty-four hundredths perches, to a corner; thence by said Morrill's land, south sixty-three and one-half degrees east, fourteen and five-tenths perches, to a corner in the upper or Bristol Road; thence along said Bristol Road by land of Mahlon G. Hibbs, north twenty-one and one-quarter degrees east, five and sixty-three hundredths perches, to a corner of the Board Yard Lot; thence by the same, north sixty-two and three-quarters degrees west, four and twenty-nine hundredths perches, north twenty-two and a quarter degrees east, twenty feet, north sixty-two and three-quarters degrees west, twenty feet, and north twenty-two degrees east, six and thirteen-hundredths perches, to the middle of the Trenton Road; thence down said road, south sixty-nine and one-half degrees west, eleven and two-tenths perches, to a corner in the creek-side road aforesaid; thence down the middle of said Trenton Road and through the abutment of the bridge, north seventy-seven degrees west, to the edge of said Neshaminy Creek, and thence down the edge of said creek to the place of beginning; with the privilege to the said mortgagor, its successors and assigns, of a right of way from the wood-house lot on the above described premises over the end of said Board Yard Lot, toward Bristol, to the public road, twelve feet wide.

The other of said pieces of land beginning in the side of the mill-race; thence by lot now or late of George Goslin, south sixty-nine degrees east, five and five-tenths perches, to the middle of the creek-side road leading to Hulmeville; thence up said road, north twenty-two degrees east, eleven and seventy-five hundredths perches, to a corner of land of Benjamin Smith; thence by land of said Smith, south sixty-eight and one-half degrees east, nine and eighty-four hundredths perches, to land of Philip Wistler; thence by said Wistler's land, north ten degrees west, nineteen and twelve-hundredths perches, to a corner in the middle

of the aforesaid Hulmeville creek-side road; thence by said road, north twenty-two degrees east, twenty-four and four-tenths perches, to the edge of said Neshaminy Creek above the dam; thence down the edge of said creek to the race, and down the side of the race to the place of beginning.

And also two equal undivided thirds part of the dam, the race and the ground occupied by and belonging with said dam and race, described as follows: Beginning in the middle of the aforesaid Trenton Road; thence up the southeast side of the race by land of Edward Baker to a corner of same; thence continuing up the same side of race by land of Samuel Everitt, north fourteen degrees east, twenty-four perches, to a corner; thence by land late of John Goslin near the side of the race, north two degrees east, twenty-seven and two-tenths perches, to a corner; thence by land now or late of George Goslin and near the side of race, north one degree east, five and forty-eight hundredths perches, north twelve and one-half degrees east, eight perches, north twenty-four and one-half degrees east, three perches, and north sixteen and one-half degrees east, twenty perches, to a corner; thence up the side of the race aforesaid and by lot last described to the edge of the creek above the dam; and thence up said edge of the creek to the upper corner or point of said land last described; thence crossing said Neshaminy Creek and extending up it to corner of land late of John Praul; thence by same, south twenty-two degrees west, thirteen and two-tenths perches, south thirty-two and one-half degrees west, twenty-seven perches, to a white oak, south forty-seven degrees west, twenty and eighty-four hundredths perches, north eighty degrees west, seven and eight-hundredths perches, to a white oak, south eighteen degrees west, two and eight-hundredths perches, and south eighteen degrees east, eleven and eighty-four hundredths perches, to said creek below the dam; thence crossing said creek and up the edge of same by another lot of said Edward Baker to abutment of the dam; thence by said abutment to the northwest side of the race; thence continuing down the said side of the race and by said Baker's land to the middle of the aforesaid Trenton Road; and thence crossing the race to the place of beginning.

Also two equal undivided thirds part of the whole water-power formed by said race and dam, the owner of said merchant and grist mill at all times hereafter to bear two-thirds of the expense of keeping in repair the dam and race, and have the right of judging what is necessary for those purposes, and of entering on and taking ground on both sides of the race for same; the said merchant and grist mill to have the right of running at all times when water shall run over the dam, but, when it does not run over, then on all other days of the week excepting Tuesdays and Fridays.

Excepting thereout a certain lot or piece of ground conveyed by Gottlieb Boehringer and Julia his wife to Benjamin F. Brown, by indenture bearing date the twenty-fourth day of February, 1903, recorded in Deed Book No. 303, page 524, &c., and a certain lot or piece of ground conveyed by George W. Boileau and wife to Benjamin F. Brown, by indenture bearing date the tenth day of June, 1884, recorded in Deed Book No. 211, page 418, &c.

Together with all the rights reserved in the above mentioned deed from George W. Boileau and wife to Benjamin F. Brown.

Excepting and reserving unto the said Gottlieb Boehringer, his heirs and assigns, out of the premises above described and conveyed, all those two certain lots or pieces of ground, with the buildings and improvements thereon erected, one thereof beginning at a corner near a bridge on the southerly side of a public road leading to Trenton, thence extending along the southerly side of said road (with magnetic bearings), north seventy-five degrees thirteen minutes east, along a stone wall and a board fence, two hundred and forty-five feet; thence south thirty-five degrees twenty-eight minutes east, six and seven-tenths feet, to the westerly side of a public road leading to Hulmeville; thence along the last mentioned road, following the fence, south twenty-five degrees twenty-nine minutes west, two hundred and forty-one and three-tenths feet; thence leaving said road and following the fence, north sixty degrees forty-four minutes west, one hundred and ninety-eight and eight-tenths feet to the easterly side of the lower road leading to Hulmeville;

thence along the same, along a stone wall, north twenty-nine degrees fifty-four minutes east, seventy-three and three-tenths feet to the place of beginning. Containing seventy-two hundredths of an acre, more or less. And the other thereof beginning on the easterly side of the aforesaid lower road leading to Hulmeville, at the distance of seventy-four and five-tenths feet, more or less, southwestwardly, measured along said road, from the southwesternmost corner of the lot above described, and extending south sixty degrees two minutes east, following the fence, two hundred and two and seven-tenths feet; thence south twenty-seven degrees forty-five minutes east, five and one-tenth feet; thence along the westerly side of the aforesaid road leading to Hulmeville, following the fence, south twenty-five degrees three minutes west, ninety feet; thence leaving said road and following the fence, north fifty-nine degrees forty-one minutes west, two hundred and fourteen and six-tenths feet, to the easterly side of the aforesaid lower road leading to Hulmeville; and thence along the easterly side of same, along a stone wall, north twenty-nine degrees fifty-four minutes east, ninety-one and one-tenth feet, to the place of beginning. Containing forty-four hundredths of an acre, more or less.

