

MORTGAGE OF REAL ESTATE

of this Indenture 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and delivery of bonds thereon in principal amount equivalent to seventy per centum (70%) of the cash to be withdrawn on such basis; or in case the withdrawal of cash is, in whole or in part, based upon the right to the authentication and delivery of bonds (as permitted under clause (2) of this Section) the Company shall comply with all applicable provisions of this Indenture relating to such authentication and delivery; and in either of such cases there shall be furnished to the Corporate Trustee an Opinion of Counsel stating that in the signer's opinion, on the delivery to the Corporate Trustee of the Resolutions, certificate and other documents, if any, specified in such Opinion of Counsel, the conditions required by this Indenture precedent to the withdrawal of the cash so requested will have been complied with, 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.

Notwithstanding any of the other provisions of this Indenture, (a) to the extent that any cash to be withdrawn under the provisions of this Section or of a Prior Lien represents the proceeds of property that was not Funded Property released, taken by eminent domain or purchased by any governmental body or agency or its designee upon exercise of any right which it may have to purchase the same or designate a purchases thereof or damaged or destroyed by fire or represents payment on account of principal of, or consideration for the release of, obligations secured by purchase money mortgage which shall have been deposited with the Corporate Trustee as the basis of the release of property that was not Funded Property, and the application for the withdrawal of such cash is based upon Property Additions (which shall never previously have been used as the basis for the withdrawal of cash under subdivision (1) of this Section or under a Prior Lien or as the basis for the release of property under clause (b) of subdivision (4) of Section 59) acquired made or constructed or to be acquired, made or constructed with such cash, or acquired, made or constructed in anticipation of the release of property or the withdrawal of cash (as evidenced by a statement to such effect in an Engineer's Certificate), then such Property Additions shall not have been the status of Funded Property, and (b) to the extent that any cash withdrawn, used or applied under the provisions of this Section or of a Prior Lien shall have represented the proceeds of property that was not Funded Property released, taken by eminent domain or so purchased or damaged or destroyed by fire or shall have represented payment on account of principal of, or consideration for the release of, obligations secured by purchase money mortgage which shall have been deposited with the Corporate Trustee or the trustee or other holder of a Prior Lien as the basis of the release of property that was not Funded Property, such cash shall no longer be deemed to be, or to have been at the time of such withdrawal, use or application, Funded Cash, any Property Additions made the basis of such withdrawal of cash shall not be deemed to be Funded Property and any waiver of the right to the authentication and delivery of bonds, made the basis of such withdrawal of cash, shall be revoked and cease to be effective and shall no longer be deemed to have been made, if (in any such case in this clause (b) mentioned) the Company shall, within two (2) years after the withdrawal, use or application of such cash, file with the Corporate Trustee such Treasurer's Certificate, Independent Engineer's Certificate, Opinions of Counsel and other papers (other than any Resolution, Net Earning Certificate or Opinion of Counsel such as is described in subdivisions (1), (6) and (8) of Section 28 hereof) as, under the provision of Article V hereof, would entitle the Company, on the basis of Property Additions acquired, made or constructed subsequent to the receipt by the Corporate Trustee or the trustee or other holder of a Prior Lien of such cash, to the authentication and delivery of bonds equal in principal amount to seventy per centum (70%) of such cash so withdrawn, used or applied, and the inclusion of such subsequently acquired Property Additions in any such Treasurer's Certificate, Engineer's Certificate, Independent Engineer's Certificate, Opinion of Counsel or other papers shall not made such subsequently acquired Property Additions Funded Property;

Any obligations secured by purchase money mortgage received or to be received by the Corporate Trustee under any of the provisions of this Indenture in consideration of the release of any property may be released upon payment by the Company to the Corporate Trustee of all or the unpaid portion of the principal of such obligations.

The principal of and interest on any such obligations secured by purchase money mortgage held by the Corporate Trustee shall be collected by the Corporate Trustee as and when the same become payable, and the Corporate Trustee may take any action which in its judgment may be desirable or necessary to avail of the security of such purchase money mortgage. Unless the Company is in default in the payment of the interest on any of the bonds then Outstanding hereunder or one or more of the Defaults defined in Section 65 hereof shall have occurred and be continuing, the interest received by the Corporate Trustee on any such obligations shall be paid over to the Company.

Any bonds issued under this Indenture deposited with the Corporate Trustee pursuant to the provisions of this Section shall forthwith be canceled by the Corporate Trustee and at the request of the Company the Corporate Trustee may cremate the same and deliver a certificate or such cremation to the Company, and any Prior Lien Bonds deposited with the Corporate Trustee pursuant