

property, and the aggregate cost of such additional property, together with a brief description of such additional property and the cost thereof, as reflected by and in the principal subdivisions of its fixed property accounts, which description of additional property shall be shown in the certificate or in an exhibit attached to and by reference made a part thereof, (showing separately any part of such additional property subject to prior liens and any purchase money obligations);

(2) that such additional property has not previously been certified pursuant to this § 3.03 and has not theretofore been funded;

(3) the aggregate fair value and the aggregate amount of additional property so described;

(4) the aggregate retirements of the Company together with a brief description of such retirements and the amount of property retired, as reflected by and in the principal subdivisions of its fixed property accounts, made up to and including a date specified therein which shall be not more than ninety (90) days prior to the filing of the certificate with the Trustee and shall be not earlier than the later of the stated dates mentioned in (1) above, exclusive of retirements of the Company included in the engineer's certificates (if any) previously filed with the Trustee in compliance with this § 3.03, which detail of retirements shall be shown in the certificate or in an exhibit attached to and by reference made a part thereof;

(5) the aggregate net amount of additional property certified in the certificate;

(6) whether or not subsequent to the date specified in the latest engineer's certificate, if any, previously filed with the Trustee pursuant to this § 3.03 as the date up to and including which retirements were computed in such certificate, any prior lien or liens which existed on said date and were not at the time of the filing of such certificate established as a refundable lien or liens have been paid or otherwise satisfied and discharged;

(7) in case such certificate includes any additional property subject to a prior lien or liens not theretofore established as a refundable lien or liens the amount of indebtedness outstanding secured by such prior lien or liens and to be established as refundable debt describing the same by serial number or otherwise sufficient to identify the same; and

(8) the statements as to compliance with the conditions or covenants required to be made pursuant to § 5.14.

If the additional property being certified to the Trustee includes property that has been used or operated by a person or persons other than the Company in a business similar to that which it has been or is to be used or operated by the Company, within six months prior to the date of acquisition thereof by the Company and the fair value of such property is not less than \$25,000 and not less than 1% of the outstanding Bonds of the Company such engineer shall be an independent engineer.

(b) An opinion of counsel (who, in giving such opinion, may disregard irregularities or deficiencies in the record evidence of title to real property which are of more than ten years' standing and which in the opinion of such counsel can be cured by proceedings within the power of the Company, or which in the opinion of such counsel are not of a serious nature under the facts and circumstances of the case) which may be based on his own investigation and/or upon certificates, statements and/or investigations made by persons and/or organizations in whom he has confidence setting forth in substance.

(1) that the Company has good title, within the meaning of (n) of § 1.01, to the additional property, represented by the net amount of additional property, shown in the engineer's certificate provided for in (n) above;

(2) that such additional property is subject to the lien of this Indenture; and that such additional property is free and clear of all encumbrances

other than permitted liens or refundable liens or other prior liens, and if any of such additional property is subject to a prior lien or liens not theretofore established as refundable, such opinion shall specify the nature of such prior lien or liens and the amount of prior lien debt secured by such prior lien or liens outstanding and to be established as refundable debt;

(3) that the Company is authorized to own and use such additional property; and

(4) the statements as to compliance with the conditions or covenants required to be made pursuant to § 5.14.

And if any additional property included in the engineer's certificate filed pursuant to (a) above is subject to a prior lien or liens securing outstanding prior lien debt not theretofore established as refundable debt, the following additional documents, namely:

(c) a certificate of the Company setting forth

(1) The amount, if any, of such prior lien debt to be pledged or deposited with the Trustee hereunder or with the trustee under the prior lien securing the same or any other prior lien under such conditions that the same will cease to be outstanding;

(2) the amount thereof to remain outstanding and to become established as refundable debt;

(3) that such amount to remain outstanding will be paid within sixty (60%) of the amount of such additional property acquired by the Company subject to such prior lien or liens; and

(4) the statements as to compliance with the conditions and covenants required to be made pursuant to § 5.14;

(d) a net earnings certificate, as defined in § 1.01(w);

(e) a resolution of the Board of Directors specifying and describing the principal amount of prior lien debt to be established as refundable debt; and

(f) copies of all instruments securing such prior lien debt.

Upon receipt and acceptance by the Trustee of the certificates, opinions and other documents required by this § 3.03, Bonds may thereafter be issued against the net amount of additional property so certified as and to the extent above provided and the prior lien debt, if any, to remain outstanding as shown in such certificates shall become established as refundable debt, and Bonds may thereafter be issued on account of such refundable debt pursuant to § 3.04.

Nothing in this § 3.03 shall be deemed to prevent the Company from including in any additional property certificate filed pursuant to this § 3.03 any additional property acquired by it without also including any other additional property that it may have theretofore acquired, and by so doing the Company shall not be deemed to have lost the right to later file such a certificate including such other additional property.

(C) Any application of the Company for the authentication and delivery of additional Bonds pursuant to this § 3.03 (or the withdrawal of cash in lieu thereof pursuant to § 3.06) shall be accompanied by a net earnings certificate, as defined in § 1.01(w).

§ 3.04. *Issuance of Bonds against Bonds of other Series and Refundable Debt.* (A) Bonds shall be issuable for refunding pursuant to this § 3.04 (but only upon compliance with § 3.02) to an aggregate principal amount equal to the aggregate principal amount of Bonds of any one or more series issued under this Indenture and/or refundable debt, which Bonds and/or refundable debt shall have previously been retired or shall be retired at the time of the authentication and delivery of Bonds by the Trustee hereunder and/or for the retirement of which provision shall then