

ten days prior to the date of the filing of said application, setting forth:

(1) the amount of the proceeds of the sale of the 5½% Interim Notes due December 31, 1953 of the Company;

(2) the amount of the proceeds of the sale of the \$5,100,000 principal amount of Bonds of the 1976 Series;

(3) the amounts payable, (over and above any amounts which theretofore may have been paid) to Duke Power Company pursuant to the agreement between the Company and Duke Power Company, dated May 24, 1950, as supplemented, for the purchase of properties, assets, inventories and supplies and all amounts payable in connection with the acquisition of real property acquired from Duke Power Company described in Granting Clause First hereof;

(4) the amount of the financing and organization expenses of the Company incurred to date, both paid and accrued and unpaid to date, including all costs and expenses incurred by the Company in connection with the obtaining of franchises and with proceedings before the Federal Power Commission or other governmental regulatory authorities, commissions, counsel fees, printing expenses and the amounts accrued and unpaid to date with respect to contingent expenses that are due and payable upon the permanent financing of the Company;

(5) the amount required to pay the interest for two years from March 1, 1951 on the \$1,900,000 principal amount of the 5½% Interim Notes due December 31, 1953 issued by the Company under the Indenture dated as of March 1, 1951, between the Company and The National City Bank of New York as trustee thereunder which has been deposited with said trustee;

(6) the amount required to pay the interest for two years from March 1, 1951 on the \$5,100,000 aggregate principal amount of Bonds of the 1976 Series issuable hereunder which is contemporaneously being deposited with the Trustee;

(7) the aggregate amount, without duplication, of the costs of pipe, appliances, merchandise, office furniture and fixtures, and other property theretofore purchased by the Company to date together with expenses of transportation and of

BOOK 498 PAGE 440
 § 3.02. (a) *Initial Issue of Five Million One Hundred Thousand Dollars (\$5,100,000) Principal Amount of Bonds of the 1976 Series.* Forthwith upon the execution and delivery of this Indenture and without awaiting the filing or recording hereof, Five Million One Hundred Thousand Dollars (\$5,100,000) aggregate principal amount of Bonds of the 1976 Series may be executed by the Company and delivered to the Trustee and shall be authenticated by the Trustee and delivered to or upon the order of the Company, but only upon receipt by the Trustee of:

(i) A certified resolution of the Board of Directors of the Company authorizing and requesting the authentication and delivery of the Bonds of the 1976 Series in the principal amount of Five Million One Hundred Thousand Dollars (\$5,100,000).

(ii) An opinion of counsel dated as of the date of such application to the effect that:

(1) the issue of the Bonds of the 1976 Series, the authentication and delivery of which are being applied for, has been duly authorized by any and all governmental authorities the consent or approval of which is requisite to the valid issue of said Bonds, and specifying by what officially authenticated certificates or other documents such consent or approval is or may be evidenced, or that no such consent or approval is required; and

(2) all conditions precedent provided for in this Indenture relating to the authentication and delivery of the Bonds of the 1976 Series applied for in accordance with the provisions of this Indenture have been complied with; that upon the issue of the Bonds of the 1976 Series applied for, such Bonds will be valid and binding obligations of the Company, entitled to the benefits and security of this Indenture; and that the amount of the Bonds then outstanding under this Indenture will not exceed the amount at the time permitted by law.

(iii) The officially authenticated certificates or other documents evidencing action by governmental authorities, if any, specified in such opinion of counsel.

(iv) A certificate of the Company, one of the signers of which shall be an accountant, dated as of a date not more than