

Mississippi Power Company
2992 West Beach Boulevard
Post Office Box 4079
Gulfport, Mississippi 39501
Telephone 601 864-1211

RECEIVED

DEC 15 9 48 AM '78

I. C. C.
FEE OPERATION BR.



Mississippi Power
the southern electric system

No. **8-349A029**

Date **DEC 14 1978**

Fee \$ **3.00**

ICC Washington, D. C.

December 15, 1978

Re: Mississippi Power Company
ICC Rolling Stock Filing

H.G. Homme, Jr., Esq.
Secretary of the Interstate
Commerce Commission
Room 2215
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

RECORDATION NO. 9909 Filed 1425
DEC 15 1978-9 50 AM
INTERSTATE COMMERCE COMMISSION
A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z, AA, BB

Dear Mr. Homme:

Enclosed herewith for filing with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 20c are two executed and acknowledged counterparts of Mississippi Power Company's Supplemental Indenture dated as of December 1, 1978 and two certified true copies of the Mississippi Power Company Indenture of Mortgage or Deed of Trust dated September 1, 1941, as well as two certified true copies of each Supplemental Indenture thereto.

The parties to the enclosed documents are the following:

- Mortgagor: Mississippi Power Company
P.O. Box 4079
Gulfport, Mississippi 39501
- Mortgagee: Morgan Guaranty Trust Company
of New York, as Trustee
30 West Broadway
New York, New York 10015

Choleman
Quincy for 29 Dec 1978

H.G. Homme, Jr., Esq.

-2-

December 15, 1978

Included in the property described in and covered by the aforesaid Supplemental Indenture dated as of December 1, 1978, are 230 Ortner Freight Car Company "Rapid Discharge" coal cars intended for use in connection with interstate commerce, owned by Mississippi Power Company at the date of the Supplemental Indenture mentioned above.

Mississippi Power Company has not previously filed any of the above-mentioned documents with the Interstate Commerce Commission.

Enclosed herewith is a check for \$320 payable to the Commission to cover the filing fee of \$50 for the Mortgage Indenture and \$10 for each Supplemental Indenture thereto.

If any questions should arise concerning this filing, please call the undersigned at (212) 269-8842.

Yours very truly,

MISSISSIPPI POWER COMPANY

By: 
William A. Dunlap
Assistant Secretary

Enclosures

Return original documents to:

William A. Dunlap
c/o Southern Company Services, Inc.
One Wall Street
42nd Floor
New York, New York 10005

Interstate Commerce Commission
Washington, D.C. 20423

12/15/78

OFFICE OF THE SECRETARY

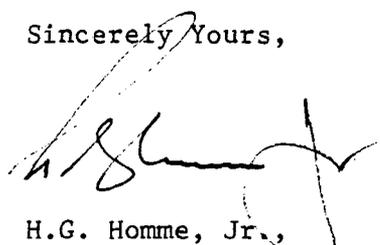
William A. Dunlap
c/o Southern Company Services, Inc.
One Wall Street, 42nd Floor
New York, N.Y. 10005

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act, 49 U.S.C. 20(c), on 12/15/78 at 9:50am , and assigned recordation number(s) 9909 , A,B,C,D,E,F,G,H,I,J,K,L,

M,N,O,P,Q,
R,S,T,U,V,
W,X,Y,Z,
AA, & BB

Sincerely Yours,



H.G. Homme, Jr.,
Secretary

Enclosure(s)

SE-30-T
(2/78)

9900

RECORDATION NO. FILED 1425

DEC 15 1978 -9 50 AM

INTERSTATE COMMERCE COMMISSION

2103

Indenture

MISSISSIPPI POWER COMPANY

TO

GUARANTY TRUST COMPANY OF NEW YORK,

TRUSTEE

Dated as of September 1, 1941.

MISSISSIPPI POWER COMPANY

INDENTURE DATED AS OF SEPTEMBER 1, 1941

TABLE OF CONTENTS*

	PAGE	SECTION
Parties	1	
Form of Coupon Bond of 1971 Series.....	2	
Form of Coupon	6	
Form of Registered Bond of 1971 Series.....	7	
Form of Trustee's Certificate	11	
Property excepted from lien of Indenture.....	12	
Property mortgaged	13	

ARTICLE I.

DEFINITIONS.

Application of definitions.....	15	1.01
Except where context otherwise requires, reference to Trust Indenture Act is as in force at execution of Indenture.....	15	1.01
Accountant's certificate	15	1.02
Affiliate	15	1.02
Application to Trustee—when complete—date of application.....	15	1.02
Board of Directors.....	15	1.02
Company	15	1.02
Control	16	1.02
Cost	16	1.02
Current fair value.....	16	1.02
Daily newspaper	16	1.02
Engineer	17	1.02
Engineer's certificate	17	1.02
Excepted encumbrances	17	1.02
Fundable property	18	1.02
Holder	18	1.02

* The Table of Contents was not a part of the Indenture as executed.

	PAGE	SECTION
Independent engineer	18	1.02
Independent engineer's certificate.....	18	1.02
Independent public accountant	18	1.02
Independent public accountant's certificate.....	18	1.02
Lien hereof and lien of this Indenture.....	18	1.02
Mortgaged and pledged property and trust estate.....	19	1.02
Net earnings certificate—interest earnings requirement.....	19	1.03
Obligor	21	1.04
Opinion of counsel.....	21	1.04
Original fair value.....	22	1.04
Outstanding	22	1.04
Outstanding prior lien bonds.....	23	1.04
Person	23	1.04
Plant or property operated by others.....	23	1.05
Date of acquisition of plant or property operated by others.....	24	1.05
Practicing accountant	24	1.06
Prior lien	24	1.06
Prior lien bonds.....	24	1.06
Proceeds of released property.....	25	1.06
Resolution	25	1.06
Responsible officers	26	1.06
Specially classified property.....	26	1.06
Treasurer's certificate	26	1.06
Trustee	26	1.06
Unfundable property	26	1.06
Date of acquisition of unfundable property.....	26	1.06
Contents of certificates and opinions delivered to Trustee.....	27	1.07
Acceptance and approval of certificate or opinion.....	27	1.07
Amount to be deposited to pay or redeem bonds, etc.....	28	1.07
Property additions—gross property additions.....	28	1.08
Property additions not to include certain property.....	29	1.08
Amount of property additions or of gross property additions.....	29	1.08
Retirements	30	1.09
Net property additions—amount of net property additions.....	30	1.10
Property additions concurrently acquired.....	30	1.10
Unfunded net property additions—amount of unfunded net prop- erty additions	31	1.11

ARTICLE II.

FORM, EXECUTION, REGISTRATION AND EXCHANGE
OF BONDS AND PROVISIONS AS TO BONDS OF 1971.

	PAGE	SECTION
Bonds issuable in series; terms to be established.....	32	2.01
Coupon bonds or registered bonds may be issued.....	34	2.02
Dates of bonds.....	34	2.03
Legends on bonds.....	34	2.04
Exchange of bonds.....	35	2.05
Registration and transfer of bonds.....	35	2.06
Execution of bonds.....	36	2.07
Temporary bonds.....	37	2.08
Lost, destroyed or mutilated bonds.....	37	2.09
Certificate of Trustee.....	38	2.10
Terms of bonds of 1971.....	38	2.11
Sinking Fund	41	2.12

ARTICLE III.

ORIGINAL ISSUE OF BONDS.

Original issue of bonds of 1971.....	42	3.01
Deposit of \$2,750,000 with Trustee.....	43	3.01

ARTICLE IV.

ISSUANCE OF BONDS UPON THE BASIS OF
PROPERTY ADDITIONS.

Bonds issuable upon basis of property additions subject to conditions of Article IV.....	43	4.01
Issuance of bonds upon basis of property subject to prior lien only if prior lien bonds retired.....	43	4.02
Bonds may be issued only up to 60% of amount of unfunded net property additions	43	4.03
Net earnings requirement to be met.....	43	4.04
Trustee to receive following upon issuance of bonds upon basis of property additions	44	4.05
(1) Resolution	44	
(2) Treasurer's certificate	44	
(3) Engineer's certificate	44	
(4) Accountant's certificate	47	

	PAGE	SECTION
(5) Independent engineer's certificate and independent public accountant's certificate, under certain conditions....	48	
(6) Net earnings certificate.....	49	
(7) Opinion of counsel.....	49	
(8) Further opinion of counsel.....	50	
(9) Instruments of conveyance, under certain conditions....	51	
(10) Cash, under certain conditions.....	51	

ARTICLE V.

ISSUANCE OF BONDS UPON RETIREMENT OF BONDS
PREVIOUSLY OUTSTANDING HEREUNDER.

Bonds issuable upon retirement of bonds previously outstanding....	52	5.01
Documents to be delivered to Trustee upon issuance of bonds upon retirement of bonds.....	52	5.02
Net earnings requirement to be met in certain cases.....	53	5.03
Bonds made the basis for such issuance to be cancelled.....	54	5.04

ARTICLE VI.

ISSUANCE OF BONDS UPON DEPOSIT OF CASH
WITH TRUSTEE.

Documents and cash to be delivered to Trustee.....	54	6.01
Cash so deposited may be withdrawn on basis of property additions	55	6.02
Cash so deposited may be used to retire bonds.....	55	6.03

ARTICLE VII.

PARTICULAR COVENANTS OF THE COMPANY.

Of Seizin	55	7.01
To pay principal and interest.....	56	7.02
Cancellation and extension of coupons.....	57	7.02
To require agreement from paying agents other than Trustee.....	57	7.03
If Company acts as paying agent, funds to be held in trust.....	58	7.03
Company may deposit funds so trusted with Trustee to secure satisfaction of Indenture.....	58	7.03
Agreement to hold funds in trust is subject to provisions of Section 13.02	58	7.03

	PAGE	SECTION
To pay taxes, discharge liens, maintain security and comply with legal requirements	58	7.04
Restrictions upon acquisition of additional property.....	59	7.05
In regard to insurance.....	60	7.06
Maintenance Fund	63	7.07
To maintain corporate existence and franchises.....	70	7.08
Trustee may make advances.....	70	7.09
To record and file Indenture.....	71	7.10
To furnish opinions of counsel.....	71	7.11
Further assurances	72	7.12
To appoint a Trustee to fill vacancies.....	72	7.13
Prior lien bonds.....	73	7.14
Bi-ennial examination as to maintenance.....	75	7.15

ARTICLE VIII.

BONDHOLDERS' LISTS AND REPORTS BY THE COMPANY AND THE TRUSTEE.

Company to furnish lists of names and addresses of bondholders to Trustee	76	8.01
Current lists of bondholders.....	77	8.02
Company's covenants as to filing reports with Trustee and Securities and Exchange Commission and transmittal of summaries to bondholders	79	8.03
Trustee's and Co-Trustee's reports to bondholders, stock exchanges and Securities and Exchange Commission.....	80	8.04

ARTICLE IX.

REDEMPTION AND PURCHASE OF BONDS.

Exercise of option to redeem to be evidenced by resolution.....	83	9.01
Notice of redemption to be given Trustee—method of selection...	83	9.02
Definition of "bondholders' redemption agreement".....	84	9.02
Deposit of money to redeem.....	84	9.03
Payment of bonds called for redemption and cessation of lien.....	85	9.04
Purchase of bonds by Trustee.....	86	9.05
Bonds to be cancelled.....	88	9.06

ARTICLE X.

POSSESSION, USE AND RELEASE OF MORTGAGED AND
PLEGDED PROPERTY.

	PAGE	SECTION
Company to possess property until default.....	88	10.01
Company may dispose of certain property without release by Trustee and may withdraw cash upon deposit of U. S. Government securities	89	10.02
Trustee to release property upon receipt of :.....	92	10.03
(1) Resolution	92	
(2) Engineer's (or independent engineer's) certificate.....	92	
(3) Cash under certain conditions.....	93	
(4) Opinion of counsel.....	95	
(5) Further opinion of counsel, under certain conditions.....	95	
(6) Instruments of conveyance, under certain conditions.....	96	
Additional methods to secure release of non-utility real estate and certain unfundable property.....	97	10.04
Withdrawal, use and application of cash deposited with Trustee.....	100	10.05
Concerning securities pledged with Trustee.....	102	10.05
Sales to governmental authorities—proceeds usable only to retire bonds	104	10.05
Release of property taken by eminent domain.....	105	10.06
Receiver or Trustee may exercise Company's rights.....	105	10.07
Purchaser of released property not required to investigate Trustee's or Company's authority.....	106	10.08
No release during default except in discretion of Trustee.....	106	10.09
Concerning prior lien bonds deposited with Trustee.....	106	10.10

ARTICLE XI.

REMEDIES IN EVENT OF DEFAULT.

Defaults, right of entry and application of proceeds received by Trustee	110	11.01
Trustee to collect interest and dividends upon pledged securities after default	114	11.02
Trustee entitled to receiver, under certain conditions.....	114	11.03
Trustee to give notice of defaults.....	115	11.04
Acceleration of maturity date.....	115	11.05
Power of sale upon default.....	116	11.06
Notice of sale and manner of making same.....	116	11.07

	PAGE	SECTION
Application of proceeds of sale.....	118	11.08
Purchaser at sale may use bonds as payment.....	119	11.09
Waiver by Company of stays.....	120	11.10
Principal and interest payable to Trustee after default and Trustee entitled to enforce payment.....	121	11.11
Majority of bondholders entitled to direct Trustee.....	124	11.12
Remedies cumulative and not waived by failure to act.....	124	11.13
Limitation on rights of bondholders to sue.....	125	11.14

ARTICLE XII.

EVIDENCE OF RIGHTS OF BONDHOLDERS.

Execution of requests by bondholders.....	126	12.01
Bearers and registered holders treated as absolute owners.....	127	12.02

ARTICLE XIII.

DEFEASANCE.

Release and discharge of Indenture.....	128	13.01
When bonds deemed paid.....	128	13.01
Payment of deposited money to Company by Trustee after lapse of time	129	13.02

ARTICLE XIV.

IMMUNITY OF INCORPORATORS, OFFICERS, STOCKHOLDERS AND DIRECTORS.

Exemption from personal liability.....	129	14.01
--	-----	-------

ARTICLE XV.

CONSOLIDATIONS, MERGERS, TRANSFERS AND SALES.

Merger, consolidation or sale permitted under certain conditions....	130	15.01
Successor may issue bonds under certain conditions.....	131	15.02
Successor to succeed to rights of Company.....	133	15.03
Limitation of after-acquired clauses.....	133	15.04

ARTICLE XVI.

CONCERNING THE TRUSTEE.

	PAGE	SECTION
Capital and surplus requirement.....	134	16.01
Acceptance of trust and duties by Trustee.....	134	16.02
Limitation on liability of Trustee.....	135	16.03
Recitals are by Company alone.....	135	16.04
Exemption of Trustee from personal liability in case of entry.....	136	16.05
Trustee may rely on documents.....	136	16.06
Trustee's responsibility for selection of experts.....	136	16.07
Trustee may be bondholder.....	137	16.08
Moneys received by Trustee to be held in trust.....	137	16.09
Trustee to receive compensation.....	137	16.10
Trustee may claim reimbursement and priority for advances and expenses	138	16.11
Certificate of officer of Company to constitute proof.....	141	16.12
Trustee to have power to give notices.....	141	16.13
Trustee acquiring conflicting interest must eliminate it or resign....	141	16.14
(a) Trustee to eliminate conflicting interest or resign within 90 days	141	
(b) Trustee to give notice of failure to comply.....	142	
(c) Bondholder may petition to remove Trustee, if Trustee fails to comply.....	142	
(d) Definition of conflicting interest.....	142	
Apportionment of preferential collections if Trustee becomes a creditor	148	16.15
Trustee may resign	153	16.16
Trustee may be removed.....	153	16.17
Appointment of successor trustee.....	154	16.18
Co-Trustee may be appointed.....	155	16.19
Conditions upon appointment of Co-Trustee.....	155	16.20
Notices to trustees.....	156	16.21
Co-Trustee may appoint Trustee his agent.....	157	16.22
Successor trustee to execute acceptance and become vested with estate	157	16.23
Upon consolidation or merger of Trustee successor corporation to succeed as Trustee.....	158	16.24

ARTICLE XVII.

SUPPLEMENTAL INDENTURES.

	PAGE	SECTION
Supplemental indentures to be executed for specified purposes.....	159	17.01
Trustee to exercise discretion in execution of supplemental indentures	160	17.02
Trustee authorized to execute supplemental indentures.....	161	17.03

ARTICLE XVIII.

MISCELLANEOUS PROVISIONS.

Covenants for sole benefit of parties and bondholders; invalidity of part of Indenture not to affect remainder.....	162	18.01
Court may require bond for costs, under certain conditions.....	162	18.02
Provisions of Trust Indenture Act of 1939 to be controlling.....	162	18.03
Notice to the Company.....	162	18.04
Reference to parties includes successors.....	163	18.05
Due date of Indenture.....	163	18.06
Headings inserted for convenience only.....	163	18.07
Cancellation and cremation of bonds and coupons.....	163	18.08
Initial issue of bonds.....	163	18.09
Execution in counterparts.....	164	18.10
Signatures of parties.....	164	
Acknowledgments	165-166	

SCHEDULE A.

Detailed description of certain parcels excepted from lien of Indenture	167
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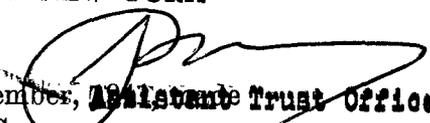
SCHEDULE B.

DETAILED DESCRIPTION OF PROPERTY MORTGAGED.

I. Electric Generating Plants.....	173
II. Electric Transmission Lines.....	175
III. Distribution Systems	179
IV. Substations	189
V. Telephone Properties	210
VI. Other Real Property	210
VII. Excepted Property Hereafter Pledged or Possessed....	214
VIII. Miscellaneous Property	215
IX. After-acquired Property	216
Recording Data	217

... to certify that the following is a true copy
of the original instrument on file with the undersigned.

**MORGAN GUARANTY TRUST COMPANY
OF NEW YORK**

By 

INDENTURE, dated as of the first day of September, ~~Assistant~~ **Trust Officer**
and entered into by and between MISSISSIPPI POWER COMPANY, a corpo-
ration organized and existing under the laws of the State of Maine
(hereinafter commonly referred to as the "Company"), and GUARANTY
TRUST COMPANY OF NEW YORK, a corporation organized and existing
under the laws of the State of New York, with its principal office in
the Borough of Manhattan, The City of New York, as trustee (herein-
after commonly referred to as the "Trustee"),

WHEREAS the Company owns and possesses the property herein-
after described, together with certain franchises, permits, rights and
privileges, and has legal authority to make and execute this indenture
of mortgage or deed of trust upon all such property, franchises, per-
mits, rights and privileges, and to issue its bonds as herein provided;
and

WHEREAS the Company desires to provide funds for its corporate
purposes and to that end, pursuant to the consent of all of its stock-
holders entitled to vote and pursuant to resolutions regularly adopted
by its Board of Directors at a meeting duly called and held, has duly
determined to borrow money and for that purpose to issue its bonds
under and secured by this indenture of mortgage or deed of trust (here-
inafter sometimes referred to as the "Indenture") on the properties
of the Company, as hereinafter provided, said bonds to be issued from
time to time, without limit as to the aggregate principal amount thereof,
in one or more series commencing with \$8,927,000 principal amount
of 3 $\frac{1}{8}$ % Series due 1971 (hereinafter sometimes referred to as the
"1971 Series"), but subject to the restrictions and provisions con-
tained in this Indenture with respect thereto, the bonds of each series
to be in coupon form with interest coupons attached (hereinafter some-
times referred to as "coupon bonds"), and, at the option of the Com-
pany, in fully registered form without coupons (hereinafter sometimes
referred to as "registered bonds") and (except the bonds of 1971
Series which shall be substantially as hereinafter provided) to bear
such date, to be payable on such date, or, in case of serial maturities,
on such dates, and at such place or places, to bear interest at such
rate or rates, payable at such time or times and at such place or places,

ALBERT CORALLO
Notary Public, State of New York
No. 43-0758930
Qualified in Richmond County
Certificates Filed in New York County
Commission Expires March 30, 1979

Albert Corallo

to bear such designation or title herein provided for, and to contain such provisions, if any, with respect to tax exemptions, tax reimbursements, redemption, sinking fund, conversion into stock or other securities of the Company, limitations as to aggregate principal amount of bonds of such series issuable and other characteristics not in conflict with the terms of this Indenture as the Board of Directors shall determine with respect to each successive series prior to the authentication of any bonds thereof; and

WHEREAS each of the coupon bonds of 1971 Series is to be substantially in the following form, to-wit:

[FORM OF COUPON BOND OF 1971 SERIES]

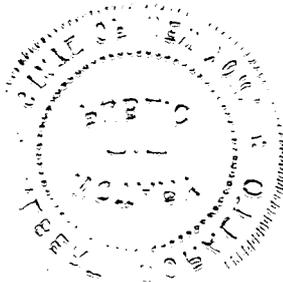
MISSISSIPPI POWER COMPANY

FIRST MORTGAGE BOND, 3 1/8% SERIES DUE 1971.

No.....

\$1000

Mississippi Power Company, a Maine corporation (hereinafter called the "Company"), for value received, hereby promises to pay to the bearer or, if this bond is registered as to principal, then to the registered holder hereof, the principal sum of One Thousand Dollars on the first day of September, 1971, and to pay interest thereon from September 1, 1941, at the rate, until the principal hereof shall have become due and payable, of three and one-eighth per centum per annum, payable on the first day of March and the first day of September in each year. The installments of such interest falling due on or prior to the maturity of this bond shall be paid only in accordance with and upon presentation and surrender of the annexed coupons as they severally become due. The principal of and the premium, if any, and interest on this bond shall be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, designated for that purpose, in any coin or currency of the United States of



America which at the time of payment is legal tender for public and private debts.

This bond is one of the bonds issued and to be issued from time to time under and in accordance with and all secured by an indenture of mortgage or deed of trust (hereinafter referred to as the "Indenture") dated as of September 1, 1941, given by the Company to Guaranty Trust Company of New York (hereinafter sometimes referred to as the "Trustee"), as Trustee, to which Indenture and indentures supplemental thereto reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security and the rights, duties and immunities thereunder of the Trustee and the rights of the holders of said bonds and of the Trustee and of the Company in respect of such security, and the limitations on such rights. By the terms of the Indenture the bonds to be secured thereby are issuable in series which may vary as to date, amount, date of maturity, rate of interest and in other respects as in the Indenture provided.

Upon notice published at least once in each of four consecutive calendar weeks, upon any day in each such week, the first publication to be at least thirty days and not more than forty-five days prior to the date fixed for redemption, in one daily newspaper printed in the English language and of general circulation in the Borough of Manhattan, The City of New York (provided that publication of such notice shall not be required in case all the bonds to be redeemed are registered bonds without coupons and/or coupon bonds registered as to principal and the Company or the Trustee shall have mailed, by registered mail postage prepaid, notice of redemption not less than thirty nor more than forty-five days prior to the date fixed for redemption to each registered holder of a bond to be redeemed (in whole or in part) at the last address of such holder appearing on the registry books), any or all of the bonds of $3\frac{1}{8}\%$ Series due 1971, of which this is one, may be redeemed by the Company, at its option, or by operation of various provisions of the Indenture, at any time and from time to time by the payment of the principal amount thereof and accrued interest thereon to the date fixed for redemption, together with a premium equal to a percentage of the principal amount thereof deter-

mined as set forth in the tabulation below under the heading "Redemption Premium":

Year	Redemption Premium (if redeemed prior to September 1 of the calendar year stated and subsequent to the last day of August of the calendar year next preceding such year)
1942.....	6 %
1943.....	6 %
1944.....	6 %
1945.....	5 $\frac{7}{8}$ %
1946.....	5 $\frac{3}{4}$ %
1947.....	5 $\frac{1}{2}$ %
1948.....	5 $\frac{3}{8}$ %
1949.....	5 $\frac{1}{4}$ %
1950.....	5 $\frac{1}{8}$ %
1951.....	4 $\frac{7}{8}$ %
1952.....	4 $\frac{3}{4}$ %
1953.....	4 $\frac{5}{8}$ %
1954.....	4 $\frac{3}{8}$ %
1955.....	4 $\frac{1}{4}$ %
1956.....	4 %
1957.....	3 $\frac{1}{8}$ %
1958.....	3 %
1959.....	2 $\frac{7}{8}$ %
1960.....	2 $\frac{5}{8}$ %
1961.....	2 $\frac{1}{2}$ %
1962.....	2 $\frac{1}{4}$ %
1963.....	2 $\frac{1}{8}$ %
1964.....	1 $\frac{7}{8}$ %
1965.....	1 $\frac{5}{8}$ %
1966.....	1 $\frac{1}{2}$ %
1967.....	1 $\frac{1}{4}$ %
1968.....	1 %

and without premium if redeemed on or after September 1, 1968.

In case of certain defaults as specified in the Indenture, the principal of this bond may be declared or may become due and payable on the conditions, at the time, in the manner and with the effect provided in the Indenture.

No recourse shall be had for the payment of the principal of or premium, if any, or interest on this bond, or for any claim based hereon, or otherwise in respect hereof or of the Indenture, to or against any incorporator, stockholder, director or officer, past, present or future, as such, of the Company, or of any predecessor or successor company, either directly or through the Company, or such predecessor or successor company, under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, stockholders, directors and officers being waived and released by the holder and owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Indenture.

This bond shall be transferable by delivery unless registered as to principal in the holder's name at the principal office of the Trustee, in the Borough of Manhattan, The City of New York, on registry books to be kept for the purpose at such place, such registration being noted hereon as provided in the Indenture. After such registration no further transfer of this bond shall be valid unless made on said books by the registered holder in person or by attorney duly authorized, and similarly noted hereon; but this bond may be discharged from registry by being in like manner transferred to bearer, whereupon transferability by delivery shall be restored; and this bond may again and from time to time be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the annexed coupons which shall always be transferable by delivery and be payable to bearer. No charge shall be made to the holder hereof for any such registration or discharge from registration, except such amount as may be necessary to cover any stamp tax or other governmental charge. The Company and the Trustee may deem and treat the bearer of this bond, or, if this bond is registered as to principal as herein authorized, the person in whose name the same is registered, and the bearer of any coupon hereto appertaining, as the absolute owner for the purpose of receiving payment and for all other purposes. Coupon bonds and registered bonds without coupons of this series are inter-

changeable in the manner and upon the conditions prescribed in the Indenture. Neither this bond nor any interest coupon appertaining hereto shall be valid or become obligatory for any purpose unless and until this bond shall have been authenticated by the execution by the Trustee or its successor in trust under the Indenture of the certificate endorsed hereon.

IN WITNESS WHEREOF, Mississippi Power Company has caused this bond to be executed in its name by its President or one of its Vice-Presidents, and its corporate seal or a facsimile thereof to be affixed hereto or imprinted hereon and attested by its Secretary or one of its Assistant Secretaries, and has caused the coupons hereto annexed to be authenticated by a facsimile signature of its Treasurer.

Dated, September 1, 1941.

MISSISSIPPI POWER COMPANY,

By.....

Vice-President.

ATTEST:

.....
Assistant Secretary.

AND WHEREAS, at the time of the issue thereof, there are to be attached to each of the coupon bonds of 1971 Series, hereby secured, interest coupons representing the future installments of interest from time to time to become due thereon, and each coupon is to be substantially in the following form, to-wit:

[FORM OF COUPON]

\$.....

On the first day of _____, 19____, Mississippi Power Company will pay to bearer, upon the surrender of this coupon, at its office or agency in the Borough of Manhattan, The City of New York, Dollars and _____ Cents in any coin or currency of the United States of America which at the time of payment is legal tender for

public and private debts, being six months' interest then due on its First Mortgage Bond, 3 1/8% Series due 1971, No..... This coupon shall be treated as negotiable. It will not be payable if said bond shall have been called for previous redemption and provision duly made for payment of the redemption price thereof.

Treasurer.

The amount to be inserted in coupons due on March 1 in each year shall be Fifteen Dollars and Sixty-three Cents (\$15.63); the amount to be inserted in coupons due on September 1 in each year shall be Fifteen Dollars and Sixty-two Cents (\$15.62).

AND WHEREAS each of the registered bonds of 1971 Series is to be substantially in the following form, to-wit:

[FORM OF REGISTERED BOND OF 1971 SERIES]

MISSISSIPPI POWER COMPANY

FIRST MORTGAGE BOND, 3 1/8% SERIES DUE 1971.

No.....

\$.....

Mississippi Power Company, a Maine corporation (hereinafter called the "Company"), for value received, hereby promises to pay to, or registered assigns, the principal sum of Dollars on the first day of September, 1971, and to pay to the registered holder hereof interest on said sum from the latest semi-annual interest payment date to which interest has been paid on the bonds of this series preceding the date hereof, unless the date hereof be an interest payment date to which interest is being paid, in which case from the date hereof, or unless the date hereof is prior to March 1, 1942, in which case from September 1, 1941, at the rate, until the principal hereof shall have become due and payable, of three and one-eighth per centum per annum, payable on the first day of March and the first day of September in each year. The principal of and the premium, if any, and interest on this bond shall be payable

at the office or agency of the Company in the Borough of Manhattan, The City of New York, designated for that purpose, in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

This bond is one of the bonds issued and to be issued from time to time under and in accordance with and all secured by an indenture of mortgage or deed of trust (hereinafter referred to as the "Indenture") dated as of September 1, 1941, given by the Company to Guaranty Trust Company of New York (hereinafter sometimes referred to as the "Trustee"), as Trustee, to which Indenture and indentures supplemental thereto reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security and the rights, duties and immunities thereunder of the Trustee and the rights of the holders of said bonds and of the Trustee and of the Company in respect of such security, and the limitations on such rights. By the terms of the Indenture the bonds to be secured thereby are issuable in series which may vary as to date, amount, date of maturity, rate of interest and in other respects as in the Indenture provided.

Upon notice published at least once in each of four consecutive calendar weeks, upon any day in each such week, the first publication to be at least thirty days and not more than forty-five days prior to the date fixed for redemption, in one daily newspaper printed in the English language and of general circulation in the Borough of Manhattan, The City of New York (provided that publication of such notice shall not be required in case all the bonds to be redeemed are registered bonds without coupons and/or coupon bonds registered as to principal and the Company or the Trustee shall have mailed, by registered mail postage prepaid, notice of redemption not less than thirty nor more than forty-five days prior to the date fixed for redemption to each registered holder of a bond to be redeemed (in whole or in part) at the last address of such holder appearing on the registry books), any or all of the bonds of 3 $\frac{1}{8}$ % Series due 1971, of which this is one, may be redeemed by the Company, at its option, or by operation of various provisions of the Indenture, at any time and from time to time by the payment of the principal amount thereof and accrued interest thereon to the date fixed for redemption, together with a premium equal to a percentage of the principal amount thereof determined as

set forth in the tabulation below under the heading "Redemption Premium":

Year	Redemption Premium (if redeemed prior to September 1 of the calendar year stated and subsequent to the last day of August of the calendar year next preceding such year)
1942.....	6 %
1943.....	6 %
1944.....	6 %
1945.....	5 ⁷ / ₈ %
1946.....	5 ³ / ₄ %
1947.....	5 ¹ / ₂ %
1948.....	5 ³ / ₈ %
1949.....	5 ¹ / ₄ %
1950.....	5 ¹ / ₈ %
1951.....	4 ⁷ / ₈ %
1952.....	4 ³ / ₄ %
1953.....	4 ⁵ / ₈ %
1954.....	4 ³ / ₈ %
1955.....	4 ¹ / ₄ %
1956.....	4 %
1957.....	3 ¹ / ₈ %
1958.....	3 %
1959.....	2 ⁷ / ₈ %
1960.....	2 ⁵ / ₈ %
1961.....	2 ¹ / ₂ %
1962.....	2 ¹ / ₄ %
1963.....	2 ¹ / ₈ %
1964.....	1 ⁷ / ₈ %
1965.....	1 ⁵ / ₈ %
1966.....	1 ¹ / ₂ %
1967.....	1 ¹ / ₄ %
1968.....	1 %

and without premium if redeemed on or after September 1, 1968.