And granting unto the said Rydal Water Company, its successors and assigns, all water rights in Neshaminy Creek, the dam and the race, belonging or appertaining to the premises above described and conveyed and all other land of the grantor adjoining or adjacent thereto.

Being the same premises which George S. Cheyney, by indenture bearing date the twenty-seventh day of November, 1905, and recorded in Bucks County, Pennsylvania, in Deed Book No. 329, page 583, &c., granted and conveyed unto Rydal Water Company in fee.

2. Also all the estate, right, title and interest of the WATER COMPANY in a certain lease by and between Springfield Water Company, Lessor, and the SPRINGFIELD CONSOLIDATED WATER COMPANY, Lessee, of all the corporate property, real, personal or mixed, of the Lessor, for the term of ninety-nine years, bearing date the twenty-eighth day of September, A. D. 1908, and

recorded in the county of Delaware, State of Pennsylvania, in Deed Book F. No. 13, page 71, &c., and in the county of Montgomery, State of Pennsylvania, in Miscellaneous Book No. 68, page 67, &c.

3. Also all the estate, right, title and interest of the WATER COMPANY in a certain lease by and between North Springfield Water Company, Lessor, and SPRINGFIELD CONSOLIDATED WATER COMPANY, Lessee, of all the corporate property, real, personal or mixed, of the Lessor, for the term of ninety-nine years, bearing date the twenty-eighth day of September, A. D. 1908, and recorded in the county of Montgomery, State of Pennsylvania, in Miscellaneous Book No. 68, page 59, &c., and in the county of Chester, State of Pennsylvania, in Miscellaneous Deed Book No. 35, page 27, &c., and in the county of Delaware, State of Pennsylvania, in Deed Book F. No. 13, page 64, &c., and in the county of Philadelphia and State of Pennsylvania, in Deed Book W. S. V. No. 1091, page 51, &c.

4. Also all the estate, right, title and interest of the WATER COMPANY in a certain lease by and between Eddystone Water Company, Lessor, and SPRINGFIELD CONSOLIDATED WATER COMPANY, Lessee, of all the corporate property, real, personal or mixed, of the Lessor, for the term of ninety-nine years, bearing date the twenty-eighth day of September, 1908, and recorded in the county of Delaware, State of Pennsylvania, in Deed Book S. No. 12, page 235.

5. Also all the estate, right, title and interest of the WATER COMPANY in a certain lease between Conshohocken Gas and Water Company, Lessor, and SPRINGFIELD CONSOLIDATED WATER COMPANY, Lessee, of all the corporate property, real, personal or mixed, of the Lessor, for the term of ninety-nine years, bearing date the twenty-eighth day of September, 1908, and recorded in the county of Montgomery, State of Pennsylvania, in Miscellaneous Book No. 68, page 74, &c.

Also all the shares of the capital stock now owned by the SPRINGFIELD CONSOLIDATED WATER COMPANY of the following Water Companies, which have leased all their corporate property, real, personal or mixed, to the WATER COMPANY, as hereinafore recited, to wit:

1. Springfield Water Company.
2. North Springfield Water Company.
3. Eddystone Water Company.
4. Conshohocken Gas and Water Company.

being more than a majority in amount of the authorized capital stock of each of the said four Lessor Companies above named, certificates for which, endorsed for transfer in blank, were delivered to the TRUSTEE at the time of the execution and delivery of this mortgage or deed of trust, together with any additional shares of the capital stock of each of the said four Lessor Companies which may hereafter be acquired by the WATER COMPANY and which the WATER COMPANY hereby agrees to transfer in blank to the TRUSTEE immediately upon purchasing or coming into possession of the same.

Also all the property of every name and nature which from time to time hereafter, by delivery or by writing of any kind, for the purpose hereof, may be expressly conveyed, assigned or mortgaged or delivered and pledged by the WATER COMPANY or by any one on behalf of the WATER COMPANY with its written consent or approval to the TRUSTEE herein as additional security for the payment of the bonds issued and to be issued hereunder, and the TRUSTEE shall receive, hold and apply all such property, subject to the trusts, terms and provisions of this mortgage or deed of trust.

Also all other property, real, personal or mixed, and corporate franchises now owned or hereafter in any wise to be acquired by the WATER COMPANY, including all erections and buildings, machines and machinery, engines and dynamos, reservoirs, stand-pipes, pumps, wells, hydrants, plugs, pipes, steam-pipes, main and distribution pipes, water works, plant and fixtures and other construction, and all equipments, tools, implements, fixtures and appliances of every kind and nature, manufactured, constructed, built, laid, purchased, or in any way acquired in or about the construction, maintenance and operation of the water works and plants now owned or leased by the WATER COMPANY, and including also all extensions, additions, enlargements, renewals, improvements or replacements made or to be made to any or

to all of the said plants or property now owned or leased by the WATER COMPANY, or any part or parts thereof, and also all rights of way, franchises, grants, licenses, rights, interests, privileges and immunities, corporate or otherwise, of every nature and description whatsoever, and also all stocks, bonds and securities of other companies, and all contracts, leases, privileges, easements, and also all the estates, titles, reservations, remainders, claims, and demands which the WATER COMPANY now owns, enjoys or holds, or may or shall hereafter acquire by means of the proceeds of any of the bonds hereby secured, or otherwise, and also the earnings, tolls, rents, issues, income and profits of the WATER COMPANY and all its plant, system and properties now or hereafter owned or leased by it; it being expressly declared that the particular descriptions of real and personal property herein shall not be construed to exclude any other property which is now owned or may hereafter be acquired by the WATER COMPANY.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any wise appertaining, and the reversions and remainders, tolls, rents, issues and profits accruing therefrom, and also all and singular the corporate franchises, privileges, contracts, rights and liberties which the WATER COMPANY now has and can exercise, or which it shall or may hereafter acquire or possess, and also all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the WATER COMPANY of, in and to the franchises and property, real, personal or mixed, rights, privileges and contracts above described, whether now owned or hereafter to be acquired, and each and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD all and singular the above granted and described premises, franchises, rights, privileges, contracts, leases, shares of stock and property, whether now owned or hereafter to be acquired by the WATER COMPANY with the appurtenances, unto the said TRUSTEE and its successor, successors and assigns.

