

sions and additions; and that such expenditures have been made after July 1, 1923, or after the date of the acquisition of such subsidiary corporation, as the case may be.

(b) That none of such extensions or additions, (1) 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 as is set forth in detail in said statement and in accordance with Section 7 of Article Two of this Indenture, or for the withdrawal of cash from the respective trustees under the mortgages or other instruments securing such bonds, under any of the provisions thereof; (2) consist of real property or any interest in or concerning the same which has not been or is not simultaneously with the issue of such notes, subjected to the lien of this Indenture; (3) have been made out of any insurance moneys, or the proceeds of property taken by eminent domain, or the proceeds of the sale of any property; (4) have been previously made the basis for the authentication and delivery of notes or withdrawal of cash under any provisions of this Indenture, or for the absorption of the excess amount of any lien as provided in the last paragraph of Section 5 of this Article; or, (5) are subject to any valid vendor's, contractor's, or mechanic's liens, or any mortgage or other lien except mortgages to which this Indenture is specifically made subject and as permitted by Section 5 of this Article, unless and until arrangements satisfactory to the Trustee shall have been made for the discharge of such liens.

(c) That the Oklahoma Company is not in default in respect to the filing with the Trustee of any certificate required by Section 5 of this Article.

IV. The sworn statement of the President or a Vice President and the Treasurer or an Assistant Treasurer of each of the Companies, showing the net earnings of the Companies and the subsidiary corporations, respectively, for a period of twelve (12) consecutive calendar months ending not more than ninety (90) days prior to such application, and the annual bond interest charge of the Companies and the subsidiary corporations, all in detail, as defined in Section 3 of this Article Two.

V. In case the application is for the authentication of notes in respect to the acquisition by the Companies, or any of them, or by any subsidiary corporation, as an entirety or substantially as an entirety, of the plants, properties and equipment of another public utility corporation, or the acquisition by the Companies, or any of them, or by any subsidiary corporation, of a public utility corporation as a subsidiary corporation, in addition to the supporting mortgage required by Section 6 of this Article, (1) a certificate of the President or a Vice President and the Treasurer or an Assistant Treasurer of the Company making such acquisition of a public utility corporation as a subsidiary corporation, stating that said corporation has no funded or other debt except bonds, notes or other obligations secured by underlying mortgages upon the property of said corporation or indebtedness to the Oklahoma Company, and that said corporation has leased all of its plants and properties to the Oklahoma Company as provided in Section 6 of this Article Two; (2) a certificate of a person appointed by the Company making such acquisition and approved by the Trustee stating (a) that in his opinion the acquisition of such property or of such public utility corporation as a subsidiary corporation, is advisable from the standpoint of such Company and the holders of the notes hereby secured, and that such property is reasonably adapted to the business of such Company, and (b) the fair value of the physical property of such public utility corporation after making due allowance for depreciation; and (3) an opinion of counsel satisfactory to the Trustee, stating that there are no existing liens or encumbrances upon any part of the plants, properties and equipment so acquired as an entirety, or upon any part of the property of such public utility corporation so acquired, except bonds or notes secured by an existing mortgage, and in respect to such bonds or notes, the principal amount thereof out-