

to the Corporate Trustee pursuant to any requirement thereof, which amounts shall not theretofore have been made the basis of a credit for any purpose under this subsection (II) and which amounts the Company then elects in a Treasurer's Certificate filed with the Corporate Trustee to make the basis of a credit under this subsection (II) against such withdrawal of cash;

(b) may be withdrawn by the Company in an amount equal to the Cost or Fair Value, whichever is less, as shall be stated in any Engineer's Certificate or Independent Engineer's Certificate delivered to the Corporate Trustee, of any Property Additions which are not then Funded Property (without making any of the deductions or additions provided for in Section 4 hereof) and which Property Additions the Company then elects to make the basis of a credit under this subsection (II) against such withdrawal of cash;

(c) may be withdrawn from time to time by the Company in an amount equal to the aggregate principal amount of any bond(s) or fraction of a bond to the authentication and delivery of which the Company shall then be entitled under the Provisions of Section 26 or Section 29 hereof by virtue of compliance with all applicable provisions of said Section 26 or Section 29, as the case may be (except as hereinafter in this Section otherwise provided), and the right to the authentication and delivery of which bonds the Company elects to make the basis of a credit under this subsection (II) against such withdrawal of cash;

(d) may, upon the request of the Company, be used by the Corporate Trustee for the purchase of bonds issued hereunder in accordance with the provisions of Section 55 hereof; or

(e) may, upon the request of the Company, be applied by the Corporate Trustee to the redemption of any bonds issued hereunder which are, by their terms, redeemable before maturity, of such series as may be designated by the Company, such redemption to be in the manner and as provided in Article X hereof.

Such moneys shall, from time to time, be paid out or used or applied by the Corporate Trustee, as aforesaid, upon the request of the Company evidenced by a Resolution.

Any Property Additions which shall have been made the basis of a credit for any purpose under this subsection (II) shall have the status of Funded Property. Any election of a credit for any purpose under this subsection (II) based upon the right to the authentication and delivery of bond(s) or fraction of a bond shall operate as a waiver by the Company of its right to the authentication and delivery of such bond(s) or fraction of a bond and such bond(s) or fraction of a bond may not thereafter be authenticated and delivered hereunder and any bonds or Prior Lien Bonds which have been made the basis of any such right to the authentication and delivery of bond(s) or fraction of a bond so waived shall be deemed to have been made the basis of a credit under this subsection (II); provided, however, that if at any time after such an election the Company shall file with the Corporate Trustee a Treasurer's Certificate referring to such election and stating;

(i) that the Company then revokes its waiver, made by such election, of the right to the authentication and delivery of bond(s) or fraction of a bond in a principal amount therein stated; and

(ii) the Cost or Fair Value to the Company, whichever is less, as shall be shown by an Engineer's Certificate or Independent Engineer's Certificate delivered to the Corporate Trustee, of any Property Additions (without making any of the deductions and additions provided for in Section 4 hereof) not then Funded Property and which Property Additions the Company then elects to make the basis of a credit under this subsection (II) in lieu of the waiver of the right to the authentication and delivery of said bonds;

then, and in that event, notwithstanding any other provisions of this Indenture, the Company's waiver made by such election of the right to the authentication and delivery of bond(s) or fraction of a bond in the aggregate principal amount specified in such Treasurer's Certificate pursuant to the provisions of subdivision (i) of this subsection (II) shall forthwith cease to be effective and the waiver of such right shall no longer be deemed to have been made.

In every case in which any credit under this subsection (II), is, in whole or in part, based upon Property Additions, as permitted under clause (7), clause (b) or clause (ii) of this subsection (II), the company shall comply with all applicable provisions of this Indenture (except clauses (A) and (B) of Section 4 hereof) as if such Property Additions were made the basis of an application for the authentication and delivery of bonds thereon in principal amount equivalent to seventy per centum (70%) of the credit so to be based on such Property Additions, and in every case in which any credit under this subsection (II) is to be based in whole or in part upon the right to the authentication and delivery of bond, as permitted under clause (8) or clause (c) of this subsection (II), the Company shall comply with all applicable provisions of Section 26 or Section 29 hereof, as the case may be, relating to such authentication and delivery, except that in no such case shall the Company be required to comply with any earning requirements or to deliver to the Corporate Trustee any Resolution, Treasurer's Certificate, Net Earning Certificate or Opinion of Counsel such as is described in subdivisions (1), (2), (6) and (8) of Section 28 hereof.

If at any time cash in excess of Fifty Thousand Dollars (\$50,000) shall have remained on deposit with the Corporate Trustee under the provisions of this subsection (II) for a period of three (3) years, with respect to which the Company shall not have made a proper request for the