In case of certain defaults as specified in the Indenture, the principal of this bond may be declared or may become due and payable on the conditions, at the time, in the manner and with the effect provided in the Indenture.

No recourse shall be had for the payment of the principal of or premium, if any, or interest on this bond, or for any claim based hereon, or otherwise in respect hereof or of the Indenture, to or against any incorporator, stockholder, director or officer, past, present or future, as such, of the Company, or of any predecessor or successor company, either directly or through the Company, or such predecessor or successor company, under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, stockholders, directors and officers being waived and released by the holder and owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Indenture.

This bond is transferable by the registered holder hereof, in person or by attorney duly authorized, at the principal office of the Trustee, in the Borough of Manhattan, The City of New York, but only in the manner prescribed in the Indenture, upon the surrender and cancellation of this bond and the payment of charges for transfer, and upon any such transfer a new registered bond or bonds, without coupons, of the same series and maturity date and for the same aggregate principal amount, in authorized denominations, will be issued to the transferee in exchange herefor. The Company and the Trustee may deem and treat the person in whose name this bond is registered as the absolute owner for the purpose of receiving payment of or on account of the principal, premium, if any, and interest due hereon and for all other purposes. Coupon bonds and registered bonds without coupons of this series are interchangeable, and registered bonds shall be exchangeable for registered bonds of other authorized denominations having the same aggregate principal amount, in the manner and upon the conditions prescribed in the Indenture. This bond shall not be valid or become obligatory for any purpose unless and until it shall have been authenticated by the execution by the Trustee or its successor in trust under the Indenture of the certificate endorsed hereon.

IN WITNESS WHEREOF, Mississippi Power Company has caused this bond to be executed in its name by its President or one of its Vice-Presidents, and its corporate seal or a facsimile thereof to be affixed hereto or imprinted hereon and attested by its Secretary or one of its Assistant Secretaries.

Dated,

MISSISSIPPI POWER COMPANY,

By.....
Vice-President.

Attest:

.....
Assistant Secretary.

AND WHEREAS, on each of the coupon bonds and on each of the registered bonds of each and every series issued under and secured by this Indenture (whether in temporary or definitive form) there is to be endorsed a certificate of the Trustee substantially in the following form, to-wit:

[FORM OF TRUSTEE'S CERTIFICATE]

TRUSTEE'S CERTIFICATE

This bond is one of the bonds, of the series designated therein, described in the within-mentioned Indenture.

GUARANTY TRUST COMPANY OF NEW YORK,
As Trustee,

By.....
Authorized Officer.

AND WHEREAS the bonds of each series other than 1971 Series and the interest coupons to be attached to the coupon bonds of each such series are to be substantially in the forms above set forth, respectively,

with such modifications thereof and additions thereto or eliminations therefrom, authorized or permitted by this Indenture as to any particular series, as in the opinion of the Board of Directors of the Company at the time may be necessary or proper;

AND WHEREAS all acts and things necessary to make the bonds, when authenticated by the Trustee and issued as in this Indenture provided, the valid, binding and legal obligations of the Company, and to constitute this Indenture a valid, binding and legal instrument for the security thereof, have been done and performed, and the creation, execution and delivery of this Indenture and the creation, execution and issue of bonds subject to the terms hereof, have in all respects been duly authorized;

NOW THEREFORE, in consideration of the premises, and of the acceptance and purchase of the bonds by the holders thereof, and of the sum of One Dollar duly paid by the Trustee to the Company, and of other good and valuable considerations, the receipt whereof is hereby acknowledged, and for the purpose of securing the due and punctual payment of the principal of and premium, if any, and interest on said \$8,927,000 principal amount of bonds of 1971 Series and all other bonds which shall be issued hereunder, and for the purpose of securing the faithful performance and observance of all covenants and conditions hereinafter, and in any supplemental indenture, set forth, the Company has given, granted, bargained, sold, transferred, assigned, hypothecated, pledged, mortgaged, warranted, aliened and conveyed and by these presents does give, grant, bargain, sell, transfer, assign, hypothecate, pledge, mortgage, warrant, alien and convey unto Guaranty Trust Company of New York, as Trustee, as herein provided, and its successor or successors in the trust hereby created, and to its or their assigns forever, all the right, title and interest of the Company in and to any and all premises, property, franchises and rights of every kind and description, real, personal and mixed, tangible and intangible, now owned or hereafter acquired by the Company, together (subject to the provisions of Article X hereof hereinafter contained) with the tolls, rents, revenues, issues, earnings, income, products and profits thereof, excepting, however, and there is hereby expressly reserved from the lien and effect of this Indenture, all right, title and interest of the Company, now owned or hereafter acquired, in and to (a) all cash, bonds, stocks, obligations and other securities not deposited with the Trus-

tee under this Indenture and not required so to be, (b) all contracts, accounts and bills receivable, judgments (other than for the recovery of real property or establishing a lien, charge or right therein) and other evidences of indebtedness not specifically assigned to and pledged with the Trustee hereunder, and not required so to be, (c) stock in trade, materials or supplies manufactured or acquired for the purpose of sale and/or resale in the usual course of business or consumable in the operation of any of the properties of the Company, (d) natural gas, oil, minerals and mineral rights and (e) all the property described in Schedule A [which is identified by the signatures of an officer of each of the parties hereto at the end thereof] hereto annexed and hereby made a part hereof.

Provided, however, that if, upon the occurrence of a default as hereinafter in this Indenture defined, the Trustee or any receiver appointed hereunder or upon the application of the Trustee or holders of bonds outstanding hereunder shall enter upon and take possession of the mortgaged and pledged property, the Trustee or such receiver may, to the extent permitted by law, at the same time likewise take possession of any and all of the property hereinabove excepted and reserved from the lien and effect of this Indenture then on hand which is used or useful in connection with the business of the Company and use and administer the same, to the extent permitted by law, to the same extent as if such property were part of the mortgaged and pledged property, unless and until such default shall be remedied and possession of the mortgaged and pledged property restored to the Company, its successors or assigns.

Without in any way limiting or restricting the generality of the above, or the foregoing exceptions and reservations, the Company hereby expressly gives, grants, bargains, sells, transfers, assigns, hypothecates, pledges, mortgages, warrants, aliens and conveys unto the Trustee and its successor or successors in the trust hereby created, and to their assigns forever, all the property described in Schedule B [which is identified by the signatures of an officer of each of the parties hereto at the end thereof] hereto annexed and hereby made a part hereof, wherever located.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the premises, property, franchises and rights, or any thereof, referred to in the fore-

going granting clauses, with the reversion and reversions, remainder and remainders and (subject to the provisions of Article X hereof hereinafter contained) the tolls, rents, revenues, issues, earnings, income, products and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid premises, property, franchises and rights and every part and parcel thereof.

SUBJECT, HOWEVER, with respect to premises, property, franchises and rights now owned and subject thereto, to the lien of the indenture referred to in Section 7.01 hereof, until said indenture is discharged in accordance with the covenants of the Company contained in Section 7.01 hereof, and subject also to excepted encumbrances as said term is hereinafter defined in Section 1.02 hereof, and subject, with respect to property hereafter acquired, to all defects and limitations of title and to all encumbrances existing at the time of such acquisition.

TO HAVE AND TO HOLD all said premises, property, franchises and rights hereby conveyed, assigned, pledged or mortgaged, or intended so to be, unto the Trustee, its successor or successors in trust, and their assigns forever;

BUT IN TRUST, NEVERTHELESS, with power of sale, for the equal and proportionate benefit and security of the holders of all bonds and interest coupons now or hereafter issued hereunder, pursuant to the provisions hereof, and for the enforcement of the payment of said bonds and coupons when payable and the performance of and compliance with the covenants and conditions of this Indenture, without any preference, distinction or priority as to lien or otherwise of any bond or bonds over others by reason of the difference in time of the actual issue, sale or negotiation thereof or for any other reason whatsoever, except as herein otherwise expressly provided; and so that each and every bond now or hereafter issued hereunder shall have the same lien, and so that the principal of and premium, if any, and interest on every such bond shall, subject to the terms hereof, be equally and proportionately secured hereby, as if it had been made, executed, delivered, sold and negotiated simultaneously with the execution and delivery hereof.

And it is expressly declared that all bonds issued and secured hereunder are to be issued, authenticated and delivered, and all said premises, property, franchises and rights hereby conveyed, assigned, pledged

or mortgaged, or intended so to be, are to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes hereinafter expressed.

ARTICLE I.

Definitions.

SECTION 1.01. The terms specified in the next succeeding ten Sections hereof, numbered from 1.02 to 1.11, both inclusive, shall, for all purposes of this Indenture and of any indenture supplemental hereto and of any certificate, opinion or other document filed with the Trustee, have the meanings in such Sections specified. Unless otherwise defined in this Indenture, all terms used herein shall, for all such purposes, have the meanings assigned to such terms in the Trust Indenture Act of 1939. Except where the context specifically requires otherwise, wherever reference is made in this Indenture to the Trust Indenture Act of 1939, reference is made to such Act as it was in force on the date of the execution of this Indenture.

SECTION 1.02. The term "accountant's certificate" shall mean a certificate signed and verified by a practicing accountant appointed by the Board of Directors.

The term "affiliate" shall mean a person controlling, controlled by, or under common control with, another person.

An "application" for the authentication and delivery of bonds, or the release of property, or the withdrawal of cash, under any provision of this Indenture, shall consist of such resolutions, certificates, opinions, cash, bonds and other instruments as are required by such provisions to establish the right of the Company to the authentication and delivery of such bonds, or to such release or withdrawal, as the case may be, and the date of such application shall be deemed to be the date upon which such application shall be substantially completed.

The term "Board of Directors" shall mean the Board of Directors of the Company.

The term "Company" shall mean Mississippi Power Company, and shall also include its successors and assigns as provided in Article XV hereof.

The term "control" shall mean the power to direct the management and policies of a person, directly or through one or more intermediaries, whether through the ownership of voting securities, by contract or otherwise. The terms "controlling" and "controlled" shall have meanings correlative to the foregoing.

The term "cost", when used with respect to any particular property, shall mean the cost (or, if not known, estimated cost) thereof to the Company, without deducting therefrom applicable reserves for depreciation and/or retirements and without including therein any amount paid for intangibles acquired therewith. In determining cost in cases in which property, part of which constitutes fundable property and part does not, is or has been acquired for a consideration not divided between such parts, or, in cases where the consideration given for property is not allocated to the various items of property acquired and the determination of the cost of any or all of such items is required under any of the provisions of this Indenture, the consideration may be allocated to the various parts and items of property acquired in any reasonable manner which is in accordance with the requirements of any system of accounting with which the Company is compelled to comply by any provision of law, or, if there be no such requirements, in any manner which the accountant making the certificate as to the cost of such property deems reasonable and in accordance with good accounting practice. For the purpose of making such allocation, the accountant may rely on and accept, if he deems it proper so to do, any action taken by the Company with respect to such allocation and any valuation and other reports available to such accountant with respect to the property concerned, including the independent engineer's (or, if none, the engineer's) certificate describing the property additions so acquired.

The term "current fair value", when used with respect to any particular property described in any certificate required under this Indenture, shall mean the fair value of such property as of a date not more than ninety days prior to the date of such certificate.

The term "daily newspaper" shall mean a newspaper customarily published at least on each business day other than Sundays and holidays.

The term "engineer" shall mean a co-partnership or a corporation engaged in the engineering profession or an individual who is an engineer.

The term "engineer's certificate" shall mean a certificate signed and verified by the President or a Vice-President of the Company and by an engineer (who may be an employee of the Company) appointed by the Board of Directors.

The term "excepted encumbrances" shall mean as of any particular time any of the following: (a) liens for taxes and assessments not then delinquent on any property of the Company or, if delinquent, in the course of contest in good faith; (b) judgments in course of appeal or otherwise in contest in good faith; (c) liens or charges, if any, incidental to current construction or current operation which are undetermined or which, if determined, are not delinquent or are in the course of contest in good faith; (d) easements, rights of way, reservations, restrictions, covenants of record (other than for the payment of money), party-wall agreements, conditions of record, landlord's rights of distraint, and other similar encumbrances; and liens and other outstanding interests subject to which easements or rights of way may be possessed by the Company; provided that none of the items mentioned in this clause (d) impairs, in the opinion of counsel, the use of the affected property by the Company or its value as security for the bonds issued and to be issued hereunder; (e) rights reserved to or vested in any municipality or public authority by the terms of any franchise, grant, license, permit or by any provision of law to purchase or recapture or to designate a purchaser of any of the properties of the Company; (f) rights reserved to or vested in any municipality or public authority to use or control or regulate any property of the Company; (g) any obligations or duties of the Company to any municipality or public authority with respect to any franchise, grant, license or permit; (h) any liens, neither assumed by the Company nor on which it customarily pays interest charges, existing upon real estate or rights in or relating to real estate acquired by the Company for substation, transmission line or right of way purposes or gas purification purposes; and (i) installment contract existing at December 31, 1940 providing for the purchase by the Company of the substation at Camp Shelby, Forrest County, Mississippi, as to which title was retained by the seller, Pearl River Valley Electric Power Association, until

payment in full and under which contract an amount of \$91,709.94 remained unpaid at December 31, 1940, together with any liens, charges or encumbrances existing on such property prior to the actual acquisition of title thereto by the Company.

The term "fundable property" shall mean all mortgaged and pledged property (other than specially classified property) owned by the Company on December 31, 1940, and property additions.

The term "holder", when used with reference to bonds authenticated and delivered hereunder, shall mean the bearer of any bond the ownership of which is not at the time registered as to principal, and the person in whose name a particular registered bond without coupons, or a particular coupon bond registered as to principal is at the time registered on the books of the Company kept for that purpose in accordance with the terms of this Indenture.

The term "independent engineer" shall mean an engineer who (a) is in fact independent; (b) does not have any substantial interest, direct or indirect, in the Company or in any other obligor on the bonds; and (c) is not connected with the Company or any other obligor on the bonds as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions.

The term "independent engineer's certificate" shall mean a certificate signed and verified by an independent engineer appointed by the Board of Directors and approved by the Trustee.

The term "independent public accountant" shall mean any certified or licensed public accountant who or any firm of such accountants each of whom (a) is in fact independent; (b) does not have any substantial interest, direct or indirect, in the Company or in any other obligor on the bonds; and (c) is not connected with the Company or any other obligor on the bonds as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions; but who may be regularly retained to make annual and other similar audits of the books of the Company or any affiliate thereof.

The term "independent public accountant's certificate" shall mean a certificate signed and verified by an independent public accountant appointed by the Board of Directors and approved by the Trustee.

The terms the "lien hereof" and the "lien of this Indenture" shall mean the lien created or intended to be created by these presents (including the lien created by the after-acquired property clauses hereof) and the lien created by any subsequent conveyance or delivery to or

pledge with the Trustee hereunder (whether made by the Company or any other corporation or any individual, company or co-partnership) constituting any property a part of the security held by the Trustee upon the terms and trusts and subject to the conditions specified in this Indenture.

The terms "mortgaged and pledged property" and "trust estate" shall mean, as of any particular time, the property which at said time is subject to the lien of this Indenture whether such lien be created by these presents (including the lien created by the after-acquired property clauses hereof) or by subsequent conveyance, delivery or pledge to the Trustee hereunder or otherwise.

SECTION 1.03. The term "net earnings certificate" shall mean an accountant's certificate or, if the aggregate principal amount of the bonds, the authentication and delivery of which is applied for in the application of which the net earnings certificate is a part, and of all other bonds authenticated and delivered under the Indenture since the commencement of the calendar year current at the time of such application (other than those with respect to which a net earnings certificate is not required or with respect to which an independent public accountant's certificate complying with this Section has previously been furnished), is ten per centum (10%) or more of the aggregate principal amount of bonds outstanding, an independent public accountant's certificate, stating:

I. for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the date of the application, the "net earnings" of the Company, which shall be the balance remaining, if any, after deducting the aggregate of the operating expenses as specified in (4) below from the aggregate of the gross operating revenues and the applicable net non-operating revenues;

and specifying,

(1) the gross operating revenues of the Company from all sources except those specified in (2) below (excluding therefrom profits and losses from the sale or other disposition of capital assets);

(2) total net non-operating revenues, including income from stocks, bonds or other securities (whether of subsidiaries or not)

and net earnings (computed in the manner herein specified for the computation of the net earnings of the Company) from the operation of any business unit of the Company of which substantially all of the plant, system, equipment and property are not owned by the Company (but excluding credits to income in respect of premiums received on the sale or other disposition of obligations of the Company);

(3) the "applicable net non-operating revenues", which shall be the net non-operating revenues or an amount equal to fifteen per centum (15%) of the "interest earnings requirement" as defined in subdivision III of this Section, whichever is less;

(4) the operating expenses, including accruals for taxes (except undistributed earnings, income and excess profits taxes and any like taxes measured by income), rentals, insurance, actual charges for current repairs and maintenance and charges to expense or income to provide for depreciation (but excluding interest, deductions used in computing net non-operating revenues and charges to income for the amortization (i) of debt discount and expense and (ii) of utility plant account or amounts transferred therefrom);

II. (A) the annual interest charges upon (1) all bonds outstanding hereunder at the date of such certificate (including all bonds, at such date, held by the Trustee uncanceled under the provisions of Section 7.07 hereof); (2) those bonds then applied for in the application in connection with which such certificate is made and those applied for in any other pending application, (3) all outstanding prior lien bonds on the date of such certificate, and (4) all other indebtedness (other than indebtedness for the purchase, payment or redemption of which money in the necessary amount shall have been deposited with the Trustee hereunder or the trustee or other holder of the mortgage or other lien securing such indebtedness) outstanding and not held by or for the account of the Company on the date of such certificate and secured by lien prior to or of a rank equal with the lien, if any, of this Indenture upon any property of the Company if said indebtedness has been assumed by the Company or if the Company customarily pays interest charges upon the principal thereof; and

(B) the principal amount of the respective bonds and other obligations and indebtedness on which the annual interest charges referred to in subdivision II (A) of this Section are calculated and the respective interest rates at which computed; and

III. the "interest earnings requirement", which shall be a figure equal to two hundred per centum (200%) of the aggregate annual interest charges specified in accordance with subdivision II (A) of this Section.

If any of the property owned by the Company at the date of any net earnings certificate shall consist of property formerly operated by others and acquired by the Company during or after the period covered by such net earnings certificate, the net earnings of such property (computed in the manner herein specified for the computation of the net earnings of the Company) during such period or such part of such period as shall have preceded the acquisition thereof by the Company, if and to the extent that the same have not otherwise been included and can be determined, shall be treated as net earnings of the Company for all purposes of this Indenture, provided that in such event the net earnings which can be determined of any property disposed of by the Company during or after such period shall not be treated as net earnings of the Company.

SECTION 1.04. The term "obligor", when used with reference to bonds authenticated and delivered hereunder, shall mean every person who is liable thereon.

The term "opinion of counsel" shall mean an opinion in writing which is signed by counsel (who may be of counsel to the Company) and which shall include, in addition to the statements, if any, required by any other applicable provision of this Indenture, a statement that, in his opinion, the conditions precedent, if any, provided for in this Indenture (including any covenants compliance with which constitutes a condition precedent) which relate to the authentication and delivery of bonds, to the release or the release and substitution of property subject to the lien of this Indenture, to the satisfaction and discharge of this Indenture, or to any other action to be taken by the Trustee at the request or upon the application of the Company, as the case may be, have been complied with.

The term "original fair value", when used with respect to any particular property described in any certificate required under this Indenture, shall mean the fair value of such property to the Company as of the time of the actual acquisition thereof by the Company.

The term "outstanding" shall mean, as of any particular time, with respect to bonds authenticated under this Indenture (except where the context otherwise specifically provides), all bonds which theretofore shall have been authenticated and delivered under this Indenture by the Trustee, except (a) bonds theretofore or then paid, retired, cancelled or redeemed and not held alive for the benefit of any sinking fund and bonds for the purchase, payment or redemption of which (for cancellation and not for holding alive for the benefit of any sinking fund) money in the necessary amount shall have been or shall be then deposited with or held by the Trustee in trust with irrevocable direction so to apply the same, (b) bonds then held by the Trustee under any of the provisions of this Indenture (except that for the purposes of net earnings certificates, bonds held by the Trustee uncanceled under the provisions of Section 7.07 hereof shall be deemed to be outstanding), (c) bonds in lieu of which bonds have been authenticated and delivered, as provided in Section 2.09 hereof, and (d) coupon bonds, if any, held in reserve by the Trustee against registered bonds as provided in Section 2.02 hereof; provided, however, that in determining the percentage of the principal amount of bonds outstanding (or of bonds of a particular series outstanding) entitling the holders thereof to take any action hereunder, or in determining whether the holders of the required percentage of the principal amount of bonds outstanding (or of bonds of a particular series outstanding) have concurred in any direction to the Trustee or in any consent, bonds owned by the Company or by any other obligor upon the bonds or by any person directly or indirectly controlling, or controlled by, or under direct or indirect common control with, the Company or any other obligor upon the bonds, shall be disregarded, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction or consent, only bonds which the Trustee knows are so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as outstanding if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such bonds and that the pledgee is not a person directly or indirectly con-

trolling, or controlled by, or under direct or indirect common control with, the Company or any other obligor upon the bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

The term "outstanding prior lien bonds" shall mean as of any particular time all prior lien bonds theretofore authenticated and delivered by the trustee of the mortgage or other lien securing the same or, if there be no such trustee, all prior lien bonds theretofore made and delivered or incurred, secured by such mortgage or other lien, except (a) prior lien bonds theretofore or then paid, retired, discharged, cancelled or redeemed and not held alive for the benefit of any sinking fund, (b) prior lien bonds for the purchase (by firm contract), payment or redemption of which money in the necessary amount shall have been or shall be then deposited with or held in trust, with irrevocable direction so to apply the same, by the Trustee hereunder or by the trustee or other holder of the mortgage or other lien securing such prior lien bonds, (c) prior lien bonds held in pledge by the Trustee hereunder, or held by the trustee or other holder of the mortgage or other lien securing such prior lien bonds or other prior lien bonds under conditions such that no transfer of ownership or possession of such prior lien bonds by the trustee or other holder of such mortgage or other lien is permissible except upon a default thereunder or except to the Trustee hereunder or the trustee or other holder of the mortgage or other lien securing such prior lien bonds or other prior lien bonds for cancellation or to be held uncanceled under the terms of the mortgage or other lien securing such prior lien bonds or other prior lien bonds under like conditions, and (d) prior lien bonds authenticated and delivered, pursuant to the provisions of the mortgage or other lien securing the same, in substitution for or in lieu of a like principal amount of lost, stolen or destroyed prior lien bonds issued under such mortgage or other lien.

The term "person" shall mean and include an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or any government or political subdivision thereof.

SECTION 1.05. The term "plant or property operated by others" shall mean any property additions, which, within six (6) months prior to the date of actual acquisition thereof by the Company, constituted

property used or operated by others in a business similar to that in which it has been or is to be used or operated by the Company, and the original fair value of which, as set forth in the certificate setting forth such value, is not less than \$25,000 and not less than one per centum (1%) of the aggregate principal amount of all bonds outstanding hereunder at the time of such actual acquisition. For the purpose of determining in what maintenance certificate or what certificate complying with the provisions of paragraph (3) of Section 4.05 hereof plant or property operated by others shall be described (and for no other purpose), plant or property operated by others shall be deemed to have been acquired by the Company on any day (on or after the actual acquisition thereof) selected by the Company, at its option, in the calendar year in which, or in the calendar year subsequent to the calendar year in which, such plant or property operated by others actually became property additions.

SECTION 1.06. The term "practicing accountant" shall mean any person actively engaged in accounting work and practicing accountancy, who need not be certified or licensed or public and who may be in the regular employ of the Company. A regular employee of the Company who is principally engaged in accounting work shall be deemed to be a practicing accountant.

The term "prior lien" shall mean any mortgage or other lien, other than excepted encumbrances, securing obligations (except obligations for the purchase, payment or redemption of which [for cancellation and not for holding alive for the benefit of any sinking fund] money in the necessary amount shall have been or shall be then deposited with and held in trust by, with irrevocable direction so to apply the same, the Trustee hereunder or by the trustee or other holder of the mortgage or other lien securing such obligations) of any nature prior to the lien of this Indenture as security for any of the bonds issued or to be issued under this Indenture, existing as of any particular time upon any of the mortgaged and pledged property or any property which is about to become part of the mortgaged and pledged property.

The term "prior lien bonds" shall mean bonds, obligations or other indebtedness secured by prior liens.

The term "proceeds of released property" shall mean the aggregate of

(a) cash deposited with or received by the Trustee pursuant to the provisions of subdivision (2) of Section 10.02 and of Section 10.03, 10.04, 10.05 (other than cash delivered to the Trustee under the provisions of paragraph (1) of Section 10.05 in respect of prior lien bonds, and other than cash [representing interest, premium and/or dividends] received by the Trustee pursuant to the third and fourth paragraphs of Section 10.05 which the Trustee is required to pay over to the Company upon receipt of a treasurer's certificate as therein provided), 10.06 or 10.10 hereof;

(b) the principal amount or original fair value, whichever is less, of obligations secured by purchase money mortgage which is a lien upon released fundable property, deposited with the Trustee pursuant to Section 10.03 or 10.04 and the principal amount or original fair value, whichever is less, of obligations secured by purchase money mortgage which is a lien upon released fundable property, exchanged, pursuant to Section 10.05 hereof, for obligations, secured by such a purchase money mortgage, deposited with the Trustee pursuant to Section 10.03 or 10.04 hereof upon the release of released fundable property;

(c) cash deposited with or received by the Trustee pursuant to the provisions of Section 7.06 hereof on account of loss or damage to property (except that, in the case of money deposited on account of loss or damage to unfundable property, such cash may be included only after the same cannot be withdrawn pursuant to the provisions of Section 7.06, to reimburse the Company for amounts spent in the rebuilding or renewal of such unfundable property); and

(d) \$2,750,000 in cash deposited with the Trustee pursuant to Section 3.01 hereof subsequent to the issuance, pursuant to the provisions of said Section, of \$8,927,000 principal amount of bonds of the 1971 Series.

The term "resolution" shall mean a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors.

The term "responsible officers" of the Trustee shall mean and include the chairman of its board of directors, the chairman of its executive committee, the president, every vice-president, every second and assistant vice-president, the cashier, the treasurer, the secretary, every assistant secretary, every trust officer, every assistant trust officer, and every other officer and assistant officer of the Trustee customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of his knowledge of, and familiarity with, a particular subject; and the term "responsible officer" shall mean and include any of said officers or persons.

The term "specially classified property" shall mean property other than that used or useful, in whole or in part, in or in connection with the operation of any one or more of the following businesses, viz., generating, manufacturing, purchasing or otherwise acquiring, transmitting, distributing or supplying (i) electricity or gas for light, heat, power or other purposes or (ii) steam or hot water for power or heat or other purposes.

The term "treasurer's certificate" shall mean a certificate which is signed and verified by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company and which shall include, in addition to the statements, if any, required by any other applicable provision of this Indenture, a statement that the conditions precedent, if any, provided for in this Indenture (including any covenants compliance with which constitutes a condition precedent) which relate to the authentication and delivery of bonds, to the release or the release and substitution of property subject to the lien of this Indenture, to the satisfaction and discharge of this Indenture, or to any other action to be taken by the Trustee at the request or upon the application of the Company, as the case may be, have been complied with.

The term "the Trustee" shall mean Guaranty Trust Company of New York, and shall also include its successors and assigns as provided in Article XVI hereof.

The term "unfundable property" shall mean (a) mortgaged and pledged property acquired by the Company subsequent to December 31, 1940 which does not constitute property additions and (b) specially classified property, whether or not owned by the Company on December 31, 1940. Unfundable property shall be deemed to have been acquired as property additions (except for the purpose of determining the

original fair value thereof and except as provided in Section 1.05 hereof) as of the date on which such unfundable property ceases to be unfundable property because a change of conditions has caused the same to come within the term "property additions".

SECTION 1.07. Each certificate or opinion delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Indenture shall include (1) a statement that the person making such certificate or opinion has read such covenant or condition and the definitions, if any, relevant to such covenant or condition; (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (3) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and (4) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with. Any such certificate or opinion of an officer of the Company may be based, in so far as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion may be based as aforesaid are erroneous or, in the exercise of reasonable care, should have known that the same were erroneous. Any such certificate or opinion of counsel may be based, in so far as it relates to factual matters, information with respect to which is in the possession of the Company, upon a certificate or opinion of, or representations by, an officer or officers of the Company, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion may be based as aforesaid are erroneous or, in the exercise of reasonable care, should have known that the same were erroneous.

The acceptance by the Trustee of a certificate or opinion shall be sufficient evidence that the signer or the signers have been selected or approved by or are satisfactory to the Trustee, as the case may be, within the meaning of this Indenture, unless the Trustee shall give written notice to the Company that the signer or signers have not been selected or approved by or are not satisfactory to the Trustee, as the case may be; and where, under any provision of this Indenture or of

any indenture supplemental hereto, an independent engineer's certificate or an independent public accountant's certificate is required, such requirement, so far as the validity of action taken in reliance thereon is concerned, shall be deemed to have been complied with if the Trustee shall have received a certificate made by the person or firm, as the case may be, who shall have been so selected or approved by the Trustee for such purpose, but nothing contained in this paragraph shall relieve the Trustee of its obligation to exercise reasonable care with respect to the selection or approval of independent experts who may furnish opinions or certificates to the Trustee pursuant to any provision of this Indenture.

Wherever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee or any other person cash, money or funds sufficient or in the necessary amount (or other word or words of similar import) to pay or redeem any bonds, obligations or other indebtedness, the amount so to be deposited or held shall be the principal amount of such bonds, obligations or other indebtedness and all unpaid interest thereon to maturity, unless said bonds, obligations or other indebtedness are redeemable and are to be redeemed prior to maturity and there shall be furnished to the Trustee proof satisfactory to the Trustee that notice of such redemption on the specified redemption date has been duly given or provision satisfactory to the Trustee shall be made for the giving of such notice, in which case the amount of cash, money or funds so to be deposited or held shall be the principal amount of such bonds, obligations or indebtedness and all unpaid interest thereon to the redemption date, together with the redemption premium, if any.

SECTION 1.08. The term "property additions" shall mean all tangible property (except any hereinafter in this Section expressly excepted) owned by the Company and made, constructed or otherwise acquired by it subsequent to December 31, 1940, which the Company is authorized to acquire, own and operate and which is subject to the lien of this Indenture and is used or useful in any one or more of the following businesses, including property used or useful in whole or in part in connection with the operation of any one of such businesses, viz. generating, manufacturing, purchasing or otherwise acquiring, transmitting, distributing or supplying (i) electricity or gas for light, heat, power or other purposes or (ii) steam or hot water for power or heat

or other purposes. Permanent improvements, extensions, additions or replacements in the process of construction or erection shall be "property additions" as of any given date, insofar as actually constructed or erected after December 31, 1940, and before such given date. The term "gross property additions" shall mean all property additions, whether or not at the time retired.

The term "property additions" shall not include (a) any shares of stock, obligations, bonds, evidences of debt or other securities, or contracts, leases or choses in action or cash, (b) going value or good will, as such, (c) any goods, wares or merchandise acquired for the purpose of resale in the usual course of business, (d) any materials or supplies, unless and until installed and charged to plant or plant addition account, (e) property subject to a prior lien, (f) any natural gas wells or natural gas transmission lines or other works or property used in the production of natural gas or its transmission up to the point of connection with any distribution system, (g) any specially classified property, (h) any item of property acquired to replace a similar item of property whose retirement has not been credited to plant account, or any item of property whose cost has been charged or is properly chargeable to repairs, maintenance or other operating expense account or whose cost has not been charged or is not properly chargeable to plant or plant addition account, (i) any plant, system or other property in which the Company shall acquire only a leasehold interest, or, unless the same shall be movable physical property and shall constitute personal property in the opinion of counsel, any betterments, extensions or improvements of, or additions to any plant, system or other property in which the Company shall hold only a leasehold interest, or (j) any property not located in the States of Alabama, Florida, Georgia, Louisiana, Mississippi, South Carolina or Tennessee. There shall not be excluded from property additions any plant, system, equipment or other property of the Company by reason of the fact that it may be located upon or under public highways or other places not owned by the Company if such property is installed or constructed pursuant to rights held under easements, rights of way, permits, licenses, franchises and other like privileges. Materials and supplies shall become property additions when installed and charged to plant or plant addition account.

