

## MORTGAGE RECORD 85

ARTICLE III.  
SINKING FUND FOR BONDS OF SERIES A.

Section 1. Sinking Fund for Bonds of Series A. The Corporation covenants that so long as any of the bonds of Series A are outstanding, it will pay to the Trustee annually, on or before April first of each year, beginning April 1, 1942, for the purpose of a Sinking Fund for the bonds of Series A, a sum equal to one per cent. (1%) of the greatest principal amount of bonds of Series A outstanding under and secured by this indenture at any time between the date hereof and the making of such annual payment to the Sinking Fund; provided that the Corporation shall not have the right to anticipate such Sinking Fund payments for any period in excess of three (3) years.

All moneys so paid to the Trustee shall be held by the Trustee as security for the payment of the bonds of Series A issued hereunder, until such moneys are applied as provided in this section.

The Corporation at its option may deliver to the Trustee on or before April 1, 1942, and on or before April 1 of each year thereafter, bonds of Series A which shall have been previous to the delivery thereof to the Trustee, issued hereunder and sold by the Corporation at a sale thereof made in good faith; and upon delivery thereof to the Trustee, such bonds shall be deemed to be the equivalent of the payment of cash under the provisions of this section in an amount equal to the aggregate principal amount thereof, or to the cost thereof to the Corporation (exclusive of accrued interest in either case), whichever sum shall be the lesser, provided that there shall also be delivered to the Trustee a Treasurer's Certificate stating that such bonds previous to the delivery thereof to the Trustee were sold by the Corporation at a sale thereof in good faith and stating the cost thereof to the Corporation. The amount payable by the Corporation to the Trustee for the purpose of the Sinking Fund, under the provisions of this section, on any such date, shall be correspondingly reduced.

The moneys deposited with the Trustee, pursuant to the provisions of this Section 1 of Article III, shall to the extent practicable be applied by the Trustee to the purchase of bonds of Series A in the manner and subject to the conditions provided in Section 3 of Article VIII of this Indenture with respect to moneys received by the Trustee as specified in Section 2 of said Article VIII (provided that the maximum price at which such bonds shall be purchased shall not exceed the current redemption price, excluding accrued interest, applicable to redemption of such bonds by the application of moneys in the Sinking Fund); and the Corporation covenants that if bonds of Series A are so purchased it will pay to the Trustee the additional payment required by the last paragraph of said Section 3 of Article VIII in the case of the purchase of bonds thereunder. In case any such moneys shall remain in the hands of the Trustee (without having been so applied to the purchase of bonds) more than three (3) months after the receipt thereof by the Trustee, all of such moneys, or such part of such moneys as shall be sufficient (excluding accrued interest) to redeem one or more bonds of Series A of the denomination of One Thousand Dollars (\$1,000), shall be applied by the Trustee to the redemption of bonds of Series A on the next succeeding interest payment date in the manner provided in Section 4 of Article VIII of this Indenture, with respect to moneys received by the Trustee as specified in Section 2 of said Article VIII; and the Corporation covenants that if bonds of Series A are so redeemed it will deposit with the Trustee the additional cash required by the last paragraph of said Section 4 of Article VIII in the case of redemption of bonds thereunder.

Section 2. Cancellation of Bonds Acquired for Sinking Fund. All bonds acquired by the Trustee for sinking fund purposes, under the provisions of this Article III, shall be forthwith cancelled by the Trustee and, upon written request of the Corporation, such cancelled bonds shall be delivered to the Corporation, and such bonds shall not again be used or issued, or be deemed to be outstanding for any purpose whatsoever, and no additional bonds shall thereafter be issued in place thereof under any of the provisions of this Indenture.

ARTICLE IV.  
MAINTENANCE FUND.

Section 1. Covenant as to Maintenance Fund while Bonds of Series A are Outstanding.

The Corporation covenants that as long as any of the bonds of Series A are outstanding it will, for the calendar year ending December 31, 1941, and for each calendar year thereafter, pay or cause to be paid to the Trustee on the first day of May next succeeding each such calendar year, as a Maintenance Fund, a sum in cash which is equal to the amount by which (1) twenty-seven and one-half per cent. (27½%) of the amount of its Gross Operating Revenues during the preceding calendar year (or in case of the Maintenance Fund payment due May 1, 1942, during the last nine (9) months of the calendar year 1941) exceeds (2) all or any part of the following items, which may be taken as credits against the above Maintenance Fund to the extent that the Corporation desires to take such credits:

(a) All amounts expended during such calendar year (or in case of the Maintenance Fund payment due May 1, 1942, during the last nine (9) months of the calendar year 1941) for maintenance of the mortgaged property;

(b) The cost of removal, less salvage, of plant retired during such calendar year (or in case of the Maintenance Fund payment due May 1, 1942, during the last nine (9) months of the calendar year 1941) together with a sum, not exceeding the cost of such plant retired, expended during such calendar year (or in case of the Maintenance Fund payment due May 1, 1942, during the last nine (9) months of the calendar year 1941) by the Corporation as the Cost of Capital Additions purchased, constructed or otherwise acquired by the Corporation during such calendar year, whether or not the items constituting such Capital Additions are still a part of the fixed capital account of the Corporation at the close of such year (provided that there shall not be here included any Capital Additions which are excluded from the definition of Available Capital Additions under Paragraph (a), (b), (c) or (d) in Section 11 of Article XVI hereof);

(c) The aggregate principal amount of bonds previously issued and outstanding under this Indenture, which have been sold by the Corporation at a sale thereof made in good faith or pledged by the Corporation to secure indebtedness incurred in good faith equal to at least seventy-five per cent. (75%) of the aggregate principal amount of the bonds pledged as security for such indebtedness, and which have been retired and cancelled and which bonds, until the taking of such credit, could have been used as the basis for the authentication and delivery of bonds under the provisions of Section 5 of Article II hereof;

(d) An Amount of Available Capital Additions; provided that no credit shall be taken for any calendar year on account of an Amount of Available Capital Additions under the foregoing Paragraph (d) of this Section 1 if the aggregate amount of credits taken under Paragraphs (a), (b) and (c), plus credits available under the provisions of Section 7 of this Article IV, shall equal or exceed an amount equal to twenty-seven and one-half per cent. (27½%) of the amount of the Gross Operating Revenues of the Corporation during such calendar year; and provided further that in the event that a credit is taken under Paragraph (d) of this Section 1 and the aggregate amount of all credits taken at the same time shall exceed such twenty-seven and one-half per cent. (27½%) of the amount of the Gross Operating Revenues of the Corporation for such calendar year, such excess shall be deemed to be represented by or included in the Amount of Available Capital Additions for which credit is taken under Paragraph (d) of this Section 1 and shall be available as a balance of Amount of Available Capital Additions to the extent permitted by the provisions of Section 14 of Article XVI hereof; and provided further that no Capital Additions taken as a credit under the foregoing Paragraph (b) of this Section 1 may also be taken as a credit as a part of the Available Capital Additions included under the foregoing Paragraph (d) of this Section 1.

Section 2. Treasurer's Certificate to be Delivered and Deposit Made of Balance Shown in Such Certificate.

On the first day of May next succeeding each such calendar year, the Corporation shall file with the Trustee a Treasurer's Certificate, as herein defined, dated on or prior to such date stating the following:

(a) The amount of the Gross Operating Revenues of the Corporation during such calendar year (or in case of the Maintenance Fund payment due May 1, 1942, during the last nine (9) months of the calendar year 1941);