accrued interest on all bonds outstanding hereunder and shall stamp said bonds so as to show such partial payment.

SECTION 12.07. Series A bonds redeemed pursuant to the provisions of this Article with moneys paid to or deposited with the Trustee pursuant to Section 11.04 shall be redeemed at the then applicable redemption price specified in Section 3.02 and bonds of such series so redeemed with moneys paid to or deposited with the Trustee pursuant to Sections 8.11, 8.14 and 9.02 shall be redeemed at the then applicable redemption price specified in Section 10.01. Bonds of other series redeemed pursuant to the provisions of this Article shall be redeemed at the price or prices specified in the terms of their issue.

SECTION 12.08. No bonds redeemed or purchased under the provisions of this Article shall be used as the basis for the issue of bonds under Article Five hereof, or be delivered to or deposited with the Trustee for the purposes of any sinking fund or as an offset against a maintenance deficit or be credited under any other requirement hereof, and all such bonds, together with the coupons, if any, appertaining thereto, shall be cancelled and delivered to or upon the order of the Company and shall not be reissued.

## ARTICLE THIRTEEN.
### CONSOLIDATIONS, MERGERS AND SALES.

SECTION 13.01. Nothing in this Indenture contained shall prevent any lawful consolidation or merger of the Company with or into any other corporation, or any conveyance or transfer, subject to the lien of this Indenture, of all, or substantially all, the mortgaged property, as an entirety, to any corporation lawfully entitled to acquire and operat the same; provided, however, and the Company covenants and agrees, that such consolidation, merger, conveyance or transfer shall be upon such terms as in no respect to impair the lien of this Indenture upon the property then subject thereto, or any of the rights or powers of the Trustees or the bondholders hereunder; and provided further, that the property of the successor corporation with which the Company shall consolidate or merge or to which all of the mortgaged property shall be conveyed as an entirety shall not be subject to any lien (other than permitted encumbrances) which after such consolidation, merger or conveyance will be equal or prior to the lien of this Indenture on the property owned by such other corporation, unless the amount of obligations outstanding under and secured by such equal or prior lien shall not exceed sixty per cent. (60%) of the fair value of the property of such other corporation, as evidenced by an independent engineer's certificate filed with the Trustee, or unless there be appropriated net bondable expenditures in an amount equivalent to such excess (such appropriation to be evidenced in the same way as a similar appropriation pursuant to Section 8.07), and unless the net operating earnings (determined in the manner provided in Section 4.02 hereof for net operating earnings of the Company and verified by independent certified public accountants), derived from the operation of the property of such other corporation, for a period of twelve (12) consecutive calendar months within the fifteen (15) calendar months immediately preceding the date of such consolidation, merger or conveyance, shall have been at least twice the annual interest charges, as verified by such accountants, on all obligations outstanding under and secured by such equal or prior lien at the time of such consolidation, merger or conveyance, except obligations for the payment or redemption of which the necessary funds shall have been deposited with the trustee under the mortgage creating such equal or prior lien, or with the Trustee hereunder, together with instructions to apply such funds to the payment or redemption of such obligations (but subject to any applicable clause in such mortgage providing for the return of any unclaimed moneys to the Company or such other corporation, as the case may be, depositing such funds); and provided fur-