The term "amount" in respect of property additions or gross property additions shall mean, as to each property addition, the cost

to the Company thereof, or, if the original fair value of such property addition is required to be certified in an engineer's certificate complying with the provisions of paragraph (3) of Section 4.05 describing the same, then the "amount" shall mean the cost or original fair value thereof, as certified in such certificate, whichever is less.

SECTION 1.09. The term "retirements" shall mean the cost of fundable property which, subsequent to December 31, 1940, shall have become worn out or permanently unserviceable, or shall have been lost, sold, destroyed, abandoned, surrendered on lapse of title, or released from the lien of this Indenture, or taken by eminent domain, or purchased by any governmental or public body, authority, agency or licensee pursuant to the right reserved to or vested in it by any license or franchise, or otherwise disposed of by the Company, or retired from service for any reason, or shall have permanently ceased to be used or useful in the business of the Company, provided that part or all of the cost of such property is credited to plant or plant addition account.

SECTION 1.10. The term "net property additions" or "amount of net property additions" shall mean the balance or deficiency remaining after deducting the retirements from the amount of gross property additions. In any certificate required to be filed under this Indenture, the amount of net property additions shall be computed by deducting the retirements made during the period covered by such certificate from the amount of the gross property additions made or acquired or becoming such during such period plus or minus, as the case may be, the amount of net property additions stated pursuant to subdivision (h) of paragraph (3) of Section 4.05 hereof in the most recent engineer's certificate theretofore filed complying with the requirements of such paragraph (3).

In case of an application, upon the basis of property additions, for the authentication of bonds, the release of property or the withdrawal of cash, property additions to be acquired or becoming such concurrently with the granting of and being made the basis of such application shall be specified therein and shall be considered and treated in such application as already acquired for the purpose of computing the amount of net property additions.

SECTION 1.11. The term "unfunded net property additions", or the term "amount of unfunded net property additions", shall mean the balance remaining, if any, after deducting from the aggregate of the following:

(i) the net property additions (calculated, subject to the provisions of Section 1.10 hereof, as of a date designated in the engineer's certificate filed with respect to such unfunded net property additions, which date shall be within ninety (90) days of the date of such engineer's certificate);

(ii) the principal amount of bonds issued hereunder made the basis of the release of property or made the basis for the withdrawal of, or retired or to be retired by the use already made or directed (by direction filed with the Trustee) of, proceeds of released property (calculated as of the date of such engineer's certificate); and

(iii) proceeds of released property then held by the Trustee and for the withdrawal or application of which no other application, request or direction is then pending (calculated as of the date of such engineer's certificate); provided, however, that in the case of an application for the withdrawal of cash pursuant to the provisions of paragraph (1) of Section 10.05 hereof, the amount of cash sought to be withdrawn in such application shall not be included in the proceeds of released property then held by the Trustee;

the sum of the following (calculated as of the date of such engineer's certificate):

(a) ten-sixths (10/6ths) of the aggregate principal amount of bonds theretofore authenticated and delivered upon the basis of unfunded net property additions or for the authentication and delivery of which upon such basis any other application is then pending;

(b) ten-sixths (10/6ths) of the amount of cash theretofore deposited with the Trustee for the authentication and delivery of bonds under Section 6.01 hereof and subsequently withdrawn

under Section 6.02 hereof upon the basis of unfunded net property additions or for the withdrawal of which upon such basis any other application is then pending;

(c) the aggregate of (i) the amount of unfunded net property additions certified to satisfy any unsatisfied balance of the maintenance and replacement requirement provided for in Section 7.07 hereof and (ii) all cash deposited with the Trustee under the provisions of Section 7.07 hereof which has been withdrawn, or for the withdrawal of which any other application is then pending, upon the basis of unfunded net property additions, after deducting from such aggregate the amount (not exceeding such aggregate) by which the same has been offset by available maintenance credit or the deposit of outstanding bonds as provided in said Section 7.07 hereof; and

(d) \$2,750,000.

ARTICLE II.

Form, Execution, Registration and Exchange of Bonds and Provisions as to Bonds of 1971.

SECTION 2.01. The aggregate principal amount of bonds which may be outstanding hereunder at any one time is not limited, but shall include such amount as may now or hereafter from time to time be authenticated and delivered under the provisions hereof. At the option of the Company, bonds may be issued in one or more series, the bonds of each series, other than the 1971 Series, hereinafter in Section 2.11 hereof described, maturing on such dates and bearing interest at such rates respectively as the Board of Directors prior to the authentication thereof may determine. Subject to the provisions of Section 2.11 hereof as to the 1971 Series, the form and terms of each series of bonds issued hereunder and of the coupons to be attached to the coupon bonds of such series shall be established by resolution of the Board of Directors. The bonds and coupons of each series shall be expressed in the English language. The text of the coupon bonds, registered bonds, and the Trustee's certificate shall be respectively substantially of the tenor and purport above recited, provided, however, that the form and terms

of each series, as established by the Board of Directors, shall specify the descriptive title of the bonds (which shall contain the words "First Mortgage Bonds"), the designation of series, the date or dates of maturity, serial numbers, and a place or places for the payment of principal and interest and a place or places for the registration and transfer of bonds. Any series of bonds may also contain such provisions as the Board of Directors may, in its discretion, cause to be inserted therein:

(a) expressing any obligation of the Company for the payment of the principal of the bonds of that series or the interest thereon, or both, without deduction for taxes or for the reimbursement of taxes in case of payment by the bondholders, it being understood that such obligation may be limited to taxes imposed by any taxing authorities of a specified class and may exclude from its operation or be limited to any specified tax or taxes or any portion thereof; or expressing any obligation of the Company for the creation of a sinking fund for bonds of that series, or expressing any obligation of the Company to permit the conversion of bonds of that series into capital stock of the Company of any class;

(b) permitting the bondholders to make, at a specified place or places, any or all of the following exchanges, in each instance the exchange to be for a like aggregate principal amount of bonds, viz., exchanges for coupon bonds for registered bonds, exchanges of registered bonds for coupon bonds, exchanges of coupon bonds for coupon bonds of other denominations, exchanges of registered bonds for registered bonds of other denominations, and exchanges of bonds of one series for bonds of another series; such privilege of exchange may in any case be made subject to such conditions, limitations or restrictions as the Board of Directors shall determine and the privilege of exchange may in any case be conferred upon the holders of bonds of one or more denominations and withheld from the holders of bonds of other denominations of the same series and may in any case be conferred on the holders of registered bonds and withheld from the holders of coupon bonds or vice versa;

(c) reserving to the Company the right to redeem all or any part of the bonds of that series before maturity at a time or times and at a redemption price or prices to be specified in the form of bond;

(d) expressing any other terms and conditions not inconsistent with the provisions hereof, upon which such bonds are to be issued and secured under this Indenture.

SECTION 2.02. Any series of bonds may be executed, authenticated and delivered originally as coupon bonds or as registered bonds, or in part as coupon bonds and in part as registered bonds, of such denomination or denominations as the Board of Directors may from time to time authorize. Whenever any bond shall be issued as a registered bond, there may be reserved by the Company an aggregate principal amount of coupon bonds equal to the principal amount of the registered bond so issued, and the serial number or numbers of the coupon bond or bonds so reserved may be endorsed by the Company on such registered bond issued in lieu thereof, but the Company shall not be required so to reserve coupon bonds or to prepare or deliver to the Trustee any coupon bond or bonds so reserved.

SECTION 2.03. Registered bonds without coupons of each series shall be dated as of the date of authentication, and shall bear interest from the latest semi-annual interest payment date to which interest has been paid on the bonds of such series preceding the date of authentication, unless such date of authentication be an interest payment date to which interest is being paid on the bonds of such series, in which case they shall bear interest from such date of authentication, provided that registered bonds authenticated prior to the first interest payment date of a series shall bear interest from a date six months prior to such date. Coupon bonds of each series other than the 1971 Series shall be dated as of such date as may be determined by the Board of Directors.

SECTION 2.04. Any bond may have imprinted thereon any legend or legends required in order to comply with the rules of any stock exchange or the requirements of any law or any regulation of any public authority or to conform to general usage, and the Board of Directors by resolution may amend any legend on bonds then outstanding so as

to comply with such rules or requirements or so as to conform to such usage.

SECTION 2.05. In all cases in which the privilege of exchanging bonds exists and is exercised, the bonds to be exchanged shall be surrendered at such place or places as shall be designated by the Board of Directors for the purpose (or, if no such place is at the time so designated for the purpose, at the principal office of the Trustee), with all unmatured coupons attached (in the case of coupon bonds), and the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor the bond or bonds of authorized denominations which the bondholder making the exchange shall be entitled to receive. All bonds so surrendered for exchange shall be cancelled by the Trustee and a certificate evidencing the cancellation thereof shall be delivered to the Company. Upon every transfer of bonds as permitted by Section 2.06 hereof, and upon every exchange of bonds, the Company may make a charge therefor sufficient to reimburse it for any tax or taxes or other governmental charge required to be paid by the Company and in addition may charge a sum not exceeding Two Dollars (\$2) for each new bond issued upon any such transfer or exchange which shall be paid by the party requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Company shall not be required to make transfers or exchanges of bonds of any series for a period of ten (10) days next preceding any interest payment date of said series. Each bond delivered pursuant to any provision of this Indenture in exchange or substitution for, or upon the transfer of the whole or any part of one or more other bonds, shall carry all of the rights to interest accrued and unpaid and to accrue which were carried by the whole or such part, as the case may be, of such one or more other bonds, and notwithstanding anything contained in this Indenture, such bond shall have attached thereto such coupons or bear such notation, that neither gain nor loss in interest shall result from any such exchange, substitution, or transfer.

SECTION 2.06. The Company shall keep at such place or places as shall be designated in Section 2.11 hereof or by resolution of the Board of Directors for the purpose, books for the registration and transfer of bonds issued hereunder, which, at all reasonable times, shall be open for inspection by the Trustee; and upon the presentation for such purpose at any such place or places, the Company will register or cause

to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any bonds issued under this Indenture and entitled to registration or transfer at such office. Upon the registration of any coupon bond as to principal, the fact of such registration shall be noted on such bond. Upon the transfer of any registered bond without coupons, the Company shall issue in the name of the transferee or transferees a new registered bond or new registered bonds of the same series and of authorized denominations for a like principal amount and the Trustee, upon surrender to it for cancellation of the bond so transferred, properly endorsed for transfer, shall authenticate and deliver in exchange therefor new registered bonds. All registered bonds so surrendered for transfer shall be cancelled by the Trustee. In lieu of inspecting any books for the registration and transfer of bonds, the Trustee, subject to the provisions of Article XVI hereof, shall be entitled to accept and conclusively rely upon a certificate of the agent or officer in charge thereof as to the facts and matters therein appearing.

SECTION 2.07. All bonds issued hereunder shall, from time to time, be executed on behalf of the Company by its President or one of its Vice-Presidents and its corporate seal shall be thereunto affixed, or a facsimile thereof shall be printed or engraved thereon, and attested by its Secretary or one of its Assistant Secretaries. The coupons to be attached to coupon bonds shall bear the facsimile signature of the present or any future Treasurer of the Company. In case any of the officers who shall have signed any bonds or attested the seal thereon or whose facsimile signature appears on any coupons shall cease to be such officers of the Company before the bond so signed and sealed shall have been actually authenticated by the Trustee or delivered or issued by the Company, such bonds nevertheless may be authenticated, delivered and issued with the same force and effect as though the person or persons who signed such bonds and attested the seal thereon or whose facsimile signature appears on any coupons had not ceased to be such officer or officers of the Company. Before authenticating any coupon bonds, the Trustee shall cut off and cancel all matured coupons thereto attached, except as otherwise provided in Section 2.05 and except that coupon bonds which are authenticated in lieu of lost, destroyed, defaced or mutilated bonds shall bear all coupons which

have not been paid and on account of which satisfactory indemnity is given.

SECTION 2.08. There may be authenticated and delivered and issued in lieu of any definitive bonds of any series a temporary type-written, printed, lithographed or engraved bond or bonds substantially of the tenor of the bonds of such series, in bearer or fully registered form, with or without one or more coupons, and with or without the privilege of registration as to principal, and such temporary bond or bonds may be in such denomination or denominations as the Board of Directors may determine. Such temporary bond or bonds shall be entitled to the lien and benefit of this Indenture. Upon exchange thereof for definitive bonds of the same series, which the Company shall make without any charge therefor, such temporary bond or bonds and any unmatured coupons attached thereto shall be cancelled by the Trustee. When and as interest is paid upon any temporary bond without coupons, the fact of such payment shall be noted thereon, unless such bond is a fully registered bond. The holder of one or more temporary bonds may exchange the same, upon payment, if the Company shall require, of the charges provided in Section 2.05 hereof, on the surrender thereof in bearer form, or if registered, properly endorsed for transfer, with all unmatured coupons, if any, attached, to the Trustee for cancellation, and shall be entitled to receive temporary bonds of the same series of like aggregate principal amount of other authorized denominations.

SECTION 2.09. Upon receipt by the Company and the Trustee of evidence satisfactory to them of the loss (other than by theft), destruction, defacement or mutilation of any bond outstanding hereunder not then matured or subject to payment, and of indemnity satisfactory to them, and upon payment, if the Company shall require it, of a reasonable charge and upon reimbursement to the Company and the Trustee of all reasonable expense incident thereto, and upon surrender and cancellation of such bond, if defaced or mutilated, and the coupons appertaining thereto, if any, the Company may execute, and the Trustee may authenticate and deliver, a new bond with appurtenant coupons all of like tenor and of the same series, in lieu of such lost (other than by theft), destroyed, defaced or mutilated bond and coupons.

In case of the loss (other than by theft), destruction, defacement or mutilation of any bond or coupon outstanding hereunder which has matured or is then subject to payment by redemption, purchase or otherwise, the Trustee and the Company, upon receipt from the owner of such bond or coupon of evidence satisfactory to them of such loss (other than by theft), destruction, defacement or mutilation and upon surrender and cancellation of such bond or coupon if defaced or mutilated and of indemnity satisfactory to them, may pay to the owner of such bond or coupon the amount payable thereon without the execution, authentication and delivery of a substitute bond or coupon.

SECTION 2. 10. No bonds shall be secured hereby unless there shall be endorsed thereon the certificate of the Trustee, substantially in the form hereinbefore recited, that it is one of the bonds (or temporary bonds) herein described; and such certificate on any such bond shall be conclusive evidence that such bond has been duly authenticated and delivered and is secured hereby.

SECTION 2. 11. Notwithstanding any of the provisions hereinbefore in this Article II contained to the contrary, which said provisions in so far as they are contrary shall not be applicable to the bonds in this Section described, there shall be a series of bonds designated $3\frac{1}{8}\%$ Series due 1971, each of which shall also bear the descriptive title "First Mortgage Bond" (said bonds being sometimes hereinafter referred to as the "bonds of 1971"), and the form thereof and of the appurtenant coupons shall be substantially as hereinbefore set forth. Bonds of 1971 shall mature on September 1, 1971, and may, subject to the provisions of Section 18.09 hereof, be issued as coupon bonds in the denomination of \$1,000 each, registerable as to principal, or as registered bonds, or in part as coupon bonds and in part as registered bonds. Registered bonds of 1971 shall be in such denominations as the Board of Directors shall approve, and execution and delivery to the Trustee for authentication shall be conclusive evidence of such ap-

proval. The serial numbers of bonds shall be such as may be approved by any officer of the Company. They shall bear interest at the rate, until the principal thereof shall have become due and payable, of three and one-eighth per centum per annum, payable semi-annually on March 1 and September 1 in each year; the principal of and the premium, if any, and the interest on said bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, at the office or agency of the Company in the Borough of Manhattan, The City of New York designated for that purpose. Coupon bonds of 1971 and unregistered temporary bonds of 1971 shall be dated as of September 1, 1941. Registered bonds of 1971 shall be dated as set forth in Section 2.03 hereof. Coupon bonds and registered bonds of the 1971 Series of like aggregate principal amount shall be interchangeable at the option of the holders. Any or all of the bonds of 1971 shall be redeemable at the option of the Company at any time and from time to time, prior to maturity, upon notice published at least once in each of four (4) consecutive calendar weeks (on any day of each such week), the first publication to be at least thirty days and not more than forty-five days prior to the date fixed for redemption, in one daily newspaper printed in the English language and of general circulation in the Borough of Manhattan, The City of New York (provided that publication of such notice shall not be required in case all the bonds to be redeemed are registered bonds without coupons and/or coupon bonds registered as to principal and the Company or the Trustee shall have mailed, by registered mail postage prepaid, notice of redemption not less than thirty nor more than forty-five days prior to the date fixed for redemption to each registered holder of a bond to be redeemed (in whole or in part) at the last address of such holder appearing on the registry books), at the principal amount thereof and accrued interest thereon to the date fixed for redemption, together with a premium equal to a percentage of the principal amount thereof determined as set forth in the tabulation below under the heading "Redemption Premium":

Year	Redemption Premium (if redeemed prior to Septem- ber 1 of the calendar year stated and subsequent to the last day of August of the calendar year next preceding such year)
1942.....	6 %
1943.....	6 %
1944.....	6 %
1945.....	5 ⁷ / ₈ %
1946.....	5 ³ / ₄ %
1947.....	5 ¹ / ₂ %
1948.....	5 ³ / ₈ %
1949.....	5 ¹ / ₄ %
1950.....	5 ¹ / ₈ %
1951.....	4 ⁷ / ₈ %
1952.....	4 ³ / ₄ %
1953.....	4 ⁵ / ₈ %
1954.....	4 ³ / ₈ %
1955.....	4 ¹ / ₄ %
1956.....	4 %
1957.....	3 ¹ / ₈ %
1958.....	3 %
1959.....	2 ⁷ / ₈ %
1960.....	2 ⁵ / ₈ %
1961.....	2 ¹ / ₂ %
1962.....	2 ¹ / ₄ %
1963.....	2 ¹ / ₈ %
1964.....	1 ⁷ / ₈ %
1965.....	1 ⁵ / ₈ %
1966.....	1 ¹ / ₂ %
1967.....	1 ¹ / ₄ %
1968.....	1 %

and without premium if redeemed on or after September 1, 1968.

The holder of any coupon bond of 1971 may have the ownership thereof registered as to principal at the principal office of the Trustee, in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer

of said bond shall be valid unless made at said office by the registered owner in person or by his duly authorized attorney and similarly noted on such bond; but the same may be discharged from registry by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery and shall remain payable to bearer. Registered bonds of 1971 may be transferred at the principal office of the Trustee, in the Borough of Manhattan, The City of New York.

SECTION 2.12. The Company covenants that, so long as any bonds of 1971 shall be outstanding under this Indenture, it will, on or before June 1 in each year commencing with June 1, 1944, deposit with the Trustee subject to the provisions of this Section cash and/or bonds of any series authenticated hereunder then outstanding (taken at their principal amount) in an amount equal to the "sinking fund requirement" (which term for any year shall mean an amount equal to one per centum (1%) of the aggregate principal amount of bonds of all series authenticated and delivered by the Trustee pursuant to the provisions of Articles III, IV and VI hereof, prior to January 1 of that year, after deducting from such aggregate principal amount the principal amount of bonds which, prior to January 1 of that year, have been deposited with the Trustee for cancellation as the basis for the release of property or for the withdrawal of cash representing proceeds of released property or have been purchased, redeemed or paid at maturity by the use of proceeds of released property).

The term "sinking fund certificate", as used in this Section and elsewhere in this Indenture, shall mean an accountant's certificate filed by the Company with the Trustee pursuant to this Section.

On or before the first day of June in each year, beginning June 1, 1944, so long as any bonds of 1971 are outstanding under this Indenture, the Company shall deliver to the Trustee a sinking fund certificate showing the sinking fund requirement for that year, the amount of cash, if any, and the principal amount of bonds authenticated hereunder then outstanding, if any, then to be deposited by the Company with the

Trustee. The Company shall, concurrently with the delivery to the Trustee of such certificate, deposit with the Trustee the amount of cash, if any, and the principal amount of bonds, if any, shown in such certificate.

The Trustee shall hold any cash deposited with it under the provisions of this Section as a part of the mortgaged and pledged property until paid out as hereinafter provided. Any cash deposited with the Trustee under the provisions of this Section may, upon receipt by the Trustee of the written order of the Company signed by its President or a Vice-President, of a treasurer's certificate such as is described in paragraph (2) of Section 4.05 hereof and of an opinion of counsel, be withdrawn, used or applied by the Company only in accordance with the provisions of paragraph (2), (3) or (4) of Section 10.05 hereof, except that any premium required to be paid to purchase or redeem bonds shall be paid out of funds held by the Trustee under this Section and the Company shall not be required to furnish the Trustee with additional funds for such purpose or to reimburse the Trustee or the sinking fund for moneys so paid out. Interest and expenses in connection with purchases or redemptions of bonds made with cash deposited pursuant to this Section shall be dealt with as provided in Section 9.05 hereof.

Bonds deposited with the Trustee pursuant to this Section, or purchased or redeemed by the use of cash deposited pursuant to this Section, shall be cancelled and shall not be made the basis for the authentication of bonds, the withdrawal, use or application of cash, or the release of property, under any of the provisions of this Indenture, or used to satisfy the requirements of this Section or to satisfy an unsatisfied balance of the maintenance and replacement requirement (as defined in Section 7.07).

ARTICLE III.

Original Issue of Bonds.

SECTION 3.01. Bonds of 1971 in the aggregate principal amount of Eight million, nine hundred twenty-seven thousand Dollars (\$8,927,000) shall forthwith be executed by the Company and delivered to the Trustee and shall be authenticated by the Trustee and delivered whether before or after the recording hereof, at one time or from

time to time, upon the order or orders of the Company evidenced by writing or writings, signed by the Company by its President or one of its Vice-Presidents and its Treasurer or one of its Assistant Treasurers. Immediately after the issuance of such \$8,927,000 principal amount of Bonds of 1971 the Company will deposit with the Trustee the \$2,750,000 in cash referred to in subdivision (d) of the definition of "proceeds of released property" in Section 1.06 hereof.

ARTICLE IV.

Issuance of Bonds Upon the Basis of Property Additions.

SECTION 4.01. Bonds in addition to those provided for in Article III hereof and of any one or more series may from time to time be executed by the Company and delivered to the Trustee, and shall be authenticated by the Trustee and delivered from time to time to or upon the written order of the Company upon the basis of property additions, but only in accordance with and subject to the conditions, provisions and limitations set forth in the next succeeding sections of this Article IV.

SECTION 4.02. Bonds may be authenticated and delivered at any time under the provisions of this Article IV upon the basis of properties which, but for the fact that they are subject to a prior lien, would constitute property additions if, but only if, provision for the payment or redemption of the outstanding prior lien bonds secured by such prior lien is made prior to or contemporaneously with such authentication by depositing irrevocably in trust with the Trustee or with the trustee or other holder of such prior lien funds in an amount sufficient for the purpose of paying or redeeming such prior lien bonds.

SECTION 4.03. Bonds of any one or more series may be authenticated and delivered under the provisions of this Article IV, from time to time, upon the basis of property additions for a principal amount not exceeding sixty per centum (60%) of the amount of unfunded net property additions.

SECTION 4.04. No bonds shall be authenticated and delivered on the basis of property additions or of the deposit of cash unless, as

shown by a net earnings certificate, the net earnings shall have been, for the period referred to in such certificate, not less than the interest earnings requirement as defined in subdivision III of Section 1.03 hereof.

SECTION 4.05. No application by the Company to the Trustee for the authentication and delivery of bonds hereunder upon the basis of property additions shall be granted by the Trustee until the Trustee shall have received or unless the Trustee shall receive concurrently with the granting of such application:

(1) A resolution requesting the Trustee to authenticate and deliver bonds and (a) specifying the principal amount of bonds called for, the series thereof, and any other matters with respect thereto required or permitted by this Indenture, and (b) specifying the officer, or officers, of the Company to whom, or upon whose written order, such bonds shall be delivered.

(2) A treasurer's certificate, dated within ten (10) days of the date of such application, stating that, so far as known to the signers, the Company is not, and upon the granting of the application will not be, in default in the performance of any of the covenants or provisions of this Indenture.

(3) An engineer's certificate, dated within (10) days of the date of such application, stating:

(a) the amount of net property additions stated pursuant to subdivision (h) of this paragraph (3) in the most recent certificate, if any, theretofore filed complying with the requirements of this paragraph (3);

(b) the cost of each of the gross property additions made or acquired by the Company or becoming such during the period covered by the certificate then being given under this paragraph (3), or concurrently being acquired or becoming such, described as hereinafter provided, other than property additions, if any, theretofore specified in accordance with this subdivision (b) in a certificate filed complying with the requirements of this paragraph (3) as property additions as authorized by the last paragraph of Section 1.10; such period

shall be deemed to be the period commencing with the termination of the period covered by the most recent certificate filed complying with the requirements of this paragraph (3) or, if no such certificate has been filed, commencing with January 1, 1941, and terminating on a date, designated in the certificate then being filed, which shall be within ninety (90) days of the date of the certificate then being filed; and the cost so certified as to such property additions as constitute plant or property operated by others, shall be the amount certified as the cost of such property additions in the independent public accountant's certificate provided for in subdivision (b) of paragraph (5) of this Section;

(c) as to each of the gross property additions described in the certificate, the original fair value of such property addition (if the same has not been retired), which original fair value, in the case of a property addition constituting plant or property operated by others, shall be the original fair value thereof as certified in the independent engineer's certificate provided for in subdivision (a) of paragraph (5) of this Section;

(d) the amount of such gross property additions;

(e) which, if any, of such gross property additions consists of plant or property operated by others;

(f) the retirements, described as hereinafter provided, during the period covered by the certificate;

(g) the amount of net property additions, if any, during the period covered by the certificate;

(h) the amount of net property additions as of the date of termination of the period covered by the certificate (being the aggregate, plus or minus as the case may be, of the amounts stated in (a) and (g) above);

(i) the amount of unfunded net property additions as of the date of the certificate and the computation thereof in the manner provided by Section 1. 11 hereof;

(j) the amount of unfunded net property additions, if any, made the basis for the application of which the certificate is a part; and

(k) an amount equal to the excess, if any, of the amount stated pursuant to the foregoing subdivision (i) over the amount, if any, stated pursuant to the foregoing subdivision (j).

Such certificate shall state that the properties described therein as property additions pursuant to subdivision (b) thereof are or, concurrently with the granting of the application, will become property additions; that no portion of the amount thereof has been included in subdivision (b) in any other certificate filed with the Trustee complying with the requirements of this paragraph (3) of this Section; that the items of property described in such certificate as property additions are desirable in the conduct of the business of the Company, and are not subject to any prior lien, or that a portion thereof (which portion shall be specified and described) is subject to a prior lien or liens (the amount of prior lien bonds secured by and the nature of which prior liens shall also be specified and described) and that the provisions of Section 7.05 were complied with in acquiring such property; that since the termination of the period covered by such certificate the Company has not made retirements in excess of the sum of the amount certified pursuant to subdivision (k) of this paragraph (3) of this Section and the amount of the gross property additions made since such termination; and that no portion of the cost of the property additions described in such certificate should properly have been charged, and that no portion has been charged, to maintenance or to any other expense account. Property additions shall be described for the purposes of such certificate by giving a brief, general reference to the character and location of such property to the extent practicable and in addition property additions and retirements shall be described for such purposes by stating the descriptive name or title of the account or accounts (and subdivisions thereof applicable thereto) under or pursuant to any system of accounting with which the Company is compelled to comply by any provision of law or, if the Company is not subject to

any such requirement, any standard system of accounting in general use by companies doing a similar business, to which the cost of such property additions has been charged or allocated or to which such retirements have been credited or allocated, except that any property additions consisting of plant or property operated by others shall be briefly and separately described. For the purposes of such certificate there may be considered as a single property addition or retirement any and all items of property included under the same account (or subdivision of an account, if applicable), under or pursuant to any such system of accounting, except that any single item of property costing more than \$10,000 shall be treated as a separate property addition or retirement in such certificate, if practicable.

(4) An accountant's certificate certifying to the correctness of the amount certified as the cost of each of the gross property additions described pursuant to subdivision (b) of paragraph (3) of this Section and of the amount certified as retirements pursuant to subdivision (f) of paragraph (3) of this Section. Such certificate shall also state, for the period since the end of the last calendar year covered by the last maintenance certificate filed with the Trustee and up to the last day of the calendar month preceding the date of such certificate to which the information is reasonably available, (i) the amount applied by the Company for maintenance and renewals and replacements, as defined in Section 7.07 hereof, of the mortgaged and pledged property (other than specially classified property) and (ii) 16% of the gross operating revenues derived by the Company from the mortgaged and pledged property (other than specially classified property), after deduction from such revenues of the aggregate cost of electric energy, gas and steam purchased for resale. The fact that additional information is required by the preceding sentence to be furnished to the Trustee shall not be deemed to be relevant to and shall not affect the computations of the amount of gross property additions, retirements, net property additions or unfunded net property additions, at any date or for any period, or any action to be taken by the Trustee or the obligations of the Company under Section 7.07 hereof.

(5) In case any property described as property additions is shown by the engineer's certificate provided for in paragraph (3) of this Section to consist of plant or property operated by others, there shall be furnished to the Trustee certificates, dated within ninety (90) days of the date of the engineer's certificate provided for in paragraph (3) of this Section, as follows:

(a) an independent engineer's certificate which shall contain a statement of the signer's opinion of the original fair value of the property described as property additions referred to in subdivision (e) of the engineer's certificate provided for in paragraph (3) of this Section [and, in case the application requests the authentication and delivery of bonds to be issued hereunder, and not otherwise, of any other property additions, which, within six months prior to the date of actual acquisition thereof by the Company, have been used or operated by others in a business similar to that in which they have been or are to be used or operated by the Company, the subjection of which to the lien of this Indenture has, since the commencement of the then current calendar year, been made the basis for the authentication of bonds, the withdrawal of cash or the release of property or securities subject to the lien of this Indenture and as to which an independent engineer's certificate has not previously been furnished], a brief statement of the considerations governing the signer's determination of such original fair value, a brief statement of the condition, serviceability and general location of such properties described as property additions, a statement of the signer's opinion as to the original fair value of the other property, tangible and intangible, if any, acquired as a part of the transaction by which such properties described as property additions were acquired; and a statement that such properties described as property additions are or, concurrently with the granting of the application, will become property additions; and

(b) in case the application requests the authentication and delivery of bonds to be issued hereunder, the principal amount of which, together with the principal amount of all bonds issued hereunder since the commencement of the then

current calendar year (other than those with respect to which an independent public accountant's certificate has previously been furnished), is 10% or more of the aggregate principal amount of bonds at the time outstanding hereunder, and not otherwise, an independent public accountant's certificate stating in the signer's opinion the cost to the Company of each of the properties described as property additions referred to in the independent engineer's certificate provided for in subdivision (a) of this paragraph (5).

(6) A net earnings certificate dated within ten (10) days of the date of such application, showing the earnings of the Company to be as required by Section 4.04 hereof.