IN TRUST NEVERTHELESS to secure the payment of the principal and interest of the said issue of Twenty-five million dollars

(\$25,000,000) of bonds of the WATER COMPANY hereinbefore recited, and the payment of which is intended to be hereby secured, without preference, priority or distinction of one bond over another by reason of the time of issue or negotiation, or otherwise.

AND IT IS EXPRESSLY COVENANTED AND AGREED by and between the parties hereto, that the further trusts, uses, purposes, conditions and covenants upon which the said property and franchises hereby mortgaged and conveyed, or intended so to be, are to be held by the TRUSTEE, and subject to which the said bonds secured hereby are to be issued and are to be held by each and every holder thereof, are as follows:

FIRST: The WATER COMPANY shall forthwith, by the hands of its proper officers as herein provided and under its corporate seal, execute and deliver unto the TRUSTEE, to be certified by it, the coupon bonds hereby described and hereby secured.

TRUSTEE shall set apart and certify from time to time six thousand (6000) bonds of one thousand (\$1000) dollars each hereby secured, numbered from one (1) to six thousand (6000) inclusive, and amounting altogether to six million dollars (\$6,000,000), to be held by it for the purpose of redeeming all the outstanding bonds, the payment of which is secured by the mortgage of any corporate property, real, personal or mixed, leased to the SPRINGFIELD CONSOLIDATED WATER COMPANY by any of the four Lessor Companies hereinbefore mentioned, to wit: Springfield Water Company, North Springfield Water Company, Conshohocken Gas and Water Company, and Eddystone Water Company.

Whenever there shall have been delivered to the said TRUSTEE under this mortgage any bonds secured by the mortgage of any corporate property, real, personal or mixed, leased to the WATER COMPANY as aforesaid, together with their coupons, or whenever the said TRUSTEE shall have received proper evidence of the cancellation thereof, then it shall deliver to the WATER COMPANY an equal amount of the bonds hereby secured,

after having first detached and canceled the coupons due prior to the time of said delivery.

Under and subject to the foregoing provision for the redemption of bonds secured by mortgage of any corporate property, real, personal or mixed, leased to the WATER COMPANY as aforesaid, the Trustee shall from time to time certify and deliver said issue of bonds hereby secured in separate portions unto the Treasurer of the WATER COMPANY when and as the TRUSTEE shall be furnished with a duly certified copy of a resolution of the Board of Directors of the WATER COMPANY authorizing and directing the TRUSTEE to deliver the said bonds to the said Treasurer, or upon his order in writing, and appointing the said Treasurer as the officer to act for and in behalf of the WATER COMPANY with full power and authority to receive said bonds and receipt therefor.

SECOND: The WATER COMPANY covenants and agrees that it will fully and entirely pay off and satisfy the whole of said bonds to be issued hereunder, principal and interest, according to the terms thereof, in lawful gold coin of the United States of America of the present standard of weight and fineness, or its equivalent. But it is further agreed, however, that until default shall be made in the payment of the principal or interest of said bonds to be issued hereunder, or some of them, or in the performance by the WATER COMPANY of any of the covenants of the said bonds or coupons or of this indenture, the WATER COMPANY shall possess, operate, maintain and enjoy all the franchises, rights and property of every kind, conveyed by this deed of trust, or intended so to be, and every part thereof, with the appurtenances, and take and use the tolls, income, rents, issues and profits thereof, and apply the same to its sole use and benefit, in the same manner and with the same effect as if this deed had not been made, but in such manner as will not impair the security hereby created; and until such default, the said TRUSTEE shall permit and suffer the WATER COMPANY to retain all the powers and privileges belonging or incident to the ownership of the shares of stock hereby pledged or mortgaged, or

intended so to be, including the right to receive and retain the interest and dividends thereon, but subject to the right of the TRUSTEE to have all of the said shares of stock duly registered in its name as TRUSTEE, and the certificates thereof deposited with it. Provided, that whenever requested so to do, the TRUSTEE shall and will execute and deliver to the WATER COMPANY, or to such person or persons as may be designated by its Board of Directors, such powers, authorities, proxies, and dividend orders, from time to time, as may be necessary or expedient for exercising and enjoying the powers and privileges hereby retained and reserved to the WATER COMPANY. Provided further, that none of the said shares shall or may be voted so as to authorize the creation of any lien, charge or encumbrance prior to the lien or obligation of this indenture, or affecting the priority thereof in any wise, or to authorize the execution and delivery of any mortgage or debenture bond by any of the said Companies whose shares of stock are hereby pledged or mortgaged, or intended so to be, or to authorize the increase of the capital stock or indebtedness of any of said Companies, and the said restrictions shall be contained in each proxy given by the TRUSTEE, in pursuance of the terms hereof.

If the WATER COMPANY shall pay the principal of all the bonds hereby secured at their several and respective dates of maturity under the terms and provisions of this indenture, and all the interest thereon, to the holders thereof when and as the said principal and interest shall become due according to the tenor and effect of the said bonds and in accordance with the provisions of this indenture, and shall well and truly keep, perform and observe all the agreements and things herein agreed and required to be kept, performed and observed by it according to the true intent and meaning of these presents, then and in that case the estate, right, title and interest of the TRUSTEE and of its successors in the trust hereby created in and to the franchises, property, leases, rights, lands and premises hereby granted and conveyed shall cease and determine, and these presents shall become void, otherwise the same shall be and remain in full force and virtue. And whenever the said bonds hereby secured shall

be fully paid, principal and interest, or if after the maturity of all of the bonds hereby secured under the terms and provisions of this indenture of mortgage the WATER COMPANY shall have paid to the TRUSTEE the full amount of the principal thereof with interest thereon to the respective dates of maturity of all of said bonds for the purpose of paying off the same, then this indenture shall be satisfied of record, or released and discharged by the said TRUSTEE or its successors.

