may make advances in order to perform the same in its behalf; and all sums so advanced shall be at once repayable by the Company with interest thereon at the rate of 4% per annum.

SECTION 4.15. That it will not acquire, by purchase or otherwise, any property (other than property of the character excepted from the lien of this Indenture as set forth in the Granting Clauses hereof) subject to a prior lien or prior liens

(A) if at the time of the acquisition by the Company of any such property, the principal amount of outstanding indebtedness secured by such prior lien or prior liens shall exceed sixty per centum (60%) of the sum of (1) an amount equal to the then cost or fair value, whichever is less, of the property subject to such prior lien or prior liens plus (2) an amount equal to one hundred sixty-six and two-thirds per centum ($166\frac{2}{3}\%$) of the aggregate principal amount of all bonds to the authentication and delivery of which the Company would, at the time of such acquisition, be entitled under the provisions of this Indenture upon the basis of property additions by virtue of compliance with all applicable provisions of this Indenture (except as otherwise in this Section set forth) relating to such authentication and delivery *provided, however*, that if any such indebtedness so secured by prior lien shall exceed sixty per centum (60%) of the then fair value of the property subject to such prior lien or prior liens, then the acquisition thereof shall, to the extent of an aggregate principal amount of bonds equal to such excess of prior lien indebtedness, operate as a waiver by the Company of the right to the authentication and delivery of such aggregate principal amount of bonds, and to such extent no such bonds may thereafter be authenticated and delivered hereunder;

(B) unless the net earnings of the Company, determined in the manner provided in Section 1.01, but including therein the net earnings or net losses of the property so to be acquired, shall, for some period of twelve (12) consecutive calendar months within the fifteen (15) calendar months immediately preceding the 1st day of the month in which such property is to be acquired, have

been in the aggregate equal to at least $2\frac{1}{2}$ times the annual interest requirements of the Company, computed as specified in clause B of the net earnings certificate as defined in Section 1.01 plus the annual interest requirements on all indebtedness secured by such prior lien or prior liens, after deducting, however, from such latter requirements, the annual interest requirements on all such indebtedness, if any, held by the Company immediately prior to such acquisition; and

(C) unless the aggregate amount secured by all prior liens outstanding at the date at which such property is to be acquired (including the indebtedness secured by such prior lien or prior liens) does not exceed 25% of the aggregate principal amount of bonds outstanding hereunder at such date.

In case the Company shall propose to acquire any property subject to a prior lien, as permitted by this Section, it will prior to, or simultaneously with, the acquisition of any such property file with the Trustee:

(1) An engineer's certificate, made and dated not more than sixty (60) days prior to the date as of which such property is to be acquired,

(a) stating that the Company proposes to acquire certain property subject to a prior lien or prior liens,

(b) describing in reasonable detail the property so to be acquired,

(c) specifying the nature and extent of all prior liens, and the principal amount of all indebtedness secured thereby, existing upon any of the property so to be acquired,

(d) stating the aggregate amount secured by all prior liens outstanding at such date and the aggregate principal amount of bonds outstanding hereunder at such date, and

(e) stating that the fair value to the Company of such property, as of the proposed date of acquisition thereof, will be equal to or more than an amount stated in such certificate; and in determining such fair value, it shall be proper in the case of any public utility system included in such property to include as an element of the value thereof an amount deemed