or upon the order in writing of such registered holder thereof.

Section 1.08. Whenever a bond or bonds secured hereby together with all unmatured coupons pertaining thereto, shall be surrendered to the Trustee, then upon request, the Corporations will issue and the Trustee will authenticate and deliver, in exchange therefor, a like principal amount of the bonds of the same maturity, with all unmatured coupons attached thereto, in such denomination or denominations aforesaid as the holder of the bond or bonds so surrendered shall request. All bonds so surrendered to the Trustee for exchange, together with all coupons pertaining thereto, shall forthwith upon such surrender be cancelled by the Trustee and delivered to the Corporations. The Corporations as a condition precedent to the right of the holder of a bond to have such bond so exchanged, may require the holder, in order to reimburse the Corporations in respect of the cost of effecting the exchange, to pay to the Trustee for account of the Corporations such reasonable sum, not in excess of Three Dollars ($3.00) per bond, as the Corporations may require for each bond delivered to the holder upon any exchange, in addition to any stamp tax or other governmental charge required to be paid on such exchange. Said sum shall be received by the Trustee in the sole capacity of agent for the Corporations.

ARTICLE TWO

ISSUANCE OF BONDS

Section 2.01. Upon the execution of this Indenture and from time to time thereafter, the Corporations shall execute and deliver to the Corporate Trustee their First Mortgage Serial and Sinking Fund Bonds, and the Corporate Trustee without being obliged to wait for the recording of this Indenture, shall authenticate and deliver forthwith to or upon the written order or orders of the Corporations under their respective corporate seals, signed by the President or Vice President of the respective Corporations, upon receipt of the consideration therein specified, First Mortgage Serial and Sinking Fund Bonds of such denominations and maturities as may from time to time be designated in such order or orders, in an aggregate principal amount not exceeding $250,000.00.

Section 2.02. The cash proceeds of the Bonds shall be paid out by the Corporate Trustee as follows:

(a) To pay the cost of financing this issue of Bonds as shown by the certificate of the President or Vice President of the respective Corporations.

(b) The balance shall be paid over to the Corporations, without restriction.