IT IS ALSO UNDERSTOOD AND AGREED, that all or any of the said bonds hereby secured may be redeemed and paid off at any interest-paying period on or after November 1st, 1913, at the price of One hundred and two and one-half per cent. and accrued interest, at the option of the said WATER COMPANY, provided that the WATER COMPANY shall have given notice to the TRUSTEE of its exercise of this option at least thirty days before any such interest period of the respective year.

The bonds to be paid off by the exercise of the option of the WATER COMPANY shall be ascertained by lot in a drawing in the manner following:

The TRUSTEE shall cause to be prepared cards of equal size, containing the numbers of all outstanding bonds, one number on each card, and a drawing by number shall be made in the presence of a Notary Public until bonds for whatever amount the WATER COMPANY shall desire to exercise its voluntary option to redeem shall have been drawn.

The Notary Public shall forthwith certify in duplicate the result of said drawing, and shall in his certificate describe by numbers the bonds so drawn, and shall deliver one copy to the Treasurer of the WATER COMPANY and the other to the TRUSTEE. The said TRUSTEE shall give notice to the holders of the bonds drawn, by advertisement to be published twice a week for three successive weeks prior to the date fixed for payment, in two newspapers published in the city of Philadelphia, stating the numbers of the bonds so called for redemption and the intention of the SPRINGFIELD CONSOLIDATED WATER COMPANY to pay and redeem the said bonds so called and the time and place for the presentation thereof; and after the date so fixed and the deposit

at the place so fixed, before said time, of the amount necessary for the redemption of the said bonds, all interest from the date so fixed shall cease on the bonds so called, unless the said WATER COMPANY shall on demand of payment refuse or neglect to pay and redeem the said bonds.

THIRD: But if default shall be made by the WATER COMPANY in the payment of the interest on said bonds, or any of them, or any part thereof, or in the payment of the principal sum of said bonds, or any of them, or any part thereof, when the same shall become due according to the tenor of said bonds and coupons, or any of them, and of this indenture, or if the WATER COMPANY shall fail to make payment of its taxes and assessments duly levied or assessed, or if the WATER COMPANY shall fail to observe and perform any of the requirements made of it in said bonds and coupons or in this indenture, and such default or failure shall continue for the space of ninety days after written notice thereof has been given by the TRUSTEE to the WATER COMPANY, then and in any and every such event and irrespective of any waiver of any other or previous default or notice aforesaid, it shall be lawful for, but not obligatory upon the said TRUSTEE to terminate and put an end to the possession of said premises and property by the WATER COMPANY, and to take possession of, operate and enjoy the said property hereinbefore described, and the rents, issues and profits thereof, for the benefit of the bondholders, in which case the TRUSTEE shall be entitled to the appointment of a Receiver, having such powers and duties, and acting under such limitations as the Court making the appointment shall confer and impose; and the TRUSTEE may also, or instead of so doing, and with or without taking possession, treat the whole amount of the principal of said bonds, together with all accrued and unpaid interest, as immediately due and payable, and thereupon proceed to sell and dispose of by one sale, or successively through several sales, all and singular the stocks, leases, premises, property, rights, interests and franchises hereby pledged, conveyed and mortgaged or intended so to be, or such portion thereof as the TRUSTEE may deem neces-

sary, at public auction in said city of Philadelphia, upon such terms as to credits, partial credits and security for payment as it may think proper or expedient, having first given public notice of the time and place of the sale or sales by advertisement printed once a week for at least six successive weeks in two newspapers published in the city of Philadelphia, Pa., and no other notice or demand whatsoever, to or upon the WATER COMPANY, except the said ninety days' written notice of default prior to the commencement of said foreclosure proceedings, shall be necessary. The TRUSTEE shall have the right to adjourn such sale or sales from time to time in its discretion, giving reasonable notice of each adjournment, and after so adjourning, to make the sale at the time and place to which the same may be adjourned.

The TRUSTEE is hereby further authorized and empowered, either in its own name or in the name of the WATER COMPANY, to make, execute, acknowledge and deliver to the purchaser or purchasers at such sale, good and sufficient bills of sale, with or without powers of attorney to make transfers, or deeds of conveyance of the property so sold; and any sale made as aforesaid shall be a perpetual bar, both in law and equity, against the WATER COMPANY, and all persons claiming by, through or under it, from claiming the property, rights, interests or franchises so sold, or any interest therein.

And for the further carrying into effect of the provisions of this Article Third, the WATER COMPANY hereby appoints the TRUSTEE, or any successor in the trust, the attorney of the WATER COMPANY, in its name and behalf to ask, demand and receive, for the WATER COMPANY, payment and delivery of any and all sums of money, notes, chattels and effects, assigned and transferred to the TRUSTEE by this indenture, or intended so to be, and to give effectual releases and discharges in the name of the WATER COMPANY, to the party or parties making such payment or delivery; and for any or all of the purposes aforesaid or of this instrument, the TRUSTEE may appoint an attorney or attorneys, agent or agents, may from time to time revoke such appointment, may use the name of the WATER COMPANY, and

generally act in relation to the premises for the protection of the bondholders as it or they may think best.

As affecting the title to any property purchased at any such sale, the facts set forth in any affidavit made by the President or Secretary of the TRUSTEE, and appended to the deed of conveyance, relating to the time and manner of giving such written notice, or to the time and manner of giving such notice of the sale, shall not be open to contradiction or dispute by any party or parties, but the same shall be conclusively deemed to be true.

Out of the proceeds arising from such sale or sales, the TRUSTEE shall first defray the expenses thereof (including its just and lawful charges for services and expenses and reasonable allowance for attorney and counsel fees) and deduct any advances or expenses reasonably made or incurred by it in operating, managing or maintaining the property or business of the WATER COMPANY while in possession, and all payments made for taxes, assessments, insurance and other proper charges upon said premises and property. The balance of said proceeds shall be applied and paid as follows, to wit: If the balance shall not exceed the aggregate par value of all the bonds hereby secured, which may at the time be issued and outstanding, then the money shall all be applied in payment, or partial payment, as the case may be, of the principal of said bonds, the several bondholders to receive the net proceeds in proportion to the amount of bonds held by them respectively; and in the contingency herein provided for, after foreclosure, all coupons shall be wholly excluded from sharing in the distribution of said balance of proceeds. If, on the other hand, the balance of proceeds available for distribution shall exceed the aggregate par value of the bonds at the time issued and outstanding, then the money shall be applied first in payment of the principal of the bonds, and next in the payment, pro rata, of the interest as represented by the outstanding matured coupons, and in the case of distribution between two successive coupon days, by a just proportional part of the several coupons then next maturing.

