

to the authentication and delivery of any bonds under the provisions of any of Sections 2 to 5 inclusive of this Article and the Trustee shall have in its possession deposited cash equal to the principal amount of such bonds, the Trustee shall, on the request of the Company evidenced by resolution of its Board of Directors and in lieu of the authentication and delivery of such bonds, pay over to the Company on the order of its President or a Vice President an amount of deposited cash equal to the principal amount of such bonds but only upon receipt by the Trustee of a certificate or certificates, orders, bonds, and/ or opinion or opinions (if any) of the character required to be given for the authentication and delivery of such bonds (excepting only the orders, certificates and/ or opinions required by Section 8 of this Article) but with such changes or differences as may be appropriate or required by reason of the fact that the Company's application is for deposited cash instead of for the authentication of bonds. All moneys received by the Trustee under the provisions of this section shall until paid out as aforesaid be held by it as part of the mortgaged property. Until so paid out such moneys shall draw interest at a rate to be agreed upon by the Trustee and the Company and such interest shall be paid by the Trustee to the Company upon its order in the absence of an event of default.

SECTION 7. No bonds shall be issued or authenticated under the provisions of Sections 4 or 5 of this Article, and no bonds shall be issued under the provisions of Section 3 of this Article bearing a higher rate of interest than the bonds on account of the payment, cancellation, redemption or discharge of which such bonds shall be issued, except upon receipt by the Trustee of a certificate signed by the President or a Vice President and by the Treasurer or an Assistant Treasurer of the Company showing that for a period of twelve consecutive months ending within sixty days next preceding the authentication of any such bonds hereunder the net earnings of the Company, as hereinafter defined shall have been at least one and three quarters ($1\frac{3}{4}$) times a sum equal to the interest for one year on all the bonds outstanding under this Mortgage at the date of such authentication less the amount of any deposited cash (whether invested in United States Government obligations or not so invested) then held by the Trustee under the provisions of Section 6 of this Article and on the bonds requested to be authenticated hereunder and on all other mortgage indebtedness then constituting a lien superior to the lien of this Mortgage on any part of the Company's property (excepting any such mortgage indebtedness the evidences of which shall then be held by the Trustee under the provisions of this Mortgage or by the Trustee under any mortgage constituting a lien superior to the lien of this Mortgage on any part of the Company's property, and any such mortgage indebtedness for the payment or redemption of which the necessary moneys shall have been deposited with the Trustee under the mortgage securing the same). The term "net earnings of the Company" as used herein shall for any period be deemed to be the amount remaining after deducting from the total gross earnings and income of the Company from all sources for such period all operating expenses, including current maintenance and repairs, rentals, taxes, and insurance, but excepting all reserves for depreciation, renewals and replacements and/ or for amortization. In case any of the property of the Company owned by it at the time of the authentication of bonds hereunder shall not ^{have} been owned by it during the whole or any part of any such period, then and in every such case the net earnings of such property during said period or such part thereof as shall have preceded the acquisition by the Company of said property, shall be considered and treated as net earnings of the company for such period. The net earnings for such period of any Subsidiary applicable to the stock of such Subsidiary owned by the Company during such period and at the date of authentication of bonds hereunder, shall also be considered and treated as net earnings of the Company for such period.

No deposited cash shall be paid out under the provisions of Section 6 of this