

under this Indenture of a specified aggregate principal amount (not less than the aggregate principal amount of bonds for which such request for authentication and delivery is made under this Section) have been paid, retired, redeemed or cancelled, or concurrently with the authentication and delivery of the bonds requested will be surrendered to the Principal Trustee for cancellation (otherwise than upon exchanges or transfers of bonds) and/or that moneys in the necessary amount for the payment, retirement or redemption thereof are then held by or will be deposited with the Principal Trustee prior to or concurrently with the authentication and delivery of the bonds requested (with irrevocable direction and authorization satisfactory to the Principal Trustee so to apply the same, and, as regards bonds to be redeemed, either with proof satisfactory to the Principal Trustee that notice of redemption has been duly given or with irrevocable authorization to the Principal Trustee to give such notice of redemption), and further stating that no part of such aggregate principal amount of bonds has been theretofore made the basis under any of the provisions of this Indenture for the authentication and delivery of bonds or the withdrawal of cash or the taking of a credit under subdivision (3) of § 3.09 and that none of such bonds has been retired by the use of the proceeds of any insurance on any funded property or the proceeds of the release or other disposition of any part of the funded property, or through the operation of any sinking, improvement or other fund applicable to such retirement, except, as regards any such fund, to the extent, if any, that the provisions establishing such fund may expressly permit the issuing of bonds under this Section in respect of bonds retired through the operation of such fund; and further stating the interest rate or rates and the maturity date or dates borne by all such bonds so cancelled or so to be surrendered for cancellation or which are to be so paid, retired or redeemed or money for the retirement or redemption of which is to be so deposited;

(3) An opinion of counsel stating the signer's opinion to the effect (a) that the instruments which have been or are there-with delivered to the Principal Trustee conform to the requirements of this Indenture and constitute sufficient authority under this Indenture for the Principal Trustee to authenticate and deliver the bonds applied for, and that on the basis of the pay-

ment, retirement, redemption, cancellation or surrender for cancellation of such bond, unless the Principal Trustee shall have received, in connection with the authentication and delivery of such additional bond, a net earnings certificate and unless such net earnings certificate shall show the net earnings of the Company to be as required by § 3.03.

Any and all coupon bonds delivered to the Principal Trustee pursuant to this Section shall have annexed thereto all unmatured coupons appertaining thereto.

§ 3.08. The Principal Trustee shall from time to time upon the written request of the Company authenticate and deliver bonds (other than bonds of the 1969 Series) upon the deposit with the Principal Trustee by the Company of cash equal to the aggregate principal amount of the bonds so requested to be authenticated and delivered, but only after the Principal Trustee shall have received:

(1) A certified resolution such as is described in subdivision (1) of § 3.06;

(2) A certificate of the Company stating that the Company is not, and by the granting of the application then being made will not become, to the best of the knowledge and belief of the signers, in default under any of the provisions of this Indenture;

(3) A net earnings certificate showing the net earnings of the Company to be as required by § 3.03;

(4) An opinion of counsel to the effect (a) that the instruments which have been or are therewith delivered to the Principal Trustee conform to the requirements of this Indenture and constitute sufficient authority under this Indenture for the Principal Trustee to authenticate and deliver the bonds applied for; and that upon the deposit of an amount of cash equal to the aggregate principal amount of the bonds applied for such bonds may be lawfully authenticated and delivered under this Article; and (b) that the issue of the bonds, the authentication and delivery of which are requested in such resolution, has been duly authorized by the Company and by and all governmental authorities the consent of which is requisite to the legal

ment, retirement, redemption, cancellation or surrender for cancellation of bonds or the deposit of moneys in accordance with the certificate of the Company delivered to the Principal Trustee pursuant to subdivision (2) of this Section, the bonds applied for may be lawfully authenticated and delivered under this Article; and (b) that the issue of the bonds, the authentication and delivery of which are requested in the resolution provided for under subdivision (1) of this Section, has been duly authorized by the Company and by any and all governmental authorities the consent of which is requisite to the legal issue of such bonds, specifying any duly certified documents by which such consent is or may be evidenced, or that no consent of any governmental authority is requisite, and specifying the certificate or other evidence which will be sufficient to show compliance with the requirements, if any, of any mortgage recording tax law or other tax law applicable to the issuance of the bonds applied for, or stating that there are no such legal requirements;

(4) The duly certified documents, if any, specified in the opinion of counsel provided for in subdivision (3) of this Section; and

(5) A certificate of the Company and an opinion of counsel as to compliance with conditions precedent;

*provided, however*, that no additional bond shall be authenticated and delivered pursuant to this Section more than two years prior to the stated maturity of the bond (hereinafter called the retired bond) in respect of the payment, retirement, redemption, cancellation or surrender for cancellation of which the authentication and delivery of such additional bond is applied for, unless such additional bond bears no greater rate of interest than such retired bond, or, if such additional bond bears a greater rate of interest than such retired bond, unless the Principal Trustee shall have received a net earnings certificate and unless such net earnings certificate shall show the net earnings of the Company to be as required by § 3.03; and *provided further*, that no additional bond shall be authenticated and delivered pursuant to this Section in respect of the payment, retirement, redemption, cancellation or surrender for cancellation of any bond the interest charges on which have been excluded from any net earnings certificate filed

issue of such bonds, specifying any duly certified documents by which such consent is or may be evidenced, or that no consent of any governmental authorities is requisite, and specifying the certificate or other evidence which will be sufficient to show compliance with the requirements, if any, of any mortgage recording tax law or other tax law applicable to the issue of the bonds applied for, or stating that there are no such legal requirements;

(5) The duly certified documents, if any, specified in the opinion of counsel provided for in subdivision (4) of this Section; and

(6) A certificate of the Company and an opinion of counsel as to compliance with conditions precedent.

§ 3.09. All cash deposited with the Principal Trustee under the provisions of § 3.08 (in this Section referred to as deposited cash) shall be held by the Principal Trustee as a part of the mortgaged property, but whenever (subject to the provisions of § 3.18) the Company shall become entitled to the authentication and delivery of bonds under any of the provisions of this Indenture (other than those contained in § 3.08), the Principal Trustee, upon the application of the Company, evidenced by a certified resolution, and upon compliance by the Company with all the provisions of this Indenture (except as hereinafter in this Section provided, and with such omissions and variations as may be appropriate by reason of the fact that the withdrawal of deposited cash rather than the authentication and delivery of bonds is being applied for) with which it would have to comply to obtain such authentication and delivery, shall pay over to the Company or upon its order, in lieu of each bond or fraction thereof to the authentication and delivery of which the Company shall then be so entitled, a sum in cash equal to the principal amount of each such bond or fraction thereof; *provided, however*, that for the purpose of withdrawing cash pursuant to the provisions of this Section, it shall in no case be necessary for the Company to deliver to the Principal Trustee the resolution and certificate such as are described in subdivisions (1) and (2) of § 3.06, or the net earnings certificate provided for in § 3.03, or such parts of the