If, after the payment of the principal of said bonds, and all interest as aforesaid, computed to the time of making the pay-

ment, any balance of said proceeds shall still remain, the remainder shall be paid over to the WATER COMPANY or its assigns.

FOURTH: The foregoing provision for the sale under the power aforesaid is cumulative with the ordinary remedy of foreclosure or suit therefor, and the TRUSTEE is also hereby given the right to make such foreclosure upon all of the property at one time and in one proceeding, or upon portions of it successively and in separate proceedings after the expiration of the said period of ninety days after the aforesaid written notice of default shall have been given by the TRUSTEE to the WATER COMPANY under the provisions of Article Third hereof. And the WATER COMPANY hereby waives any and all rights of sale and redemption, if any, now or hereafter provided by the statutes of the State of Pennsylvania.

And it is further distinctly understood and agreed that upon and after the expiration of said ninety days' notice in writing, given by the TRUSTEE to the WATER COMPANY, of any default by the WATER COMPANY under this indenture, and in any and every such event and irrespective of any waiver of any other or previous default or notice as aforesaid, the entire principal of said bonds shall, at the election of the TRUSTEE, be deemed immediately due and payable, and the TRUSTEE shall not be required to signify its said election in any manner other than by beginning a suit to foreclose or proceedings to sell the mortgaged property. In the event of a sale under the terms of this mortgage, whether under the power of sale herein contained or by virtue of a judicial decree, it shall be lawful for any bondholder or bondholders, or for the TRUSTEE, on behalf of such of them as may unite in authorizing it so to do, to purchase the property and franchises hereby conveyed or intended so to be; and the bonds and coupons then matured held by the purchasing bondholders shall be received in payment of the purchase money so bidden on said sale by them or the TRUSTEE on their behalf as a sum paid in cash, equivalent to the amount which the purchasing bondholders shall be entitled to out of the net proceeds of such sale, after deducting all legitimate costs and

expenses; provided, however, that the purchasing bondholders so requesting the TRUSTEE to purchase said mortgaged property on their behalf shall contribute in cash their proportion of the expenses of such foreclosure and sale, and in case of a purchase by the TRUSTEE under the provisions of this section the property and franchises so purchased shall be held by it IN TRUST for the benefit of such bondholders only as may have authorized it to purchase on their behalf, and free from the lien of these presents and of all equity of redemption or liability to account to the WATER COMPANY therefor.

In case of a sale of all the mortgaged premises and of the stocks and personal property hereby pledged and hypothecated, the TRUSTEE may, in its discretion, but shall not be obliged so to do, bid at such sale up to a price not exceeding the principal and interest of the bonds then outstanding, the expenses of the sale and all prior charges, and purchase the same on behalf of the holders of all the bonds issued hereunder and then outstanding in the proportion of their respective holdings. The receipt of the TRUSTEE on any such sale shall be sufficient discharge to the purchaser or purchasers for his or their purchase money; and if the sale be in parcels, each purchaser shall take good title, notwithstanding that enough may have been already received to satisfy the debt hereunder.

By whatever method or proceeding the mortgage may be foreclosed, the order and method of distribution of the net proceeds realized on a sale or sales of the property shall be as hereinbefore provided.

FIFTH: The TRUSTEE agrees, on any default in the payment of interest on the said bonds, or any other default under this indenture of mortgage, on the written request of the holder of any of the said bonds, and in any and every such event and irrespective of any waiver of any other or previous default or request as aforesaid, to give written notice to the WATER COMPANY of any such default under this indenture; but before proceeding to take possession of the mortgaged property, or to foreclose this deed or mortgage (whether the foreclosure be made by

sale under this power or otherwise), the TRUSTEE shall have the right, first, to require from the bondholders reasonable indemnity against costs and expenses, loss and liability, that may be incurred by it in so doing, and upon the tender of such reasonable indemnity by any holder or holders of said bonds at that time outstanding and unpaid, whether such indemnity shall have been previously requested of them or not, it shall be the duty of the TRUSTEE in case of default on the part of the WATER COMPANY continuing for the above-mentioned space of ninety days after written notice as aforesaid, and not waived as hereinafter provided, to take such action pursuant to the terms of this indenture as the party or the parties tendering the indemnity may in writing request.

SIXTH: No delay or omission by the TRUSTEE in exercising the rights and powers herein granted shall be held to exhaust or impair such rights and powers, or be construed as a waiver thereof, but it is hereby mutually agreed that the holder or holders of a majority in amount of the bonds outstanding at the time of any default as aforesaid on the part of the WATER COMPANY may, by an instrument in writing, signed and acknowledged by them, at any time, whether before or after the institution of foreclosure proceedings, waive or instruct the TRUSTEE to waive any such default, provided that the TRUSTEE is reimbursed for any expenses already incurred or contracted, and thereupon the TRUSTEE shall waive any such default; provided always that no such action on the part of the bondholders or of the TRUSTEE shall extend to or be taken to affect any subsequent default or impair the rights resulting therefrom.

