

- (1) said mortgage or other prior lien shall have been prepaid as defined in subdivision (e) of Section 13 of this Article; or
- (2) said mortgage or other prior lien shall have been satisfied and released of record; and
- (3) the Corporate Trustee shall have received the opinion of counsel (who may be counsel for the company), satisfactory to the Corporate Trustee, that said property is subject to the prior lien of this Indenture, except the lien for taxes, assessments and other governmental charges not delinquent.

Thereafter, if such property be of the class or classes specified in subdivision (b) of Section 13 of this Article, the same may thereafter be used as the basis for the authentication and delivery of bonds or the withdrawal of cash or as a credit to said Depreciation Fund, in the same manner as though said property, at the time of its acquisition by the Company, had not been subject to such mortgage or other lien prior to the lien of this Indenture.

Section 17. Subject to the provisions of Section 14 of this Article, and upon receipt by the Corporate Trustee of the showings mentioned in Subdivisions I, II, IV, VI and VII of Section 15 of this Article, and upon deposit with the Corporate Trustee by the Company of cash, the corporate trustee from time to time shall authenticate and deliver bonds to an amount in face value equal to the amount of cash so deposited. Such cash so deposited may from time to time be withdrawn for the purposes and subject to the provisions and limitations mentioned in Sections 13 and 15 of this Article, and upon receipt by the Corporate Trustee of the showings mentioned in Subdivisions I, III, V and VIII of Section 15 of this Article, with such variations as shall be pertinent to the withdrawal of cash, up to but not exceeding sixty-five per cent (65%) of the cost or fair value, whichever is less, of new property and/or the cost of permanent additions not theretofore used as the basis for the authentication and delivery of bonds hereunder, or the withdrawal of cash, or used as a credit to or for the Depreciation Fund provided for in Article III hereof, as set forth in the showing under Subdivision III of Section 15 of this Article, hereinbefore required.

Section 18. The Company shall have the continuing right at any time and from time to time to surrender or cause to be surrendered to the Corporate Trustee hereunder all the outstanding bonds of any series and the unmatured coupons for interest thereon, and thereupon (or in case the Company shall deposit with the Corporate Trustee in cash an amount sufficient for the purpose of redeeming in the manner provided in Article V hereof, if subject to redemption, or for the purpose of paying or retiring at maturity, all of the bonds of any series at the time outstanding) bonds of another series shall be authenticated and delivered by the Corporate Trustee to a principal amount not exceeding the principal amount of the bonds so surrendered or to be redeemed, paid or retired, upon receipt by said Corporate Trustee of the showings required by Subdivisions I, II, VI and VII of Section 15 of this Article; provided, however, that if the bonds so applied for shall bear a higher or greater rate of interest than the bonds so surrendered or to be redeemed under Article V hereof, the Company shall submit the showing required by Subdivision IV of Section 15 of this Article, and the bonds which shall be issued to replace the bonds so surrendered or to be redeemed shall in no event exceed the face value of bonds that may be issued based upon the net earnings as stated therein.

ARTICLE II. COVENANTS OF THE COMPANY.

The Company covenants and agrees as follows: