the Company may (subject to the provisions of Section 4.17), execute and deliver to the Trustee, and the Trustee shall thereupon authenticate and deliver to or upon the written order of the Company, bonds (other than bonds of the 1977 Series) for an aggregate principal amount equal to the aggregate principal amount of such prior lien bonds, deducted or causing a waiver as aforesaid, which after such deduction or causing a waiver, shall have been deposited with the Trustee or paid or redeemed or ascertained by a final judicial determination to be invalid, or for the payment, retirement or redemption of which moneys in the necessary amount shall be deposited with the trustee or other holder of the prior lien securing the same concurrently with the action requested (with irrevocable direction and authorization, satisfactory to the Trustee, to the trustee or other holder of the prior lien so to apply the same, and, as regards prior lien bonds to be redeemed, either with proof that notice of redemption has been published or otherwise given as required by the mortgage or other instrument securing the same, or that irrevocable authorization to give such notice shall have been given to the trustee or other holder of such prior lien), but only upon receipt by the Trustee of:

(a) a certified resolution such as is described in subdivision (1) of Section 3.06;

(b) either

(1) prior lien bonds, not theretofore funded, then or theretofore delivered (either uncancelled and pledged under this Indenture pursuant to the provisions of Section 4.20, to be held and dealt with by the Trustee in the manner and subject to the provisions of Article 7, or cancelled at maturity or under the redemption or other provisions of the mortgage or other lien securing the same), or

(2) a certificate of the Company, accompanied by a concurring opinion of counsel, to the effect that specified prior lien bonds have been paid or ascertained by final judicial determination to be in whole or in part invalid, or constitute redeemed prior lien bonds, and specifying the amount of payment, or the extent of invalidity, or the amount of bonds

redeemed, as the case may be, or stating that moneys in the necessary amount for the payment, retirement or redemption of specified prior lien bonds have been or will be, concurrently with the action requested, deposited with the trustee or other holder of the prior lien securing the same (with irrevocable direction and authorization, satisfactory to the Trustee, to the trustee or other holder of the prior lien so to apply the same, and, as regards bonds to be redeemed, with proof that notice of redemption has been published or otherwise given as required by the mortgage or other instrument securing the same, or that irrevocable authorization to give such notice shall have been given to the trustee or other holder of such prior lien);

(c) a certificate of the Company stating in substance:

(1) that the prior lien bonds, made the basis for the application, have theretofore been deducted in connection with applications (specifying the dates thereof) for authentication and delivery of bonds on the basis of property additions, or for the withdrawal of cash, or for the release of property, or have been the cause of a waiver under subdivision (A) of Section 4.15;

(2) that no part of the prior lien bonds, made the basis for the application, has theretofore been funded;

(3) that the Company has not and, upon the granting of the application then being made, will not be in default in the performance of any of the terms or covenants of Section 4.17 or Section 4.20; and

(4) that the Company is not, and by the granting of the application then being made will not become, to the knowledge of the signers, in default in the performance of any of the other terms or covenants of this Indenture;

(d) an opinion of counsel to the effect that such uncancelled prior lien bonds, if any, which have been deposited with the Trustee pursuant to this Section have been legally and validly pledged under this Indenture, that the instruments which have been or are therewith delivered to the Trustee conform to the requirements of this Indenture and constitute sufficient authority under this Indenture for the Trustee to authenticate and deliver the bonds applied for, that the issue of the bonds, the authentication and