

redemption of bonds in the manner provided in the second preceding paragraph and may not be withdrawn by the Company pursuant to this Section or in any other manner.

SECTION 8.13. When any application is made for the withdrawal of cash pursuant to paragraphs I or II of Section 8.12 or for the release of property as provided in the second paragraph of Section 8.03 on the basis of bondable additions which replace retired property and the deduction required by Section 1.10 in respect of such retired property has not theretofore been made from the cost or fair value of bondable additions certified to the Corporate Trustee in any previous application for the issuance of bonds or the withdrawal of cash pursuant to Sections 4.03 or 4.06 or this Section, there shall be deducted from the cost or fair value to the Company, as the case may be, of the bondable additions being made the basis of the withdrawal of cash or release of property an amount equal to (a) the cost of such retired property (or if such retired property shall have previously been made the basis for the issuance of bonds or the withdrawal of cash or the release of property hereunder, and the fair value thereof to the Company was less than cost at the time the same was made the basis of such issue or withdrawal or release, then such fair value in lieu of cost) less (b) an amount equal to all cash, if any, received by the Corporate Trustee representing the proceeds of insurance on, or the release or other disposition of, such retired property, and the principal amount of all purchase money obligations, if any, secured by purchase money mortgages, received by the Corporate Trustee upon the release of such retired property. In any such case the application of the Company for the withdrawal of cash or release of property shall include a statement of the amount required pursuant to this Section to be deducted from the cost or fair value to the Company, as the case may be, of such bondable additions, together with a statement setting forth in reasonable detail the method by which such amount was calculated, and including therein, or in an exhibit thereto, a description of the retired property, which description shall be by reference to the appropriate division or subdivision of the Company's property accounts or in such other reasonable detail, if any, as the Corporate Trustee may require.