shall have matured, or be about to mature, instead of issuing a substituted bond or coupon the Company may pay the same without surrender thereof. The applicant for such payment or for a substituted bond and coupons (if any) shall furnish to the Company and the Trustee evidence satisfactory to each of them in their discretion of the loss, theft or destruction of such bond and coupons alleged to have been lost, stolen or destroyed, and of the ownership and authenticity of such mutilated, lost, stolen or destroyed bond and coupons (if any), and also indemnity deemed satisfactory by the Company and the Trustee; and shall pay all expenses and charges of such substitution, payment or exchange. Any indemnity obligation shall name as obligees, the Company, the Trustee, and, if requested by the Company, any paying agent. The Trustee may authenticate any such substituted bonds and deliver, the same with appurtenant coupons (if any), or the Trustee or any paying agent of the Company may make such payment, upon the written request or authorization of any officer of the Company, and shall incur no liability to anyone by reason of anything done or omitted to be done by it in good faith under the provisions of this Section. All bonds issued under this Indenture are held and owned upon the express condition that the provisions of this Section are exhaustive and shall exclude all other rights and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding.

Any such duplicate bonds and coupons issued pursuant to this Section in substitution for bonds or coupons alleged to be lost, stolen or destroyed shall constitute original additional contractual obligations on the part of the Company, whether or not the bonds and coupons so alleged to be lost, stolen or destroyed be at any time enforceable by anyone, and shall (subject to the provisions of Section 4.02) be equally secured hereby and entitled to equal and proportionate benefits with all other bonds and coupons issued hereunder in any moneys or property at any time held by the Trustee for the benefit of the bondholders.

Section 2.12. Only such bonds as shall bear thereon a certificate of authentication substantially in the form hereinabove recited, executed by the Trustee, shall be secured by this Indenture or be entitled to any lien, right or benefit hereunder. No bond and no coupon thereunto appertaining shall be or become valid or obligatory for any purpose until such certificate shall be duly executed on such bond, and such authentication by the Trustee upon any bond shall be conclusive evidence, and the only competent evidence that the bond so authenticated has been duly authenticated and delivered hereunder and that such bond is entitled to the benefits hereof.

ARTICLE 3.

Authentication and Delivery of Bonds.

Section 3.01. Bonds of the 1977 Series, described in Section 2.03, in the aggregate principal amount of $1,300,000, shall forthwith be executed by the Company and delivered to the Trustee and shall be authenticated by the Trustee and delivered (without awaiting the filing or recording hereof), in accordance with the written order or orders of the Company.

Section 3.02. Bonds of any one or more series other than the 1977 Series may from time to time be executed by the Company and delivered to the Trustee and shall be authenticated by the Trustee and delivered from time to time in accordance with the written order or orders of the Company but only in accordance with and subject to the conditions, provisions and limitations set forth in Sections 3.03 to 3.08, both inclusive and Section 3.11.

Section 3.03. No bonds shall be authenticated and delivered at any time under the provisions of Sections 3.04, 3.05 or 3.06 upon the basis of funded property.