

be deemed to be the fair value of such other consideration plus the amount of any such cash and/or indebtedness issued or assumed constituting part of such consideration and any indebtedness subject to which such additional property is acquired.

(c) The term "fair value", when applied to additional property at any time certified to the Trustee pursuant to § 3.04, § 7.02 or § 7.03 as a basis for the authentication of Bonds or withdrawal of cash, or received in exchange for released property pursuant to § 6.02 hereof, shall mean its fair value to the Company as certified in the relevant certificate delivered hereunder with respect thereto. Such fair value shall be determined as if such additional property were free of liens securing indebtedness, if any.

(d) The term "amount" when applied to additional property shall mean the cost or the fair value, whichever is less, of such additional property certified to the Trustee.

(e) In case property owned by the Company which at any time has been subject to the lien of this Indenture shall have been released from such lien pursuant to the provisions of this Indenture (1) such property, if sold or disposed of by the Company and reacquired by it, shall, if otherwise of the character of additional property, upon such reacquisition constitute additional property, provided that the amount of such additional property shall be deemed to be the amount recorded on the Company's books in respect of the disposition thereof, or the cost of reacquisition thereof, or the fair value thereof at the time of reacquisition, whichever of the three is least, or (2) if such property shall not have been sold or disposed of and the Company shall have surrendered to the Trustee for cancellation the release covering the same, and shall have reconveyed to the Trustee the property covered by such release, the Company shall be entitled in any certificate thereafter filed with the Trustee to include as additional property an amount equal to the retirement in respect of the release of the property.

(f) The term "retirements" shall mean an amount equal to (a) 63% of the gross book value at the date of acquisition of property

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 nection with the installation or repair of overhead, surface or underground facilities and paid for by the Company (notwithstanding the fact that title thereto may not be in the Company); and

(7) may include towers, poles, wires, mains, pipes, pumping, compressor, regulator and measuring stations, meters and any movable property and equipment constructed or maintained under permits, licenses, easements, franchises and other like privileges on property owned by others (including Federal and State governments and other governmental or municipal agencies, bodies or subdivisions).

The Company shall be deemed to have good title for the purpose of this Indenture to any property included in the foregoing subparagraph (6) and to any property constructed or maintained as permitted by the foregoing subparagraph (7) notwithstanding the fact that such property is located on property so owned by others.

(b) The term "cost" when applied to additional property at any time certified to the Trustee (except as otherwise provided in Article 10) shall mean and include (i) its cost in cash, or the equivalent, to the Company, (ii) the principal amount of indebtedness, if any, assumed by the Company with respect to the acquisition of such additional property, or subject to which such additional property is acquired (except indebtedness secured by a lien of the character described in clause (8) of paragraph (a) of § 1.05), and (iii) interest during construction and other overhead charges customarily charged, in accordance with sound accounting practice, to fixed property accounts by companies carrying on a business similar to that carried on by the Company. In cases in which property, part of which constitutes additional property and part does not, is acquired for a consideration not divided between such parts, the Company may allocate its cost in any reasonable manner consistent with sound accounting practice and the cost so allocated to additional property shall be the cost of such additional property for the purposes of this Indenture. In case additional property is acquired for a consideration in whole or in part other than cash and/or the issue or assumption of indebtedness, its cost shall