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been filed or recorded, shall authenticate and deliver the same on the written order of the Oklahoma Company, signed by its President or a Vice President or a ~~Vice President~~ and attested by its Secretary or an Assistant Secretary under the corporate seal of the Oklahoma Company.

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SECTION 2. The remaining notes issuable under this Indenture (within the limits provided in Section 1 of Article One hereof), hereinafter called "residue notes," bearing such rate or rates of interest as shall from time to time be designated by the Board of Directors of the Oklahoma Company, as hereinafter provided, shall from time to time be authenticated and delivered by the Trustee to a principal amount not exceeding in the aggregate eighty-five per cent (85%) of the actual and reasonable expenditures made by the Companies, or any of them, on or after July 1, 1923, for extensions of and additions to their respective plants, properties and equipment, as the same existed on July 1, 1923, or made by any subsidiary corporation, after the date of its becoming such subsidiary corporation, for extensions of and additions to its plants, properties and equipment as the same existed on the date of its becoming such subsidiary corporation, "Extensions and additions," as used in this Indenture shall be taken to mean (1) plants, properties, and equipment of any description whatsoever additional to the plants, properties and equipment owned by the Companies, or any of them, on July 1, 1923, and improvements, extensions, additions, enlargements or betterments to or upon the plants, properties and equipment owned by the Companies, or any of them, on July 1, 1923, or to or upon any plants, properties or equipment thereafter acquired by the Companies, or any of them, and (2) plants, properties and equipment of any description whatsoever additional to the plants, properties and equipment owned by any subsidiary corporation at the date of its becoming such subsidiary corporation, and improvements, extensions, additions, enlargements or betterments to or upon the plants, properties and equipment owned by any subsidiary corporation at the date of its becoming such subsidiary corporation or to or upon any plants, properties or equipment thereafter acquired by such subsidiary corporation. Extensions and additions shall include (a) renewals or replacements of property but only to the extent that the cost of such renewals or replacements exceeds the original cost of the property renewed or replaced, (b) the acquisition as an entirety or substantially as an entirety, of the plants, properties and equipment of another public utility corporation, and (c) the acquisition after July 1, 1923, by any of the Companies or by any subsidiary corporation, as defined in the granting and pledging clauses of this Indenture. Expenditures for extensions and additions shall include expenditures of every character pertaining to same chargeable capital under well recognized systems of accounting.

No notes shall be issued under the provisions of this section for or on account of any amount of expenditures made as aforesaid, which have been used as the basis for the issuance of First and Refunding Mortgage Gold Bonds of the Oklahoma Company or of First and Refunding Mortgage Gold Bonds of said Southern Oklahoma Power Company, except under the terms and restrictions provided in Section 7 of this Article Two, or which have been used as a basis for the withdrawal from the trustee under the First and Refunding Mortgage of the Oklahoma Company, the trustee under the trust indenture securing the First and Refunding Mortgage Gold Bonds of said Southern Oklahoma Power Company, or the trustee under any instrument securing bonds of any subsidiary corporation, of cash in the hands of any such trustee by reason of any insurance, partial release, or special trust fund provisions contained in the mortgages or other instruments securing said respective issues of bonds, or which have been used as a basis for the withdrawal of cash from the Trustee under this Indenture.

SECTION 3. None of the residue notes shall be authenticated and delivered under the provisions of Section 2 of this Article unless and until the combined net earnings of the