

in connection with the authentication and delivery of bonds and (ii) one hundred sixty-six and two-thirds per cent (166 2/3%) of the principal amount of prior lien bonds with respect to which one hundred sixty-six and two-thirds per cent (166 2/3%) of the principal amount thereof has theretofore been deducted in connection with the authentication and delivery of replacement certificates of the Indenture, which in each case, prior to or simultaneously with the filing of the replacement certificate shall have been deposited with the Trustee or paid or redeemed or reduced or ascertained by final judicial determination to be invalid, which the Company in such replacement certificate elects to make the basis of a credit under this Article IV and which shall not theretofore have been bonded, and (2) the aggregate amount of credit based on prior lien bonds utilized under item (e) of all previous replacement certificates, but only so far as the prior lien bonds so utilized have not ceased to be bonded as permitted by Section 5 of this Article IV at the date of the replacement certificate then being filed. The amount of prior lien bonds utilized under item (e) of a replacement certificate for the first time shall be separately stated, this item (e) shall be deemed to have been bonded for all purposes of the Indenture.

(f) The aggregate of (1) the principal amount of bonds theretofore authenticated and delivered under any provision of the Indenture, which after such delivery and prior to or simultaneously with the filing of such replacement certificate shall have been bonded, and (2) the aggregate of (1) the principal amount of bonds so paid or redeemed or otherwise surrendered to the Trustee and cancelled (other than upon exchange of bonds of one denomination for bonds of another denomination or of coupon bonds for registered bonds or of registered bonds for coupon bonds or upon the transfer of registered bonds or in lieu of lost, mutilated, stolen or destroyed bonds), which the Company in such replacement certificate elects to make the basis of a credit under this Article IV and which shall not theretofore

ceased to be bonded as permitted by Section 5 of this Article IV at the date of the replacement certificate then being filed. The amount of net property additions utilized under item (d) of a replacement certificate for the first time shall be separately stated. The fair value to the Company of property additions, for the purpose of their inclusion in net property additions under this item (d), shall be as stated in the replacement certificate in which they are included in item (d) for the first time. In any such case, if any property additions made the basis of a credit under this item (d) are subject to any prior lien bonds, then the amount of such property additions available to the Company shall be reduced by an amount equal to one hundred sixty-six and two-thirds per cent (166 2/3%) of the principal amount of the then outstanding prior lien bonds secured by such prior lien and not theretofore deducted in connection with any application under the Indenture for the authentication and delivery of bonds or the withdrawal or reduction of cash. To the extent that net property additions are utilized under this item (d), they shall be deemed to have been bonded for all purposes of the Indenture; provided, however, that any net property additions not theretofore bonded which the Company elects to make the basis of a credit in maintenance certificates filed for the purpose of replacement certificates filed for the purpose of the Indenture on or after December 31, 1952, pursuant to supplemental indentures heretofore executed and delivered shall not be deemed to be so bonded for the purposes of this Article IV and shall constitute a credit under this Article IV whether or not they shall remain bonded or be bonded under any other provision of the Indenture or any indenture supplemental thereto on account of their use in such certificates; and to the extent that prior lien bonds are deducted under this item (d), they shall be deemed to have been deducted for all purposes of the Indenture, in connection with an application for the withdrawal or reduction of cash.

(e) The aggregate of (1) an amount equal to (i) one hundred per cent (100%) of the principal amount of prior lien bonds which have been theretofore deducted