(7) An opinion of counsel specifying the instruments of conveyance, assignment and transfer necessary to vest in the Trustee, to hold as part of the mortgaged and pledged property hereunder, all the right, title and interest of the Company in and to the property which is described as property additions in subdivision (b) of the engineer's certificate provided for in paragraph (3) of this Section and which is still owned by the Company and which has not been retired or released from the lien hereof, or stating that no such instruments are necessary for such purpose, and also stating the signer's opinion (a) that this Indenture is or, upon the delivery of the instruments of conveyance, assignment or transfer mentioned in said opinion, will be a lien on such property, and that the Company has or, upon delivery of such instrument, will have title to such property, subject to no lien, charge or encumbrance thereon prior to the lien of this Indenture, except excepted encumbrances and the prior liens, if any, referred to in the accompanying engineer's certificate, and that, upon the recordation or filing, in the manner stated in such opinion, of the instruments so specified, if any, and, upon the recordation or filing of this Indenture or any supplemental indenture in the manner stated in such opinion, or without any such recordation or filing, if such opinion shall so state, no further recording or re-recording or filing or re-filing (except such as may be referred to in such opinion) of this Indenture or any other instrument is required to maintain the lien of this Indenture upon such property as against all creditors and subsequent

purchasers and encumbrancers, subject to said excepted encumbrances and prior liens, (b) that such of such property as consists of betterments, extensions, or improvements of, or additions to any plant, system or other property in which the Company holds only a leasehold interest constitutes personal property; (c) that the total amount of cash, if any, required to be deposited to provide for the payment, redemption or cancellation of prior lien bonds secured by such prior liens as are specified in the accompanying engineer's certificate is the amount specified in such opinion and that upon deposit thereof in trust with the Trustee hereunder, or with the trustee or other holder of the mortgage or other lien securing such prior lien bonds, together with irrevocable authority and direction by the instruments specified in said opinion for the purpose of paying, redeeming, discharging and cancelling such prior lien bonds, such property will cease to be subject to any such prior lien; (d) that the Company has corporate authority and all necessary permission from governmental authorities to own and operate such property; and (e) that the determination of the cost of any property as stated in the certificates furnished pursuant to paragraphs (3), (4) and (5) of this Section was not inconsistent with the order, if any, of each governmental authority approving the transaction or transactions by which the property was acquired or authorizing the ownership or operation thereof. Unless such opinion shall show that no consent or approval of any governmental authority is requisite to the acquisition, ownership or operation of the property described as property additions in subdivision (b) of the engineer's certificate provided for in paragraph (3) of this Section, it shall specify and be accompanied by any officially authenticated certificates, or other documents, by which such consent or approval is or may be evidenced.

(8) An opinion of counsel to the effect that (a) all recording and other taxes required by law to be paid in connection with the issuance of such bonds or for the effectiveness of the lien of this Indenture as security for such bonds have been paid or specifying what provision for the payment thereof has been made (which provision shall be satisfactory to the Trustee), or that no tax is required by law to be paid; (b) the issue of the

bonds, the authentication and delivery of which are being applied for, has been duly authorized by the Company and by any and all governmental authorities, the consent of which is requisite to the legal issue of such bonds, or that no consent of any governmental authority is requisite to the legal issue of such bonds; and (c) all of the requirements of this Indenture and of law for the due and lawful issue, authentication and delivery of such bonds have been duly complied with and such bonds, when issued, authenticated and delivered, will be the valid and legal obligations of the Company entitled to all the benefits and security of this Indenture and entitled to the benefit of the lien hereof on all of the mortgaged and pledged property with the same degree of priority as all other bonds then issued and outstanding hereunder, and that (such opinion to be based, as to all of said property as to which no opinion of counsel as to the Company's title thereto is concurrently being given to the Trustee, upon prior opinions of counsel delivered to the Trustee and upon representations by the Company, all as specified) such lien is subject to no prior lien, charge or encumbrance other than excepted encumbrances and the prior liens, if any, specified in such opinion. Unless such opinion shall show that no consent or approval of any governmental authority is requisite to the legal issue of such bonds, it shall specify and be accompanied by any officially authenticated certificates or other documents by which such consent or approval is or may be evidenced.

(9) The instruments of conveyance, assignment and transfer (or copies thereof, certified by the Secretary or an Assistant Secretary of the Company, if the originals are not to be delivered to the Trustee) if any, described in the opinion of counsel provided for in paragraph (7) above.

(10) The cash, if any, specified in the opinion of counsel provided for in paragraph (7) above (or, in lieu of such cash, a certificate of the trustee or other holder of the prior lien with whom the deposit has been made to the effect that such deposit in trust has been made), together with the instrument or instruments, if any, specified in said opinion of counsel, authorizing and directing the use of said money in accordance therewith (or, if said money has been deposited in trust with the trustee

or other holder of the prior lien, a copy of such instrument or instruments, if any, certified by the Secretary or an Assistant Secretary of the Company).

ARTICLE V.

Issuance of Bonds Upon Retirement of Bonds Previously Outstanding Hereunder.

SECTION 5.01. Bonds in addition to those provided for in Articles III and IV hereof and of any one or more series may, from time to time, be executed by the Company and delivered to the Trustee, and shall be authenticated by the Trustee and delivered from time to time to, or on the written order of, the Company upon the basis of bonds authenticated and delivered hereunder which have been paid, retired, redeemed or cancelled or surrendered to the Trustee for cancellation or for the payment of which at maturity, together with the interest due or to become due thereon, or for the redemption of which, sufficient cash has been deposited with the Trustee irrevocably in trust for such purpose, but only in accordance with and subject to the conditions, provisions and limitations set forth in the next succeeding sections of this Article V.

SECTION 5.02. Bonds of any one or more series shall be authenticated and delivered under the provisions of this Article V, subject to the conditions of Sections 5.03 and 5.04 hereof, in principal amount equivalent to the principal amount of bonds authenticated and delivered hereunder which have been paid, retired, redeemed, cancelled or surrendered for cancellation (except when cancelled pursuant to the provisions of Section 2.12 or 5.04 hereof, or pursuant to the provisions of Section 10.03 or 10.04 or paragraph (2) of Section 10.05 hereof to obtain the release of property or the withdrawal of cash, or through the use of cash pursuant to the provisions of paragraph (3) or (4) of Section 10.05 hereof and except bonds cancelled, or then held by the Trustee, pursuant to the provisions of Section 7.07 hereof), or for the payment at maturity or redemption (other than a payment or redemption pursuant to the provisions of paragraph (4) of Section 10.05 hereof and other than a redemption pursuant to the provisions of Section 2.12 or 7.07 hereof) of which, with the interest, and premium,

if any, due or to become due thereon, cash is then held, in trust, by the Trustee. Such authentication shall be made upon the application of the Company evidenced by a resolution such as is described in paragraph (1) of Section 4.05 hereof and upon receipt by the Trustee of a treasurer's certificate and an opinion of counsel such as are described respectively in paragraph (2) of Section 4.05 hereof and paragraph (8) of Section 4.05 hereof and of a further treasurer's certificate stating

(a) the aggregate principal amount of bonds authenticated and delivered hereunder which have been paid, retired, redeemed, cancelled or surrendered to the Trustee for cancellation or for the payment or redemption of which cash is then held in trust by the Trustee and made the basis of such application; and

(b) that such bonds have not theretofore been cancelled pursuant to the provisions of Section 2.12 or 5.04 hereof, or pursuant to the provisions of Section 10.03 or 10.04 or paragraph (2) of Section 10.05 hereof to obtain the release of property or the withdrawal of cash, or through the use of cash pursuant to the provisions of paragraph (3) or (4) of Section 10.05 hereof, that such bonds have not been redeemed pursuant to the provisions of Section 2.12 or paragraph (4) of Section 10.05 hereof, that such bonds, have not been cancelled and are not then held by the Trustee pursuant to the provisions of Section 7.07 hereof, and (unless withdrawn as permitted by Section 7.07 hereof), that such bonds have not been redeemed pursuant to the provisions of Section 7.07 hereof;

(c) the aggregate principal amount of bonds authenticated and delivered hereunder but never *bona fide* issued by the Company which have been cancelled and which form part of the bonds made the basis of such application.

SECTION 5.03. (a) In case there shall have been delivered to the Trustee pursuant to any provision of this Indenture, subsequent to such payment, retirement, redemption, cancellation or surrender for cancellation of bonds or to the deposit of money for such purpose, a net earnings certificate in which the annual interest charges on such bonds shall not have been included, or (b) in case bonds authenticated and delivered by the Trustee but never *bona fide* issued by the Com-

pany are being made the basis of the issuance under this Article V of bonds bearing an interest rate higher than that borne by such bonds made the basis for the issuance thereof, the Company covenants that it will not execute or request the Trustee to authenticate and deliver and the Trustee shall not authenticate and deliver additional bonds pursuant to the provisions of this Article V upon the basis of any of the bonds falling within the classes described in clauses (a) and (b) of this Section, unless the Trustee shall also have received a net earnings certificate dated not more than ten days prior to the date of such application, showing the earnings of the Company to be as required by Section 4.04 hereof. Bonds issued merely by way of pledge shall not be deemed to have been *bona fide* issued for the purposes of this Section.

SECTION 5.04. Bonds made the basis of the issuance of bonds pursuant to the provisions of this Article V shall be cancelled and shall not thereafter be made the basis for the authentication of bonds, the withdrawal, use or application of cash or the release of property, under any of the provisions of this Indenture, or used to satisfy an unsatisfied balance of the maintenance and replacement requirement or to satisfy the requirements of Section 2.12.

ARTICLE VI.

Issuance of Bonds Upon Deposit of Cash With Trustee.

SECTION 6.01. The Trustee shall from time to time upon the request of the Company authenticate and deliver bonds, in addition to those provided for in Articles III, IV and V hereof and of any one or more series, upon the deposit by the Company with the Trustee for such purpose of an amount of cash equal to the aggregate principal amount of the bonds so requested to be authenticated and delivered but only after the Trustee shall have received:

- (1) a resolution such as is described in paragraph (1) of Section 4.05 hereof;
- (2) a treasurer's certificate such as is described in paragraph (2) of Section 4.05 hereof;

(3) a net earnings certificate dated within ten (10) days of the date of such application, showing the earnings of the Company to be as required by Section 4.04 hereof; and

(4) an opinion of counsel such as is described in paragraph (8) of Section 4.05 hereof.

SECTION 6.02. All cash deposited with the Trustee under the provisions of Section 6.01 hereof shall be held in trust by the Trustee as a part of the mortgaged and pledged property, but whenever the Company shall become entitled to the authentication and delivery of Bonds under the provisions of Article IV hereof, the Trustee, upon the application of the Company, evidenced by a resolution, shall pay over to the Company or upon its order, in lieu of each bond or fraction thereof to the delivery of which the Company may then be so entitled, a sum in cash equal to the principal amount of such bond or fraction thereof; provided, however, that, for the purpose of withdrawing cash pursuant to the provisions of this Section, it shall furnish to the Trustee the applicable certificates, opinions of counsel and instruments and cash, if any, required by paragraphs (2), (3), (4), (5), (7), (9) and (10) of Section 4.05 hereof.

SECTION 6.03. If at any time the Company shall so direct, any sums deposited with the Trustee under the provisions of Section 6.01 hereof may be withdrawn, used or applied in the manner and for the purposes and subject to the conditions provided in paragraph (2), (3) or (4) of Section 10.05 hereof.

ARTICLE VII.

Particular Covenants of the Company.

The Company hereby covenants as follows:

SECTION 7.01. That it is lawfully seized and possessed of the mortgaged and pledged property, other than the substation at Camp Shelby, Forrest County, Mississippi; that it will maintain and preserve the lien of this Indenture so long as any of the bonds issued hereunder are outstanding; that it has good right and lawful authority to mortgage and pledge the mortgaged and pledged property, as provided in

and by this Indenture; that said mortgaged and pledged property is not subject to any lien prior in lien to the lien of this Indenture except (a) excepted encumbrances, and (b) the lien of the indenture dated as of the first day of September, 1925 made by Mississippi Power Company to The New York Trust Company, as Trustee, and the several indentures supplemental thereto dated as of February 1, 1926, March 1, 1927, December 2, 1929, May 20, 1930, March 25, 1932 and February 6, 1940.

The Company agrees that, prior to or simultaneously with the authentication and delivery of any bonds hereunder, the Company, by proper resolution of its Board of Directors, will have called for redemption on or before April 1, 1942 all bonds now outstanding under said indentures referred to in clause (b) above and will have deposited with the trustee of said indentures funds sufficient for the redemption of such bonds, in trust and accompanied by irrevocable instructions to apply the same to and to effect such redemption, together with irrevocable instructions to publish notice of such redemption in accordance with the terms of said indentures. At the earliest practicable date permitted by the terms of said indentures, the Company will procure from the trustee thereof, duly executed counterparts of appropriate instruments evidencing the satisfaction and discharge of said indentures. Promptly after the receipt of such instruments of satisfaction and discharge, the Company will cause the same to be recorded in all places in which said indentures have been recorded. The Company further agrees that it will take or cause to be taken all such action, if any, necessary to effect such redemption and such discharges and satisfactions, and will furnish the Trustee with an opinion of counsel to the effect that said indentures have been satisfied and discharged.

SECTION 7.02. That (a) it will duly and punctually pay the principal of and premium, if any, and interest on all the bonds outstanding hereunder, according to the terms thereof, will not directly or indirectly extend or assent to the extension of the time for the payment of any coupon or claim for interest upon any of the bonds and will not directly or indirectly be a party to or approve of any arrangement for any such extension by purchasing said coupons or claims or in any other manner, and will pay interest on all overdue principal

of the bonds (and, to the extent permitted by law, on all overdue installments of interest) at the rate of six per centum (6%) per annum; and that (b) unless it shall keep an office or agency at any and all places in which the principal of and premium, if any, or interest on any of the bonds shall be payable, where notices, presentations and demands to or upon the Company in respect of such bonds or coupons as may be payable at such places or in respect of this Indenture may be given or made, and from time to time give the Trustee written notice of the location of such office or offices or agency or agencies, any such notice, presentation or demand in respect of said bonds or coupons or of this Indenture may be given or made to or upon the Trustee, at its principal office, and the Company hereby authorizes such presentation and demand to be made to, and such notice to be served on, the Trustee in either of such events and the principal of and premium, if any, and interest on said bonds shall in such event be payable at said office of the Trustee.

As the coupons appurtenant to bonds are paid, they shall be cancelled.

If the time for the payment of any coupon or claim for interest upon any of the bonds shall be directly or indirectly extended or the extension thereof shall be assented to by the Company or the Company shall be a party to or approve of any arrangement for any such extension by purchasing said coupons or claims for interest or in any other manner, then, anything in this Indenture contained to the contrary notwithstanding, such coupon or claim for interest so extended shall not be entitled, in case of default hereunder, to any benefit of or from this Indenture, except after the prior payment in full of all bonds issued and outstanding hereunder and all such coupons and claims for interest as shall not have been so extended.

SECTION 7.03. (a) That, if it shall appoint a paying agent other than the Trustee, it will cause such paying agent to execute and deliver to the Trustee an instrument in which it shall agree with the Trustee, subject to the provisions of this Section, (1) that such paying agent shall hold in trust for the benefit of the bondholders all sums held by such paying agent for the payment of the principal of or interest on the bonds (and premium, if any); and (2) that such paying agent shall give the Trustee prompt notice of any default by the Company or by

any other obligor upon the bonds in the making of any such payment to or through such paying agent.

(b) That, if the Company acts as its own paying agent, it will, on or before the due date of each installment of principal, premium or interest on the bonds, set aside and segregate and hold in trust for the benefit of the bondholders a sum sufficient to pay such principal, premium, if any, or interest and will promptly notify the Trustee of such action, or of any failure to take such action.

(c) Anything in this Section to the contrary notwithstanding, the Company may at any time, for the purpose of obtaining a release or satisfaction of this Indenture or for any other reason, pay or cause to be paid to the Trustee all sums held in trust by it or any paying agent as required by this Section, such sums to be held by the Trustee upon the trusts herein contained.

(d) Anything in this Section to the contrary notwithstanding, the agreement to hold sums in trust as provided in this Section is subject to the provisions of Section 13. 02.

SECTION 7. 04. (a) That it will pay all taxes and assessments lawfully levied or assessed upon the mortgaged and pledged property, or upon any part thereof or upon any income therefrom, or upon the interest of the Trustee in the mortgaged and pledged property, when the same shall become due; (b) that, subject to the provisions of Section 7. 14, it will not suffer any lien (other than the lien of excepted encumbrances) to be hereafter created upon the mortgaged and pledged property, or any part thereof, or the income therefrom, prior to the lien of this Indenture, except any mortgage or other lien on any property hereafter acquired by the Company which may exist on the date of, or be created as a vendor's lien or as a purchase money mortgage or trust deed in connection with, such acquisition; (c) that, within four months after the accruing of any lawful claims or demands for payment for labor, materials, supplies or other objects, which if unpaid might by law be given precedence over this Indenture as a lien or charge upon the mortgaged and pledged property or the income thereof, the Company will pay or cause to be discharged or make adequate provision to satisfy or discharge the same; (d) that it will observe and conform to all valid requirements of any governmental authority relative to any of the

mortgaged and pledged property, and all covenants, terms and conditions upon or under which any of the mortgaged and pledged property is held; (e) that it will comply with all valid laws of the United States of America and of any state or states thereof applicable to the Company and to the right of the Company to transact business under any such laws, and with all lawful ordinances, rules, orders and regulations of any commission, board or public authority having jurisdiction in the premises, in such form and manner as counsel may advise; (f) that it will do and perform all matters or things necessary or expedient to be done or observed by reason of any law of the United States of America, or any state thereof, or any other competent authority, for the purpose of creating, performing and maintaining the trust hereby created for the security of the payment of the bonds issued hereunder and the coupons thereto attached and to perform all the obligations hereby imposed upon the Company; (g) that it will keep its books, records and accounts in accordance with the valid orders, rules and regulations of each regulatory body that may from time to time have jurisdiction in respect thereof and with which the Company is compelled to comply by any valid provision of law.

Provided, however, that nothing in this Section contained shall require the Company to observe or conform to any requirement of governmental authority or to cause to be paid or discharged, or to make provision for, any such lien or charge, or to pay any such tax or assessment, so long as the validity thereof shall be contested by it in good faith and by appropriate legal proceedings, and the security afforded by this Indenture shall not be endangered by any sale or otherwise on account thereof.

SECTION 7.05. That it will not acquire any property which at the time of acquisition thereof shall be or become subject to any lien or liens prior to the lien of this Indenture, other than excepted encumbrances, if, immediately subsequent to any such acquisition, the amount of outstanding prior lien bonds would exceed 15% of the amount of bonds at the time outstanding under this Indenture, unless at the date of acquisition of such property the principal amount of indebtedness secured by such lien or liens shall not exceed sixty per centum (60%) of the cost to the Company of the unfundable property so acquired which is of a character such that it would become property additions

if it were not subject to a prior lien, and, if such property is of a character such that it would be plant or property operated by others if it were not subject to a prior lien or liens, unless the net earnings of such property, as of a date not exceeding ninety (90) days prior to the date of the acquisition thereof, shall have been at least equal to the interest earning requirement computed on all indebtedness secured by such prior lien or liens immediately subsequent to the time of the acquisition of such property in a manner similar to that set forth in Section 1.03 hereof; provided that indebtedness for the payment or redemption of which the necessary funds have been deposited in trust with the trustee or other holder of such prior lien or liens or with the Trustee hereunder shall not be deemed to be so secured by such prior lien or liens for the purpose of any such computation.

SECTION 7.06. That it will keep the mortgaged and pledged property insured against loss or damage, in the manner and to the extent that property of similar character is usually insured by companies similarly situated and operating like properties, by insurance companies believed by the Company to be responsible, any loss, except as to materials and supplies and except any particular loss less than Fifty Thousand Dollars (\$50,000), to be made payable to the Trustee as its interest may appear, or to the trustee or other holder of any mortgage or other lien constituting a prior lien, if required by the terms thereof; or that it will, in lieu of or supplementing such insurance, in whole or in part, adopt and comply with some other method or plan of protection against loss or damage, approved by an independent engineer, which shall require the creation, investment and re-investment of funds to provide for the payment to the Trustee, or to the trustee or other holder of any mortgage or other lien constituting a prior lien if required by the terms thereof, to the extent of such fund, in cash, of the amount made available under such method or plan by reason of loss or damage to property (except as to materials and supplies and except any particular loss less than \$50,000) to the extent of the amount of the total insurance (provided for under such method or plan and under the policies then in force, if any) on account of such loss or damage not otherwise paid to the Trustee, or to the trustee or other holder of any mortgage or other lien constituting a prior lien, if required by the terms thereof. No such method or plan shall be adopted by the

Company unless, at the time of such adoption, there shall be delivered to the Trustee:

(1) An independent engineer's certificate:

(a) Describing in reasonable detail the proposed method or plan of protection against loss or damage;

(b) Stating that such method or plan is approved by the signer; and

(c) Stating that, in the opinion of the signer, such method or plan, in conjunction with other insurance then carried by the Company, if any, will provide reasonably adequate protection against loss or damage to all of the mortgaged and pledged property included therein of the kind and to the extent that property of similar character is usually insured by companies similarly situated and operating like properties; and

(2) An opinion of counsel stating that in the opinion of the signer:

(a) Such method or plan described in the independent engineer's certificate, above referred to, requires the creation, investment and re-investment of a fund to provide for the payment to the Trustee, or to the trustee or other holder of any mortgage or other lien constituting a prior lien, if required by the terms thereof, to the extent of such fund, in cash, of the amount made available under such method or plan by reason of loss or damage to property (except as to materials and supplies and except any loss less than \$50,000) to the extent of the amount of the total insurance (provided for under such method or plan and under the policies then in force, if any) on account of such loss or damage not otherwise paid to the Trustee, or to the trustee or other holder of any mortgage or other lien constituting a prior lien, if required by the terms thereof; and

(b) Under such method or plan, the rights of the Trustee in such fund are not subject to any rights prior thereto, except any prior lien and/or the rights of any trustee or other holder of any mortgage or other lien constituting a prior lien.

On April 1, 1942, and on April 1 of each year thereafter, the Company will file with the Trustee a certificate of an officer or agent of the

Company containing a detailed list of the insurance, if any, then in effect upon the property of the Company on a date therein specified (which date shall be within thirty (30) days of the filing of such certificate), and said certificate of such officer or agent shall state that the provisions of this Section are being complied with. Subject to the provisions of Section 16.02 hereof, the Trustee shall be entitled to accept such list and certificate as satisfactory evidence of compliance by the Company with the provisions of this Section.

All money received by the Trustee pursuant to the provisions of this Section, except payments received on account of any loss of materials or supplies or on account of any particular loss of less than Fifty Thousand Dollars (\$50,000), shall, subject to the requirements of any mortgage or other lien constituting a prior lien, be held by the Trustee as a part of the mortgaged and pledged property, and be accompanied by a treasurer's certificate stating whether the property destroyed or damaged was fundable or unfundable property, and, subject as aforesaid, shall be paid by it to the Company, to reimburse the Company for an equal amount [irrespective of the values stated in the engineer's certificate provided for in this paragraph] spent by the Company in the rebuilding or renewal of the property destroyed or damaged, upon receipt by the Trustee of a request signed by the President or a Vice-President for such reimbursement, a treasurer's certificate as required by paragraph (2) of Section 4.05 hereof stating the amount so expended and the nature of such renewal or rebuilding, an engineer's certificate stating the current fair value of such renewal or rebuilding, and an opinion of counsel that the property so renewed or rebuilt is subject to the lien hereof to the same extent and with the same priority as was the property so destroyed or damaged. If the Company shall be in default hereunder, then notwithstanding the existence of such default, the Trustee may, upon compliance by the Company with the conditions other than those relating to the non-existence of a default, pay to the Company money held by it in the manner above provided if the Trustee in its discretion shall deem such payment for the best interests of the bondholders.

The Trustee shall pay over to the Company, by endorsement or otherwise, any payment received by it on account of any loss of materials or supplies or on account of any particular loss of less than Fifty Thousand Dollars (\$50,000) upon receipt by the Trustee of a treasurer's certificate to the effect that such payment represents the proceeds of

insurance on account of loss of materials or supplies or on account of a particular loss of less than Fifty Thousand Dollars (\$50,000) and of an opinion of counsel. All such insurance money received by the Company shall be applied by it to the rebuilding, renewal or replacement of property or to the acquisition of additional property.

Any such money not so applied within twelve months after its receipt by the Trustee, or in respect of which notice in writing, signed by an officer of the Company, of intention to apply the same to the work of rebuilding or renewal then in progress and uncompleted shall not have been given to the Trustee by the Company within such twelve months, or which the Company shall at any time notify the Trustee in writing is not to be so applied, shall thereafter, and may at any time subsequent to the receipt thereof by the Trustee, be withdrawn, used or applied in the manner and for the purposes and subject to the conditions provided in Section 10.05 hereof.

SECTION 7.07. That (a) it will at all times maintain, preserve and keep the mortgaged and pledged property, with the appurtenances and every part and parcel thereof, in thorough repair, working order and condition and equipped with suitable equipment and appliances; (b) it will make regular charges to expense for the establishment of a reasonably adequate reserve or reserves for depreciation, and from time to time will make all needful and proper repairs, retirements, renewals and replacements of the mortgaged and pledged property, so that at all times the value of the security for the bonds issued hereunder and the efficiency of the mortgaged and pledged property shall be fully preserved and maintained; (c) it will not charge to its property, plant and equipment accounts any expenditures which are properly chargeable to maintenance or repairs or to any other expense account in accordance with any system of accounting required by law to be followed by the Company or, in the absence of such requirement, in accordance with good accounting practice; and (d) it will promptly classify as retired all property that has permanently ceased to be used or useful in the Company's business. Nothing in this Section or elsewhere in this Indenture contained shall be construed to prevent the Company from ceasing to operate any of its plants or any other property, if, in the judgment of the Company, it is advisable not to operate the same and the operation thereof shall not be essential to the maintenance and continued operation of the rest of the mortgaged and

pledged property and the security afforded by this Indenture will not be substantially impaired by the termination of such operation.

Without in anywise limiting the foregoing, the Company covenants that, so long as any bonds shall be outstanding under this Indenture, the sum of the amounts applied subsequent to December 31, 1940 for maintenance, renewals and replacements of the mortgaged and pledged property (other than specially classified property) will, as of the end of each calendar year, equal an amount (herein sometimes called "the maintenance and replacement requirement") which shall be the greater of (a) sixteen per centum (16%) of the gross operating revenues derived by the Company subsequent to December 31, 1940 and up to the end of such calendar year from the mortgaged and pledged property (other than specially classified property), after deduction from such revenues of the aggregate cost of electric energy, gas and steam purchased for resale, or (b) the sum of the amounts equal to four per centum (4%) of the principal amount of the bonds outstanding hereunder at the end of each calendar year subsequent to December 31, 1940; or that, if at the end of any calendar year it has not subsequent to December 31, 1940, and up to the end of such calendar year, applied for such purposes an amount equal to the maintenance and replacement requirement, it will, on or before the next succeeding June first, to the extent of the difference, certify to the Trustee unfunded net property additions or deposit with the Trustee subject to the provisions of this Section cash or bonds issued hereunder then outstanding (taken at their principal amount).

For the purposes of this Section, the amount applied for renewals and replacements during any period commencing with January 1, 1941 and ending with any December 31 thereafter, shall, except as otherwise provided in the next succeeding paragraph, be deemed to be (in each case as of the termination of such period):

(A) the cost of gross property additions (after deducting from such cost the aggregate amount which would be deducted pursuant to subparagraphs (a) and (b) of Section 1.11 hereof in determining unfunded net property additions) up to but not exceeding

(B) retirements, less the consideration certified to the Trustee pursuant to Section 10.03, 10.04 or 10.06 hereof upon the

release of fundable property retired (provided that, if the Company shall be required or permitted by any of the provisions of this Indenture in connection with a release to deposit with the Trustee any money or other property or to certify any unfunded net property additions in addition to the consideration received by the Company for the property released, the amount of such money, property and/or unfunded net property additions shall not be included in the consideration to be deducted from retirements as aforesaid and, provided further, that the amount to be deducted from retirements as aforesaid shall not in any instance exceed the cost of the retirement).

If the Company shall acquire any property which does not constitute property additions solely because it is subject to a prior lien, then, so long as such property shall be subject to such prior lien, the amount of prior lien bonds secured thereby (or an appropriate fractional part of such amount if such property has been acquired as of a date other than the first day of January) shall be added to the amount of bonds outstanding hereunder for the purpose of computing the maintenance and replacement requirement and there may be included in the amount applied for maintenance, renewals and replacements and certified as unfunded net property additions to satisfy any unsatisfied balance, as hereinafter defined, the amount applied for maintenance, renewals and replacements of, and of net additions to, as the case may be, such property subsequent to the date of actual acquisition of the property subject to such prior lien and the amount of cash or bonds (taken at their principal amount) secured by such prior lien deposited with the trustee or other holder of such prior lien, subsequent to such date, pursuant to a requirement of such prior lien similar in purpose to that of this Section, up to but not exceeding the percentage of the maintenance and replacement requirement subsequent to such date which the total cost of such property subject to such prior lien is of the sum of (a) one hundred and sixty-six and two-thirds per centum (166 $\frac{2}{3}$ %) of the principal amount of the bonds outstanding hereunder on the date of the acquisition of such property and (b) the cost of such property. The certificates, opinions and other items required to be delivered to the Trustee to comply with the requirements of this Section and Section 4.05 may contain such appropriate modifications from

the contents thereof otherwise required by the provisions of this Indenture applicable thereto as may be necessary to permit of the operation of the provisions of this paragraph.

In furtherance of the foregoing covenants, the Company will, on or before June 1, 1942 and on or before June first of each calendar year thereafter, furnish to the Trustee a maintenance certificate showing separately:

(1) an amount which shall be equal to sixteen per centum (16%) of the gross operating revenues derived by the Company, subsequent to December 31, 1940 and prior to the January 1 next preceding the date of the certificate, from the mortgaged and pledged property (other than specially classified property), after deduction from such revenues of the aggregate cost of electric energy, gas and steam purchased for resale;

(2) the sum of the amounts equal to four per centum (4%) of the principal amount of the bonds outstanding hereunder at the end of each calendar year subsequent to December 31, 1940 and prior to the January 1 next preceding the date of the certificate;

(3) the amount specified in paragraph (1) or paragraph (2), whichever shall be greater;

(4) the amount specified pursuant to paragraph (3) in the maintenance certificate filed in the preceding year, if any;

(5) the difference between the amount specified in paragraph (3) above and the amount specified in paragraph (4) above;

(6) the amount applied for (a) maintenance and (b) renewals and replacements, of the mortgaged and pledged property (other than specially classified property) subsequent to December 31, 1940 and prior to the January 1 next preceding the date of the certificate;

(7) the amount specified pursuant to paragraph (6) in the maintenance certificate filed in the preceding year, if any;

(8) the difference between the amount specified in paragraph (6) above and the amount specified in paragraph (7) above;

(9) any available maintenance credit, as hereinafter defined, and the computation thereof;

(10) the maintenance credit or unsatisfied balance, as hereinafter defined.

The term "maintenance credit" shall mean the excess, if any, of the sum of the amounts stated pursuant to paragraphs (8) and (9) above over the amount stated pursuant to paragraph (5) above, and the term "available maintenance credit" shall mean the amount of the maintenance credit, if any, stated in paragraph (10) of the last maintenance certificate theretofore filed, less the principal amount of bonds and cash thereafter withdrawn and the amount of unfunded net property additions thereafter offset upon the basis of such maintenance credit as hereinafter in this section provided.

The term "unsatisfied balance" shall mean the excess, if any, of the amount stated pursuant to paragraph (5) above over the sum of the amounts stated pursuant to paragraphs (8) and (9) above.

The term "maintenance certificate", as used in this Section and elsewhere in this Indenture, shall mean an accountant's certificate filed by the Company with the Trustee pursuant to this Section.

In case any maintenance certificate shows an unsatisfied balance, the Company covenants that it will, concurrently with the filing of such certificate, satisfy such unsatisfied balance by any one or more of the following methods:

depositing cash with the Trustee;
 depositing with the Trustee bonds issued and outstanding hereunder; or
 certifying to the Trustee unfunded net property additions

in an amount or amounts equal to the amount of such unsatisfied balance.

For the purpose of computing the amount of any deposit or certification for the purposes of this Section, bonds issued hereunder and

deposited with the Trustee shall be included at the principal amount thereof.

No unfunded net property additions shall be certified to satisfy any unsatisfied balance unless there shall be delivered to the Trustee, with such certification, the applicable certificates and opinion of counsel, and instruments and cash, if any, required by paragraphs (3), (4), (5), (7), (9) and (10) of Section 4.05 hereof (except that property which would be a property addition except for the fact that it is subject to a prior lien shall be separately described and may be included as a property addition under the circumstances and to the extent set forth in the fourth paragraph of this Section) showing that the Company has unfunded net property additions equal to the amount so certified.