SEVENTH: The WATER COMPANY agrees at all times, on request, to furnish the TRUSTEE a schedule showing with reasonable detail the items of the estate, property and other things covered by the lien hereof; and the WATER COMPANY covenants and agrees that having possession as aforesaid, it will diligently preserve the rights and franchises now or hereafter granted or conferred upon it by the laws of the State of Pennsylvania, or

by the ordinances of any city, town, municipality or county wherein its plant, or any part thereof, shall be constructed; and that in using or operating its plant as the same is now constructed, or as the same may be hereafter constructed or extended, it will at all times maintain and preserve the same and every part thereof, together with the fixtures and appurtenances, in good repair, working order and condition, and fully supplied with motive power and equipments. Provided, however, that until default as aforesaid, the WATER COMPANY shall have and hereby expressly reserves the right to sell, alter, remove, lease or otherwise dispose of such machinery, buildings, appliances, equipment or any other property, including real estate, covered by this mortgage, as shall have become worn out, unnecessary or unsuited, for any reason, to the business of the Company, provided it renews the same, or substitutes therefor other property of equal or greater value, or invests the proceeds in equipment or property useful in the business of the WATER COMPANY. And upon filing with the said TRUSTEE a copy of a resolution of the Board of Directors of the WATER COMPANY, certified by the Secretary, authorizing such proposed sale or exchange, and certifying that the price to be received is adequate, or that the property received in exchange therefor is of equal or greater value than the property to be so exchanged, and requesting that said TRUSTEE do execute a release of such property so to be sold or exchanged, the said TRUSTEE shall thereupon forthwith execute in due form and deliver to the WATER COMPANY its consent in writing, releasing the property so to be sold, exchanged or otherwise disposed of, from the lien of this mortgage.

The WATER COMPANY hereby covenants with the TRUSTEE that the proceeds of all such sales, or an amount of money equal thereto, shall be invested either in improving any remaining part of the mortgaged premises, or in the purchase of other property, real or personal, which property, as also any that may be acquired in exchange as aforesaid, shall thereupon be covered by and be subject to this mortgage; or the proceeds of any such sales may be, at the option of the WATER COMPANY, paid over to the

TRUSTEE, to be held by it as a sinking fund for the payment of the bonds hereby secured, at the maturity thereof. The TRUSTEE shall not be responsible in any event for its action if based on such a resolution of the Board of Directors of the WATER COMPANY.

EIGHTH: And it is further agreed that both the principal and interest of the bonds to be secured hereunder shall be payable without deduction for any tax or taxes which may be assessed or levied thereon by the United States of America, or by the State of Pennsylvania, or any municipality thereof, or other tax or taxes, which the said WATER COMPANY may be required to pay or deduct therefrom under and by reason of any present or future law; and the said WATER COMPANY hereby covenants and agrees to pay any and all such taxes. This provision shall not, however, be construed to prevent the WATER COMPANY from contesting, in good faith, the validity of any such tax or taxes. And the WATER COMPANY covenants to keep said premises and property at all times insured in such sums as shall reasonably protect the insurable property from loss by fire, lightning or cyclone, such loss, if any, to be made payable to the TRUSTEE, as its interest may appear. If the WATER COMPANY shall fail to pay any such tax or taxes, or to keep or maintain any such insurance, the TRUSTEE may pay such premiums upon the policies for said insurance, and, unless the WATER COMPANY is contesting the validity thereof, may pay such tax or taxes, and shall, in either of such events, be entitled to repayment, with interest, of the amount so advanced, as a prior lien secured by this mortgage.

In case of loss, the TRUSTEE shall allow the insurance money received to be applied by the WATER COMPANY towards the replacement of the property destroyed or injured, if the WATER COMPANY so requests in writing, and shall, upon such request, pay such money over to the WATER COMPANY for that purpose on receipt of vouchers signed by the President or Treasurer of the WATER COMPANY to the effect that said property has been replaced by new or additional plant, or by property costing as much as the amount of money paid over on such voucher; but,

if the WATER COMPANY shall not, within sixty days from the loss, request in writing to have all the insurance money so applied, then it shall be invested by the TRUSTEE in the bonds hereby secured or in other good security, and form part of the trust property hereby conveyed, and shall, together with all interest and accumulations thereon, be subject to the provisions of this indenture, in like manner as the other property hereby conveyed, except that the possession thereof shall be held by the TRUSTEE until the securities are disposed of according to this indenture.

NINTH: The WATER COMPANY covenants and agrees to cause this mortgage or deed of trust to be recorded as a mortgage, in such manner and in such places as may be required by the laws of the State of Pennsylvania, wherever the property now or hereafter embraced in this indenture may be situated, so as to preserve and protect the security of the bondholders and the rights and remedies of the TRUSTEE.

The WATER COMPANY also agrees hereafter, from time to time, during the existence of this trust and mortgage, to make, execute, acknowledge and deliver all such further instruments and conveyances as may be necessary or proper to facilitate the execution of the said trust or to further secure said bonds, all of which additional instruments and conveyances the WATER COMPANY agrees to keep properly filed and recorded.

TENTH: The WATER COMPANY covenants that, as the coupons attached to the bonds secured hereby mature, they shall be paid by it and canceled, and that no purchase or sale of or loan made upon said coupons at the request or with or without the privity of the WATER COMPANY, whether before or after maturity, and no redemption of said coupons by any guarantor of the payment of the same, shall operate to keep said coupons alive or a lien upon the mortgaged premises as against the holders of the bonds secured hereby and of the coupons annexed thereto, from and after the respective dates of payment of said coupons.

ELEVENTH: Any of the bonds issued hereunder may be registered at the option of the owner, on the books of the WATER COMPANY, at the office of the TRUSTEE, such registration to be noted also on the bonds themselves. If registered, they shall pass only by transfer on the books of the Company, noted also on the bonds; but they may be discharged from registration by being so transferred to bearer, after which they shall pass by delivery until again registered.

The coupons shall in all cases be negotiable by delivery whether the respective bonds themselves be registered or not.

The WATER COMPANY agrees that it will at all times, as long as the bonds issued hereunder, or any of them, remain outstanding and unpaid, cause to be kept at the office of the TRUSTEE, suitable books for the registration and transfer of such bonds as may be presented for the purpose; and the WATER COMPANY hereby constitutes the TRUSTEE, and its Transfer Agent or Agents, its Bond Registrar and Transfer Agents, with all usual and proper powers.

