

(14) That the terms used in the certificate which are defined in Article I are used as therein defined.

(b) An opinion of counsel, dated within 5 days prior to the date of the application, stating that:

(1) The Company has procured all necessary authorization in connection with the acquisition or construction of the property additions described in § 5.02 (a) (2) from any Federal, State or other governmental regulatory body having jurisdiction in the premises (except for such routine authorizations as are in practice granted in due course after application therefor) which are required in view of the stage of acquisition and construction of such property additions at the date of such opinion (and specifying the certificates or other evidence which will be submitted to show any such authorization), or no such authorization is required. The Company has corporate power to own and operate such property additions.

(2) The Company has, or upon delivery of the instruments of conveyance, transfer or assignment, if any, specified in such opinion will have, good and marketable title to any tracts or parcels of land and the improvements thereon and to any personal property, and has duly obtained any easements or rights-of-way, mentioned or described in § 5.02 (a) (2), except such as have been obtained subject only to permitted liens and to such legal and encumbrances as are referred to in paragraph (4) of this § 5.02 (b).

(3) If such property additions include any pipe lines or pipe line equipment or other similar structures located or constructed on, over or under public highways, rivers or other public property, the Company has obtained the right under permits or franchises granted by a governmental body having jurisdiction in the premises, or by the law of the State in which such property is located to maintain and operate such equipment or, at all times for the period, if any, specified in such permit or franchise or law, and to remove such lines, equipment or structures at the expiration of the period covered by such permit or franchise or law, or that the terms of such permit or franchise or law require any public authority having the right to take over such lines, equipment or structures to pay fair consideration therefor.

(10) That the allowances or charges, if any, for interest, taxes, engineering, legal expenses, superintendence, insurance, casualties and other items during construction, included in the cost to the Company of such of the property additions described in the certificate as were constructed by or for the Company, have been charged and are such as are properly chargeable to fixed property accounts under the regulations, rules and orders, if any, with respect to such matters as are in force at the time of construction, of the public body or authority having jurisdiction or supervisory authority over the accounts of the Company (or, if there are no such regulations, rules or orders, in accordance with and according practice), and are such as are, in the opinion of the signers, proper in respect of the property additions specified.

(11) That no portion of the cost or the fair value to the Company of such property additions described in the certificate should property have been charged to maintenance or repairs, and that no expenditures are included in the certificate, which under the regulations, rules and orders, if any, with respect to such matters in force at the time of the public body or authority having jurisdiction or supervisory authority over the accounts of the Company, or, if there are no such regulations, rules and orders, in the opinion of the signers, are not property chargeable to fixed property accounts.

(12) Whether any portion of the property additions described in the certificate is, at the time, subject to a construction lien or judgment lien and, if so, a brief statement of the nature and extent of such construction lien or judgment lien and what, if any, funds have been theretofore deposited with the Trustee on account of such construction lien or judgment lien.

(13) That no portion of the property additions described in the certificate is subject to any mortgage, pledge or other lien prior to the date of this Indenture, except the construction liens and judgment liens; if any, specified pursuant to paragraph (12) of this § 5.02 (a) and permitted liens; and that no portion of such property additions is subject to any easement or similar encumbrance except such as, in the opinion of the signers, does not impair the continued use of such property additions for the purposes for which they were acquired.