

delivery of bond(s) or fraction of a bond so waived shall have the status of Funded Property and shall be deemed to have been made the basis of a credit under this Section.

• For all purposes of the Mortgage (including all calculations thereunder) so long as any bonds of the Eighth Series remain Outstanding:

(I) any cash deposited under the provisions of this Section or of Section 40 of the Mortgage or Section 2 of the First, Second, Third, Fourth, Fifth or Sixth Supplemental Indenture shall be deemed to be Funded Cash;

(II) any bonds of the First Series delivered to the Corporate Trustee pursuant to the provisions of Section 40 of the Mortgage and any bonds of the Second Series delivered to the Corporate Trustee pursuant to the provisions of Section 2 of the First Supplemental Indenture and any bonds of the Third Series delivered to the Corporate Trustee pursuant to the provisions of Section 2 of the Second Supplemental Indenture and any bonds of the Fourth Series delivered to the Corporate Trustee pursuant to the provisions of Section 2 of the Third Supplemental Indenture and any bonds of the Fifth Series delivered to the Corporate Trustee pursuant to the provisions of Section 2 of the Fourth Supplemental Indenture and any bonds of the Sixth Series delivered to the Corporate Trustee pursuant to the provisions of Section 2 of the Fifth Supplemental Indenture and any bonds of the Seventh Series delivered to the Corporate Trustee pursuant to the provisions of Section 2 of the Sixth Supplemental Indenture and any bonds of the Eighth Series delivered to the Corporate Trustee pursuant to the provisions of this Section shall, after such delivery, be deemed to have been retired by the use of Funded Cash; and

(III) with respect to all credits taken under this Section or Section 40 of the Mortgage or Section 2 of the First, Second, Third, Fourth, Fifth or Sixth Supplemental Indenture on the basis of waivers of the right to the authentication and delivery of bonds or otherwise, it shall be deemed that a credit has been taken under the Mortgage on the basis thereof.

Any bonds issued under the Mortgage, delivered to, deposited with or purchased or redeemed by, the Corporate Trustee pursuant to the provisions of this Section, shall forthwith be cancelled by the Corporate Trustee.