

*Event of default:*

The term "event of default" shall mean any event specified in Section 7.01, continued for the period of time, if any, therein designated.

*Funded indebtedness:*

The term "funded indebtedness" shall mean any and all bonds, (including Bonds and additional bonds issued hereunder, other than those held in the treasury of the Corporation) debentures, notes (including the Notes) or other obligations for borrowed money of any character at any time contracted, made, issued, guaranteed or assumed by the Corporation which shall by the terms thereof mature or be payable more than twelve months from the date of the creation thereof or which shall be subject to renewal, refunding or extension, at the option of the obligor, so as to mature or be payable more than twelve months from the date of the original creation thereof; provided, however, that no bond, debenture, note or other obligation shall for any purpose of this Indenture be deemed to be a part of funded indebtedness if money sufficient to pay or discharge such obligation in full (either on the date of maturity expressed therein or on such earlier date as such obligation may be duly called for redemption pursuant to the provisions of any instrument under which the same was issued) shall have been deposited with the proper depository or with the Trustee, in trust, for payment thereof.

*Income available for fixed charges:*

The term "income available for fixed charges" for any period shall be computed on a consolidated basis of the Corporation and its Subsidiaries and shall mean net income for such period plus an amount equal to the aggregate for such period of (1) interest on funded indebtedness, (2) amortization of discount and expense incurred in connection with the issuance of funded indebtedness, (3) interest on borrowings (other than funded indebtedness) to be paid off out of the proceeds of additional Bonds proposed to be issued pursuant to the provisions of Article Three hereof, and (4) taxes on income.

*Indenture:*

The term "Indenture" shall mean this instrument as originally executed, or, if amended or supplemented as herein provided, as so amended or supplemented.

*Loan Contract:*

The term "Loan Contract" shall mean the Outstanding Loan Contracts with the United States of America, as amended by an amendment dated as of May 1, 1974 and shall include all amendments, supplements and modifications thereof and all waivers, consents and releases in respect thereof.