The Trustee shall hold any cash deposited with it under the provisions of this Section as a part of the mortgaged and pledged property until paid out as hereinafter provided. Upon receipt by the Trustee of the written order of the Company, signed by its President or a Vice-President, of a treasurer's certificate such as is described in paragraph (2) of Section 4.05 hereof, and of an opinion of counsel, cash deposited under the provisions of this Section may

(x) be withdrawn by the Company in an amount equal to any available maintenance credit; or

(y) be withdrawn by the Company to the extent of the amount of unfunded net property additions certified for the purpose, but only upon receipt by the Trustee of the applicable certificates, opinion of counsel and instruments and cash, if any, required by paragraphs (3), (4), (5), (7), (9) and (10) of Section 4.05 hereof; or

(z) be withdrawn by the Company or used or applied in accordance with the provisions of paragraph (2), (3) or (4) of Section 10.05 hereof, except that any premium required to be paid to purchase or redeem bonds shall be paid out of funds held by the Trustee under this Section and the Company shall not be required to furnish the Trustee with additional funds for such purpose or to reimburse the Trustee or the maintenance and replacement fund for moneys so paid out. Interest and expenses in connection with purchases or redemptions of bonds made with cash deposited pursuant to this Section shall be dealt with as provided in Section 9.05 hereof.

The amount of unfunded net property additions which has been certified to satisfy any unsatisfied balance or to withdraw any cash deposited with the Trustee pursuant to this Section may be offset, for the purpose of computing thereafter the amount of unfunded net property additions, in an amount equal to any available maintenance credit or to the principal amount of bonds issued and outstanding hereunder deposited with the Trustee for such purpose. Such offset shall become effective upon the filing with the Trustee of (i) a treasurer's certificate stating the amount of unfunded net property additions theretofore certified for such purposes to be offset and the manner in which such offset is to be effected and (ii) an opinion of counsel. If such offset is to be effected by the deposit of bonds, such treasurer's certificate shall be accompanied by such bonds.

Bonds deposited with the Trustee pursuant to this Section, or purchased or redeemed by the use of cash deposited pursuant to this Section, shall be held by the Trustee until withdrawn (or canceled) as hereinafter provided and, while so held, shall not be made the basis for the authentication of bonds, the withdrawal, use or application of cash or the release of property, under any of the provisions of this Indenture, or used to satisfy an unsatisfied balance or to satisfy the requirements of Section 2.12. Any bonds deposited with or purchased or redeemed by the Trustee pursuant to this Section may be withdrawn (unless canceled as hereinafter provided) by the Company, upon receipt by the Trustee of the written order of the Company signed by its President or a Vice-President, of a Treasurer's certificate such as is described in paragraph (2) of Section 4.05 hereof and of an opinion of counsel, in principal amount equal to (i) any available maintenance credit or (ii) the amount of cash deposited with the Trustee to be held by it pursuant to the provisions of this Section until withdrawn, used or applied as provided in this Section. No payment by way of principal, interest or otherwise on any bonds so held by the Trustee shall be made or demanded by the Trustee while so held and the coupons thereto appertaining as they mature shall be cancelled by the Trustee.

At the option of the Company, bonds deposited with or purchased or redeemed by the Trustee pursuant to this Section shall, upon receipt by the Trustee of the written order of the Company signed by its President or a Vice-President, be cancelled by the Trustee and, if so can-

celled, shall not thereafter be made the basis for the authentication of bonds, the withdrawal, use or application of cash or the release of property, under any of the provisions of this Indenture, or used to satisfy the requirements of Section 2.12 or to satisfy an unsatisfied balance.

Subject to the provisions of Article XVI hereof, the Trustee may accept said maintenance certificate and any other documents delivered to it under this Section as conclusive evidence of any matter or fact therein set forth, and, subject as aforesaid, shall not incur any liability or responsibility for any action taken or omitted to be taken in reliance thereon.

SECTION 7.08. That, subject to the provisions of Articles X and XV hereof and except as herein otherwise provided or permitted either expressly or by implication, it will at all times maintain its corporate existence and right to carry on business and will use its best efforts to maintain, preserve and renew all the rights, powers, privileges and franchises owned by it; provided that the Company may amend, surrender, abandon or otherwise terminate any right, power, privilege or franchise, whenever the Company shall contemporaneously, or as a part of the same transaction, obtain or shall previously have obtained a new and, in the opinion of a majority of the Board of Directors, an equally advantageous right, power, privilege or franchise under which the Company may continue to perform the service and conduct the business theretofore performed or conducted under or by virtue of the right, power, privilege or franchise, amended, surrendered, abandoned or terminated, or whenever the right, power, privilege or franchise to be amended, surrendered, abandoned or terminated can no longer be profitably exercised or availed of or shall not be essential to the maintenance and continued use of the rest of the mortgaged and pledged property, and consequently the security afforded by this Indenture would not be substantially impaired.

SECTION 7.09. That, if it shall fail to perform any of the covenants contained in Sections 7.04, 7.06, 7.07(a), 7.08 and 7.10 hereof, the Trustee may borrow from itself in its individual capacity or from any other bank or trust company or from any other person to make advances to perform such covenants in behalf of the Company; and

all sums so advanced shall be at once repayable by the Company, and shall bear interest at the rate of six per centum (6%) per annum until paid, and shall be secured hereby, having the benefit of the lien hereby created in priority to the indebtedness evidenced by the bonds and coupons issued hereunder, but no such advance shall be deemed to relieve the Company from any default hereunder.

SECTION 7.10. That it will cause this Indenture and every additional instrument which shall be executed pursuant to the terms hereof at all times to be recorded and filed in such manner and in such places as may be provided by law in order to preserve the lien of the same upon all the mortgaged and pledged property and in order fully to preserve and protect the security of the bondholders and all rights of the Trustee, and that it will pay any mortgage recording tax and filing fees in connection with such recording and filing.

SECTION 7.11. That it will furnish to the Trustee

(i) Promptly after the execution and delivery of this Indenture and of each supplemental indenture, an opinion of counsel either stating that in the opinion of such counsel this Indenture or such supplemental indenture has been properly recorded and filed so as to make effective the lien intended to be created thereby, and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to make such lien effective. It shall be a compliance with this subsection (i) if (1) the opinion of counsel herein required to be delivered to the Trustee shall state that this Indenture or such supplemental indenture has been received for record or filing in each jurisdiction in which it is required to be recorded or filed and that, in the opinion of counsel (if such is the case), such receipt for record or filing makes effective the lien intended to be created by this Indenture or such supplemental indenture, and (2) such opinion is delivered to the Trustee within such time, following the date of the execution and delivery of this Indenture or such supplemental indenture, as shall be practicable having due regard to the number and distance of the jurisdictions in which this Indenture or such supplemental indenture is required to be recorded or filed; and

(ii) Annually after the execution and delivery of this Indenture, an opinion of counsel either stating that in the opinion of such counsel such action has been taken with respect to the recording, filing, re-recording and re-filing of this Indenture and of each supplemental indenture, as is necessary to maintain the lien thereof, and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to maintain such lien. Such opinion shall be delivered to the Trustee within three (3) months after each anniversary of the execution and delivery of this Indenture.

SECTION 7.12. That it will, upon the request of the Trustee, execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper, in the discretion of the Trustee, to carry out more effectually the purposes of this Indenture, or to transfer to any new trustee or trustees the estate, powers, instruments or funds held in trust hereunder. It is intended that, subject to the provisions of Section 15.04 hereof, all property, both real and personal, which hereafter may be acquired by the Company, shall, subject to the limitations and exceptions hereinabove provided, immediately upon the acquisition thereof by the Company, to the extent of such acquisition and without further covenant or assignment, become and be subject to the lien of this Indenture as fully and completely as though now owned by the Company and specifically described in the granting clauses hereof, but at any and all times the Company will, upon request of the Trustee, execute such further instruments and do such further acts as may be reasonably necessary or proper, in the discretion of the Trustee, for the purpose of expressly and specifically subjecting the same to the lien of this Indenture in the manner and to the extent hereinabove provided.

SECTION 7.13. That, whenever necessary to avoid or fill a vacancy in the office of Trustee, the Company will, in the manner provided in Section 16.18, appoint a Trustee so that there shall at all times be a Trustee hereunder which shall at all times be a corporation organized and doing business under the laws of the United States or of any State or Territory or of the District of Columbia, with a combined capital and surplus of at least Five Million Dollars (\$5,000,000), and author-

ized under such laws to exercise corporate trust powers and subject to supervision or examination by Federal, State, Territorial or District of Columbia authority.

SECTION 7.14. (a) That it will not permit any default in the payment, when the same becomes due, of principal of or premium, if any, or interest on any outstanding prior lien bonds; (b) that it will not issue, or permit to be issued, any bonds hereunder in any manner other than in accordance with the provisions of this Indenture and that it will faithfully observe and perform all the conditions, covenants and requirements of this Indenture and of all indentures supplemental hereto and of the bonds issued hereunder; that, upon the cancellation and discharge of any prior lien, or upon the release in any other way of prior lien bonds deposited with the trustee or other holder of any other prior lien, it will cause any other prior lien bonds so released or held by the trustee or other holder of the prior lien so cancelled or discharged to be deposited with the Trustee hereunder to be held under the provisions of Article X hereof, provided that such bonds may be deposited with the trustee or other holder of any other prior lien if required by the terms thereof; that, upon the cancellation and discharge of any prior lien, it will cause any cash or securities held by the trustee or other holder of such prior lien to be deposited with the Trustee hereunder (unless such cash or securities is required to be deposited with the trustee or other holder of another prior lien) to be held and disposed of by it in the manner provided by Article X hereof; (c) that it will not permit the amount of prior lien bonds outstanding to be increased unless (1) such prior lien bonds representing such increase shall be issued in replacement of or in exchange for outstanding prior lien bonds on the exercise by a holder or holders of such outstanding prior lien bonds of a right contained in the prior lien securing the same to make such replacement or exchange, or unless (2) such prior lien bonds representing such increase shall be deposited with the Trustee to be held under the provisions of Article X hereof, or unless (3) such prior lien bonds representing such increase shall be deposited with the trustee or other holder of the prior lien securing prior lien bonds (under conditions such that no transfer of ownership or possession of such prior lien bonds representing such increase by the trustee or other holder of such prior lien is permissible except upon a default thereunder or except to the Trustee hereunder to be held subject to the

provisions of Article X hereof or to the trustee or other holder of the prior lien securing the same for cancellation or to be held uncanceled under the terms of such prior lien under like conditions), or unless (4) such prior lien bonds representing such increase shall be issued to refund a like principal amount of prior lien bonds theretofore or concurrently therewith paid, redeemed or otherwise retired by the Company, or as to which provision is made for such payment, redemption or retirement, or unless (5) such prior lien bonds representing such increase shall be issued upon the basis and in principal amount not in excess of sixty per centum (60%) of the cost or original fair value (whichever is less) of property (acquired, made or constructed by the Company, subsequent to the acquisition of property subject to such prior lien) of a character such that it would constitute a property addition if it were not subject to such prior lien (after deduction of all items which would constitute retirements to the property subject to such prior lien if such property were not subject to such prior lien) and which property would be, in the opinion of counsel, subject to the lien of such prior lien prior to the lien of this Indenture, whether or not such property was made the basis for the issuance of said additional bonds, provided that no such additional prior lien bonds shall be issued upon the basis of property unless the net earnings of the Company are as required by the provisions of Section 4.04 hereof (including as though issued prior lien bonds proposed then to be issued by the Company) and prior to the issuance of any prior lien bonds as permitted by the provisions of this subdivision (5), the Company shall notify the Trustee of its intention to issue such bonds and shall furnish to the Trustee (i) an opinion of counsel stating that such property would be subject to the lien of such prior lien prior to the lien of this Indenture whether or not such property was made the basis for the issuance of said additional bonds, (ii) a net earnings certificate showing the net earnings of the Company to be as required by Section 4.04 (including as though issued prior lien bonds proposed then to be issued by the Company) hereof and (iii) a treasurer's certificate stating that the issuance of said additional bonds will not violate any of the provisions of this Indenture; (d) that it will not apply under any provision of this Indenture for the authentication and delivery of any bonds or the withdrawal, use or application of cash or the release of property by reason of the deposit with the Trustee of prior lien bonds in accordance with the provisions of this Section; and (e) that it will

not apply, on the basis of property additions or on the basis of the deposit or cancellation of prior lien bonds deposited with the Trustee in accordance with the provisions of this Indenture, under any provisions of any prior lien, for the withdrawal of cash deposited, in connection with the release of property from the lien of this Indenture, with the trustee or other holder of the prior lien securing such prior lien bonds unless such cash so withdrawn shall be deposited with the Trustee hereunder, to be held and disposed of by it in the manner provided by Article X hereof.

SECTION 7.15. In addition to the covenant contained in Section 7.07(a) hereof, the Company covenants and agrees as provided in this Section.

At least once in every two years, the Company will cause an examination of the mortgaged and pledged property (other than specially classified property) to be made by an independent engineer. Such independent engineer, within a reasonable time from the date of his appointment, shall file with the Trustee and the Company an independent engineer's certificate stating whether or not the mortgaged and pledged property (other than specially classified property and other than property which has been retired) is in general being maintained in good physical condition and in a state of good operating efficiency for the purposes of the Company and whether or not all mortgaged and pledged property (other than specially classified property) that is no longer used or useful in the Company's business has been duly recorded as retired on the books of the Company. If such certificate shall state that the mortgaged and pledged property (other than specially classified property and other than property which has been retired) in general is not being so maintained, it shall state clearly the character and extent and the estimated cost of making good such deficiency and the estimated time reasonably necessary to make good such deficiency, and, if it shall state that there is mortgaged and pledged property (other than specially classified property) which is no longer used or useful in the Company's business which has not been recorded as retired on the books of the Company, it shall briefly describe such property and shall state the aggregate retirement which should be recorded on the books in respect of such property. Said certificate shall be open to inspection by any bondholder at any reasonable time.

The Company further covenants and agrees that, if such certificate shall state that such a maintenance deficiency exists, the Company will with all reasonable speed make such repairs and/or do such other maintenance work as may be necessary to make good such deficiency as shall exist at the time of such certificate; whereupon such independent engineer (or, in the case of his refusal or inability to act, some other independent engineer) shall file with the Trustee and the Company an independent engineer's certificate stating that such deficiency has been made good.

The Company further covenants and agrees that if such certificate shall state that there has not been recorded as retired on the books of the Company mortgaged and pledged property (other than specially classified property) which is no longer used or useful in the Company's business, it will forthwith make appropriate entries on its books recording the retirement of such property and will file with the Trustee a treasurer's certificate stating that such entries have been made.

All expense incurred under this Section shall be borne by the Company.

ARTICLE VIII.

Bondholders' Lists and Reports by the Company and the Trustee.

SECTION 8.01. The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee between May 1 and May 20 and between November 1 and November 20 in each year beginning with the year 1942, and at such other times as the Trustee may request in writing, a list in such form as the Trustee may reasonably require containing all the information in the possession or control of the Company or of its paying agents, as to the names and addresses of the holders of bonds obtained since the date as of which the next previous list, if any, was furnished. Any such list may be dated as of a date not more than twenty days prior to the time such information is furnished or caused to be furnished, and need not include information received after such date.

SECTION 8. 02. (a) The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the holders of bonds (1) contained in the most recent list furnished to it as provided in Section 8. 01, (2) received by it in the capacity of paying agent hereunder, and (3) filed with it within two preceding years pursuant to the provisions of paragraph (2) of subsection (c) of Section 8. 04. The Trustee may (1) destroy any list furnished to it as provided in Section 8. 01 upon receipt of a new list so furnished; (2) destroy any information received by it as paying agent upon delivering to itself as Trustee, not earlier than forty-five days after an interest payment date of the bonds, a list containing the names and addresses of the holders of bonds obtained from such information since the delivery of the next previous list, if any; (3) destroy any list delivered to itself as Trustee which was compiled from information received by it as paying agent upon the receipt of a new list so delivered; and (4) destroy any information received by it pursuant to the provisions of paragraph (2) of subsection (c) of Section 8. 04, but not until two (2) years after such information has been filed with it.

(b) In case three or more holders of bonds (hereinafter referred to as "applicants") apply in writing to the Trustee, and furnish to the Trustee reasonable proof that each such applicant has owned a bond for a period of at least six (6) months preceding the date of such application, and such application states that the applicants desire to communicate with other holders of bonds with respect to their rights under this Indenture or under the bonds, and is accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, then the Trustee shall, within five (5) business days after the receipt of such application, at its election, either

(1) afford to such applicants access to the information preserved at the time by the Trustee in accordance with the provisions of subsection (a) of this Section; or

(2) inform such applicants as to the approximate number of holders of bonds whose names and addresses appear in the information preserved at the time by the Trustee, in accordance with the provisions of subsection (a) of this Section, and as to

the approximate cost of mailing to such bondholders the form of proxy or other communication, if any, specified in such application.

If the Trustee shall elect not to afford to such applicants access to such information, the Trustee shall, upon the written request of such applicants, mail to each bondholder whose name and address appear in the information preserved at the time by the Trustee in accordance with the provisions of subsection (a) of this Section, a copy of the form of proxy or other communication which is specified in such request, with reasonable promptness after a tender to the Trustee of the material to be mailed and of payment or provision for the payment of the reasonable expenses of mailing, unless within five (5) days after such tender the Trustee shall mail to such applicants and file with the Securities and Exchange Commission, together with a copy of the material to be mailed, a written statement to the effect that, in the opinion of the Trustee, such mailing would be contrary to the best interests of the holders of bonds, or would be in violation of applicable law. Such written statement shall specify the basis of such opinion. If said Commission, after opportunity for a hearing upon the objections specified in the written statement so filed, shall enter an order refusing to sustain any of such objections or if, after the entry of an order sustaining one or more of such objections, said Commission shall find, after notice and opportunity for a hearing, that all the objections so sustained have been met and shall enter an order so declaring, the Trustee shall mail copies of such material to all such bondholders with reasonable promptness after the entry of such order and the renewal of such tender; otherwise the Trustee shall be relieved of any obligation or duty to such applicants respecting their application.

(c) The Trustee shall not be held accountable by reason of the disclosure of any information or the mailing of any material pursuant to any request made under subsection (b) of this Section regardless of the source from which such information was derived or such material was obtained.

SECTION 8.03. The Company covenants and agrees

(1) to file with the Trustee within fifteen (15) days after the Company is required to file the same with the Securities and Exchange Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as such Commission may from time to time by rules and regulations prescribe under Section 314 (a) (1) of the Trust Indenture Act of 1939) which the Company is required to file with such Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934; or, if the Company is not required to file information, documents or reports pursuant to either of such sections, then to file with the Trustee and the Securities and Exchange Commission, in accordance with rules and regulations prescribed from time to time by said Commission under Section 314 (a) (1) of the Trust Indenture Act of 1939, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(2) to file with the Trustee and the Securities and Exchange Commission, in accordance with the rules and regulations prescribed from time to time by said Commission under Section 314 (a) (2) of the Trust Indenture Act of 1939, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants provided for in this Indenture as may be required from time to time by such rules and regulations, and to file with the Trustee within five months after the close of each fiscal year a copy of the income statement of the Company for the preceding fiscal year and a copy of the balance sheet as at the end of such year, certified by an independent public accountant selected by the Company and approved by the Trustee;

(3) to transmit to the holders of bonds in the manner and to the extent provided in subsection (c) of Section 8.04, with

respect to reports pursuant to subsection (a) of Section 8.04, such summaries of any information, documents and reports required to be filed by the Company pursuant to subsections (1) and (2) of this Section as may be required by the rules and regulations prescribed from time to time by the Securities and Exchange Commission under Section 314 (a) (3) of the Trust Indenture Act of 1939;

(4) to notify the Trustee promptly of each stock exchange upon which the bonds are listed.

SECTION 8.04. (a) The Trustee shall transmit, on or before August 31 in each year beginning with the year 1942, to the bondholders as hereinafter in this Section provided, a brief report dated as of June 30 of such year with respect to

(1) its eligibility under Sections 7.13 and 16.01 and its qualifications under Section 16.14, or in lieu thereof, if to the best of its knowledge it has continued to be eligible and/or qualified under such Sections, a written statement to such effect;

(2) the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee as such, which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the bonds on the trust estate or on property or funds held or collected by it as Trustee, if such advances so remaining unpaid aggregate more than one-half of one per centum ($\frac{1}{2}\%$) of the principal amount of the bonds outstanding on the date of such report;

(3) the amount, interest rate and maturity date of all other indebtedness owing by the Company to the Trustee in its individual capacity on the date of such report, with a brief description of any property held as collateral security therefor, except an indebtedness based upon a creditor relationship arising in any manner described in paragraph (2), (3), (4) or (6) of subsection (b) of Section 16.15;

(4) the property and funds physically in the possession of the Trustee as such, or of a depository for it, on the date of such report;

(5) any release, or release and substitution, of property subject to the lien of this Indenture (and the consideration therefor, if any) which it has not previously reported, provided, however, that to the extent that the aggregate value as shown by the release papers of any or all of such released properties does not exceed an amount equal to one per centum (1%) of the principal amount of bonds then outstanding, the report need only indicate the number of such releases, the total value of property released as shown by the release papers, the aggregate amount of cash received and the aggregate value of property received in substitution therefor as shown by the release papers;

(6) any additional issue of bonds which it has not previously reported; and

(7) any action taken by the Trustee in the performance of its duties under this Indenture which it has not previously reported and which in its opinion materially affects the bonds or the trust estate, except action in respect of a default, notice of which has been or is to be withheld by it in accordance with the provisions of Section 11.04.

(b) The Trustee shall transmit to the bondholders as hereinafter provided a brief report with respect to—

(1) the release, or release and substitution, of property subject to the lien of this Indenture (and the consideration therefor, if any) unless the current fair value of such property, as set forth in the certificates required by this Indenture, is less than ten per centum (10%) of the principal amount of bonds outstanding at the time of such release, or such release and substitution, such report to be so transmitted within ninety (90) days after such time; and

(2) the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the

making thereof) made by the Trustee as such, since the date of the last report transmitted pursuant to the provisions of subsection (a) of this Section (or if no such report has yet been so transmitted, since the date of execution of this Indenture), for the reimbursement of which it claims or may claim a lien or charge prior to that of the bonds on the trust estate or on property or funds held or collected by it as Trustee, and which it has not previously reported pursuant to this paragraph, if such advances remaining unpaid at any time aggregate more than ten per centum (10%) of the principal amount of bonds outstanding at such time, such report to be transmitted within ninety (90) days after such time.

(c) Reports pursuant to this Section shall be transmitted by mail—

(1) to all registered holders of bonds, as the names and addresses of such holders appear upon the registration books of the Company;

(2) to such holders of bonds as have, within two (2) years preceding such transmission, filed their names and addresses with the Trustee for that purpose; and

(3) except in the case of reports pursuant to subsection (b) of this Section, to each bondholder whose name and address is preserved at the time by the Trustee, as provided in subsection (a) of Section 8.02.

(d) A copy of each such report shall, at the time of such transmission to bondholders, be filed with each stock exchange upon which the bonds are listed and also with the Securities and Exchange Commission.

(e) If a separate or co-trustee is appointed pursuant to Section 16.19, the provisions of this Section which have been made specifically applicable to the Trustee shall also apply to such separate or co-trustee to the extent consistent with the rights, powers, duties and obligations conferred or imposed upon such separate or co-trustee by the supple-

mental indenture appointing such separate or co-trustee. Any such separate or co-trustee may, if he so elects, furnish to the Trustee all information concerning such separate or co-trustee which such separate or co-trustee is required to report, and the Trustee shall transmit and file such information, in accordance with the provisions of this Section, on behalf of such separate or co-trustee; provided, however, that, subject to the provisions of Article XVI, the Trustee shall not be responsible for the accuracy or completeness of any such information or for the failure of any such separate or co-trustee to report or to furnish any such information. In the event that any such separate or co-trustee shall elect to furnish information to the Trustee in accordance with the provisions of this subsection (e), the information required pursuant to subsection (a) of this Section shall be furnished to the Trustee in writing not less than fifteen (15) days before the report is required to be made, and, in the case of information required pursuant to subsection (b) of this Section, such information shall be furnished to the Trustee in writing within sixty (60) days after the taking by any such separate or co-trustee of any action required to be reported.

(f) For the purpose of this Section, all bonds which have been authenticated and delivered and not returned to the Trustee and cancelled, shall be deemed to be outstanding.

ARTICLE IX.

Redemption and Purchase of Bonds.

SECTION 9.01. Such of the bonds of any series issued hereunder as are, by their terms, redeemable before maturity may, at the option of the Company, be redeemed at such times, in such amounts and at such prices as may be specified therein and in accordance with the provisions of the succeeding sections of this Article. The exercise of such option shall be evidenced by a resolution, a certified copy of which shall be delivered to the Trustee.

SECTION 9.02. In case of redemption of a part only of any series of said bonds, the Company shall notify the Trustee before the date

on which notice of such redemption is required to be given. If at the time the Company shall give such notice and request to the Trustee, there shall not be on file with the Trustee and in effect a bondholders' redemption agreement, as hereinafter defined, then the Trustee shall select the particular bonds or parts thereof so to be redeemed according to such method as the Trustee shall deem proper in its discretion.

If at the time the Company shall give such notice and request to the Trustee, there shall be on file with the Trustee and in effect a bondholders' redemption agreement, as hereinafter defined, then the Trustee shall select the bonds or parts thereof to be purchased or redeemed in accordance with the provisions of said bondholders' redemption agreement. For the purposes of this Indenture the term "bondholders' redemption agreement" shall mean an agreement, satisfactory to the Trustee, duly executed as provided below in this Section, which agreement provides for the method to be followed by the Trustee in selecting bonds or parts of bonds for purchase or redemption out of any funds held by the Trustee to be applied to such purchase or redemption. A bondholders' redemption agreement may be made with respect to any series of bonds issued under this Indenture, in which case it shall be executed only by the owners or holders of all bonds of such series, or it may be made with respect to all of the bonds outstanding under the Indenture, in which case it shall be executed by the owners and holders of all bonds outstanding hereunder.

Notice of intention to redeem (including, in case a part only of the bonds of any particular series are to be redeemed, the numbers of such bonds) with respect to bonds of 1971 shall be given by or on behalf of the Company as provided in Section 2.11 hereof, and with respect to bonds of other series shall be given, by or on behalf of the Company, in such manner as may be fixed by the resolutions or supplemental indenture establishing such series of bonds.

SECTION 9.03. In the event that the Company shall give notice of its intention to redeem any bonds so redeemable, the Company shall, and it hereby covenants that it will on or before the redemption day specified in such notice, deposit with the Trustee, irrevocably in trust for the purpose, a sum of money sufficient to redeem all such bonds so to be redeemed on such date or irrevocably direct the Trustee to apply

from money held by it available to be used for the redemption of bonds, a sum of money sufficient to redeem such bonds. If the Company shall fail so to deposit or direct the application of the money for the redemption of said bonds, such failure shall constitute a default under this Indenture and the said bonds so called for redemption shall immediately become due and payable, and the holders of said bonds shall be entitled to receive and the Company shall be obligated to pay the redemption price of said bonds, including accrued interest, and thereupon and without the lapse of any period of time all the remedies provided for in Article XI hereof with respect to a default in the payment of principal of bonds outstanding hereunder shall be available to and enforceable by the Trustee.

SECTION 9.04. All money deposited by the Company with the Trustee under the provisions of this Article IX for the redemption of bonds or which the Company directs shall be applied by the Trustee to the redemption of bonds shall, subject to the provisions of Section 13.02 hereof, be held in trust for account of the holders of the bonds so to be redeemed, and shall be paid to them respectively, upon presentation and surrender of said bonds in bearer form or properly endorsed for transfer, if required by the Company or the Trustee, with all unmatured coupons, if any, appertaining thereto. After the date fixed for redemption, if the money necessary for the redemption of the bonds to be redeemed shall have been deposited or directed to be applied as aforesaid, such bonds shall cease to bear interest and the coupons for interest, if any, maturing subsequent to that date shall be void, and such bonds and all coupons appertaining thereto shall cease to be entitled to the lien of this Indenture, and, as respects the Company's liability thereon, such bonds and coupons shall be deemed to have been paid; provided that if the Company shall make such money payable to the holders of the bonds to be redeemed upon presentation of bonds to be redeemed prior to the date fixed for redemption, and, if the date fixed for redemption is an interest payment date, shall make the money payable as interest on such bonds on such date payable, in the case of coupon bonds, upon presentation of the coupons for such interest, or, in the case of registered bonds, upon presentation of such registered bonds, prior to said interest payment date, and if notice that such

money will be so payable to the holders of such bonds and coupons is included in the notice of redemption and if the Company shall have irrevocably deposited or directed to be applied as aforesaid sufficient money for such purpose before said prior date and shall have given the required notice of redemption or made arrangements satisfactory to the Trustee therefor, then such bonds and all coupons then and theretofore appertaining thereto shall, on the first date on which the Trustee is authorized to pay such money to the holders of such bonds and coupons (which may be the date of the deposit thereof), cease to be entitled to the lien of this Indenture and, as respects the Company's liability thereon, shall on the tenth day thereafter be deemed to have been paid. If any bond of a denomination larger than \$1,000 shall be presented in proper form for transfer, if required by the Company or the Trustee, at or after the time fixed for the redemption of said bonds so drawn for redemption, or the time when said redemption price is first payable as hereinabove provided, the payment with respect to the portion thereof so to be redeemed shall be made upon surrender of said bond; and bonds for the unpaid balance, if any, of the principal amount of the bond so presented and surrendered shall be executed by the Company and authenticated and delivered by the Trustee without charge to the bondholder therefor; or, at the option of the registered holder, and with the consent of the Company, the Trustee shall, upon presentation of such registered bond to the Trustee for such purpose, make a notation thereon of the payment of the portion thereof so called for redemption.

SECTION 9.05. At any time, upon delivery to the Trustee of an application signed by the President or a Vice-President of the Company, of a treasurer's certificate such as is described in paragraph (2) of Section 4.05 hereof, and of an opinion of counsel, the Trustee shall, to the extent that bonds are available for such purchase, apply all or any part of the cash held by it under any provision of this Indenture and applicable to the purpose, or any cash deposited with it by the Company for the purpose, to the purchase of bonds then outstanding hereunder of such series as the Company may designate, at a price not exceeding the current redemption price (including accrued interest) of such bonds as shall be by their terms redeemable before maturity, or not exceeding one hundred and ten per centum (110%) of the

principal of bonds not so redeemable, plus accrued interest. Before making any such purchase the Trustee shall, if so requested by the Company, by notice published once in each of two (2) consecutive calendar weeks (on any day of each such week) in one daily newspaper printed in the English language and of general circulation in each city in which the principal of any of the bonds to be purchased shall be payable, advertise for written proposals (to be received by it on or before a date to be specified by the Trustee) to sell to it on or before a subsequent date to be specified by it bonds then outstanding hereunder of the series designated by the Company; and the Trustee to the extent, as nearly as possible, of such funds then in its hands which the Company has requested be applied, shall purchase the bonds so offered at the lowest price or prices asked therefor. In the alternative, the Trustee shall, upon request of the Company, purchase bonds or invite offers of bonds for sale to it in any other manner designated by the Company not deemed by the Trustee to be inequitable. Should there be two or more proposals at the same price aggregating more than the amount which the Trustee has available for application, after having accepted all proposals at lower prices, the Trustee shall apply the amount so available, by acceptance of proposals, so as to acquire the requisite amount of bonds at the lowest cost possible, provided, however, that, to the extent consistent with the acquisition of such amount of bonds at the lowest cost possible, the Trustee shall (a), in accepting proposals, give preference to such proposals as are subject to acceptance of a portion thereof as against proposals not subject to such acceptance, (b), as between proposals subject to acceptance of a portion thereof, accept the same pro rata, and (c), as between proposals not subject to such acceptance, select by lot, according to such method as the Trustee shall deem proper in its discretion, the proposals to be accepted, and provided, further, that the Trustee shall not be required to acquire any portion of a bond in an amount less than the lowest authorized denomination of the bonds of such series. The Trustee shall have the right to reject any or all proposals in whole or in part if it can at the time of opening said proposals purchase the requisite amount of such bonds or any part thereof at a lower price than it could by accepting said proposals, in which event the Trustee may purchase bonds at such lower price. All offers by holders shall be subject to acceptance of a portion thereof unless otherwise expressed in the offers and all advertisements for written proposals shall so state.