TWELFTH: And it is further agreed by and between the parties hereto, and the persons and corporations who shall become the owners and holders of any of said bonds so to be secured hereby, that no suit or action or proceeding at law shall be instituted by or in behalf of the owner or owners of any of said bonds or the coupons attached thereto, for the recovery of the moneys mentioned in any of said bonds or coupons or any thereof, saving the right hereby reserved to the party of the second part to sell the mortgaged property or to institute a foreclosure suit and compel a sale of the property hereby mortgaged, such remedy being hereby expressly declared to be exclusive. And it is hereby further agreed by and between the holders of all and singular the bonds so to be issued hereunder, and by every person and corporation who shall become such holder, that no stockholder, officer, trustee or director of the party of the first part shall, in any event, for any reason whatever, become or be personally liable for the moneys mentioned in such bond or any part thereof; and by the acceptance of

such bonds, each holder for the time being covenants and agrees that he or it will, at any time when thereunto requested, execute and deliver to any and every stockholder, officer or director of the party of the first part, for the time being, a good and sufficient release under seal of and from any and all such liability. No action shall be maintained by any holder of any of the bonds secured hereby against any stockholder or director of the WATER COMPANY individually to enforce any statutory or contractual liability.

THIRTEENTH: The term "TRUSTEE" as employed in this instrument shall be taken to mean the TRUSTEE HEREUNDER for the time being, whether said party of the second part or its successor or successors in the trust.

FOURTEENTH: And it is hereby covenanted and agreed that the trusts created by this instrument are accepted by the TRUSTEE, and it assumes the duties herein created and imposed upon it only upon the express condition that the TRUSTEE shall not incur any liability or responsibility whatever in consequence of permitting or suffering the party of the first part to retain or to be in possession of the property, estates, and premises hereby mortgaged or agreed or intended so to be, and any part thereof, and to use and enjoy the same; nor shall the TRUSTEE be or become liable or responsible for any destruction, deterioration, determination, loss, injury or damage which may be done or occur to the property and estate hereby mortgaged, or agreed and intended so to be, either by the party of the first part or its servants, or by any other person or persons whosoever; nor shall the TRUSTEE be in any way responsible for the consequence of any breach by the party of the first part of any of the covenants herein contained, nor liable to see to the application of the proceeds of any of the bonds secured hereby, nor for any act of the party of the first part or its agents or servants, nor for any failure to record or file this instrument as a mortgage or conveyance of real estate, or to re-file or renew the same, or to procure any further, other or additional instruments or further assurance, or for failure to do

any other act for the continuance of the lien of this indenture, or for failure to give notice of the existence of the lien thereof, or to extend or supplement the lien sought to be created hereby; nor shall it be any part of the duty of the TRUSTEE hereunder to effect insurance against fire or other damage of any portion of the property hereby mortgaged, or to renew any policies of fire or other insurance, or keep itself informed or advised as to the payment of any taxes or assessments that may be imposed upon the property, real or personal, affected by this mortgage; or to require the payment of such taxes or assessments; but the TRUSTEE may, in its discretion, at the expense of the WATER COMPANY, do any or all of the matters or things in this article set forth, or require the same to be done. Nor shall the TRUSTEE be held liable for any act, default or misconduct of any agent or agents or persons employed by it unless chargeable with culpable negligence in the selection of or in the continuance of their employment; nor shall the TRUSTEE be answerable except for its own wilful default or gross neglect; and in case the TRUSTEE shall enter into possession of said mortgaged premises and operate the same, as hereinbefore provided, it shall be indemnified out of the funds and property which shall come into its hands as aforesaid, for all claims and demands against it, arising from negligence, carelessness or misconduct of its officers, agents and employees. And in all cases the TRUSTEE shall be authorized to pay such reasonable compensation as it may deem proper to attorneys, servants and agents whom it may reasonably employ in the management of the trust; and the TRUSTEE shall be entitled to and shall have just compensation for all services which it may render in connection with the trust, to be paid by the party of the first part out of the estate.

The recital of the facts herein contained, and contained in the bonds hereby secured, are made on behalf of the WATER COMPANY, and the said TRUSTEE assumes no responsibility as to the correctness of any statements herein contained. It is hereby covenanted and agreed that the said TRUSTEE shall not be under any obligation to take any action toward the execution of this trust which, in its opinion, will be likely to involve it in personal

expense or liability unless or until some one or more, as the case may be, of the said bondholders or other person in their behalf, shall, as often as reasonably required by the said TRUSTEE, give it good and sufficient indemnity against such expense and liability, anything herein contained to the contrary notwithstanding; but it shall be the duty of the said TRUSTEE, upon receiving proper indemnification as herein provided, to take appropriate proceedings at law or in equity to enforce the rights of the bondholders under these presents, upon requisition in writing as herein specified.

FIFTEENTH: The party of the second part, as TRUSTEE or otherwise, shall be under no obligation to recognize any person or persons as holder or owner of any of the bonds secured hereby, or to do or refrain from doing any act pursuant to the request or demand of any such person or persons claiming to be such holder or owner, unless and until such person or persons shall deposit the said bonds with the TRUSTEE and indemnify and save harmless the TRUSTEE to its satisfaction from any and all costs and expenses, outlays and counsel fees, and other reasonable disbursements for which it might become liable and responsible in carrying out such request or demand.

Should any suit or other proceeding be brought against the TRUSTEE by reason of any matter or thing connected with the trusts hereby created, or by reason of its being such TRUSTEE, it shall be under no obligation to appear in and defend such suit or proceedings until indemnified to its satisfaction for so doing, but it may appear and defend the same without indemnity if it shall elect so to do, and in such case it shall be compensated for so doing.

SIXTEENTH: The TRUSTEE shall be entitled to be reimbursed for all proper outlays and disbursements of every sort or nature by it incurred in the discharge of its trusts and to receive a reasonable and proper compensation for any duties that it may at any time perform in its discharge of the same, and all such outlays, disbursements and compensations shall con-

stitute a first lien on the premises and property included in this indenture.

SEVENTEENTH: It is further agreed that the TRUSTEE may at any time, in its discretion, and shall at any time, on the request in writing of the holders of a majority of the bonds then outstanding, resign the trust, by written notice delivered or properly given to the said WATER COMPANY, and that in case of the resignation or of the removal or incapacity of the TRUSTEE by reason of insolvency or other cause, the WATER COMPANY shall have the right to nominate and appoint a successor to the said office of TRUSTEE with the consent in writing of the owners of one-third of the bonds hereby secured at the time outstanding and unpaid; but any vacancy of more than thirty days' standing may be filled by any court having jurisdiction on application of the outgoing TRUSTEE or any person interested.

