

Net earnings of the Company available for interest and property retirement appropriations

and

Net earnings of the Company available for interest:

The term "*net earnings of the Company available for interest and property retirement appropriations*" shall mean the total operating and non-operating revenues of the Company, including interest and dividends upon securities held by the Company, less all operating expenses, expenditures for ordinary repairs and maintenance, accruals for taxes (other than income and excess profits taxes or other taxes which are imposed on income after the deduction of interest charges), and non-operating expenses, but excluding all appropriations for depreciation, depletion, amortization or property retirement, all interest charges, and all amortization of stock and debt discount, expense or premium; provided, however, that the total amount of net non-operating income so included shall not exceed 10% of the net earnings of the Company available for interest and property retirement appropriations so computed, including the net non-operating income so included. Net earnings of the Company available for interest and property retirement appropriations shall be determined in accordance with the following additional requirements:

(a) No interest received by the Company on obligations of any subsidiary of the Company, which is in excess of the net earnings available for interest of such subsidiary for the corresponding period, and no dividends received by the Company upon stock of any subsidiary, which are in excess of the net earnings of such subsidiary for the corresponding period, shall be included in the revenues of the Company in making such computations.

(b) No profits or losses from the sale or abandonment of capital assets, and no increase or diminution in value of securities or other investments, shall be included in making such computations.

(c) In case the Company shall have obtained the release of any property pursuant to §8.03, of a fair value in excess of \$500,000 as shown by the Engineer's Certificate required by §8.03, or shall have obtained the release of any property pursuant to §8.04, the proceeds of which shall have exceeded \$500,000, within or after the