All expenses incurred by the Trustee or the Company in connection with any purchase or redemption of bonds and the accrued interest and premium, if any, on any bonds purchased or redeemed, other than the premium on bonds purchased or redeemed by the use of money deposited with and held by the Trustee pursuant to the provisions of Section 2.12 or 7.07 hereof, shall be paid by the Company out of its general funds, and the Company agrees to reimburse the Trustee on demand for any funds disbursed by it for such purposes, or, if required by the Trustee, the funds necessary therefor shall be paid by the Company in anticipation of such disbursements by the Trustee, and any such disbursements by the Trustee until reimbursed shall be secured by a lien on the mortgaged and pledged property and the proceeds thereof prior to the lien of the bonds and coupons issued hereunder.

SECTION 9.06. All bonds issued hereunder paid, retired or redeemed under any of the provisions of this Indenture or purchased by the Trustee as provided in Section 9.05 hereof, other than with money held by the Trustee subject to the provisions of Section 7.07, and all appurtenant coupons, if any, shall forthwith be cancelled by the Trustee.

ARTICLE X.

Possession, Use and Release of Mortgaged and Pledged Property.

SECTION 10.01. So long as the Company is not in default in the payment of the interest on any of the bonds then outstanding hereunder and none of the defaults specified in Section 11.01 hereof shall have occurred and be continuing, the Company shall be suffered and permitted to possess, use and enjoy the mortgaged and pledged property, except money and securities which are expressly required to be deposited with the Trustee, and to receive, use and dispose of the tolls, rents, revenues, issues, earnings, income, products and profits thereof, with power, in the ordinary course of business, freely and without let or hindrance on the part of the Trustee or the bondholders, to use, consume and otherwise dispose of materials and supplies, and, except as herein otherwise expressly provided to the contrary, to exercise any

and all rights under choses in action and contracts and to alter and repair, and change the location of, its lines, buildings and structures.

SECTION 10.02. So long as the Company is not in default in the payment of the interest on any of the bonds then outstanding hereunder and none of the defaults specified in Section 11.01 hereof shall have occurred and be continuing, the Company may at any time and from time to time:

(1) Without any release or consent by the Trustee, sell or otherwise dispose of free from the lien of this Indenture (a) any portion of the machinery, apparatus, equipment, vehicles, tools and implements which shall have become old, inadequate, obsolete, worn out or unfit for use or shall have been abandoned or retired from service, upon replacing the same by or substituting for the same or acquiring other machinery, apparatus, equipment, vehicles, tools or implements of a value at least equal to that of the property disposed of, which new property shall be subject to the lien of this Indenture free and clear of all prior liens (except excepted encumbrances and those to which the property so disposed of was subject consistently with the terms hereof); and (b) any facilities or easements used for the distribution of electricity when sold to the customer served by such facilities or easements, upon replacing the same by or substituting for the same or acquiring other property of a value at least equal to that of the property so sold, which new property shall be subject to the lien of this Indenture free and clear of all prior liens (except excepted encumbrances and those to which the property so sold was subject consistently with the terms hereof), provided, however, that the aggregate current fair values of all such facilities or easements so sold without any release or consent by the Trustee shall not exceed \$10,000 in any one calendar year;

(2) Without any release or consent by the Trustee, provided such action is deemed advisable by the Board of Directors, (a) cancel, make changes or alterations in or substitutions for any and all easements, rights of way, grants, leases or contracts now subject, or which may hereafter become subject, to the lien of this

Indenture; and in such event any modified, altered or substituted easements, rights of way, grants, leases or contracts shall be subject to the terms of this Indenture to the same extent and in the same manner as those previously existing; and (b) grant easements and other similar rights to states, counties, municipalities and other governmental bodies or agencies for streets, roads and similar public ways, provided, however, that any consideration received by the Company therefor is deposited with the Trustee to be held by it subject to the provisions of Section 10.05 hereof; and

(3) Withdraw any cash on deposit under this Indenture with the Trustee by depositing hereunder with the Trustee in substitution therefor an amount of direct and unconditional obligations of the United States of America, maturing in not more than five years from the date of such deposit, designated by the Company and not disapproved by the Trustee, having a then market value at least equal to the amount of cash so withdrawn, provided, however, that the Company shall not be entitled to withdraw any cash specifically deposited with or held by the Trustee for the redemption of bonds, or for payment to the holders of bonds or coupons or claims for interest secured hereby, or for the purchase of bonds which the Trustee has contracted to purchase, except as permitted by the provisions of Section 13.02 hereof. Any obligations so deposited shall have attached thereto all unmatured interest coupons and shall be held by the Trustee in all respects as would be held the cash for which such obligations are so substituted and such obligations shall be deemed to be such cash for the purposes of this Indenture. If the market value of any obligations so deposited hereunder (which market value, for the purpose of this Section, shall be determined exclusive of any interest which may be accrued or may have been collected thereon) shall, in the judgment of the Trustee, at any time be less than the amount of cash in lieu of which they were deposited, the Company covenants that on demand of the Trustee it will deposit hereunder with the Trustee cash sufficient to make up the deficiency; but the cash deposited to make up the deficiency in the market value

of any obligations may at any time thereafter be withdrawn by the Company if at the time of withdrawal the market value of such obligations shall not be less than the amount of cash in lieu of which they were deposited. Any obligations so deposited shall be sold by the Trustee upon the written request of the Company, signed in its name by its President or one of its Vice-Presidents, at such prices as shall be fixed by the Company, provided, however, that the Trustee, without any such request from the Company, shall be entitled, in its sole discretion and at such prices as may be approved by it, to sell at public or private sale any such obligations so held by it. If the Company shall not pay to the Trustee cash sufficient to make up any deficiency as hereinabove provided within ten days after demand by the Trustee for the payment thereof, then the Trustee may, without the lapse of any further period of time, sell at public or private sale the obligations so held by it in lieu of cash with respect to which such deficiency shall exist, at such prices and at such times as the Trustee shall in its unrestricted discretion determine. The Trustee shall collect from time to time all interest upon the deposited obligations as such interest matures, and the Trustee shall, upon receipt of a treasurer's certificate such as is described in paragraph (2) of Section 4.05 hereof, pay to the Company the interest received by it on such deposited obligations, as and when received, and the amount, if any, by which the aggregate of the net proceeds of any such sale or payment of deposited obligations exceeds the cash in lieu of which such obligations were deposited and hold and treat the balance as, and pay out or apply the same in like manner and for like purposes as, the cash in lieu of which such obligations were deposited. If the aggregate of the net proceeds of any such sale or payment shall be less than the amount of cash in lieu of which such obligations were deposited, the Company covenants that it will promptly pay to the Trustee cash in an amount equal to such deficiency. The deposited obligations and the proceeds of any such sale or payment thereof while held by the Trustee shall be part of the mortgaged and pledged property.

SECTION 10.03. So long as the Company is not in default in the payment of the interest on any bonds then outstanding hereunder and none of the defaults specified in Section 11.01 hereof shall have occurred and be continuing, the Company may obtain the release of any of the mortgaged and pledged property (provided, however, that purchase money obligations secured by first mortgage or trust deed, received in consideration of the release of any fundable property by the Trustee, cash, bonds issued hereunder and prior lien bonds shall not be released except as provided in other Sections hereof) and the Trustee shall release the same from the lien hereof upon the application of the Company and receipt by the Trustee of a treasurer's certificate as required by paragraph (2) of Section 4.05 hereof and of

(1) a resolution describing in reasonable detail the property to be released and requesting such release;

(2) an engineer's certificate, or, under the circumstances hereinafter in this Section specified, an independent engineer's certificate, made and dated not more than ninety (90) days prior to the date of such application, stating in substance as follows:

(a) That the Company has sold or exchanged, or contracted to sell or exchange, the property so to be released for a stated consideration, which consideration shall be described in such certificate and specifying the current fair value of the property so to be released and stating to what extent such property is fundable property;

(b) The original fair value, in the opinion of the signer or signers, of any purchase money obligations secured by first mortgage or trust deed upon the Company's interest in any fundable property to be released and the original fair value of any other property (other than bonds issued and outstanding hereunder and prior lien bonds assumed by the Company secured by lien prior to the lien of this Indenture on the property to be released), described as consideration pursuant to subdivision (a) of this paragraph (2); if any such other property is included in such consideration such engineer's or independent engineer's certificate, as the case may be, shall contain or be accompanied by an engineer's report on such property by the

engineer signing such certificate, which report shall contain a brief statement concerning the determination of the original fair value of such property, a brief statement of the condition, serviceability and general location of such property and, if such property includes property additions, a statement of the opinion of such engineer as to the original fair value of such property additions and as to the original fair value of other property, tangible and intangible, acquired as a part of the transaction by which such property additions were acquired and a statement that such property additions are, or will be when acquired, property additions as defined in Article I hereof; and

(c) That the retention of the property to be released is no longer desirable in the conduct of the business of the Company or that other property acquired or to be acquired is not less suited to the needs of the business of the Company than that to be released, and that, in the opinion of the signer or signers, the proposed release will not impair the security under this Indenture in contravention of the provisions thereof;

(3) an amount in cash (which may be reduced as hereinafter provided in the last paragraph of this Section) equivalent to the amount, if any, by which the stated consideration for, or the current fair value of (whichever is greater), the property to be released, as specified in the certificate provided for in paragraph (2) of this Section, exceeds the aggregate of the following items:

(a) the principal amount of bonds issued and outstanding hereunder simultaneously delivered to the Trustee (which shall be cancelled as provided in Section 10.05 hereof);

(b) the principal amount, or original fair value, whichever is less, of any obligations simultaneously delivered to the Trustee consisting of purchase money obligations secured by first mortgage or trust deed upon the interest which the Company owned in any fundable property to be released, provided, however, that the principal amount of the purchase money obligations which may be included in the computation provided for in this subdivision (b) of this paragraph (3) shall not exceed sixty per centum (60%) of the current fair value of the fundable

property to be released by which such obligations are secured as specified in the engineer's certificate or in the independent engineer's certificate, as the case may be, provided for in paragraph (2) of this Section, and provided further, that the aggregate principal amount of purchase money obligations held by the Trustee at any one time, other than purchase money obligations received upon the release of unfundable property, shall not exceed twenty per centum (20%) of the principal amount of bonds at the time outstanding hereunder;

(c) the principal amount of outstanding prior lien bonds assumed by the Company secured, wholly or in part, by lien prior to the lien of this Indenture on the property to be released, simultaneously delivered to the Trustee to be held subject to the provisions of this Article X, and the amount by which any such prior lien bonds not delivered to the Trustee have been reduced by payment by the Company or (if all property subject to the mortgage or other lien securing such prior lien has been or is to be released) by the assumption of the payment thereof by the purchaser of the property to be released, as shown by a treasurer's certificate simultaneously delivered to the Trustee, accompanied by a concurring opinion of counsel; provided that the amount of any such reduction of prior liens shall not be included to the extent that such amount has previously been used as a basis for the release of property under any of the provisions of this Indenture;

(d) the cost (to be stated in an accountant's certificate) or original fair value (as certified in the certificate provided for in paragraph (2) of this Section), whichever is less, of any property additions concurrently acquired or to be acquired by the Company in exchange for the property to be released; and

(e) if the property to be released is unfundable property, the cost (to be stated in an accountant's certificate) or original fair value (as certified in the certificate provided for in paragraph (2) of this Section), whichever is less, of any other property or securities concurrently acquired or to be acquired by the Company in exchange for the property to be released, which cost or original fair value the Company desires to have included in the computation provided for in this paragraph (3);

(4) an opinion of counsel that the Company has full corporate authority and all necessary permission from governmental authorities (and officially authenticated copies of the documents, if any, evidencing such permission shall accompany such opinion) to dispose of the property to be released for the consideration and in the manner stated in the certificate provided for in paragraph (2) of this Section and for the acquisition and operation of any property or securities to be received in exchange therefor, that any property additions included in the computation pursuant to subdivision (d) of paragraph (3) of this Section will be subject to the lien hereof and subject to no lien, charge or encumbrance prior to the lien hereof (other than excepted encumbrances), that any consideration included in the computation pursuant to subdivision (b) or (e) of paragraph (3) of this Section will be subject to the lien hereof with the same degree of priority as the property to be released, that any property to be received in exchange included in the computation pursuant to subdivision (d) of paragraph (3) of this Section which consists of betterments, extensions or improvements or additions of, upon or to any plant, system or other property in which the Company holds only a leasehold interest constitutes personal property, that the determination of the cost of property to be received in exchange, as stated in the accountant's certificate pursuant to subdivisions (d) and (e) of paragraph (3) of this Section, was not inconsistent with the order, if any, of each governmental authority approving the transaction or transactions by which such property was to be acquired or authorizing the ownership or operation thereof, that, if the Trustee is requested to release a franchise, such release will not impair the right of the Company to operate its remaining property, and that all prior lien bonds delivered to the Trustee pursuant to subdivision (c) of paragraph (3) of this Section are secured, wholly or in part, by a lien prior to the lien of this Indenture on the property to be released and the payment of said prior lien bonds has been assumed by the Company;

(5) in case any purchase money obligations secured by first mortgage or trust deed upon fundable property to be released are included in the computation provided for in subdivision (b) of paragraph (3) of this Section, an opinion of counsel to the effect

that such obligations are valid obligations, and that any purchase money mortgage or trust deed securing the same is sufficient to afford a valid first and purchase money lien upon the interest which the Company owned in the fundable property to be released and in case any securities are included in the computation provided for in subdivision (e) of paragraph (3) of this Section, an opinion of counsel that such securities are valid securities;

(6) all such instruments of conveyance, assignment and transfer as may be necessary for the purpose of effectually subjecting to the lien of this Indenture any property to be included in the computation provided for in paragraph (3) of this Section, together with an opinion of counsel that such instruments are sufficient for such purpose or that no such instruments are necessary for such purpose.

The certificate required by paragraph (2) of this Section shall be an independent engineer's certificate if (i) the current fair value of the property or securities to be released and of all other property or securities released since the commencement of the then current calendar year, as set forth in such certificate and other similar certificates furnished to the Trustee pursuant to said paragraph (2) or paragraph (3) of Section 10.04 in connection with the release of property or securities from the lien hereof, is ten per centum or more of the aggregate principal amount of all bonds at the time outstanding hereunder, unless the current fair value of the property or securities to be released so set forth is less than \$25,000 or less than one per centum of the aggregate principal amount of all bonds at the time outstanding hereunder, or (ii) any of the property included in subdivision (d) or (e) of paragraph (3) of this Section consists of plant or property operated by others, or (iii) any securities (other than bonds issued hereunder or prior lien bonds) are to be received by the Trustee, and the original fair value of all such securities received by the Trustee since the commencement of the then current calendar year, including any such securities then to be received, as set forth in such certificate and other similar certificates furnished to the Trustee in connection with the release of property or securities from the lien of this Indenture, is ten per centum or more of the aggregate principal

amount of all bonds at the time outstanding hereunder, unless the original fair value of the securities (other than bonds issued hereunder and prior lien bonds) to be received by the Trustee so set forth is less than \$25,000 or less than one per centum of the aggregate principal amount of all bonds at the time outstanding hereunder.

If the property to be released is subject to any prior lien and if, to obtain the release of such property therefrom, the terms thereof require any consideration to be paid to the trustee or other holder of any such prior lien, the opinion of counsel above provided for in paragraph (4) of this Section and the engineer's certificate above provided for in paragraph (2) of this Section shall so state, and the certificate of the trustee or other holder of any such prior lien that it has received such consideration shall be accepted by the Trustee, to the extent of such consideration so received, in lieu of cash, obligations, bonds, securities or property required by the provisions of paragraph (3) of this Section to be delivered or certified to the Trustee upon the release of said property.

The amount of cash to be received by the Trustee, as provided in the first clause of paragraph (3) of this Section, may be reduced to the extent of the amount of unfunded net property additions certified to the Trustee. No property additions shall be so certified unless there shall be delivered to the Trustee with the application of the Company for the release the applicable certificates, opinion of counsel, instruments and cash, if any, required by paragraphs (3), (4), (5), (7), (9) and (10) of Section 4.05 hereof, showing that the Company has unfunded net property additions equal to the amount so certified.

SECTION 10.04. So long as the Company is not in default in the payment of the interest on any bonds then outstanding hereunder and none of the defaults specified in Section 11.01 hereof shall have occurred and be continuing, the Trustee shall, whenever from time to time requested by the Company (such request to be evidenced by a resolution), but without requiring compliance with any of the provisions of Section 10.03 hereof unless, under the provisions of said Section 10.03, the Company would then be required to furnish an independent engineer's certificate, in which event this paragraph shall not

be applicable, release from the lien hereof real estate not then being used in electric, gas or steam operations, provided the aggregate of the current fair values of such real estate so released without such compliance in any period of five consecutive calendar years shall not exceed the sum of Five Hundred Thousand Dollars (\$500,000). A treasurer's certificate as to any facts required to be known by the Trustee as a condition precedent to action by it under this Section, an engineer's certificate as to the current fair value of the property to be released, stating that, in the opinion of the signer or signers, the proposed release will not impair the security under this Indenture in contravention of the provisions thereof, and an opinion of counsel shall, subject to the provisions of Article XVI hereof, fully protect the Trustee in any action taken upon the faith thereof. The Company covenants that, upon receipt, it will deposit with the Trustee, to be dealt with in the manner provided in this Article X, the consideration, if any, received by it upon the sale or other disposition of any real estate not then being used in electric, gas or steam operations so released (unless the same shall have been paid or delivered to the trustee or other holder of a mortgage or other instrument constituting a prior lien in accordance with the requirements thereof and a certificate of such trustee or other holder to that effect shall have been furnished to the Trustee).

The Trustee shall, whenever from time to time requested by the Company, but without requiring compliance with any of the provisions of Section 10.03 or of the above provisions of this Section and irrespective of the values stated in the certificate provided for in paragraph (3) below, release from the lien hereof any unfundable property (other than purchase money obligations secured by first mortgage or trust deed received in consideration of the release of any fundable property by the Trustee or cash or bonds issued hereunder or prior lien bonds) upon receipt by the Trustee of:

(1) a resolution describing in reasonable detail the property to be released and requesting such release;

(2) a treasurer's certificate as required by paragraph (2) of Section 4.05, which shall also state (i) that the Company has bona fide sold or exchanged, or bona fide contracted to sell or exchange, the property so to be released to other than an affiliate of the Company, (ii) that the property so to be released is

unfundable property (other than purchase money obligations secured by first mortgage or trust deed received in consideration of the release of any fundable property by the Trustee or cash or bonds issued hereunder or prior lien bonds) and (iii) in reasonable detail, the entire consideration received and to be received by the Company therefor;

(3) an engineer's certificate, or, under the circumstances hereinafter in this Section specified, an independent engineer's certificate, as to the current fair value of the property so to be released and the original fair value of the consideration (other than bonds issued hereunder and prior lien bonds) specified in paragraph (2) above, stating that, in the opinion of the signer or signers, the proposed release will not impair the security under this Indenture in contravention of the provisions thereof;

(4) the consideration specified in paragraph (2) above, which may be cash, bonds issued and outstanding hereunder (any bonds so received to be cancelled as provided in Section 10.05 hereof), prior lien bonds, or other property or securities;

(5) in case any securities are included in the consideration for such release, an opinion of counsel that such securities are valid securities;

(6) all such instruments of conveyance, assignment and transfer as may be necessary for the purpose of effectually subjecting to the lien hereof any property acquired or to be acquired by the Company in exchange for the property the release of which is then being sought, together with an opinion of counsel that such instruments are sufficient for such purpose or that no such instruments are necessary for such purpose.

The certificate required by paragraph (3) of this Section shall be an independent engineer's certificate if (i) the current fair value of the property or securities to be released and of all other property or securities released since the commencement of the then current calendar year, as set forth in such certificate and other similar certificates furnished to the Trustee pursuant to said paragraph (3) or Section 10.03 in connection with the release of property or securities from the lien hereof is ten per centum or more of the aggregate principal amount of

all bonds at the time outstanding hereunder, unless the current fair value of the property or securities to be released so set forth is less than \$25,000 or less than one per centum of the aggregate principal amount of all bonds at the time outstanding hereunder, or (ii) any of the consideration referred to in paragraph (3) above consists of plant or property operated by others or (iii) any securities (other than bonds issued hereunder or prior lien bonds) are to be received by the Trustee, and the original fair value of all such securities received by the Trustee since the commencement of the then current calendar year, including any such securities then to be received, as set forth in such certificate and other similar certificates furnished to the Trustee in connection with the release of property or securities from the lien of this Indenture, is ten per centum or more of the aggregate principal amount of all bonds at the time outstanding hereunder, unless the original fair value of the securities (other than bonds issued hereunder and prior lien bonds) to be received by the Trustee so set forth is less than \$25,000 or less than one per centum of the aggregate principal amount of all bonds at the time outstanding hereunder.

SECTION 10.05. So long as the Company is not in default in the payment of the interest on any bonds then outstanding hereunder and none of the defaults specified in Section 11.01 hereof shall have occurred and be continuing, any money on deposit with the Trustee constituting the proceeds of released property and any money as to which withdrawal pursuant to this Section is specifically provided for may, subject to the provisions of the last paragraph of this Section,

(1) upon the delivery to the Trustee of the applicable certificates, opinion of counsel, instruments and cash, if any, required by paragraphs (3), (4), (5), (7), (9) and (10) of Section 4.05 hereof, be withdrawn in such amount as will permit the certificate pursuant to paragraph (3) of said Section 4.05 delivered to the Trustee as part of the application for such withdrawal to show that there will exist, as of the date of such certificate [which date shall be not prior to the time of the deposit of the cash to be withdrawn], unfunded net property additions; or

(2) be withdrawn from time to time by the Company in an amount equal to the principal amount of bonds issued and outstanding hereunder and concurrently deposited with the Trustee; or

(3) upon the request of the Company, be used by the Trustee for the purchase of bonds issued hereunder in accordance with the provisions of Section 9.05 hereof; or

(4) upon the request of the Company, be applied by the Trustee to the payment at maturity or 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 IX hereof.

Money shall, from time to time, be paid out or used or applied by the Trustee pursuant to paragraphs (1), (2), (3) and (4) of this Section upon receipt by the Trustee of the written order of the Company signed by its President or a Vice-President, of a treasurer's certificate such as is described in paragraph (2) of Section 4.05 hereof, and of an opinion of counsel.

In the event that the Company or this Indenture shall direct the Trustee to apply any money held by it under this Article X, or any money subject to be used or applied as in this Article X provided, to the purchase of bonds issued hereunder, the Company shall pay to the Trustee upon notice by the Trustee that it is ready to purchase, or if the Company or the Indenture shall direct the application thereof to the payment or redemption of bonds, as the case may be, then the Company shall pay to the Trustee on the date of such direction by the Company, or upon notice by the Trustee that it is making such application, an amount in cash equal to the premiums (except on bonds purchased or redeemed with money deposited with the Trustee pursuant to the provisions of Section 2.12 or 7.07), if any, and the accrued interest, if any, payable to the holders of the bonds to be so paid, purchased or redeemed.

Any obligations secured by purchase money mortgage or trust deed and any other evidences of indebtedness (other than prior lien bonds), held by the Trustee, may be released by the Trustee upon payment by

the Company to the Trustee of the unpaid portion of such obligations or evidences of indebtedness. The principal of and interest on any such securities shall be collected by the Trustee as and when the same become payable. Cash received upon the payment of the principal of or the release of any such securities may be withdrawn, used or applied pursuant to the provisions of the first paragraph of this Section. Upon receipt by the Trustee of a treasurer's certificate such as is described in paragraph (2) of Section 4.05 hereof, the interest received by the Trustee on any such securities, except that due subsequent to the maturity thereof, together with any premium received upon payment of the principal thereof, shall be paid over to the Company.

All sums received by the Trustee upon the redemption of any stock held by the Trustee may be withdrawn, used or applied pursuant to the provisions of the first paragraph of this Section. All dividends received by the Trustee on any such stock shall be paid over to the Company, except dividends declared payable in stock of the corporation declaring the same and except where such dividends shall have been declared from or with respect to other than earnings of the corporation declaring the same, and such payment shall be made upon receipt by the Trustee of a treasurer's certificate such as is described in paragraph (2) of Section 4.05 hereof stating that the dividend to be paid over to the Company is not a dividend excepted as aforesaid; and to that end the Trustee upon receipt of such a treasurer's certificate shall from time to time deliver to the Company such suitable assignments and orders as the Company may reasonably request for the payment of such dividends. Dividends declared from or with respect to other than earnings of the corporation declaring the same may be withdrawn pursuant to the provisions of this Section. So long as the Company is not in default in the payment of the interest on any bonds then outstanding hereunder and none of the defaults specified in Section 11.01 hereof shall have occurred and be continuing, the Company shall have the right to vote any stock or other voting securities held by the Trustee; and to that end the Trustee shall from time to time deliver to the Company such suitable powers of attorney and proxies as the Company may reasonably request to vote on any such securities.

So long as the Company is not in default in the payment of the interest on any bonds then outstanding hereunder and none of the defaults specified in Section 11.01 hereof shall have occurred and be

continuing, the Trustee may exercise, but only with the consent of the Company, and, upon the occurrence of any of such defaults, the Trustee may exercise in its absolute discretion, without the consent of the Company, any and all rights of an owner with respect to any such obligations, evidences of indebtedness or stock and may take any action which in its judgment may be desirable or necessary to avail itself of the benefit of any security created for any such obligations, evidences of indebtedness or stock including, but not in limitation, the extension or modification thereof at a higher or lower or the same rate of interest or dividends and joining in any plan of reorganization, readjustment, arrangement, composition or similar plan with respect thereto, whether voluntary or involuntary, and may accept and hold hereunder any new obligations or securities issued in exchange therefor under any such plan; but, subject to the provisions of Article XVI hereof, the Trustee shall be under no obligation to exercise any such rights unless requested so to do and reasonably indemnified by the holders of not less than a majority in principal amount of the bonds then outstanding hereunder. The Trustee shall be reimbursed by the Company upon demand for all expenses by it properly incurred by reason of any such action taken, with interest upon all such expenditures at the rate of six per centum (6%) per annum; and the amount of such expenses and interest shall, until repaid, constitute a lien upon the mortgaged and pledged property prior to the lien of the bonds and coupons issued hereunder.

Any new property acquired to take the place of any property released or to be substituted for any property held by the Trustee or in connection with the withdrawal of cash under any provision of this Article X shall forthwith and without further conveyance become subject to the lien of and be covered by this Indenture as a part of the mortgaged and pledged property.

Any bonds issued hereunder deposited with the Trustee pursuant to Section 10.03 or 10.04 hereof or to this Section or purchased, paid or redeemed by the Trustee pursuant to the provisions of this Section, other than with money held by the Trustee subject to the provisions of Section 7.07, shall forthwith be cancelled and a certificate of such cancellation shall be delivered to the Company, and such bonds shall not thereafter be made the basis for the authentication of bonds, the release of property or the withdrawal, use or application of cash, under any of the provisions of this Indenture, or used to satisfy an unsatisfied

balance of the maintenance and replacement requirement or to satisfy the requirements of Section 2.12. Nothing in this paragraph shall be deemed to prohibit including such bonds in the computation of unfunded net property additions as provided in Section 1.11 hereof.

In the event that cash subject to withdrawal pursuant to this Section (including therein any obligations which may have been substituted for such cash pursuant to the provisions of Section 10.02 hereof) shall have remained on deposit with the Trustee under any of the provisions of this Indenture for more than two years in an aggregate amount in excess of Five Hundred Thousand Dollars (\$500,000), or five per centum (5%) of the aggregate principal amount of all bonds outstanding hereunder at the end of such two years, whichever shall be greater, the Company covenants that such cash or obligations then so on deposit with the Trustee shall within six months thereafter be used or applied in accordance with the provisions of paragraph (3) or (4) of this Section to retire bonds outstanding hereunder of the series of bonds then outstanding hereunder having the earliest date of maturity; provided, however, that, for the purposes of this paragraph, there shall not be included in the amount of such cash or obligations then so on deposit any cash or obligations with respect to which the Company shall have given to the Trustee, within such two years, notice in writing that the Company intends to apply such cash or obligations, pursuant to the provisions of paragraph (1) of this Section, to a construction program in progress and uncompleted.

If at any time the Company shall sell or otherwise dispose of any fundable property to any governmental or public body, authority, agency or licensee (if the sale to such licensee was required by the terms of a license held by the Company under the provisions of Part I of the Federal Power Act) for an aggregate consideration (in whole or in part in cash) equal to or more than 10% of the principal amount of the bonds then outstanding hereunder or, if at any time there shall be on deposit with the Trustee cash in an amount equal to 10% of the principal amount of bonds then outstanding hereunder, which cash is subject to withdrawal as provided in Section 10.05 and was received pursuant to the provisions of Section 10.06, or as a result of a release of fundable property under the provisions of Section 10.03 upon the sale or other disposition thereof to any governmental or public body,

authority, agency or licensee (if the sale to such licensee was required by the terms of a license held by the Company under Part I of the Federal Power Act), then and in either of such events the Company covenants and agrees that such cash shall be forthwith withdrawn, used or applied in accordance with the provisions of paragraphs (2), (3) or (4) of this Section.

SECTION 10.06. Should any of the mortgaged and pledged property be taken by exercise of the power of eminent domain or should any governmental or public body, authority, agency or licensee, at any time, exercise any right which it may have to purchase any part of the mortgaged and pledged property, the Trustee, without requiring compliance with any of the provisions of any of the other Sections of this Article X, may release the property so taken or purchased, and, subject to the provisions of Article XVI hereof, shall be fully protected in doing so upon being furnished with a treasurer's certificate and with an opinion of counsel to the effect that such property has been taken by exercise of the power of eminent domain, or purchased by a governmental or public body, authority, agency or licensee in the exercise of a right which it had to purchase the same. The Company agrees to cause the proceeds of all property so taken or purchased, together with any amount paid to the Company in connection with such taking or purchase as severance damages to property of the Company not so taken or purchased, to be paid over to the Trustee (unless the same shall have been paid or delivered to the trustee or other holder of a mortgage or other lien constituting a prior lien, in accordance with the requirements thereof and a certificate of such trustee or other holder to that effect shall have been furnished to the Trustee); and (if paid over to the Trustee hereunder) the same may thereafter be withdrawn in the manner and for the purposes and subject to the conditions provided in Section 10.05 hereof.

SECTION 10.07. In case the mortgaged and pledged property shall be in the possession of a receiver or trustee lawfully appointed by court order, the powers hereinbefore conferred upon the Company with respect to the sale or other disposition of the mortgaged and pledged property may be exercised by such receiver or trustee, subject, however, to the provisions of Section 10.09 hereof, and any request, certificate

or application made or signed by such receiver or trustee for such purposes, subject as aforesaid, shall be as effective as if made by the Company or its Board of Directors or any of its officers or appointees in the manner herein provided; and if the Trustee under this Indenture shall be in possession of the mortgaged and pledged property under any provision of this Indenture, then such powers may be exercised by the said Trustee in its discretion notwithstanding the Company may be in default.

SECTION 10.08. No purchaser in good faith of property purporting to have been released by the Trustee hereunder shall be bound to ascertain the authority of the Trustee to execute the release, or to inquire as to any facts required by the provisions hereof for the exercise of such authority; nor shall any purchaser or grantee of any property or rights permitted by this Article X to be sold, granted, exchanged or otherwise disposed of, be under obligation to ascertain or inquire into the authority of the Company to make any such sale, grant, exchange or other disposition.

SECTION 10.09. The Trustee shall not be required under any of the provisions of this Article X to release at the request of the Company or a receiver or trustee any part of the mortgaged and pledged property from the lien hereof at any time when the Company shall be in default in the performance of any covenant or agreement in the bonds or in this indenture contained, but notwithstanding any such default and notwithstanding the existence of a default in the payment of interest on any bonds then outstanding hereunder or of a default specified in Section 11.01 hereof, the Trustee may release from the lien hereof any part of the mortgaged and pledged property, upon compliance with the conditions and receipt of the documents, other than those relating to the non-existence of a default, specified in this Article X in respect thereof, if the Trustee in its discretion shall deem such release for the best interests of the bondholders.

