

able value of second stage property additions theretofore filed with the Trustee (or in the case of the first such Certificate, from the date of execution of this Indenture) to a date specified in the Certificate then being filed; a description in reasonable detail of such gross second stage property additions, which description may be by reference to the classifications then used by the Company in its property accounts or, at the option of the Company, may, in the case of tracts or parcels of land, be by reference to the deeds by which the same were acquired or to the supplemental indenture or mortgage by which the same were or are being conveyed to the Trustees (and in each case such description may be contained in an exhibit delivered to the Trustee with such Certificate), and which shall specify any gross second stage property additions consisting of an acquired system or consisting of production expenditures or which shall have been acquired and paid for in whole or in part through the issue or delivery of shares of stock or other securities; the fair value to the Company (as of the date provided for in the definition of fair value to the Company contained in *Article 1*) of the gross second stage property additions included in the Certificate, except such as have been retired by the Company, which fair value, if it is less than the cost thereof to the Company, shall be used in determining the amount at which such gross second stage property additions are included in the Certificate; and a distribution of the cost to the Company, or the fair value to the Company, if the fair value is less than the cost, of the second stage property additions described in the Certificate among the various classes of such second stage property additions, to such extent and upon such basis, which may be an estimate, as the signers deem proper; provided that the Certificate shall not include the bonded cost of any property additions (whether second stage or other property additions) consisting of production expenditures if the aggregate bonded cost of all production expenditures included in such Certificate and in all Engineer's Certificates conforming with the provisions of this §4.03(a) previously filed pursuant to any provision of this Indenture (which aggregate bonded cost shall be stated in such Certificate) would thereby exceed \$70,000,000.

In case any provision of this Indenture shall require an Independent Engineer's Certificate with respect to any particular second stage property additions included in the Certifi-