

the opinion of counsel required to be filed pursuant to the provisions of subdivision (d) (1) of this Section 3.04. Redeemed prior lien bonds shall be deemed to have been paid and cancelled within the meaning of this Section 3.04. Whenever the mortgage or other instrument securing any prior lien bonds shall have been cancelled and shall have been discharged of record, additional bonds for an aggregate principal amount equal to the total principal amount of prior lien bonds secured by such prior lien with respect to which a deduction has been made in connection with applications under this Indenture for the authentication and delivery of bonds or the withdrawal or reduction of cash, less the sum of (1) the total principal amount of such prior lien bonds theretofore bonded, and (2) the total principal amount of such prior lien bonds which the Company has agreed will not be bonded as provided in Section 3.02 hereof, shall be authenticated by the Trustee and delivered to or upon the order of the Company, but only upon receipt by the Trustee of:

- (a) A certified resolution, officers' certificate, opinion of counsel, accountant's certificate or independent accountant's certificate, and documents, all in form as prescribed in subdivisions (a), (c) (3), (4) and (5), (d) (2) and (3), (e) and (f) of this Section 3.04;
- (b) An officers' certificate stating:
 - (1) the total principal amount of prior lien bonds secured by such prior lien theretofore deducted in connection with applications under this Indenture for the authentication and delivery of bonds or the withdrawal or reduction of cash;
 - (2) the total principal amount of prior lien bonds secured by such prior lien theretofore bonded; and
 - (3) the total principal amount of prior lien bonds, if any, secured by such prior lien which the Company has agreed will not be bonded as provided in Section 3.02 hereof; and

with the opinion of counsel required to be filed pursuant to the provisions of subdivision (f) of this Section 3.05.

Such cash shall be received and applied by the Trustee as a part of the trust estate. If within a period of five years after it is deposited any cash so deposited under the provisions of this Section 3.05 shall not have been withdrawn by the Company pursuant to the provisions of Article VIII hereof, such cash shall be applied forthwith by the Trustee, in the manner and upon the terms and conditions provided in Section 3.02 hereof (including specifically the last two paragraphs thereof), to the purchase or redemption of prior lien bonds or bonds as specified in a certified resolution delivered by the Company to the Trustee in accordance with the provisions of said Section 3.02, or, in case of the failure of the Company to deliver such resolution and in case such cash exceeds one hundred thousand dollars (\$100,000), to the purchase or redemption of bonds of the earliest maturities then outstanding; provided, however, that the Trustee shall not apply to the purchase of any bonds or prior lien bonds an amount exceeding the applicable redemption price thereof prevailing at the time (if redeemable) and accrued interest, or, if not redeemable, an amount exceeding the principal amount thereof and accrued interest.

Section 3.06. From time to time hereafter the Company, in substitution for any bonds theretofore authenticated and delivered under any of the provisions of this Indenture and then or theretofore surrendered for conversion (if convertible), except into other bonds, or paid at maturity or upon redemption or purchased or otherwise surrendered to the Trustee, as the case may be, and cancelled, and in no such case theretofore bonded or theretofore made the basis for the issue of bonds of one denomination for bonds of another denomination of the same series in exchange therefor, or for the issue of coupon bonds in exchange for registered

(re) An opinion of counsel to the effect that such prior lien has been cancelled and discharged of record.

Section 3.06. From time to time hereafter the Company, in addition to the bonds authorized to be issued pursuant to other provisions of this Article III, may execute and deliver to the Trustee, and the Trustee shall thereupon authenticate and deliver to or upon the order of the Company, additional bonds for an aggregate principal amount equal to the amount of cash which shall heretofore be deposited with the Trustee hereunder as a basis therefor, but only upon receipt by the Trustee of:

- (a) A certified resolution setting forth the same matters as are required to be stated pursuant to the provisions of subdivision 3 (a) of Section 3.02 hereof;
- (b) An officers' certificate stating that the Company is not, to the knowledge of the signers, in default in this Indenture, and that all conditions precedent provided for in this Indenture relating to the authentication and delivery of the additional bonds applied for have been complied with;
- (c) An officers' certificate to the same effect as required by the provisions of subdivision (c) (3) of Section 3.04 hereof;
- (d) An accountant's certificate or independent accountant's certificate, as the case may be, as to the same matters as are required to be stated pursuant to the provisions of subdivision 3 (f) of Section 3.03 hereof;
- (e) Cash in amount equal to the aggregate principal amount of the additional bonds applied for;
- (f) An opinion of counsel to the same effect as required by the provisions of subdivision 3 (i) of Section 3.03 hereof; and
- (g) Documents evidencing the authorization by all governmental authorities, the consents of which are requisite to the legal issue of such bonds, in accordance

bonds without coupons, or for the issue of registered bonds without coupons in exchange for coupon bonds or upon the transfer of registered bonds without coupons, or for the issue of bonds in substitution for bonds mutilated, destroyed, lost or stolen, pursuant to the terms hereof or of any indenture supplemental hereto, may execute and deliver to the Trustee, and the Trustee shall thereupon authenticate and deliver to or upon the order of the Company, additional bonds for an aggregate principal amount equal to that of the bonds in substitution for which such additional bonds are executed and delivered, but only upon receipt by the Trustee of:

- (a) A certified resolution authorizing the execution, and requesting the authentication and delivery, of such additional bonds in the principal amount therein specified, designating the series of such bonds and the indenture supplemental hereto creating such series, specifying the series and the aggregate principal amount of the bonds in substitution for which additional bonds are to be authenticated and delivered, and naming the officer or officers of the Company to whom or upon whose order such additional bonds shall be delivered;
- (b) An officers' certificate stating in substance:
 - (1) that no part of the bonds in substitution for which additional bonds are to be authenticated and delivered has theretofore been bonded, surrendered for conversion into other bonds or made the basis for the issue of bonds of one denomination for bonds of another denomination of the same series in exchange therefor, or for the issue of coupon bonds in exchange for registered bonds without coupons, or for the issue of registered bonds without coupons in exchange for coupon bonds or upon the transfer of registered bonds without coupons, or for the issue of bonds in substitution for bonds mutilated, destroyed, lost or stolen, pursuant to the terms of this Indenture or of any indenture supplemental hereto;