SECTION 10.10. All prior lien bonds received by the Trustee shall be delivered to and held by the Trustee in pledge as part of the mortgaged and pledged property, without impairment of the lien thereof, for the protection and further security of the bonds issued hereunder.

Except when the Company shall be in default in the payment of the interest on any bonds then outstanding hereunder or during the continuance of a default specified in Section 11. 01 hereof, no payment by way of principal, interest or otherwise on any of the prior lien bonds held by the Trustee shall be made or demanded by the Trustee and the coupons thereto appertaining as they mature shall be cancelled by the Trustee and delivered so cancelled to the Company, unless the Company shall, by an instrument in writing, signed by its President or a Vice-President and its Treasurer or an Assistant Treasurer, and delivered to the Trustee, elect, with respect to any of such prior lien bonds, to have such payments made and demanded, in which event the Trustee shall be entitled to receive all such payments. In any event, except during the continuance of a default as aforesaid, all money received by the Trustee on account of the interest or premium on said prior lien bonds shall be paid over by the Trustee to or upon the order of the Company. All money received on account of the principal of any of said prior lien bonds shall be held and disposed of by the Trustee in accordance with the provisions of this Section.

Except when the Company shall be in default in the payment of the interest on any bonds then outstanding hereunder or during the continuance of a default specified in Section 11. 01 hereof, the Trustee, if so directed in an instrument in writing signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company, and if there shall be furnished to the Trustee, concurrently with such direction a treasurer's certificate and either

(a) an opinion of counsel that the Company will be in default under the provisions of a prior lien if certain prior lien bonds held by the Trustee hereunder subject to the provisions of this Section are not surrendered by the Trustee to the trustee of the mortgage or other lien securing the same for cancellation or unless such bonds are cancelled, or

(b) a certificate of the trustee or other holder of any prior lien, that all of the bonds secured by such mortgage or lien (other than the bonds held by the Trustee hereunder subject to the provisions of this Section, or for the purchase, payment or redemption of which, together with interest thereon, to the date of such purchase, payment or redemption, and premium, if any,

the necessary amount shall have been deposited with or shall then be held by the Trustee hereunder in trust with irrevocable direction so to apply the same) have been purchased or paid in full and retired or that money in the necessary amount shall have been deposited with or shall then be held by such trustee or other holder of said mortgage or lien, in trust, with irrevocable direction so to apply the same, and that upon the surrender of the bonds so held by the Trustee hereunder, such mortgage or lien will be released, cancelled and discharged, and an opinion of counsel concurring with the statements set forth in such aforesaid certificate and in addition stating that no bonds of any other issue secured by mortgage or other lien, junior in lien to the lien of the mortgage or other lien securing said prior lien bonds but prior in lien to the lien of this Indenture, are outstanding and not deposited with the Trustee hereunder as part of the mortgaged and pledged property, and that the cancellation of such prior lien bonds so held by the Trustee hereunder will not impair the security of the bonds issued hereunder,

shall take steps to procure the cancellation of such prior lien bonds held by it and the obligations thereby evidenced to be satisfied and discharged or shall surrender such bonds for cancellation to the trustee or other holder of the prior lien securing the same. Upon such a cancellation and discharge of any such prior lien, there shall be delivered to the Trustee hereunder evidence satisfactory to it that the said lien has been discharged and released of record. Upon written direction by the Company signed in the manner hereinbefore in this Section provided and upon delivery to the Trustee of a treasurer's certificate and of an opinion of counsel, but without the delivery of a certificate and opinion such as are described in clause (b) of this Section, the Trustee shall surrender any prior lien bonds held by it in pledge hereunder to the trustee or other holder of the mortgage or lien securing the same for cancellation or to be held uncanceled, if such bonds shall have been purchased or redeemed or called for redemption out of any sinking fund or other similar device for the retirement of bonds for which provision may have been made in the mortgage or lien securing the prior lien bonds so surrendered; provided, however, that no such prior lien bonds shall be so surrendered, except for cancellation as afore-

said, until the Trustee shall have received a treasurer's certificate and an opinion of counsel to the effect that the provisions of the mortgage or lien securing the prior lien bonds so to be surrendered are such that no transfer of ownership or possession of such prior lien bonds by the trustee or other holder of such mortgage or lien is permissible except upon default thereunder or except to the Trustee hereunder to be held subject to the provisions of this Section or to the trustee or other holder of the prior lien securing other prior lien bonds for cancellation or to be held uncanceled under the terms of such mortgage or other lien under like conditions.

Except when the Company shall be in default in the payment of the interest on any bonds then outstanding hereunder or during the continuance of a default specified in Section 11.01 hereof, the Trustee, if so directed by an instrument in writing, signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company, and upon delivery to the Trustee of a treasurer's certificate, shall permit the Company to withdraw any prior lien bonds held by the Trustee upon deposit with the Trustee of an amount in cash equivalent to the principal amount of the prior lien bonds so withdrawn.

Any cash deposited with the Trustee pursuant to the provisions of this Section or held by it subject to the provisions of this Section may be withdrawn pursuant to the provisions of Section 10.05 hereof.

Except when the Company shall be in default in the payment of the interest on any bonds then outstanding hereunder or during the continuance of a default specified in Section 11.01 hereof, the Trustee may exercise, but only with the consent of the Company, and upon the occurrence of a default as aforesaid, the Trustee may exercise in its absolute discretion, without the consent of the Company, any and all rights of a bondholder with respect to the prior lien bonds then held by it and may take any action which shall in its judgment be desirable or necessary to avail of the security created for such prior lien bonds by the mortgages or other instruments securing the same, including, but not in limitation, joining in any plan of reorganization, readjustment, arrangement, composition or other similar plan with respect thereto, whether voluntary or involuntary, and may accept and hold hereunder any new obligations or securities issued in exchange therefor under any such plan, but, subject to the provisions of Article XVI hereof, shall be under no obligation to exercise any such rights unless requested so to

do and reasonably indemnified by the holders of not less than a majority in principal amount of the bonds then outstanding hereunder. The Trustee shall be reimbursed by the Company upon demand for all expenses by it properly incurred by reason of any such action taken, with interest upon all such expenditures at the rate of six per centum (6%) per annum; and the amount of such expenses and interest shall, until repaid, constitute a lien upon the mortgaged and pledged property prior to the lien of the bonds and coupons issued hereunder.

ARTICLE XI.

Remedies in Event of Default.

SECTION 11.01. The following events are hereby defined for all purposes of this Indenture (except where the term is otherwise defined for specific purposes) as "defaults":

(a) Failure to pay the principal of any bond hereby secured when the same shall become due and payable, whether at maturity, as therein expressed, or by declaration or otherwise;

(b) Failure to pay interest upon any bond hereby secured for a period of sixty (60) days after such interest shall have become due and payable;

(c) Failure to pay any installment of any sinking or other purchase fund for a period of ninety (90) days after the same shall have become due and payable;

(d) The expiration of a period of ninety (90) days following:

(1) the adjudication of the Company as a bankrupt by any court of competent jurisdiction;

(2) the entry of an order approving a petition seeking reorganization of the Company or other similar relief under the Federal Bankruptcy Laws or any other applicable law or statute of the United States of America, or any State thereof, of like nature; or

(3) the appointment of a trustee or a receiver of all or substantially all of the property of the Company;

unless during such period such adjudication, order or appointment of a receiver or trustee shall be vacated;

(e) The filing by the Company of a voluntary petition in bankruptcy or the making of an assignment for the benefit of creditors; the consenting by the Company to the appointment of a receiver or trustee of all or any part of its property; the filing by the Company of a petition or answer seeking reorganization or other similar relief under the Federal Bankruptcy Laws or any other applicable law or statute of the United States of America, or of any State thereof; or the filing by the Company of a petition to take advantage of any insolvency act;

(f) Failure to perform any other covenant or agreement contained herein or in any indenture supplemental hereto or in any bond secured hereby for a period of ninety (90) days following the mailing by the Trustee to the Company of a written demand that such failure be cured, such failure not having been cured in the meantime. The Trustee may, and, if requested in writing so to do by the holders of a majority in principal amount of the bonds then outstanding, shall make such demand.

Upon the occurrence of a default, and in each and every such case, the Trustee, by its agents or attorneys, may forthwith enter into and upon all or any part of the mortgaged and pledged property, and may exclude the Company, its agents and servants, wholly therefrom and may use, operate, manage and control the same, and conduct the business thereof, by superintendents, managers, receivers, agents, servants or attorneys, for the benefit of the holders and owners of the bonds issued hereunder, to the fullest extent authorized by law. Upon every such entry, the Trustee may, from time to time, at the expense of the mortgaged and pledged property and of the Company, maintain, restore and insure or keep insured, the tools, machinery, equipment, plants or other properties, buildings and structures of which possession shall be taken as aforesaid; and likewise may, from time to time, at the expense of the mortgaged and pledged property and

of the Company, make all necessary or proper repairs, renewals, replacements, alterations, additions, betterments and improvements thereto and thereon, as to the Trustee may seem judicious. The Trustee, in case of such entry, shall have the right to manage the mortgaged and pledged property and to carry on the business and to exercise all the rights, privileges and franchises of the Company, either in the name of the Company or otherwise as the Trustee shall deem best. In such case the Trustee shall be entitled to collect and receive all tolls, dividends, earnings, income, rents, issues and profits of the mortgaged and pledged property and of every part thereof whether accrued at or before the time of such entry or accruing thereafter. After deducting the expenses of operating the mortgaged and pledged property, and of conducting the business thereof, and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements and all payments which may be made for taxes, assessments, insurance and other proper charges upon the mortgaged and pledged property, or any part thereof, as well as just and reasonable compensation for its own services and for the services of all counsel, agents and employees by it properly engaged and employed, and all other expenses and liabilities incurred and disbursements made by the Trustee hereunder without negligence or bad faith, the Trustee shall apply the money arising as aforesaid, subject to the provisions of Section 7.02 hereof, as follows:

FIRST. In case the principal of none of the bonds shall have become due, by declaration or otherwise, to the payment of the interest in default thereon in the order of the maturity of the installments of such interest, with interest thereon, to the extent permitted by law, at the rate of six per centum (6%) per annum, such payments to be made ratably to the persons entitled thereto according to the amount due to each by the terms of the bond or bonds held by him; or

SECOND. In case the principal of any of the bonds, less than the whole number outstanding, shall have become due by their terms or by redemption, to the payment of all the interest then due on all the bonds outstanding (with interest on the overdue installments thereof, to the extent permitted by law, at the rate of six per centum (6%) per annum) in the order of the maturity

of the installments, and, if any surplus remains, toward the payment of the principal of the bonds then due, such payments in every instance to be made ratably to the persons entitled thereto according to the amounts due them for interest and principal respectively; or

THIRD. In case the principal of all the bonds shall have become due, by declaration or otherwise, to the payment of the whole amount then due and unpaid for either principal or interest, or for both principal and interest, upon the bonds, with interest at the rate of six per centum (6%) per annum on the overdue principal and, to the extent permitted by law, on the overdue installments of interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid, then to the payment of such principal and interest ratably, according to the aggregate of such principal and the accrued and unpaid interest without preference or priority of any one series over any other series of bonds, or of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, except as to the difference, if any, in the respective rates of such interest; and

FOURTH. In case any bonds have been called for redemption and default made in the payment of the redemption price, any balance remaining shall be applied to the payment of any premiums payable on such redemption with interest thereon, to the extent permitted by law, at the rate of six per centum (6%) per annum; ratably and without preference or priority of any one series over any other except as to the rates of premium.

Before making any such payment, the Trustee may fix a date for the distribution of such money and may require the presentation of the several bonds and coupons and their surrender if fully paid or for proper notation if only partly paid.

Upon payment in full, as above provided, of whatever sum or sums may be due for principal, premium, if any, or interest, or payable for other purposes, and upon the curing of all other defaults then existing, the mortgaged and pledged property and any excess money in the possession of the Trustee arising as aforesaid shall be returned to the Company, its successors or assigns, as though no default had occurred.

SECTION 11.02. Upon the occurrence of a default, the Trustee may cancel all assignments or orders for the payment of interest or dividends, and all powers of attorney or proxies given to or upon the request of the Company, and the Trustee shall thereupon be entitled to and shall receive and collect, for the benefit of the holders of the bonds, all sums which may thereafter become due and payable as principal, premium, interest or dividends on any securities pledged hereunder or as interest which may thereafter accrue upon any money deposited with the Trustee hereunder. The Trustee, subject to the provisions of Section 7.02 hereof, shall apply any and all moneys so received or collected by it in the same manner as hereinbefore provided in Section 11.01 hereof for the application of money arising from the operation of the mortgaged and pledged property.

Upon payment in full, as above provided, of any sum or sums which may have been due for principal, premium, if any, or interest on the bonds, or payable for other purposes, and upon the fulfillment and performance of all other obligations of the Company in respect of which it was in default under this Indenture, the Company shall thereafter be entitled to receive the income from all securities pledged hereunder (unless the same shall have been sold as in this Article XI provided) in the same manner and to the same extent as though no default had occurred.

SECTION 11.03. In case, upon the occurrence of a default (the term "default" for the purposes of this Section being hereby defined to be any one or more of the events specified in subsections (a), (b), (c), (1), (2) and (3) of (d), (e) and (f) of Section 11.01 not including any periods of grace provided for in said subsections), and at any time during the continuance of such default, there shall be any existing judgment against the Company unsatisfied and unsecured by bond on appeal, or upon the filing of a bill in equity, or upon other commencement of judicial proceedings by the Trustee to enforce any right under this Indenture, the Trustee shall be entitled forthwith to exercise the right of entry herein conferred, without awaiting the expiration of any such period of grace, and also to exercise and have any and all other rights, powers and remedies herein conferred and provided to be exercised by the Trustee upon the occurrence of a default as hereinbefore provided; and, as a matter of right, the Trustee shall thereupon

be entitled to the appointment of a receiver of all the mortgaged and pledged property and of the earnings, income, rents, issues and profits thereof, whether accruing before, at or after the date of appointment or qualification thereof, with such powers as the court making such appointment may confer; but, notwithstanding the appointment of any receiver or trustee in bankruptcy or in reorganization, readjustment, arrangement, composition or other similar proceedings, the Trustee shall be entitled to continue to retain possession and control of any stocks, bonds or other securities pledged hereunder or cash on deposit with the Trustee under this Indenture.

SECTION 11.04. The Trustee shall, within ninety (90) days after the occurrence thereof, give to the bondholders, in the manner and to the extent provided in subsection (c) of Section 8.04, notice of all defaults known to the Trustee, unless such defaults shall have been cured before the giving of such notice (the term "defaults" for the purposes of this Section being hereby defined to be the events specified in subsections (a), (b), (c), (1), (2) and (3) of (d), (e) and (f) of Section 11.01 not including any periods of grace provided for in said subsections); provided that, except in the case of default in the payment of the principal of or interest on any of the bonds, or in the payment of any sinking or purchase fund installment, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors and/or responsible officers of the Trustee in good faith determine that the withholding of such notice is in the interests of the bondholders.

SECTION 11.05. Upon the occurrence of a default or upon the happening of any event described in Section 11.03 hereof, the Trustee or the holders of not less than twenty per centum (20%) in aggregate principal amount of all the bonds then outstanding regardless of series or maturity, may, by notice in writing mailed or delivered to the Company, declare the principal of all the bonds then outstanding to be due and payable immediately; and upon any such declaration the same shall become and be immediately due and payable, anything in this Indenture or in said bonds contained to the contrary notwithstanding. This provision is, however, subject to the condition that if, at any time after the principal of said bonds shall have been declared due and payable,

all arrears of interest upon such bonds (with interest on overdue installments of interest, to the extent permitted by law, at the rate of six per centum (6%) per annum) and all expenses and charges of the Trustee, be paid by the Company or deposited with the Trustee, or be collected out of the mortgaged and pledged property before any sale thereof shall have been made, and every default in the observance or performance of any covenant or condition in the bonds or in this Indenture contained (other than a default in the payment of the principal of any bonds then due as a result of a declaration) shall have been made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in each and every such case, the holders of a majority in aggregate principal amount of the bonds then outstanding, by written notice to the Company and to the Trustee, may waive such default and its consequences; but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 11.06. Upon the occurrence of a default, the Trustee shall, in its discretion, forthwith and without the lapse of any further period of time be entitled with or without entry, by its agents or attorneys, to sell, in the manner provided in Section 11.07 hereof, all and singular the mortgaged and pledged property, including all shares of stock and all bonds or other securities then pledged hereunder, and/or, in its discretion, the Trustee may forthwith proceed to protect and enforce its rights and the rights of the holders of the bonds under this Indenture by a suit or suits in equity or at law, for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the foreclosure of this Indenture, either for interest or for principal, or for both, or for the enforcement of any other appropriate legal or equitable remedy, or for any or all of such purposes, as the Trustee, being advised by counsel, shall deem most effectual in support of any of its rights or duties hereunder. The court may appoint a special master to make any sale under or by virtue of the power of sale herein contained, or by virtue of judicial proceedings, or of any judgment or decree of foreclosure.

SECTION 11.07. In the event of any sale under or by virtue of the power of sale herein contained, or by virtue of judicial proceedings,

or by virtue of any judgment or decree of foreclosure and sale thereunder, the whole of the mortgaged and pledged property, including, if the Trustee deems desirable, all stocks, bonds and other securities which may be pledged under this Indenture, may, in the Trustee's discretion, be sold in one parcel, as an entirety, unless such sale as an entirety be impracticable by reason of some statute or other cause, or unless the holders of a majority in aggregate principal amount of all the bonds then outstanding shall in writing direct the Trustee to cause said mortgaged and pledged property, or any part thereof, to be sold in parcels; in which case, so far as lawfully may be, the sales shall be made in such parcels as may be specified in such direction.

Notice of any sale or sales made under the power of sale herein conferred shall state the time and place when and where the same is to be made, and shall contain a brief description of the properties to be sold, and shall be published in such places and in such manner as may be required by law, and such other notice shall also be given as may be required to comply with any statute or law of the state where such sale is made. The Trustee may adjourn any sale under the power of sale herein contained, or cause the same to be adjourned, from time to time, by announcement at the time and place appointed for such sale or sales; and, without further notice or publication, such sale may be made at the time and place to which the same shall be so adjourned, unless otherwise provided by law. In case of any sale of the mortgaged and pledged property, or any part thereof, under the provisions of this Indenture, the whole of the principal of the bonds, together with accrued interest thereon, if not previously due, shall become immediately due and payable, anything in the bonds or in this Indenture contained to the contrary notwithstanding.

Upon the completion of any sale or sales, the Trustee shall execute and deliver to the accepted purchaser or purchasers a deed or deeds of the properties sold, or shall execute and deliver, in conjunction with the deed or deeds of the court officer conducting such sale, a conveyance of the interests of the Trustee in such properties. The Trustee is hereby irrevocably appointed the true and lawful attorney or attorneys of the Company in its name and stead to make, execute and deliver all necessary deeds and acts of conveyance, sale, assignment and transfer of such properties, and to substitute one or more persons or corporations with like power, the Company hereby ratifying and confirming all

that its said attorney, attorneys or substitutes shall lawfully do or cause to be done by virtue hereof. Nevertheless, the Company shall, if so requested by the Trustee, ratify and confirm such sale by executing and delivering to the Trustee, or to such purchaser or purchasers, all such proper assignments, deeds, conveyances and releases as may be designated in such request. In any deeds or instruments of conveyance, sale or transfer executed by the Trustee under this Article XI, the recitals therein of default, demand that sale be made, notice of sale, postponement of sale, terms of sale, sale, purchaser, payment of money and any other fact or facts affecting the legality or validity of such sale, shall be effectual and conclusive proof of the facts related therein as against the Company, its successors and assigns and all other persons. Any such sale made under or by virtue of this Indenture, either under the power of sale hereby granted and conferred or under or by virtue of judicial proceedings, shall divest all right, title, interest, estate, claim and demand whatsoever, either at law or in equity, of the Company in, of or to the properties sold and every part thereof and shall be a perpetual bar, both at law and in equity, against the Company, its successors and assigns, and against any and all persons claiming or who may claim the properties sold, or any part thereof, from, through or under the Company, its successors or assigns, respectively.

SECTION 11. 08. In case of any sale of the mortgaged and pledged property, or any part thereof, whether under the power of sale hereby granted or pursuant to judicial proceedings, the purchase money, proceeds or avails, together with any other sums which may then be held by or be payable to the Trustee under any of the provisions of this Indenture as part of the security hereunder, other than sums held in trust for the payment or redemption of bonds or for the payment of interest thereon, shall be applied, subject to the provisions of Section 7.02 hereof, as follows:

FIRST. To the payment of the costs, expenses, fees, and other charges of such sale, and a reasonable compensation to the Trustee, its agents and attorneys, and to the payment of all expenses and liabilities incurred without negligence or bad faith on the part of the Trustee and advances or disbursements made by the Trustee, and to the payment of all taxes, assessments or

liens prior to the lien of this Indenture except any taxes, assessments or other superior liens subject to which such sale shall have been made;

SECOND. To the payment of the whole amount then due and unpaid either for principal or interest, or for both principal and interest, upon the bonds, with interest at the rate of six per centum (6%) per annum on the overdue principal and, to the extent permitted by law, on the overdue installments of interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid, then to the payment of such principal and interest ratably, according to the aggregate of such principal and the accrued and unpaid interest, without preference or priority of any one series over any other series of bonds, or of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, except as to the difference, if any, in the respective rates of such interest;

THIRD. To the payment of any premiums on any bonds called for redemption and with respect to which default was made in the payment of the redemption price, with interest at the rate of six per centum (6%) per annum, ratably and without preference or priority of any one series over any other, except as to the rates of premium; and

FOURTH. The remainder, if any, shall be paid over to the Company, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

Before making any such payment, the Trustee may fix a date for the distribution of such money and may require the presentation of the several bonds and coupons and their surrender if fully paid or for proper notation if only partly paid.

SECTION 11.09. In case of any sale of the mortgaged and pledged property or any part thereof, the purchaser, for the purpose of making settlement or payment for the property purchased, shall be entitled to apply towards the payment of the purchase price, and to be credited therewith, any bonds and any matured and unpaid interest coupons or

claims for interest to the amount to which such bonds and interest coupons or claims for interest would be entitled upon a distribution among the holders of the bonds of the net proceeds of such sale, after making deductions allowable under the terms hereof for the costs and expenses of the sale, or otherwise; but such bonds and interest coupons or claims for interest so applied in payment by the purchaser shall be deemed to be paid only to the extent so applied. At any such sale any holder of any bond may bid for and purchase such mortgaged and pledged property, and may make payment therefor, as aforesaid, and upon compliance with the terms of sale, may hold, retain and dispose of such properties without further accountability. The receipt of the Trustee, or of the court officer conducting such sale, shall be sufficient discharge for the purchase money to any purchaser of the mortgaged and pledged property, or any part thereof, sold as aforesaid; and no such purchaser, or his representatives, grantees or assigns, upon becoming entitled to and receiving such receipt, shall be bound to see to the application of such purchase money upon or for any trust or purpose of this Indenture or be answerable in any manner whatsoever for any loss, misapplication or non-application of any such purchase money, or any part thereof.

SECTION 11.10. The Company will not at any time insist upon or plead, or in any manner whatever claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force in any locality where the mortgaged and pledged property, or any part thereof, may be situated; and it will not claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisal of the mortgaged and pledged property, or any part thereof, prior to any sale or sales thereof made pursuant to any provision herein contained or the decree of a court of competent jurisdiction; and it will not, after any such sale or sales, claim or exercise any right under any law heretofore or hereafter enacted to redeem the properties so sold or any part thereof. The Company hereby expressly waives all benefit and advantage of any such law or laws; and it covenants that it will not in any way hinder, delay or impede the execution of any power herein granted to the Trustee, but it will suffer and permit the execution of every such power as if no such law or laws had been enacted.

SECTION 11.11. In case default shall be made in the payment of any installment of interest on any bond issued hereunder when and as such interest shall become due and payable, and any such default shall continue for a period of sixty (60) days, or in case default shall be made in the payment of the principal or premium, if any, of any such bond when and as the same shall become due and payable, whether at the maturity of said bond or pursuant to notice of redemption or by declaration, as authorized by this Indenture, or by a sale of the mortgaged and pledged property, as hereinbefore provided, or otherwise, then, upon demand of the Trustee, the Company will pay to the Trustee, for the benefit of the holders of the bonds and interest coupons or claims for interest hereby secured then outstanding, the principal of all such bonds then due and payable, together with any premium due thereon, and the whole amount then due and payable for interest on such bonds, with interest upon the overdue principal, premium, if any, and installments of interest, to the extent permitted by law, at the rate of six per centum (6%) per annum, and, in case the Company shall fail to pay the same forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled to recover judgment against the Company for the whole amount of such principal, premium, and interest remaining unpaid, as well as judgment for any sums that may be payable hereunder for fees, charges, expenses and liabilities (incurred without negligence or bad faith on the part of the Trustee) of the Trustee hereunder and of the holders of the bonds. The Trustee is hereby irrevocably appointed (and the successive respective holders of bonds and interest coupons issued hereunder, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) the true and lawful attorney-in-fact of the respective holders of the bonds and interest coupons issued hereunder, with authority to make or file, irrespective of whether the bonds or any of them are in default as to payment of principal, premium or interest, or whether the Trustee shall have made any demand for payment, in the respective names of the holders of the bonds or interest coupons, or in behalf of all holders of the bonds or interest coupons as a class, such proofs of claim and other papers or documents, to receive payment of any sums becoming distributable on account thereof, and to execute any other papers and documents and to do and perform any and all acts and things for and in behalf of the respective holders of the bonds or

interest coupons, or in behalf of all such holders as a class, as may be necessary or advisable in order to have the respective claims of the Trustee and of the holders of the bonds or interest coupons against the Company allowed in any equity receivership, insolvency, liquidation, bankruptcy, reorganization, readjustment, arrangement, composition or other judicial proceedings relative to the Company or its creditors or its property, and to receive payment of or on account of such claims; and any receiver, assignee, trustee, conservator or similar appointee is hereby authorized by each of the bondholders to make such payments to the Trustee, and, in the event that the Trustee shall consent to the making of such payments directly to the bondholders, to pay to the Trustee any amount due it for compensation and expenses, including counsel fees, incurred by it up to the date of such distribution. Provided, however, that the Trustee shall not take, and shall be without power or authority to take, any action under any provision of this Section which will in any manner or to any extent affect or impair the lien of this Indenture upon the mortgaged and pledged property, or any part thereof, or any rights, powers or remedies of the Trustee or of the holders of the bonds hereby secured.

Subject to the foregoing provisions, the Trustee, to the extent permitted by law, shall be entitled to recover judgment and to file and prove such claims, as aforesaid, at any time before or after or during the pendency of any proceedings for the enforcement of the lien of this Indenture upon the mortgaged and pledged property, and the right to recover such judgment and to file and prove such claims shall not be affected by or be prejudicial to any entry or sale hereunder, or by or to the exercise of any powers conferred by any of the provisions of this Indenture, or by or to the foreclosure of the lien hereof; and, in case of a sale of such mortgaged and pledged property, and of the application of the proceeds of sale to the payment of the mortgage debt, the Trustee, as aforesaid, in its own name and as trustee of an express trust, shall be entitled to receive and to enforce payment of any and all deficiencies or amounts then remaining unpaid upon or on account of any or all of the bonds then outstanding hereunder, for the benefit of the respective holders thereof, and shall be entitled to recover judgment for any portion of the mortgage debt remaining unpaid, with interest. No recovery of any judgment by the Trustee,

and no levy of any execution under any such judgment upon property subject to the lien of this Indenture, or upon any other property, and no filing or proving of any claim, shall in any manner or to any extent affect or impair the lien of this Indenture upon the mortgaged and pledged property, or any part thereof, or any rights, powers or remedies of the Trustee or of the holders of the bonds hereby secured; but such lien, rights, powers and remedies shall continue unaffected and unimpaired as before.

In case of any receivership, insolvency, bankruptcy, reorganization, readjustment, arrangement, composition or other judicial proceedings affecting the Company or its property, the Trustee shall have power to intervene in such proceedings and take any action therein that may be permitted by the court and shall (except as may be otherwise provided by law) be entitled to file and prove a claim for the entire amount due and payable by the Company under this Indenture at the date of the institution of such proceedings and for any additional amount which may become due and payable by the Company hereunder after such date, without regard to or deduction for any amount which may have been or which may thereafter be received, collected or realized by the Trustee from or out of the mortgaged and pledged property, or any part thereof or from or out of the proceeds thereof or any part thereof.

Any money collected by the Trustee under this Section shall be applied by the Trustee, subject to the provisions of Section 7.02 hereof, first, to the payment of the costs and expenses of the proceedings resulting in the collection of such moneys, second, to the payment of the fees, charges, expenses and liabilities (incurred without negligence or bad faith on the part of the Trustee) of the Trustee hereunder and of the holders of the bonds, and third, to the payment of the amounts then due and unpaid upon the bonds outstanding hereunder and interest coupons or claims for interest, respectively, without any preference or priority of any kind (except as to the difference, if any, in the respective rates of such interest), but ratably according to the amounts due and payable upon such bonds and interest coupons or claims for interest, respectively. All payments by the Trustee pursuant to this Article XI to the holders of bonds or coupons shall be made, on the respective dates fixed by the Trustee for such distributions, on presentation of the several bonds and coupons. Such bonds and coupons, if fully paid, shall be surrendered and cancelled; if partly paid, the Trustee

shall note thereon or otherwise indicate the amount paid and shall return the same to the respective holders.

All rights of action vested in the Trustee pursuant to the provisions of this Indenture may be enforced by the Trustee without the possession of any of the bonds or coupons or the production thereof at any trial or other proceedings relative thereto, and any suit or proceedings instituted by the Trustee may be brought in its name, as trustee, and any recovery shall be for the *pro rata* benefit, in accordance with the provisions of this Indenture, of the holders of the outstanding bonds and coupons entitled thereto.

SECTION 11.12. Anything in this Indenture contained to the contrary notwithstanding, the holders of not less than a majority in aggregate principal amount of the bonds outstanding hereunder, from time to time, shall have the right, by an instrument or concurrent instruments in writing, executed as provided in Article XII hereof and delivered to the Trustee, to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred upon the Trustee under this Indenture; provided, however, that, subject to the provisions of Article XVI, the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken or if the Trustee in good faith shall by responsible officers determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the non-assenting bondholders.

SECTION 11.13. Except as herein expressly provided to the contrary, no remedy herein conferred upon or reserved to the Trustee or to the holders of the bonds is intended to be exclusive of any other remedy, but every remedy herein provided shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, or by statute; and every power and remedy given by this Indenture to the Trustee or to holders of the bonds may, subject to the provisions of Section 11.14 hereof, be exercised from time to time and as often as may be deemed expedient. No delay or omission by the Trustee or by any holder of any bond to exercise any right or power arising from any default shall impair any

such right or power or shall be construed to be a waiver of any default or an acquiescence therein. In case the Trustee shall have proceeded to enforce any right under this Indenture by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned because of waiver, or for any other reason, or shall have been determined adversely, then, and in each and every such case, the Company and the Trustee shall severally and respectively be restored to their former positions and rights hereunder in respect of the mortgaged and pledged property, and all rights, remedies and powers of the Trustee shall continue as though no such proceedings had been taken.

SECTION 11.14. No holder of any bond or coupon shall have the right to institute any suit, action or proceeding at law or in equity upon, or in respect of, this Indenture, or for the execution of any trust or power hereof, or for any other remedy under or upon this Indenture, unless

(a) such holder shall previously have given to the Trustee written notice of the occurrence of a default;

(b) the holders of not less than twenty per centum (20%) in aggregate principal amount of all the bonds then outstanding shall have tendered to the Trustee indemnity against all costs, expenses and liabilities which might be incurred in or by reason of such action, suit or proceeding and shall have requested the Trustee in writing to take action in respect of such default;

(c) the Trustee shall have declined to take such action or shall have failed so to do within sixty days thereafter; and

(d) no directions inconsistent with such written request shall have been given pursuant to Section 11.12 hereof;

it being understood and intended that no holder of any bond or interest coupon shall have any right in any manner whatever to affect, disturb or prejudice the lien of this Indenture by his action, or to enforce any right hereunder, except in the manner herein provided, and that all proceedings hereunder with respect to the lien hereof or to the mortgaged and pledged property shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of bonds outstanding hereunder.

