

SAML BODENWORTH STATIONERY CO KANSAS CITY MO 64114

the intention hereof that no Bonds shall be authenticated and delivered under the provisions of this Article, unless the amount of the net earnings of the Company hereinabove referred to shall have been at least equal to one and three-quarters (1 3/4) times the aggregate amount of the annual interest charges upon the secured bonded debt of the Company as constituted at the time of the authentication and delivery of such Bonds; but the corporate Trustee shall be entitled to assume, in the absence of such new earnings certificate, that the aggregate amount of the annual interest charges on the secured bonded debt of the Company as constituted at the time of the authentication and delivery of the Bonds then applied for are as stated in the earnings certificate filed with the corporate Trustee as aforesaid.

D. THE MORTGAGES, DEEDS, CONVEYANCES, ASSIGNMENTS, TRANSFERS AND INSTRUMENTS OF FURTHER ASSURANCE AND THE CERTIFICATE OR CERTIFICATES AND OTHER EVIDENCE, if any, specified in the opinion of counsel as provided by Clauses (2), (5) and (6) of the following Paragraph E.

E. AN OPINION OR OPINIONS OF COUNSEL:

(1) stating that the instruments which have been or are therewith delivered to the corporate Trustee conform to the requirements of this Indenture and constitute sufficient Bonds applied for, and that, upon the basis of the acquisition of the additional property described in the certificate delivered to the corporate Trustee pursuant to Paragraph B of this Section, Bonds may be lawfully authenticated and delivered under this Article;

(2) specifying the mortgages, deeds, conveyances, assignments, transfers and instruments of further assurance which will be sufficient to subject to the direct lien of this Indenture the additional property described in said certificate, or stating that said additional property is then subject to the direct lien of this Indenture and that no such mortgage, deed, conveyance, assignment, transfer or instrument of further assurance is necessary for such purpose;

(3) stating that the Company has acquired a good and valid legal title to said additional property, and that the same and every part thereof is free and clear of all liens, charges or encumbrances prior to the lien of this Indenture, except taxes for the then current year, undetermined liens or charges, if any, incidental to construction or current operation, and easements and other similar encumbrances which, in the opinion of such counsel, do not impair the use of such additional property by the Company, and except also the prior liens, if any, mentioned in said certificate and in such case that the nature, extent and amount of such prior liens are correctly stated in said certificate;

(4) stating that the Company has lawful power to acquire, own and use said additional property in its business;

(5) specifying the certificate or other evidence which will be sufficient to show compliance with the requirements, if any, of any mortgage recording tax law or other tax law applicable to the issuance of the Bonds then applied for, or stating that there are no such legal requirements; and

(6) specifying the certificate or other evidence which will be sufficient to show the authorization, approval or consent of or to the issuance of the Bonds then applied for, by any public service commission or other governmental body at the time having jurisdiction in the premises, or stating that no such authorization, approval or consent is required.

F. In case any of the additional property described in the certificate delivered to the corporate Trustee pursuant to Paragraph B of this Section, consists of a new plant or system, either

(1) a CERTIFICATE dated not more than 30 days prior to the application for the authentication and delivery of such Bonds, signed by an independent engineer or firm of engineers or engineering corporation selected by the Company and acceptable to the corporate Trustee, who may be under retainer from the Company, stating the fair value in his, their or its opinion, to the Company, at the date of said certificate, of the additional property constituting and comprising such new plant or system, or

(2) a CERTIFICATE, ORDER OR OTHER DOCUMENT showing an appraisal or valuation, at a date not more than 90 days prior to such application, made by any public service commission or other governmental body at the time having jurisdiction in the premises.

Section 18. The terms hereinbelow in this Section mentioned shall, for the purposes of this Indenture be taken to have the meanings hereinafter set forth.

A. "Additional property" shall be taken to mean and comprise only physical property (including in this term plants and systems) of a permanent nature and permanent physical betterments, improvements and additions (including in those terms equipment and appliances) of, upon and to the property of the Company, purchased, constructed or otherwise acquired by the Company, and used or useful for public utility purposes, but the term "additional property" shall not be deemed to include, and no Bonds shall be authenticated and delivered under the provisions of this Article upon the basis of the acquisition or construction of:

(1) any property acquired by the Company from Citizens Light, Heat & Power Company, a Delaware corporation, other than property, improvements, additions or betterments acquired or made by said corporation after July 1, 1926; or

(2) any property, improvement, addition or betterment whose cost is properly chargeable to operating expenses or repairs or maintenance or renewals, or whose cost is not properly chargeable to plant or plant addition account; provided, however, that whenever old, inadequate or worn out property is replaced by property costing more than the original cost to the Company of such old, inadequate or worn out property, then, to the extent of such excess and to such extent only, such property so acquired to replace the old, inadequate or worn out property shall be deemed additional property for the purposes of this Article; or

(3) any stocks, bonds or other securities, franchises, contracts, choses in action; or

(4) any property, improvement, addition or betterment which, at the date of the certificate referred to in Paragraph B of Section 17 hereof, is not subject to the direct lien of this Indenture; or