

MORTGAGE RECORD 85

date upon which such application shall be so completed.

O. Whenever, in connection with any application to the New York Trustee under this Indenture, the Company shall file with the New York Trustee a Property Additions Certificate or a Retirement Certificate or a Summary Certificate and Computation, the Property Additions, Mandatory Replacement Deductions, Property Retirement, Retirement Credits and other matters set forth in said certificates are sometimes herein referred to as having been "certified", and, if the purpose of such applications shall have been accomplished, said Property Additions are sometimes herein referred to as having been "made the basis" for the authentication and delivery of Bonds or the release of property or the withdrawal of cash, as the case may be, and (subject to the provisions of Paragraph N of Section 24) as having been "used" for the purpose accomplished by such application.

P. Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:--(1) A statement that the person or persons making such certificate or opinion have read such covenant or condition; (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (3) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (4) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Definitions of other words and terms used principally in connection with the provisions of this Indenture governing the authentication and delivery of additional Bonds upon the basis of Property Additions, the release of property and the withdrawal of cash, appear in Section 24.

Section 2. Wherever in this Indenture, in connection with any application for the authentication and delivery of Bonds hereunder or for the withdrawal of any moneys held by the New York Trustee under any provision hereof or for the execution of any release, or any other application or certificate or report to the Trustees or the New York Trustee hereunder, it is provided that the Company shall deliver resolutions, certificates, statements, opinions, evidence, reports, orders and/or other papers as a condition of the granting of such application, or as evidence of the Company's compliance with any covenant herein contained, it is intended that the truth and accuracy, at the time of the granting of such application or at the effective date of such certificate or report (as the case may be), of the facts and opinions stated in such resolutions, certificates, statements, opinions, evidence, reports, orders and/or other papers shall in each and every such case be conditions precedent to the right of the Company to have such application granted or to the effectiveness of such certificate or report. Nevertheless, upon any such application, certificate or report, the resolutions, certificates, statements, opinions, evidence, reports, orders and/or other papers required by any of the provisions of this Indenture to be delivered to the Trustees or to the New York Trustee as a condition of the granting of such application, or as evidence of such compliance, may be received by the Trustees or the New York Trustee as conclusive evidence of any statement therein contained, and shall be full warrant, authority and protection to the Trustees or the New York Trustee acting on the faith thereof, not only in respect to the statements of fact therein made, but also in respect to the opinions therein set forth. Before granting any such application, or accepting such evidence of compliance, the Trustees or the New York Trustee, as the case may be, shall not be under any duty to make any further investigation into the truth of the matters evidenced by any such resolution, certificate, statement, opinion, evidence, report, order or other paper, but they or it may in their or its discretion make any such independent inquiry or investigation as to them or it may seem proper. If the Trustees or the New York Trustee shall determine to make such further inquiry, they or it shall be entitled to examine the books, records and premises of the Company, either themselves or itself or by agent or attorney, and unless satisfied, with or without such examination, of the truth and accuracy of the matters stated in such resolutions, certificates, statements, opinions, evidence, reports, orders and/or other papers, they or it shall be under no obligation to grant the application or to accept such evidence of compliance. If, after such examination or other inquiry, the Trustees or the New York Trustee shall determine to grant the application, or to accept such evidence of compliance, they or it shall not be liable for any action taken in good faith. The reasonable expenses of every such examination or other inquiry shall be paid by the Company, or if paid by the Trustees or the New York Trustee shall be repaid by the Company, upon demand, with interest at the rate of 6% per annum, and until such repayment shall be secured under this Indenture in priority to the Bonds and coupons.

ARTICLE TWO

THE BONDS

Section 3. The maximum principal amount of Bonds which may every be authenticated and delivered hereunder (exclusive of Bonds authenticated and delivered upon denominational or other exchanges or transfers pursuant to Article Two or Three and exclusive of Bonds authenticated and delivered pursuant to Section 14 and exclusive of Bonds authenticated and delivered pursuant to Article Six) is limited to and shall not exceed Twelve million Dollars (\$12,000,000). The power of the Company to issue Bonds hereunder may be exercised from time to time whenever Bonds may be authenticated and delivered in accordance with Articles Three, Four, Five and Six; and this Indenture shall be and constitute a continuing lien to secure the full and final payment of the principal of and interest on all Bonds which may, from time to time, be executed, authenticated and delivered hereunder, and issued by the Company.

Section 4. The Bonds issuable under this Indenture shall be issued in series as from time to time shall be authorized by the Board of Directors of the Company; and may be issued either as coupon Bonds or as registered Bonds without coupons.

Section 5. The Bonds of all series shall be known and entitled generally as the "First Mortgage Bonds" of the Company. With respect to the Bonds of any particular series, the Company may add to or incorporate in the general title of such Bonds, as the same may appear in the heading thereof and in the coupons thereto attached, the rate of interest borne by the Bonds of such series, the maturity date or dates and/or any other words or figures descriptive thereof or of the security therefor or distinctive of such series, as the Board of Directors of the Company may determine.

Section 6. The Bonds of each series (other than Series A, as to which specific provision is made in Section 15) shall bear such date or dates, shall be payable at such place or places, shall mature on such date or dates, shall bear interest at such rate payable in such installments and on such dates, and may be redeemable before maturity at such price or prices and upon such terms and conditions, as shall be fixed and determined as aforesaid by the Board of Directors of the Company, and as shall be appropriately expressed in the Bonds of such series; provided, however, that so long as any Bonds of Series A shall be outstanding, no Bonds of any other series shall be authenticated and delivered hereunder which shall mature on any date earlier than two years after the latest maturity date of any then outstanding Bond of Series A, except that, in the case of a series of Bonds having serial maturities, only the final maturity date need be subsequent to such two-year period. The Company may, at the time of the creation of any particular series of Bonds or at any time thereafter, make, and the Bonds of such series may contain:

A. Provision for the payment of the principal of and/or the interest on the Bonds of such series without deduction for specified taxes, assessments or other governmental charges; and/or