

Such certificate shall state that such net earnings have been calculated in accordance with the provisions of this subdivision (7), and shall specify (1) the gross operating revenues of the Company, (2) the net nonoperating income of the Company, (3) the operating expenses of the Company and (4) the net earnings of the Company available for interest.

(x) net nonoperating income, including income derived from the purchase and sale of merchandise, and

(y) net earnings available for interest, computed as hereinabove provided, which, in the opinion of

In case the twelve months' period for which the net earnings of the Company are to be ascertained are not a complete year, the period with respect to which an annual report is required to be filed by the Company pursuant to Section 317 hereof, and in case the aggregate principal amount of bonds authorized to be sold exceeds since the commencement of the period the net current calendar year's net earnings of the Company, the net current calendar year's net earnings with respect to which an earnings certificate is not required or with respect to which an independent accountant's certificate has previously been furnished is ten per cent (10%) of the net earnings of the Company. In the event, however, the certificate required by this subdivision (f) shall be an independent accountant's certificate instead of an accountant's certificate.

(g) An opinion of counsel to the effect:

(4) that the Company has title to the complete and entire property and all rights in the property and that the Company is not therefore bonded mentioned and described in the officers' certificate provided for in subdivision 3(b) of this Section 3.03, subject to no lien or encumbrance and that the Company is not subject to any other claim, demand, or obligation, including but not limited to any claim, demand, or obligation for any patentable inventions and the prior liens, if any, referred to in said officers' certificate; that if such property includes any property in places not owned by the Company, that (i) the Company has the right to remove the same or (ii) such property was installed or constructed on the property of the Company under license, right-of-way, permit, license, franchise or other similar arrangement; that the nature and extent of the prior liens, if any, on such property adequately disclosed in said officers' certificate are correctly stated;

(z) net earnings available for interest, computed as hereinabove provided, which, in the opinion of the signers, has been derived from the operation of properties leased to the Company.

In case the Company shall have acquired any plant or system or shall have been consolidated or merged with any other corporation, or shall have acquired all or substantially all of the assets of another corporation, within or after the period for which the calculation of the net earnings of the Company in this subdivision (f), then in ascertaining such net earnings there shall be included, to the extent the same may not have been otherwise included, the net earnings or net losses of such other corporation, as the case may be, for the whole of such period. Such net earnings for the period preceding such acquisition or such consolidation or merger shall be computed as nearly as practicable as in this subdivision (f) for the net earnings of the Company, and the net assets of such other corporation, as the case may be, had been owned by the Company during the whole of such period or as if such other corporation had been consolidated with the Company during the whole of such period.

If within or after the period for which the calculation of net earnings is made pursuant to this subdivision (f), the Company shall have obtained the release, pursuant to the provisions of Sections 7.03 or 7.05 hereof, of any property having a fair value (determined as provided in said Sections 7.03 or 7.05, as the case may be) in excess of one

(3) that for the purpose of effectually subjecting to the lien and operation of this Indenture, or of vesting in the Trustees to hold as a part of the mortgaged property, the property additions made on the basis of the application either (i) certain instruments of conveyance, transfer or assignment (specifying them) are necessary, and, if so, that the instruments delivered to the Trustee pursuant to subdivision (h) below are sufficient for that purpose, or (ii) no instruments of conveyance, transfer or assignment are necessary.

The term "title," for the purpose of this subdivision (g), shall mean such title, whether fairly deducible of record or otherwise, as may be asserted by the holder of such title, and, in the absence of any evidence to the contrary, shall be deemed to be the title, right, as, in the opinion of counsel, is satisfactory for the needs and operations of the Company in its business, and counsel in giving such opinion may disregard irregularities or delinquencies in the record evidence of title which, in the opinion of such counsel, can be cured by proceeding in conformity with the usual practice of the industry. The opinion of counsel, and the facts and circumstances upon which the opinion of counsel, are not of a serious nature under the facts and circumstances of the case, and may base such opinion on his own investigation or upon affidavits, certificates, statements or investigations made by persons in whom he has confidence or upon examination of a certificate of title or a policy of title insurance in which he has confidence.

(h) Such instruments of conveyance, transfer and assignment, it may, as the opinion of counsel provided for in subdivision (g) above specifies as necessary for the purpose of effectually subjecting to the lien and operation of this Indenture, or of vesting in the Trustees to hold as a part of the mortgaged property, the property additions made the basis of the application.

(i) An opinion of counsel to the effect:

(1) that the issue of bonds, the authentication and delivery of which have been applied for, has been duly authorized by all governmental authorities the