

to the Corporate Trustee an amount equal to ten-sixths ($10/6$) of the aggregate principal amount of bonds set forth in subdivision (b) of such Treasurer's Certificate.

If the amount stated in such Independent Engineer's Certificate is greater than the amount designated in such Engineer's Certificate, and if the Company, within fifteen (15) days after the filing of such Independent Engineer's Certificate, shall not deliver to the Corporate Trustee a Treasurer's Certificate of the character specified in subdivision (1) above and an amount in cash equal to the amount, if any, by which the amount stated in such Independent Engineer's Certificate exceeds the total of all amounts expended for such purposes subsequent to the close of such calendar year as stated in such Treasurer's Certificate (after crediting against the amount of cash so deliverable to the Corporate Trustee an amount equal to ten-sixths ($10/6$) of the aggregate principal amount of bonds set forth in subdivision (b) of such Treasurer's Certificate), then and in that event the amount which should be expended for such purposes shall be forthwith referred to three disinterested and competent arbitrators selected in the following manner: The Corporate Trustee within ten (10) days after the expiration of the period of fifteen (15) days provided for above shall name one arbitrator and give notice of such selection to the Company. Within ten (10) days after the receipt of such notice, the Company shall name one arbitrator and give notice of such selection to the Corporate Trustee, and failure so to do shall entitle the Corporate Trustee to name the arbitrator to represent the Company. The two thus selected shall within ten (10) days after the appointment of the arbitrator representing the Company select a third arbitrator, but if the said arbitrators are unable within said ten (10) days to agree upon such third arbitrator, then upon the election of either the Company or the Corporate Trustee the person who is the District Judge of the United States of America senior in the service for the District in which the Corporate Trustee has its principal place of business shall have the power to appoint such third arbitrator, five (5) days' notice of the application to said District Judge to be given by the party making such application to the other party. The written decision of a majority of such arbitrators shall be filed as soon as practicable with the Corporate Trustee and a copy thereof delivered to the Company, and shall be binding upon the Corporate Trustee, the Company and the bondholders, and, within fifteen (15) days after the filing of such decision, the Company shall deliver to the Corporate Trustee a Treasurer's Certificate of the character specified in subdivision (1) above and an amount in cash equal to the amount, if any, by which the amount fixed by such arbitration exceeds the total of all amounts expended for such purposes subsequent to the close of such calendar year as stated in such Treasurer's Certificate; provided, however, that there shall be credited against the amount of cash so deliverable to the Corporate Trustee an amount equal to ten-sixths ($10/6$) of the aggregate principal amount of bonds set forth in subdivision (b) of such Treasurer's Certificate. The costs of any such arbitration shall be paid by the Company.

For the purposes of any Engineer's Certificate, Independent Engineer's Certificate or decision of arbitrators made with respect to any subsequent calendar year, the signers of such Engineer's Certificate or Independent Engineer's Certificate and the arbitrators rendering such decisions shall take into consideration the aggregate amount of any cash delivered to the Corporate Trustee on account of any prior calendar year in accordance with the provisions of this Section (notwithstanding the purposes for which the same may

have been withdrawn, used or applied in accordance with the provisions of this Section), and of any credits taken pursuant to the provisions of this Section on account of prior calendar years, from the amount which as so determined should have