

or not constituting or to constitute a part of such pipe line when completed; it being understood that any amount realized by the Company as salvage on any machinery, construction equipment and apparatus, the cost of which shall have been charged to the Pipe Line, shall be treated as a deduction from the Construction Cost of the Pipe Line; and

(c) all overhead costs applicable to the period prior to the completion of the Pipe Line including, without limiting the generality of the foregoing, taxes, licenses, excises and assessments, casualties, surety bond premiums and insurance premiums; and commitment fees and interest on borrowed money during the period prior to the completion of the Pipe Line.

Construction lien:

The term "construction lien" shall mean a mechanic's, laborer's, materialmen's, statutory or other similar lien (not including any undeclared lien or charge incidental to construction) arising out of the construction or improvement of the mortgaged property or the furnishing of materials or supplies therefor, existing at the particular time upon any of the mortgaged property, which is prior to the lien of this Indenture as security for the Bonds then outstanding or for any additional Bonds then applied for, whether or not there shall at the time be funds held by the Trustee for the payment or satisfaction of such lien.

Construction obligations:

The term "construction obligations" shall have the meaning assigned thereto in § 4.02.

Convertible Note:

The term "Convertible Note" shall mean the Company's 6% Convertible Promissory Note or Notes due November 1, 1975 issued pursuant to the Note Agreement dated March 29, 1960 between the Company and The Prudential Insurance Company of America.

Corporation:

The term "corporation" shall also include voluntary associations, joint stock companies and business trusts.

ing taxes on income, both determined in accordance with generally accepted accounting principles.

The term "consolidated net earnings available for restricted payments" shall have the meaning assigned thereto in § 6.15.

Construction Cost:

The term "Construction Cost" shall mean all items of cost incurred by the Company in connection with the construction or acquisition by the Company of the Pipe Line, including:

(a) all costs of acquisition or construction and completion of the Pipe Line which are necessary for the completion of the Pipe Line, including but not limited to, the cost of all materials, merchandise, appliances or supplies used or held in advance of use thereof, all plans, schedules or other documents and preliminary data relating to preliminary or final surveys and engineering, all rights, powers, privileges and franchises and governmental authorizations, licenses, authorities or permits, and all properties or rights acquired for the right-of-way in, on or under which the Pipe Line or any portion thereof is to be located; all costs and expenses incurred by the Company in connection with the organization of the Company and the financing of the Pipe Line or in connection with proceedings before any governmental regulatory authorities relating to authorization to construct and operate the Pipe Line or to issue and sell any securities in connection with the financing of the Pipe Line including any underwriting commissions or concessions paid or allowed by the Company in connection therewith; and all general and administrative expenses and all other costs and expenses incurred in connection with the operation of the Company, prior to the date of completion of the Pipe Line, other than any costs and expenses directly attributable to any partial or limited operation of the Pipe Line;

(b) all costs of labor and services, including services of foremen, inspectors, supervisors, surveyors, engineers, cougers and accountants, performed or rendered in connection with the acquisition or construction and completion of the Pipe Line and all costs of materials, supplies, machinery, construction equipment and apparatus acquired or used (including rental charges for machinery, equipment or apparatus hired) for or in connection with the construction and completion of the Pipe Line, whether