

(9) that the Company is not, to the knowledge of the signers, in default in the performance of any of the covenants on its part to be performed under the provisions of this Indenture.

C. A CERTIFICATE OF THE COMPANY (herein sometimes called an "earnings certificate") setting forth:

(1) the amount of the net earnings of the Company as hereinafter in Section 18 defined, for a period of any 12 consecutive calendar months within the 15 calendar months immediately preceding the calendar month in which the application for the authentication and delivery of the Bonds is made, and stating separately the operating and net non-operating revenues and the operating expenses of the Company, with the principal subdivisions thereof;

(2) the aggregate amount of the annual interest charges upon the Company's "secured bonded debt", which term shall be taken to mean and comprise (a) all Bonds theretofore authenticated and delivered hereunder and not cancelled at or before the date of said certificate, excepting, however Bonds for the payment, redemption or other retirement whereof cash shall be deposited with the corporate Trustee hereunder prior to or coincidentally with such application and excepting also Bonds authenticated and delivered in lieu of lost, stolen or destroyed Bonds as provided in Section 14 hereof and (b) the Bonds whose authentication and delivery is then applied for and (c) all indebtedness if any, secured by lien upon the trust estate, or any part thereof, prior to the lien of this Indenture, outstanding at the date of said certificate, excepting, however, any such indebtedness deposited with the corporate Trustee hereunder or with the trustee or mortgagee of some other prior lien upon the trust estate, or for the payment, redemption or other retirement whereof cash shall at the time be deposited with the corporate Trustee hereunder or with the trustee or mortgagee of either of such prior liens;

(3) that the amount of the net earnings of the Company set forth as provided by Clause (1) of this Paragraph C have been at least equal to one and three-quarters (1-3/4) times the aggregate amount of the annual interest charges upon the Company's secured bonded debt, as set forth as provided by Clause (2) of this Paragraph C; and

(4) that such net earnings have been computed and ascertained as hereinafter in Section 18 provided.

The Company covenants and agrees that if the annual interest charges upon its secured bonded debt shall be increased after the date of the earnings certificate hereinabove in this Paragraph C described, and before the authentication and delivery of the Bonds then applied for, the Company will file with the corporate Trustee a new earnings certificate showing the amount of said annual interest charges as so increased—it being the intention hereof that no Bonds shall be authenticated and delivered under the provisions of this Article Four unless the amount of the net earnings of the Company hereinabove referred to shall have been at least equal to one and three-quarters (1-3/4) times the aggregate amount of the annual interest charges upon the secured bonded debt of the Company as constituted at the time of the authentication and delivery of such Bonds; but the corporate Trustee shall be entitled to assume, in the absence of such new earnings certificate, that the aggregate amount of the annual interest charges on the secured bonded debt of the Company as constituted at the time of the authentication and delivery of the Bonds then applied for is as stated in the earnings certificate filed with the corporate Trustee as aforesaid.

D. THE MORTGAGES, DEEDS, CONVEYANCES, ASSIGNMENTS, TRANSFERS AND INSTRUMENTS OF FURTHER ASSURANCE AND THE CERTIFICATE OR CERTIFICATES AND OTHER EVIDENCE, if any specified in the opinion of counsel as provided by Clauses (2), (5) and (6) of the following Para-