

STATING THAT SAID ADDITIONAL PROPERTY IS THEN SUBJECT TO THE DIRECT LIEN OF THIS INDENTURE AND THAT NO SUCH MORTGAGE, DEED, CONVEYANCE, ASSIGNMENT, TRANSFER OR INSTRUMENT OF FURTHER ASSURANCE IS NECESSARY FOR SUCH PURPOSE;

(3) STATING THAT THE COMPANY HAS ACQUIRED A GOOD AND VALID LEGAL TITLE TO SAID ADDITIONAL PROPERTY, AND THAT THE SAME AND EVERY PART THEREOF IS FREE AND CLEAR OF ALL LIENS, CHARGES OR ENCUMBRANCES PRIOR TO THE LIEN OF THIS INDENTURE, EXCEPT TAXES FOR THE THEN CURRENT YEAR, UNDETERMINED LIENS OR CHARGES, IF ANY, INCIDENTAL TO CONSTRUCTION AND EASEMENTS AND OTHER SIMILAR ENCUMBRANCES WHICH, IN THE OPINION OF SUCH COUNSEL, DO NOT IMPAIR THE USE OF SUCH ADDITIONAL PROPERTY BY THE COMPANY, AND EXCEPT ALSO THE PRIOR LIENS, IF ANY, MENTIONED IN SAID CERTIFICATE AND IN <sup>SUCH</sup> CASE THAT THE NATURE, EXTENT AND AMOUNT OF SUCH PRIOR LIENS ARE CORRECTLY STATED IN SAID CERTIFICATE;

(4) STATING THAT THE COMPANY HAS LAWFUL POWER TO ACQUIRE, OWN AND USE SAID ADDITIONAL PROPERTY IN ITS BUSINESS;

(5) SPECIFYING THE CERTIFICATE OR OTHER EVIDENCE WHICH WILL BE SUFFICIENT TO SHOW COMPLIANCE WITH THE REQUIREMENTS, IF ANY, OF ANY MORTGAGE RECORDING TAX LAW OR OTHER TAX LAW APPLICABLE TO THE ISSUANCE OF THE BONDS THEN APPLIED FOR, OR STATING THAT THERE ARE NO SUCH LEGAL REQUIREMENTS; AND

(6) SPECIFYING THE CERTIFICATE OR OTHER EVIDENCE WHICH WILL BE SUFFICIENT TO SHOW THE AUTHORIZATION, APPROVAL OR CONSENT OF OR TO THE ISSUANCE OF THE BONDS THEN APPLIED FOR, BY ANY PUBLIC SERVICE COMMISSION OR OTHER GOVERNMENTAL BODY AT THE TIME HAVING JURISDICTION IN THE PREMISES, OR STATING THAT NO SUCH ORGANIZATION, APPROVAL OR CONSENT IS REQUIRED.

F. IN CASE ANY OF THE ADDITIONAL PROPERTY DESCRIBED IN THE CERTIFICATE DELIVERED TO THE CORPORATE TRUSTEE PURSUANT TO PARAGRAPH B OF THIS SECTION, CONSISTS OF A NEW PLANT OR SYSTEM, EITHER

(1) A CERTIFICATE DATED NOT MORE THAN 30 DAYS PRIOR TO THE APPLICATION FOR THE AUTHENTICATION AND DELIVERY OF SUCH BONDS, SIGNED BY AN INDEPENDENT ENGINEER OR FIRM OF ENGINEERS OR ENGINEERING CORPORATION SELECTED BY THE COMPANY AND ACCEPTABLE TO THE CORPORATE TRUSTEE, WHO MAY BE UNDER RETAINER FROM THE COMPANY, STATING THE FAIR VALUE, IN HIS, THEIR OR ITS OPINION, TO THE COMPANY, AT THE DATE OF SAID CERTIFICATE, OF THE ADDITIONAL PROPERTY CONSISTING AND COMPRISING SUCH NEW PLANT OR SYSTEM, OR

(2) A CERTIFICATE, ORDER OR OTHER DOCUMENT SHOWING AN APPRAISAL OR VALUATION, AT A DATE NOT MORE THAN 90 DAYS PRIOR TO SUCH APPLICATION, MADE BY ANY PUBLIC SERVICE COMMISSION OR OTHER GOVERNMENTAL BODY AT THE TIME HAVING JURISDICTION IN THE PREMISES.

SECTION 18. THE TERMS HEREINBELOW IN THIS SECTION MENTIONED SHALL, FOR THE PURPOSES OF THIS INDENTURE BE TAKEN TO HAVE THE MEANINGS HEREINAFTER SET FORTH.

A. "ADDITIONAL PROPERTY" SHALL BE TAKEN TO MEAN AND COMPRISE ONLY PHYSICAL PROPERTY (INCLUDING IN THIS TERM PLANTS AND SYSTEMS) OF A PERMANENT NATURE AND PERMANENT PHYSICAL BETTERMENTS, IMPROVEMENTS AND ADDITIONS (INCLUDING IN THOSE TERMS EQUIPMENT AND APPLIANCES) OF, UPON AND TO THE PROPERTY OF THE COMPANY, PURCHASED, CONSTRUCTED OR OTHERWISE ACQUIRED BY THE COMPANY, AND USED OR USEFUL FOR PUBLIC UTILITY PURPOSES, BUT THE TERM "ADDITIONAL PROPERTY" SHALL NOT BE DEEMED TO INCLUDE, AND NO BONDS SHALL BE AUTHENTICATED AND DELIVERED UNDER THE PROVISIONS OF THIS