

ber 8, 1948 and paid on February 1, 1949 to holders of Common Stock made by the Company during the period from December 31, 1948, to and including the effective date of the Restricted Payment in respect of which the determination is being made, plus

(b) an amount equal to the aggregate amount of cumulative dividends for such period (whether or not paid) on all preferred stock of the Company from time to time outstanding during such period, at the rate or rates borne by such preferred stock, plus

(c) an amount equal to the amount, if any, by which fifteen per centum (15%) of the Gross Operating Revenues of the Company for such period shall exceed the aggregate amount during such period expended and/or accrued on its books for maintenance and/or approved on its books out of income for property retirement, in each case in respect of the Mortgaged and Pledged Property and/or automotive equipment used primarily in the electric utility business of the Company (but excluding any provisions for amortization of any amounts included in utility plant acquisition adjustment accounts or utility plant adjustment accounts).

will not exceed the amount of the aggregate net income of the Company for said period available for dividends (computed and ascertained in accordance with sound accounting practice on a cumulative basis, including the making of proper deductions for any deficits occurring during any part of such period) plus \$3,000,000.

The Company further covenants and agrees that not later than May 1 of each year beginning with the year 1962 it will furnish to the Corporate Trustee a Treasurer's Certificate stating whether or not the Company has fully observed the restrictions imposed upon it by the covenant contained in this Section 2.

ARTICLE III.

Improvement Fund for Bonds of the Eighth Series.

Section 3. The Company covenants that, so long as any bonds of the Eighth Series shall remain Outstanding, it will, as an additional improvement fund for the benefit of the bonds of the Eighth Series Outstanding under

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the Mortgage, as supplemented, on or before October 1 of each year beginning with the year 1962, in addition to the amounts which will be required as to the bonds of the Eighth Series pursuant to the original provisions of Section 39 of the Mortgage, delivered to the Corporate Trustee, an amount in cash and/or principal amount of bonds of the Eighth Series equivalent to another one-half (1/2) of one per centum (1/2%) of the greatest principal amount of bonds of such Eighth Series prior to January 1 of such year as any one-time Outstanding and such delivery shall be deemed to be an additional requirement of said Section 39 and subject to all the provisions thereof, excepting

(a) that the right to obtain credits against the amount of cash or bonds of the Eighth Series payable or deliverable and only pursuant to the provisions of this Section 3 but also pursuant to the original provisions of Section 39 of the Mortgage for the Cost or then Fair Value to the Company (whichever is less) of any Property Additions which shall be set forth in the Treasurer's Certificate provided for by said Section 39 pursuant to the requirements of clause (b) of subdivision (A) of said Section 39 in respect of the bonds of the Eighth Series only shall be limited to seventy per centum (70%) of such Cost or then Fair Value to the Company, (whichever is less); and

(b) that cash deposited not only pursuant to the provisions of this Section 3 but also pursuant to the original provisions of said Section 39 in respect of bonds of the Eighth Series only may be withdrawn, used, or applied from time to time only in the manner, to the extent, for the purposes and subject to the conditions provided in Section 31 and Section 32 of the Mortgage with respect to cash deposited under Section 30 hereof and, for all purposes of Section 26 of the Mortgage, such cash shall be treated as if the same had been deposited under Section 30 of the Mortgage.

ARTICLE IV.

Amendment of Certain Provisions as to the Issuance of Additional Bonds.

Section 4. Upon the filing of this Seventh Supplemental Indenture for record in all counties in which the Mortgaged and Pledged Property is located and until a further indenture or indentures supplemental to the