

this Article 7 if such cash were actually held by the Trustee hereunder.

§ 7.02. Any money received by the Trustee pursuant to § 5.13 (except as otherwise expressly provided therein) and all other money elsewhere herein provided to be held and applied as in this § 7.02 provided and all money, if any, received by the Trustee whose disposition is not elsewhere herein specifically otherwise provided for, (herein sometimes called "Funds in Escrow") shall be held by the Trustee and such money may be withdrawn, used or applied as in Subdivisions (I) to (IV), both inclusive, set forth below; provided that if the Company shall at any time be in default either in the payment of the interest on any Bonds then outstanding hereunder or an event of default shall exist such money may be paid over to the Company only as provided in Subdivision (III) below.

Subdivision (I)—Such money may be withdrawn from time to time in an amount or amounts equal to all or a fractional part of the principal amount of Bonds and/or refundable debt available for the authentication and delivery of which the Company shall be at the time entitled pursuant to § 3.04, not theretofore funded or theretofore used pursuant to this Subdivision (I), upon compliance with the applicable provisions of this Indenture, subject to the provisions hereinafter set forth and upon receipt by the Trustee of a written request of the Company for the withdrawal of cash on such basis and setting forth (a) the principal amount or fractional part of the principal amount of Bonds and/or refundable debt theretofore evidenced to the Trustee pursuant to Subdivision (B) of § 3.04, not theretofore funded or theretofore used pursuant to this Subdivision (I) of § 7.02; (b) the amount thereof to be used as a basis for the withdrawal of such cash; (c) the amount thereof available after the use of such amount of the principal amount or fractional part of the principal amount of Bonds and/or refundable debt as the basis for the withdrawal of such cash; (d) that the Company is not in default in the payment of interest on any of the Bonds outstanding nor does an event of default exist;

cash and the cost thereof to the Company and the date or dates of the acquisition or construction of such additional property; (b) that none of such additional property has been theretofore funded or theretofore used pursuant to the provisions of this Subdivision (III); (c) whether or not the Company is in default in the payment of interest on any of the Bonds outstanding or an event of default exists; and (d) the statements as to compliance with the conditions or covenants required to be made pursuant to § 5.14;

(B) an engineer's certificate, and/or an independent engineer's certificate in case the property to be certified consists of an acquired system having a fair value of not less than \$25,000, certifying as to the fair value of such additional property described in the written request of the Company and setting forth the statements as to compliance with the conditions or covenants required to be made pursuant to § 5.14; and

(C) an opinion of counsel relating to the additional property described in the written request of the Company similar to that provided in Paragraph (b) of Subdivision (B) of § 3.03 and setting forth the statements as to compliance with the conditions or covenants required to be made pursuant to § 5.14.

Such moneys may be withdrawn pursuant to this Subdivision (III) in the discretion of the Trustee, notwithstanding that the Company is in default either in the payment of the interest on any Bonds then outstanding or that an event of default exists.

Subdivision (IV)—Such money may be applied by the Trustee to the payment, purchase, redemption or retirement of Bonds and/or refundable debt, and/or paid to the trustee under a refundable lien to be applied by it to the payment or redemption of refundable debt, provided that in any case the Trustee shall be furnished with and may rely upon (1) a resolution of the Board of Directors of the Company authorizing and directing the Trustee to apply such cash to one or more of such purposes as designated in such resolution, and (2) if to be applied to retire refundable debt by

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

Subdivision (II)—Such money may be withdrawn from time to time in an amount or amounts equal to the net amount of additional property not theretofore funded or theretofore used pursuant to this Subdivision (II); provided that the amount of additional property constructed or acquired not more than five (5) years prior to the date of the filing with the Trustee of the request for the withdrawal of such cash shall be at least equal to the amount of cash the withdrawal of which is then being applied for, upon receipt by the Trustee of:

a written request of the Company for the withdrawal of cash on such basis and setting forth (a) the net amount of additional property not theretofore funded or theretofore used pursuant to this Subdivision (II); (b) the amount thereof to be used as the basis for the withdrawal of such cash; (c) the amount thereof available after the use of such net amount of additional property as the basis for the withdrawal of such cash; (d) a brief reference to the additional property and the amount thereof constructed or acquired by the Company within five (5) years prior to the date of the filing with the Trustee of the written request aforesaid; (e) that the Company is not in default in the payment of interest on any of the Bonds outstanding nor does an event of default exist; and (f) the statements as to compliance with the conditions or covenants required to be made pursuant to § 5.14.

Subdivision (III)—Such money may be withdrawn from time to time in an amount or amounts equal to the amount of additional property constructed or acquired by the Company contemporaneously with or subsequent to the deposit of such cash with the Trustee upon receipt by the Trustee of

(A) a written request of the Company for the withdrawal of cash on such basis and setting forth (a) a brief description of the additional property to be used as the basis for the withdrawal of such

the trustee under the instrument securing such refundable debt, a certificate of such trustee that such cash when received by it will be so applied.

All Bonds purchased or received by the Trustee under the provisions of this Subdivision IV of § 7.02 shall be cancelled, and all refundable debt so purchased or received by the Trustee, unless previously cancelled, shall be treated as provided in § 8.06.

In case the Company requests the withdrawal at any one time of an amount of money pursuant to this § 7.02 in excess of \$5,000, there shall be furnished the Trustee, in addition to the evidence above provided, a resolution of the Board of Directors requesting the withdrawal of such money.

ARTICLE 8.

CONCERNING PLEDGED SECURITIES.

§ 8.01. Certificates for all the shares of stock which shall at any time be pledged under this Indenture, or intended so to be, shall be delivered to the Trustee, duly endorsed in blank for transfer, or accompanied by an assignment or assignments sufficient to transfer the title thereof to the Trustee hereunder, or to its nominee or nominees. The Trustee may at any time cause to be transferred into its name, as Trustee hereunder, any or all of the shares of stock pledged hereunder, certificates for which shall have been delivered to it, or in its discretion may hold such shares in the name of the registered holder or holders thereof at the time of such pledge and delivery, or in the name of a nominee or nominees of the Trustee. All bonds or other securities pledged hereunder, or intended so to be, shall be delivered to the Trustee in such form that the same shall be transferable and deliverable by it. The Trustee may in its discretion cause any bonds or other securities pledged hereunder and delivered to it to be registered in its name, or in the name of its nominee or nominees.