Upon the appointment of any successor to the trust by either method above mentioned, all of the mortgaged or trust property shall immediately, and without conveyance, vest in the new TRUSTEE; but the outgoing TRUSTEE shall, nevertheless, at the request of any parties interested, but at the expense of the trust, execute, acknowledge and deliver to the new TRUSTEE such deeds of conveyance or other instruments in writing as may be appropriate to vest or confirm in the new TRUSTEE the title to the mortgaged property.

EIGHTEENTH: The TRUSTEE hereby accepts the trust hereby created and its duties on the terms and conditions herein expressed.

NINETEENTH: If any bond issued hereunder shall be mutilated, lost or destroyed, the WATER COMPANY may, upon terms and conditions prescribed by its Board of Directors, issue in lieu thereof a new bond of like tenor, amount and date, and bearing the same serial number, which bond when issued shall be certified by the TRUSTEE upon due proof of such mutilation, loss or destruction, and upon receiving indemnity satisfactory to the TRUSTEE.

TWENTIETH: It is finally mutually covenanted and agreed that all the several and respective covenants, stipulations, promises, agreements and provisions in this instrument contained, and of the bonds secured hereby, shall bind and be obligatory upon the successor or successors and assigns of the several parties hereto, whether so expressed or not.

IN WITNESS WHEREOF, said SPRINGFIELD CONSOLIDATED WATER COMPANY has caused these presents to be executed in its name and behalf and under its corporate seal, by its President or Vice-President and Secretary or Assistant Secretary; and the said COLUMBIA AVENUE TRUST COMPANY has caused the same to be executed in its name and behalf and under its corporate seal, by its President or a Vice-President and Secretary or Assistant Secretary, the day and year first above written.

SPRINGFIELD CONSOLIDATED WATER COMPANY,

By

(Signed) Jos. S. KEEN, JR.,

[SEAL]

President.

Attest:

(Signed) H. BAYARD HODGE,

Secretary.

COLUMBIA AVENUE TRUST COMPANY,

By

(Signed) JNO. K. CUMING,

[SEAL]

President.

Attest:

(Signed) WALTER SCOTT,

Secretary.

STATE OF PENNSYLVANIA, }
 County of Philadelphia. } ss.

On the 2d day of November, Anno Domini 1908, before me the subscriber, a Notary Public for the Commonwealth of Pennsylvania, residing in the city of Philadelphia, personally appeared H. Bayard Hodge, Secretary of the said SPRINGFIELD CONSOLIDATED WATER COMPANY, who being duly sworn according to law, says that he was personally present at the execution of the above indenture and saw the common or corporate seal of the said corporation duly affixed thereto; that the seal so affixed thereto is the common or corporate seal of the said corporation, and that the said indenture was duly sealed and delivered by Jos. S. Keen, Jr., President of the said corporation, as and for the act and deed of the said corporation for the uses and purposes therein mentioned, and that the names of this deponent as Secretary and of Jos. S. Keen, Jr., as President of the said corporation subscribed to the above indenture in attestation of its due execution and delivery are of their and each of their respective handwritings.

Sworn and subscribed to
 before me the day and year
 aforesaid.

(Signed) H. BAYARD HODGE.

(Signed) W. H. ROTH,
 Notary Public.

Commission expires February 27th, 1909.

[SEAL]

STATE OF PENNSYLVANIA, }
 County of Philadelphia. } ss.

On the 2d day of November, Anno Domini 1908, before me the subscriber, a Notary Public for the Commonwealth of Pennsylvania, residing in the city of Philadelphia, personally appeared Walter Scott, Secretary of the said COLUMBIA AVENUE TRUST COMPANY, who being duly sworn according to law, says that he was personally present at the execution of the above indenture and saw the common or corporate seal of the said corporation duly affixed thereto; that the seal so affixed thereto is the common or corporate seal of the said corporation, and that the said indenture was duly sealed and delivered by John K. Cuming, President of the said corporation, as and for the act and deed of the said corporation for the uses and purposes therein mentioned, and that the names of this deponent as Secretary and of John K. Cuming as President of the said corporation subscribed to the above indenture in attestation of its due execution and delivery are of their and each of their respective handwritings.

Sworn and subscribed to
 before me the day and year
 aforesaid.

} (Signed)

WALTER SCOTT.

(Signed) A. REYNOLDS COLESBERRY,
 Notary Public.

Commission expires May 1, 1909.

[SEAL]

STATE OF PENNSYLVANIA, }
 Bucks County. } ss.

Recorded in the Office for Recording of Deeds, &c., in and for Bucks County in Mortgage Book No. 178, page 1, &c.

WITNESS my hand and seal of office, at Doylestown, November 2nd, A. D. 1908.

(Signed) JOHN JEFFRIES,
 Recorder.

[SEAL]

Entered Nov. 2, 1908
 at 1.45 p. m.

[Seal of Recorder's Office
 of Bucks County.]

(Signed) JOHN JEFFRIES,
 Recorder.

pr. (Signed) JEROME FACKENTHALL,
 Clerk.

Montgomery County, ss.

Recorded in the office for Recording Deeds, &c., in and for said County in Mortgage Book No. 487, page 1, &c.

WITNESS my hand and seal of office this second day of November, 1908, at 4 p. m.

(Signed) GEO. W. KEYS,
 Dep. Recorder.

[SEAL]

Recorded in the office for Recording of Deeds in and for Delaware County, Pennsylvania, in Mortgage Book R. No. 13, page 118.

WITNESS my hand and seal of office this fourth day of November, Anno Domini 1908.

(Signed) W. I. B. McCLENACHAN,
 Deputy Recorder of Deeds.

[SEAL]

Recorded in the Office for Recording of Deeds, &c., in and for Chester County, Pennsylvania, in Mortgage Book K 6, Vol. 134, page 350, &c.

WITNESS my hand and seal of office this fourth (4th) day of November, Anno Domini 1908.

(Signed) D. M. CURRY,
Recorder.

[SEAL]

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Recorded in the Office for Recording Deeds, &c., in and for the City and County of Philadelphia in Mortgage Book W. S. V. No. 1393, page 495, &c.

WITNESS my hand and seal of office this fifth day of November, A. D. 1908.

(Signed) JOS. K. FLETCHER,
Deputy Recorder of Deeds.