

ness is of the nature described in the last paragraphs of Subdivisions 2 and/or 3 of Section 6 of this Article (as indebtedness is therein defined) which has been included in a previous statement filed with the Trustee as required in Paragraph I or Paragraph U of this Section and specifying the statements setting forth such indebtedness and further stating the facts necessary for the computation of the principal amount of Bonds then being requested to be authenticated.

X. Proof satisfactory to the Trustee of the payment of such indebtedness, including in such term retirement of preferred stock.

SECTION 11. Upon the retirement of all of the Bonds of Series "A", thereafter Reserved Bonds and/or Residue Bonds to be issued under Sections 4, 5 and 6 of this Article shall be authenticated and delivered only upon receipt by the Trustee of B, C and E and the receipt of such other certificates, resolutions or statements as may be required by the terms of any indenture hereafter authorized supplemental hereto.

SECTION 12. The Bonds authorized to be issued under Section 7 of this Article shall be authenticated and delivered only upon receipt by the Trustee of B, C and E, and of:

Y. The surrender for cancellation or evidence satisfactory to the Trustee of the retirement of Bonds outstanding of any series theretofore issued hereunder, with all unmatured coupons appertaining thereto, and proof satisfactory to the Trustee of the cancellation of matured coupons or of the loss or destruction of any Bonds or coupons and indemnity satisfactory to the Trustee against any claim or liability on account thereof, and

Z. A certificate signed by the President or the Vice-President and the Treasurer or an Assistant Treasurer of the Company, stating that the Company is not, to the knowledge of the signers, in default in the performance of any of the terms or covenants of this Indenture, or that the only default is one other than one of those enumerated in clauses (a), (b) and (c) of Section 1 of Article XI, and that such default has not continued for the period, if any, in said Section specified.

SECTION 13. The resolutions, certificates, opinions and other instruments provided for in this Article II may be accepted by the Trustee as satisfactory and conclusive evidence as to the statements therein contained, and shall be full authority and protection to the Trustee for the certification and delivery of Bonds, and the Trustee may conclusively rely upon the truth of any statement made in any such resolution, certificate, opinion or other instrument, whether such statement be required by any provision of this Article or voluntarily made; but before authenticating and delivering Bonds under this Article the Trustee in its discretion may cause to be made such independent investigation as it may see fit, and the expense thereof shall be borne by the Company, or if paid by the Trustee, shall be repaid by the Company upon demand, with interest at the rate of six per cent. per annum. The Trustee shall have no responsibility for the application or use of any Bonds or any of the proceeds thereof authenticated and delivered by it.

SECTION 14. If at any time the Company shall have caused to be secured for the Bankers an audit by independent public accountants or an examination by independent engineers, it shall forthwith upon the receipt of the report of such accountants and/or engineers file a copy of such report or audit with the Trustee hereunder. And if it shall appear from either of such reports that the Company has requested and has received the authentication of Bonds in excess of the amount to which it was at the time of such authentication entitled, the Company shall thereupon either surrender to the Trustee a principal amount of Bonds theretofore authenticated hereunder equal to the amount of such excess,