

any intermediate successor corporation and authenticated by the Trustee and upon the application of the successor corporation in lieu of the Company, and subject to all the terms, conditions and restrictions in this Indenture prescribed with respect to the authentication and delivery of Bonds, the Trustee shall authenticate and deliver any of such Bonds which shall have been previously signed and delivered by the officers of the Company or any intermediate successor corporation to the Trustee for authentication, and any of such Bonds which the successor corporation shall thereafter, in accordance with the provisions of this Indenture, cause to be signed by its appropriate officers and delivered to the Trustee for such purpose. All the Bonds so issued shall in all respects have the same legal rank and security as the Bonds theretofore or thereafter issued in accordance with the terms of this Indenture as though all of said Bonds had been issued at the date of the execution hereof.

§ 11.03. In respect of property owned by the Company at the time of any consolidation, merger, sale, conveyance or transfer to which the provisions of § 11.02 are applicable, and substitutions, replacements, accessions, additions, alterations, improvements, betterments, developments, extensions and enlargements thereto subsequently made, constructed or acquired, the rights and duties of the successor corporation hereunder shall be the same as the rights and duties of the Company would have been had such consolidation, merger, sale, conveyance or transfer not taken place.

§ 11.04. In respect of property at the time of such consolidation, merger, sale, conveyance or transfer owned by the successor corporation, and/or owned by any other corporation or corporations merged or consolidated into or with, or the property of other corporations which is con-

veyed or transferred to, such successor corporation, and/or of property thereafter acquired by the successor corporation, except said substitutions, replacements, accessions, additions, alterations, improvements, betterments, developments, extensions and enlargements to, of or upon the property owned by the Company referred to in § 11.03 hereof, this Indenture or the supplemental indenture to be filed as above provided in § 11.02 shall not become or be a lien upon any of such property except so much thereof as shall be subjected to the lien hereof by supplemental indenture, duly executed, subject, however, to the provisions of § 11.01. Such supplemental indenture may, but need not necessarily, form one and the same instrument with the supplemental indenture provided for in said § 11.02. Nothing herein shall be construed to prevent such supplemental indenture, at the option of the Company or the successor corporation, from subjecting to the lien hereof all or any part of the property of such successor corporation then owned or thereafter acquired.

§ 11.05. The successor corporation shall be entitled to use any public utility property subjected to the lien hereof as provided in § 11.04 (provided that there shall also have been subjected to the lien hereof by supplemental indenture, duly executed, any other property, franchises and/or rights necessary in the opinion of counsel and an engineer for the use and operation of such public utility property), as the basis for the issue of Bonds or release of cash or property hereunder or under any refundable lien as and to the extent that the Company might have so used the same had it acquired the same by purchase and charged the same to its fixed property accounts; provided that the fair value of such property shall be determined by an independent engineer as of the date on which the same shall be subjected to the lien hereof as aforesaid, and the fair

value so determined shall be deemed its cost and fair value for the purposes of any such use. All the covenants and agreements of the Company herein with respect to mortgaged property shall apply to such property so subjected to the lien hereof.

§ 11.06. In case (pursuant to the provisions of § 11.01) any other corporation or corporations shall be merged or consolidated into or with the Company under such circumstances that the corporate identity of the Company is not changed, the rights and duties of the Company, with respect to the property owned by such other corporation or corporations at the time of such merger or consolidation which is acquired by the Company by virtue of the merger or consolidation and charged to its fixed property accounts, shall be the same as if such property had been acquired by the Company by purchase and charged to its fixed property accounts as of the date of such merger or consolidation; provided that, and as a condition precedent, any public utility property so acquired shall not be made the basis of the issue of any Bonds or the release of cash or property under the provisions of this Indenture (other than property subject to a prior lien not established as refundable) or of any refundable lien until the Company shall have caused to be executed and filed for record a supplemental indenture with the Trustee, satisfactory to the Trustee, giving to the Trustee a lien, subject only to one or more refundable liens or to permitted liens, not only upon such public utility property but also upon any other property, franchises and/or rights owned by the Company and necessary in the opinion of counsel and an independent engineer for the use and operation of such public utility property; and provided further that the use of such public utility property for the aforesaid or any other purposes hereunder shall be subject to the terms and conditions provided in this Indenture.

§ 11.07. The Company covenants that if Bonds at any time be issued in any new name the Company will provide for the stamping or for the exchange of any Bonds previously issued for Bonds of the same tenor and amounts issued in any such new name, at the option of the holders and without expense to them, and the Trustee shall also do such acts as may be necessary on its part to that end, including authentication of the Bonds so to be issued in exchange.

§ 11.08. In case of any such consolidation, merger, sale, conveyance, transfer or lease the Trustee shall be furnished with an opinion of counsel which opinion the Trustee may, subject to the provisions of § 16.02 and § 16.03, receive as conclusive evidence, that the applicable provisions of §§ 11.01 to 11.06 inclusive, or any of them, have been complied with or that any supplemental indenture made under any of said sections of this Article 11, complies with the conditions and provisions thereof.

§ 11.09. At any time prior to the exercise of any power by this Article 11 reserved to the Company or to a successor corporation, the Company or such successor corporation may surrender any such reserved power by delivering to the Trustee a certificate of the Company that the execution of such instrument was authorized by the vote of at least two-thirds of its entire Board of Directors passed at a meeting duly held; and thereupon the power so surrendered shall cease. Until so surrendered, the provisions of this Article 11 shall continue to apply to any number of successive mergers, consolidations, sales, conveyances or transfers, the term "the Company" referring in each such case to the corporation which immediately before such merger, consolidation, sale, conveyance or transfer was the owner of the mortgaged property.