

the bond, after which no transfer shall be valid unless made on the said books by the registered owner in person or by his attorney duly authorized, and such transfer similarly noted on the bond; but the same may be discharged from registry by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored, but such bond may again, and from time to time, be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the coupons, which shall continue to pass by delivery, and to be payable to bearer. The registered holder of any bond so registered shall be regarded for all purposes as the owner thereof, and neither the ELECTRIC COMPANY nor the TRUSTEE shall be affected by any notice to the contrary, nor by any trust or equity claimed by any other person in respect thereto.

Section 5. Immediately following the filing of this instrument for record with the Auditors or proper recording officers of the counties wherein the properties covered by this mortgage are located, said TRUSTEE shall forthwith certify and deliver to the said ELECTRIC COMPANY, bonds numbered one (1) to two thousand (2,000), both inclusive, amounting in the aggregate to the face value of two million dollars (\$2,000,000). The remaining eight thousand (8,000) bonds of the face or par value of eight million dollars (\$8,000,000), and numbered from two thousand and one (2,001) to ten thousand (10,000), both inclusive, shall, from time to time, be delivered to the TRUSTEE for certification, and, after certification thereof, shall, by said TRUSTEE, be delivered to the ELECTRIC COMPANY upon receipt of a certified copy of resolution or resolutions passed by the Board of Trustees of the ELECTRIC COMPANY, authorizing and requesting such certification and delivery thereof, or of so many of said bonds as shall be specified in such several resolutions; provided, that said certified copy of each of said resolutions referring to bonds numbered two thousand and one (2,001) to three thousand (3,000), both inclusive, shall have annexed thereto, a certificate signed by the President of the ELECTRIC COMPANY, declaring that said ELECTRIC COMPANY has actually expended in the purchase or construction of additional property or equipment, in extension of the plant or system, and in addition to the property, machinery or equipment owned or possessed or contracted for by said ELECTRIC COMPANY on the first day of July, 1912, and exclusive of any property, equipment or addition mentioned in any previous certificate for which bonds shall have been so required and issued, a sum equal to at least the face value of the bonds called for in such resolution; and provided, that said certified copy of each of said resolutions referring to bonds numbered three thousand and one (3,001) to ten thousand (10,000), both inclusive, shall have annexed thereto, a certificate signed by the President of the ELECTRIC COMPANY, declaring that said ELECTRIC COMPANY HAS actually expended in the purchase or construction of additional property or equipment, in extension of the plant or system, and in addition to the property, machinery or equipment owned or possessed or contracted for by said ELECTRIC COMPANY on the first day of July, 1912, and exclusive of any property, equipment or addition mentioned in any previous certificate for which bonds shall have been so required and issued, a sum of money at least ten per cent (10%) in excess of the face value of the bonds called for in such resolution; and provided further, that none of the bonds numbered three thousand and one (3,001) to ten thousand (10,000), both inclusive, shall be certified by the TRUSTEE, unless at the time of such requested certification, the net earnings of the ELECTRIC COMPANY are at least one and one-half ($1\frac{1}{2}$) times the amount of interest charges on the then outstanding bonds.