

more series shall have ceased to be Outstanding hereunder, such cash shall no longer be deemed to be or to have been Funded Cash; and

(c) any cash deposited with the Corporate Trustee under Sections 30, 38, 39, 46 and/or 58 hereof.

SECTION 6. The term "Excepted Encumbrances" shall mean as of any particular time any of the following:

(a) liens for taxes, assessments or governmental charges not then delinquent and liens for workman's compensation awards and similar obligations not then delinquent and undetermined liens or charges incidental to construction;

(b) any liens, neither assumed by the Company nor on which it customarily pays interest, existing upon real estate or rights in or relating to real estate acquired by the Company for substation, transmission line, transportation line, distribution line or right of way purposes;

(c) rights reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license or permit, or by any provision of law, to terminate such right, power, franchise, grant, license or permit or to purchase or recapture or to designate a purchaser of any of the property of the Company;

(d) rights reserved to or vested in others to take or receive any part of the power developed or generated by any property of the Company;

(e) easements or reservations in any property of the Company for the purpose of roads, pipe lines, transmission lines, transportation lines and other like purposes and which, as shown by an Engineer's Certificate, do not materially impair the use of such property for the purposes for which it is held by the Company;

(f) rights reserved to or vested in any municipality or public authority to control or regulate any property of the Company, or to use such property in a manner which, as shown by an Engineer's Certificate, does not materially impair the use of such property for the purposes for which it is held by the Company; or

(g) any obligations or duties, affecting the property of the Company, to any municipality or public authority with respect to any franchise, grant, license or permit.

The term "Prior Lien" shall mean any mortgage or other lien (not included in the term Excepted Encumbrances as defined in this Section) prior to the Lien of this Indenture existing at any particular time upon any Property Additions (so long as such Property Additions remain subject to the Lien hereof) then or theretofore made the basis under any of the provisions of this Indenture for the authentication and delivery of bonds or the withdrawal of cash or the release of property or the basis of a credit under the provisions of Section 38 or Section 39 hereof. The term "Prior Lien Bonds" shall mean bonds, obligations or other principal indebtedness secured by Prior Lien. The term "Outstanding" with respect to Prior Lien Bonds shall mean as of any particular time all Prior Lien Bonds theretofore authenticated and delivered by the trustee or other holder of the Prior Lien securing the same and/or, if there be no such trustee or other holder, all Prior Lien Bonds theretofore made and delivered by the maker (or his successor) of such Prior Lien, and all other Prior Lien Bonds, except (a) Prior Lien Bonds theretofore paid, retired, redeemed, discharged or cancelled, (b) Prior Lien Bonds held hereunder, (c) Prior Lien Bonds held by the trustee or other holder of a Prior Lien (under conditions such that no transfer of ownership or possession of such Prior Lien Bonds by the trustee