Nothing contained in this Section shall be deemed to modify the obligation of the Trustee to exercise after default the rights and powers vested in it by this Indenture with the degree of care and skill specified in Section 16.02, and nothing contained in this Article XI or elsewhere in this Indenture shall affect or impair the right of any bondholder, which is absolute and unconditional, to enforce the payment of the principal of and premium, if any, and interest on his bonds at and after the maturity thereof as therein expressed or as accelerated by call for redemption thereof, or the obligation of the Company, which is also absolute and unconditional, to pay the principal of and premium, if any, and interest on each of the bonds issued hereunder to the respective holders thereof at the time and place expressed in said bonds and the coupons appurtenant thereto and in said notice of redemption, if any.

ARTICLE XII.

Evidence of Rights of Bondholders.

SECTION 12.01. Any request or other instrument, which this Indenture may require or permit to be signed and executed by the bondholders, may be in any number of concurrent instruments of similar tenor and may be signed or executed by such bondholders in person or by attorneys appointed in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such attorney, or the holding by any person of the bonds or coupons appertaining thereto, shall be sufficient for any purpose of this Indenture if made in the following manner and, subject to the provisions of Article XVI hereof, shall be conclusive in favor of the Trustee with respect to any action in reliance thereon:

(a) The fact and date of the execution by any person of such request or other instrument or writing may be proved by the certificate under his official seal of any notary public, or other officer in any jurisdiction, having power to take acknowledgments, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution;

(b) The amount of bonds transferable by delivery held by any person executing such request or other instrument or writing as a bondholder, and the series and serial numbers thereof, and the date of his holding the same, may be proved by a certificate executed by any trust company, bank, banker or other depository wheresoever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that on the date therein mentioned such person had on deposit with or exhibited to such depository the bonds described in such certificate. The Trustee may nevertheless in its discretion require further proof in cases where it deems further proof desirable. The ownership of registered bonds and of coupon bonds which shall at the time be registered as to principal shall be proved by the registry books as hereinbefore provided.

Any request, consent or vote of the owner of any bond shall bind all future owners of the same in respect of anything done or suffered by the Company or the Trustee in pursuance thereof.

SECTION 12.02. The Company and the Trustee may deem and treat the bearer of any temporary or coupon bond outstanding hereunder, which shall not at the time be registered as to principal in the name of the holder thereof as hereinbefore authorized, and the bearer of any coupon for interest on any such bond, whether such bond shall be registered or not, as the absolute owner of such bond or coupon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, and neither the Company nor the Trustee shall be affected by any notice to the contrary.

The Company and the Trustee may deem and treat the person in whose name any registered bond without coupons outstanding hereunder shall be registered upon the books of the Company as herein authorized, as the absolute owner of such bond for the purpose of receiving payment of or on account of the principal of, premium, if any, and interest on such bond and for all other purposes, and they may deem and treat the person in whose name any coupon bond shall be so registered as to principal as the absolute owner thereof for the purpose of receiving payment of or on account thereof and for all other purposes, except to receive payment of interest represented by out-

standing coupons; and all such payments so made to any such registered holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such bond to the extent of the sum or sums so paid, and neither the Company nor the Trustee shall be affected by any notice to the contrary.

Neither the Company nor the Trustee shall be bound to recognize any person as the holder of a bond outstanding under this Indenture unless and until his bond is submitted for inspection, if required, and his title thereto satisfactorily established, if disputed.

ARTICLE XIII.

Defeasance.

SECTION 13.01. If the Company, its successors or assigns, shall pay or cause to be paid unto the holders of said bonds and coupons the principal, premium, if any, and interest to become due thereon at the times and in the manner stipulated therein, and shall keep, perform and observe all and singular the covenants and promises in said bonds and in this Indenture expressed to be kept, performed and observed by it or on its part, then these presents and the estate and the rights hereby granted shall cease, determine and be void, and thereupon the Trustee shall, upon request of the Company and at its expense and upon delivery to the Trustee by the Company of a treasurer's certificate and an opinion of counsel, cancel and discharge the lien of this Indenture, and execute and deliver to the Company such deeds as shall be requisite to satisfy the lien hereof, and reconvey to the Company the estate and title hereby conveyed and assign and deliver to the Company any property subject to the lien of this Indenture which may then be in the possession of the Trustee. Bonds and coupons for the payment or redemption of which money in the necessary amount shall have been set apart by or paid to the Trustee, in trust for such purpose, shall be deemed to be paid within the meaning of this Article XIII on the first date on which the Trustee is authorized to pay such money to the holders of such bonds and coupons.

The Company may at any time surrender to the Trustee for cancellation, or in cancelled form, any bonds of any series previously authenticated hereunder properly endorsed for transfer, if required by

the Trustee, and with all unmatured coupons, if any, thereto attached and such bonds, upon such surrender and upon delivery to the Trustee of evidence satisfactory to it of the payment or cancellation of all past due coupons pertaining to said bonds or cash sufficient for the payment of any thereof not so paid or cancelled, shall be deemed to be and shall be paid and retired and shall be cancelled by the Trustee.

SECTION 13.02. In case the owner of any bond or any matured coupon entitled to payment hereunder at any time outstanding hereunder shall not, within ten years after the maturity date of such bond or coupon, or if such bond shall have been called for redemption, then within fifteen years after the date fixed for redemption of such bond, claim the amount on deposit with the Trustee or other depository for the payment of such bond, or of such coupon, the Trustee or other depository shall pay over to or upon the written order of the Company the amount so deposited, upon receipt of a request signed by the President or a Vice-President of the Company, and thereupon the Trustee or other depository shall be released from any and all further liability with respect to the payment of such bond or coupon and the holder of said bond or coupon shall be entitled to look only to the Company as an unsecured creditor for the payment thereof; provided, however, that the Trustee or other depository before being required to make any such payment in excess of \$10,000 may, at the expense of the Company, cause notice that said money has not been so called for and that after a date named therein any unclaimed balance then remaining will be returned to the Company, to be published once a week for two consecutive weeks (not necessarily on the same day in each week), in a daily newspaper printed in the English language and of general circulation in each of the cities wherein any of such bonds or coupons are expressed to be payable.

ARTICLE XIV.

Immunity of Incorporators, Officers, Stockholders and Directors.

SECTION 14.01. No recourse under or upon any obligation, covenant or agreement contained in this Indenture, or in any bond or coupon hereby secured, or under any judgment obtained against the

Company, or by the enforcement of any assessment or penalty, or by any legal or equitable proceedings by virtue of any constitution or statute or rule of law or otherwise, shall be had against any incorporator, stockholder, officer or director, past, present or future, as such, of the Company, or of any predecessor or successor corporation, either directly or through the Company or such predecessor or successor corporation, or otherwise, for the payment for or to the Company or any receiver thereof, or for or to the holder of any bond or coupon issued or secured hereunder or otherwise, of any sum that may be due and unpaid by the Company upon any such bonds or coupons; and any and all personal liability of every name and nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, stockholder, officer or director, as such, for the payment for or to the Company or any receiver thereof, or for or to the holder of any bond or coupon issued or secured hereunder or otherwise, of any sum that may remain due and unpaid upon the bonds and coupons hereby secured or any of them, is hereby expressly waived and released as a condition of and as part of the consideration for the execution of this Indenture and the issue of such bonds and coupons.

ARTICLE XV.

Consolidations, Mergers, Transfers and Sales.

SECTION 15.01. Nothing in this Indenture contained shall prevent any lawful consolidation or merger of the Company with or into any other corporation, or any conveyance or transfer, subject to the lien of this Indenture, of all, or substantially all, the mortgaged and pledged property, as an entirety, to any corporation lawfully entitled to acquire and operate the same; provided, however, and the Company covenants and agrees that such consolidation, merger, conveyance or transfer shall be upon such terms as in no respect to impair the lien or priority of lien of this Indenture upon the property then subject hereto, or the security afforded hereby, or any of the rights or powers of the Trustee or the bondholders hereunder and that the provisions and conditions of this Section shall be complied with and the execution of the indenture provided for in this Section shall be a condition to any such consolida-

tion, merger, conveyance or transfer; and provided further that the corporation formed by such consolidation, or into which such merger shall have been made, or acquiring all or substantially all of the mortgaged and pledged property as an entirety as aforesaid, shall execute and deliver to the Trustee hereunder an indenture satisfactory to the Trustee in and by which such corporation shall assume the due and punctual payment of the principal and interest of all the bonds issued hereunder according to their tenor, and the due and punctual performance of all the covenants and agreements of this Indenture to be kept or performed by the Company (other than those contained in subdivision (c) of Section 7.14 and subject to the provisions of Section 15.04), and shall make appropriate covenants to protect the lien and priority of lien of this Indenture, the security afforded hereby, and the rights and powers of the Trustee and bondholders hereunder; and provided further that the property of the other corporation with which the Company shall consolidate or merge or to which all or substantially all the mortgaged and pledged property shall be conveyed shall not be subject to any lien (other than liens which, if they existed upon property of the Company, would constitute excepted encumbrances) which after such consolidation, merger or conveyance will be prior to the lien of this Indenture on the property owned by such corporation, upon completion of such consolidation, merger or conveyance, unless the Company could have acquired such property consistently with the provisions of Section 7.05 hereof.

SECTION 15.02. In case the Company shall be consolidated with or merged into any other corporation, or shall convey or transfer, subject to the lien of this Indenture, all, or substantially all, the mortgaged and pledged property, as an entirety, the corporation resulting from such consolidation, or into which the Company shall have been merged, or which shall have received a conveyance or transfer, as aforesaid (such corporation being hereinafter called the successor corporation), provided it shall first have executed and delivered to the Trustee an indenture as required by the provisions of Section 15.01 hereof, shall succeed to and be substituted for the Company under this Indenture with the same effect as if it had been named herein as the mortgagor corporation, and may thereafter, subject to all the terms, conditions and restrictions in this Indenture prescribed, exercise all the

powers and rights which the Company might or could exercise prior to such consolidation, merger or sale, and may, without in any wise limiting the generality of the foregoing, issue bonds hereunder to the extent and for the purposes herein provided with respect to the issuance of bonds by the Company and may also issue, either in the name of such successor corporation or of the Company, any bonds which the Company was entitled to issue but had not issued hereunder. All the bonds so issued shall in all respects have the same legal rank and security as the bonds theretofore or thereafter issued in accordance with the terms of this Indenture as though all of said bonds had been issued at the date of the execution hereof. As a condition precedent to the execution by such successor corporation and the authentication and delivery by the Trustee of any such additional bonds or of the withdrawal, use or application of cash or the release of property under any of the provisions of this Indenture on the basis of property additions of such successor corporation, the indenture with the Trustee to be executed and caused to be recorded by the successor corporation as in this Section provided or a subsequent indenture shall contain a conveyance or transfer and mortgage in terms sufficient to subject to the lien hereof all property owned or thereafter acquired by such successor corporation (except property of a character similar to that excluded from the lien of this Indenture) or such property as such successor corporation is making the basis for the authentication of bonds, the withdrawal, use or application of cash or the release of property hereunder, and the lien created thereby shall have similar force, effect and standing as the lien of this Indenture would have if the Company itself should acquire or construct such property and request the authentication of bonds or the withdrawal, use or application of cash or the release of property hereunder. Upon the execution and delivery by such successor corporation of an indenture conveying and mortgaging upon the trusts herein declared all the property which it shall own at the date thereof and all that it may thereafter acquire, except property of a character similar to that excluded from the lien of this Indenture, then all property owned by it at the date upon which it became such successor corporation (excluding the property received from the Company) shall, within the meaning of the provisions of Section 1.05 hereof, be deemed to be plant or property operated by others acquired by such successor corporation on the date of such conveyance and mortgage for or on

account of the cost or value of which bonds may be issued hereunder subject to the provisions of Article IV hereof.

The Trustee may receive a treasurer's certificate and an opinion of counsel as conclusive evidence, subject to the provisions of Article XVI hereof, that any consolidation, merger, conveyance or transfer, and any supplemental indenture executed in connection therewith, comply with the foregoing conditions and provisions of Section 15.01 hereof and of this Section.

SECTION 15.03. Every such successor corporation shall possess, subject to the terms and conditions of this Indenture, and may from time to time exercise, each and every right and power of the Company, in the name of such successor corporation or otherwise; and any act, proceeding, resolution or certificate by any of the terms of this Indenture required or provided to be done, taken or performed, or made or executed, by any board or officer of the Company shall and may be done, taken and performed, or made and executed, with like force and effect, by the corresponding board or officer of any such successor corporation.

SECTION 15.04. In case the Company, pursuant to this Article XV, shall be consolidated with or merged into any other corporation or shall convey or transfer all or substantially all of the mortgaged and pledged property as an entirety subject to the lien of this Indenture, this Indenture (unless the indenture executed pursuant to Section 15.01 hereof by the corporation resulting from such consolidation or into which the Company shall have been merged or which shall have received such conveyance or transfer, or a subsequent indenture, conveys and mortgages upon the trusts herein declared all its property then owned or thereafter acquired, subject to the exceptions stated in Section 15.02 hereof) shall not become or be a lien upon any of the properties or franchises of the successor corporation except (a) those acquired by it from the Company and property appurtenant thereto and property which the successor corporation shall thereafter acquire or construct which shall form an integral part or be essential to the use or operation of any property then or thereafter subject to the lien hereof; and (b) the property additions to or about the plants or prop-

erties of the successor corporation made and used by it as the basis for the issuance of additional bonds or the withdrawal, use or application of cash or the release of property under this Indenture as herein provided; and (c) such franchises, repairs, renewals, replacements and additional property as may be acquired by the successor corporation to maintain the mortgaged and pledged property in good repair, working order and condition as an operating system or systems and to comply with any covenant or agreement hereof to be kept or performed by the Company and by such successor corporation.

ARTICLE XVI.

Concerning the Trustee.

SECTION 16.01. The Trustee shall at all times be a bank or trust company eligible under Section 7.13 and have a combined capital and surplus of at least Five Million Dollars (\$5,000,000). If the Trustee publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority referred to in Section 7.13, then for the purposes of this Section the combined capital and surplus of the Trustee shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

SECTION 16.02. The Trustee hereby accepts the trust hereby created. The Trustee undertakes, prior to default and after the curing of all defaults which may have occurred, to perform such duties and only such duties as are specifically set forth in this Indenture, and in case of default (which has not been cured) to exercise such of the rights and powers vested in it by this Indenture, and to use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

The Trustee, upon receipt of evidence furnished to it by or on behalf of the Company pursuant to any provision of this Indenture, will examine the same to determine whether or not such evidence conforms to the requirements of this Indenture.

SECTION 16.03. No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that

(a) prior to default hereunder and after the curing of all defaults which may have occurred, the Trustee shall not be liable except for the performance of such duties as are specifically set forth in this Indenture, and no implied covenants or obligation shall be read into this Indenture against the Trustee, but the duties and obligations of the Trustee, prior to default and after the curing of all defaults which may have occurred, shall be determined solely by the express provisions of this Indenture; and

(b) prior to default hereunder and after the curing of all defaults which may have occurred, and in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions conforming to the requirements of this Indenture; and

(c) the Trustee shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(d) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of not less than a majority in principal amount of the bonds at the time outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under this Indenture.

SECTION 16.04. The recitals contained herein and in the bonds (except the Trustee's authentication certificate) shall be taken as the statements of the Company and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the value of the mortgaged and pledged property or any part thereof, or as to the title of the Company thereto, or as to

the validity or adequacy of the security afforded thereby and hereby, or as to the validity of this Indenture or of the bonds or coupons issued hereunder.

SECTION 16.05. Subject to the provisions of Sections 16.02 and 16.03 hereof, the Trustee shall not be personally liable in case of entry by it upon the mortgaged and pledged property for debts contracted or liability or damages incurred in the management or operation of said property.

SECTION 16.06. Except as otherwise provided in Sections 16.02 and 16.03:

(1) The Trustee may rely and shall be protected in acting upon any resolution, certificate, opinion, notice, request, consent, order, appraisal, report, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties; and

(2) The Trustee may consult with counsel and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel; and

(3) The Trustee shall be under no obligation to exercise any of the trusts or powers hereof at the request, order or direction of any of the bondholders, pursuant to the provisions of this Indenture, unless such bondholders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which may be incurred therein or thereby; and

(4) The Trustee shall not be liable for any action taken by it in good faith and believed by it to have been authorized or within the discretion or powers conferred upon it by this Indenture.

SECTION 16.07. The Trustee shall not be under any responsibility for the selection or approval of any engineer, accountant or other

expert for any of the purposes expressed in this Indenture, except that the Trustee shall exercise reasonable care with respect to the selection or approval of independent experts who may furnish opinions or certificates to the Trustee pursuant to any provision of this Indenture.

Any resolution of the Board of Directors shall be evidenced to the Trustee by a copy thereof certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted, and the Trustee may accept such copy as conclusive evidence of the adoption of such resolution.

Nothing contained in this Section shall be deemed to modify the obligation of the Trustee to exercise after default (which has not been cured) the rights and powers vested in it by this Indenture with the degree of care and skill specified in Section 16.02.

SECTION 16.08. Subject to the provisions of Sections 16.14 and 16.15, the Trustee may buy, hold, sell or deal in the bonds and coupons, and other securities of the Company, and may engage or be interested in any financial or other transaction with the Company, and may act as, and may permit any of its officers or directors to act as, a member of, or may act as depositary, trustee or agent for, any committee formed to protect the rights of the bondholders or the holders of other obligations, whether or not issued hereunder, or to effect or aid in any reorganization growing out of the enforcement of the bonds or this Indenture or other obligations, whether or not any such committee represents the holders of the majority in principal amount of the bonds outstanding hereunder, all as freely as if it were not Trustee hereunder.

SECTION 16.09. Subject to the provisions of Section 13.02, all moneys received by the Trustee, whether as Trustee or paying agent, shall, until used or applied as herein provided, be held in trust for the purposes for which they were paid, but need not be segregated from other funds except to the extent required by law. The Trustee may allow and credit to the Company interest on any moneys received by it hereunder at such rate, if any, as may be agreed upon with the Company from time to time and as may be permitted by law.

SECTION 16.10. The Company covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to, reason-

able compensation for all services rendered by it in the execution of the trusts hereby created and in the exercise and performance of any of the powers and duties hereunder of the Trustee, which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust, and the Company will reimburse the Trustee for all advances made by the Trustee in accordance with any of the provisions of this Indenture and will pay to the Trustee from time to time its expenses and disbursements (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ). The Company also covenants to indemnify the Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Trustee, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending against any claim of liability in the premises. The Company further covenants and agrees to pay interest at the rate of six per centum (6%) per annum until paid, upon all amounts paid, advanced or disbursed by the Trustee for which it is entitled to reimbursement or indemnity as herein provided. The obligations of the Company to the Trustee under this Section shall constitute additional indebtedness secured hereby. Such additional indebtedness shall be secured by a lien prior to that of the bonds upon the trust estate, including all property or funds held or collected by the Trustee as such.

SECTION 16. 11. In order further to assure the Trustee that it will be compensated, reimbursed and indemnified as provided in Section 16. 10 and that the prior lien provided for in Section 16. 10 upon the trust estate to secure the payment of such compensation, reimbursement and indemnity will be enforced for the benefit of the Trustee, all parties to this Indenture agree, and each holder or owner of any bond by his acceptance thereof shall be deemed to have agreed that in the event of

(1) the adjudication of the Company as a bankrupt by any court of competent jurisdiction,

(2) the filing of any petition seeking the reorganization of the Company or other similar relief under the Federal Bankruptcy Laws or any other applicable law or statute of the United States of America or of any State thereof,

- (3) the appointment of one or more trustees or receivers of all or substantially all of the property of the Company,
- (4) the filing of any bill to foreclose this Indenture,
- (5) the filing by the Company of a petition to take advantage of any insolvency act, or
- (6) the institution of any other proceeding wherein it shall become necessary or desirable to file or present claims against the Company,

the Trustee may file from time to time in any such proceeding or proceedings one or more claims, supplemental claims and amended claims as a secured creditor for its reasonable compensation for all services rendered by it (including services rendered during the course of any such proceeding or proceedings) and for reimbursement for all advances, expenses and disbursements (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ) made or incurred by it in the execution of the trusts hereby created and in the exercise and performance of any of the powers and duties herein of the Trustee, and for any and all amounts to which the Trustee is entitled as indemnity as provided in Section 16.10; and the Trustee and its counsel and agents may file in any such proceeding or proceedings applications or petitions for compensation for such services rendered, for reimbursement for such advances, expenses and disbursements, and for such indemnity. The claim or claims of the Trustee filed in any such proceeding or proceedings shall be reduced by the amount of compensation for services, reimbursement for advances, expenses and disbursements, and indemnity paid to it following final allowance to it and to its counsel and agents by the court in any such proceeding as an expense of administration or in connection with a plan of reorganization or readjustment. To the extent that compensation, reimbursement and indemnity are denied to the Trustee or to its counsel or other agents because of not being rendered or incurred in connection with the administration of an estate in a proceeding or in connection with a plan of reorganization or readjustment approved as required by law, because such services were not rendered in the interests of and with benefit to the estate of

the Company as a whole but in the interests of and with benefit to the holders of the bonds, in the execution of the trusts hereby created or in the exercise and performance of any of the powers and duties hereunder of the Trustee or because of any other reason, the court may, to the extent permitted by law, allow such claim, as supplemented and amended, in any such proceeding or proceedings and, for the purposes of any plan of reorganization or readjustment of the Company's obligations, may classify the Trustee as a secured creditor of a class separate and distinct from that of other creditors and of a class having priority and precedence over the class in which the holders of bonds are placed by reason of having a lien, prior and superior to that of the holders of the bonds, upon the trust estate, including all property or funds held or collected by the Trustee as such. The amount of the claim or claims of the Trustee for services rendered and for advances and the expenses and disbursements, including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ, which are not allowed and paid in any such proceedings but for which the Trustee is entitled to the allowance of a secured claim as herein provided, may be fixed by the court or judge in any such proceeding or proceedings to the extent that such court or judge has or exercises jurisdiction over the amount of any such claim or claims.

If, and to the extent that, the Trustee and its counsel and other persons not regularly in its employ do not receive compensation for services rendered, reimbursement of its or their advances, expenses and disbursements, or indemnity, as herein provided, as the result of allowances made in any such proceeding or by any plan of reorganization or readjustment of obligations of the Company, the Trustee shall be entitled, in priority to the holders of the bonds, to receive any distributions of any securities, dividends or other disbursements which would otherwise be made to the holders of bonds in any such proceeding or proceedings and the Trustee is hereby constituted and appointed, irrevocably, the attorney-in-fact for the holders of the bonds and each of them to collect and receive, in their name, place and stead, such distributions, dividends or other disbursements, to deduct therefrom the amounts due to the Trustee, its counsel and other persons not regularly in its employ on account of services rendered, advances, expenses and disbursements made or incurred, or indemnity, and to pay and

distribute the balance, *pro rata*, in accordance with the provisions of this Indenture, to the holders of the bonds and coupons. The Trustee shall have a lien upon any securities or other considerations to which the holders of bonds may become entitled pursuant to any such plan of reorganization or readjustment of obligations, or in any such proceeding or proceedings; and the court or judge in any such proceeding or proceedings may determine the terms and conditions under which any such lien shall exist and be enforced.

SECTION 16.12. Whenever in the administration of the trusts of this Indenture, prior to a default hereunder and after the curing of all defaults which may have occurred, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Trustee, be deemed to be conclusively proved and established by a certificate signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company and delivered to the Trustee, and such certificate shall be full warrant to the Trustee for any action taken or suffered by it under the provisions of this Indenture upon the faith thereof.

SECTION 16.13. Whenever it is provided in this Indenture that the Trustee shall take any action upon the happening of a specified event or upon the fulfillment of any condition or upon the request of the Company or of bondholders, the Trustee taking such action shall have full power to give any and all notices and to do any and all acts and things incidental to such action.

SECTION 16.14. (a) If the Trustee has or acquires any conflicting interest, as defined by subsection (d) of this Section, the Trustee shall, within ninety (90) days after ascertaining that it has such conflicting interest, either eliminate such conflicting interest or resign by giving written notice to the Company, but such resignation shall not become effective until the appointment of a successor trustee and such successor's acceptance of such appointment. The Company covenants to take prompt steps to have a successor appointed in the manner hereinafter provided in Section 16.18. Upon giving such notice of resignation,

the resigning Trustee shall publish notice thereof in one daily newspaper printed in the English language and of general circulation in each of the cities in which the principal of any of the bonds then outstanding shall be payable, once in each of three (3) consecutive calendar weeks, in each case on any business day of the week. If the resigning Trustee fails to publish such notice within ten (10) days after giving written notice of its resignation to the Company, the Company shall publish such notice.

(b) In the event that the Trustee shall fail to comply with the provisions of the preceding subsection (a) of this Section, the Trustee shall, within ten (10) days after the expiration of such ninety (90) day period, transmit notice of such failure to the bondholders, in the manner and to the extent provided in subsection (c) of Section 8.04 with respect to reports pursuant to subsection (a) of Section 8.04.

(c) Subject to the provisions of Section 18.02, any bondholder who has been a bona fide holder of a bond or bonds for at least six (6) months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor, if the Trustee fails, after written request therefor by such holder, to comply with the provisions of subsection (a) of this Section.

(d) The Trustee shall be deemed to have a conflicting interest if—

(1) the Trustee is trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of an obligor upon the bonds are outstanding, except as otherwise provided in paragraph (1) of subsection (b) of Section 310 of the Trust Indenture Act of 1939, and provided that there shall be excluded from the operation of this paragraph any indenture or indentures under which other securities, or certificates of interest or participation in other securities, of an obligor upon the bonds are outstanding, if the issuer shall have sustained the burden of proving, on application to the Securities and Exchange Commission and after opportunity for hearing thereon, that trusteeship under this Indenture and such other indenture is not so likely to involve a

material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify such trustee from acting as such under one of such indentures;

(2) the Trustee or any of its directors or executive officers is an obligor upon the bonds or an underwriter for such an obligor;

(3) the Trustee directly or indirectly controls, or is directly or indirectly controlled by, or is under direct or indirect common control with, an obligor upon the bonds or an underwriter for such an obligor;

(4) the Trustee or any of its directors or executive officers is a director, officer, partner, employee, appointee or representative of an obligor upon the bonds, or of an underwriter (other than the Trustee itself) for such an obligor who is currently engaged in the business of underwriting, except that (A) one individual may be a director and/or an executive officer of the Trustee and a director and/or an executive officer of such obligor, but may not be at the same time an executive officer of both the Trustee and of such obligor; (B) if and so long as the number of directors of the Trustee in office is more than nine, one additional individual may be a director and/or an executive officer of the Trustee and a director of such obligor; and (C) the Trustee may be designated by any such obligor or by any underwriter for any such obligor to act in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent or depositary or in any other similar capacity or, subject to the provisions of paragraph (1) of this subsection, to act as trustee whether under an indenture or otherwise;

(5) ten per centum (10%) or more of the voting securities of the Trustee is beneficially owned either by an obligor upon the bonds or by any director, partner or executive officer thereof, or twenty per centum (20%) or more of such voting securities is beneficially owned, collectively, by any two or more of such persons; or ten per centum (10%) or more of the voting securities of the Trustee is beneficially owned either by an underwriter for any such obligor or by any director, partner or executive

officer thereof, or is beneficially owned, collectively, by any two or more such persons;

(6) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, (A) five per centum (5%) or more of the voting securities or ten per centum (10%) or more of any other class of security of an obligor upon the bonds, not including the bonds issued under this Indenture and securities issued under any other indenture under which the Trustee is also trustee, or (B) ten per centum (10%) or more of any class of security of an underwriter for any such obligor;

(7) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, five per centum (5%) or more of the voting securities of any person who, to the knowledge of the Trustee, owns ten per centum (10%) or more of the voting securities of, or controls directly or indirectly, or is under direct or indirect common control with, an obligor upon the bonds;

(8) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, ten per centum (10%) or more of any class of security of any person who, to the knowledge of the Trustee, owns fifty per centum (50%) or more of the voting securities of an obligor upon the bonds; or

(9) the Trustee owns on May 15th in any calendar year, in the capacity of executor, administrator, testamentary or inter vivos trustee, guardian, committee or conservator, or in any other similar capacity, an aggregate of twenty-five per centum (25%) or more of the voting securities, or of any class of security, of any person, the beneficial ownership of a specified percentage of which would have constituted a conflicting interest under paragraph (6), (7) or (8) of this subsection. As to any such securities of which the Trustee acquired ownership through becoming executor, administrator or testamentary trustee of an estate which included them, the provisions of the

preceding sentence shall not apply for a period of two (2) years from the date of such acquisition, to the extent that such securities included in such estate do not exceed twenty-five per centum (25%) of such voting securities or twenty-five per centum (25%) of any such class of security. Promptly after May 15th in each calendar year, the Trustee shall make a check of its holdings of such securities in any of the above-mentioned capacities as of May 15th. If the Company fails to make payment in full of principal or interest upon the bonds when and as the same become due and payable, and such failure continues for thirty (30) days thereafter, the Trustee shall make a prompt check of its holdings of such securities in any of the above-mentioned capacities as of the date of the expiration of such thirty-day period and after such date, notwithstanding the foregoing provisions of this paragraph, all such securities so held by the Trustee with sole or joint control over such securities vested in it shall, but only so long as such failure shall continue, be considered as though beneficially owned by the Trustee for the purposes of paragraphs (6), (7) and (8) of this subsection (d).

The specifications of percentages in paragraphs (5) to (9), inclusive, of this subsection shall not be construed as indicating that the ownership of such percentages of the securities of a person is or is not necessary or sufficient to constitute direct or indirect control for the purposes of paragraph (3) or (7) of this subsection.

For the purposes of paragraphs (6), (7), (8) and (9) of this subsection only, (A) the terms "security" and "securities" shall include only such securities as are generally known as corporate securities, but shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay moneys lent to a person by one or more banks, trust companies or banking firms or any certificate of interest or participation in any such note or evidence of indebtedness; (B) an obligation shall be deemed to be in default when a default in payment of principal shall have continued for thirty (30) days or more and shall not have been cured; and (C) the Trustee shall not be deemed to be the owner or holder of (i) any security which it holds as collateral security (as trustee or otherwise) for an obligation which is not in

default as above defined, or (ii) any security which it holds as collateral security under this Indenture, irrespective of any default hereunder, or (iii) any security which it holds as agent for collection, or as custodian, escrow agent or depositary, or in any similar representative capacity.

The percentages of voting securities and other securities specified in this Section shall be calculated in accordance with the following provisions:

(A) A specified percentage of the voting securities of the Trustee, the Company or any other person referred to in this Section (each of whom is referred to as a "person" in this paragraph) means such amount of the outstanding voting securities of such person as entitles the holder or holders thereof to cast such specified percentage of the aggregate votes which the holders of all the outstanding voting securities of such person are entitled to cast in the direction or management of the affairs of such person.

(B) A specified percentage of a class of securities of a person means such percentage of the aggregate amount of securities of the class outstanding.

(C) The term "amount", when used in regard to securities, means the principal amount if relating to evidences of indebtedness, the number of shares if relating to capital shares and the number of units if relating to any other kind of security.

(D) The term "outstanding" means issued and not held by or for the account of the issuer. The following securities shall not be deemed outstanding within the meaning of this definition:

(1) Securities of an issuer held in a sinking fund relating to securities of the issuer of the same class;

(2) Securities of an issuer held in a sinking fund relating to another class of securities of the issuer, if the obligation evidenced by such other class of securities is not in default as to principal or interest or otherwise;

(3) Securities pledged by the issuer thereof as security for an obligation of the issuer not in default as to principal or interest or otherwise;

(4) Securities held in escrow if placed in escrow by the issuer thereof;

provided; however, that any voting securities of an issuer shall be deemed outstanding if any person other than the issuer is entitled to exercise the voting rights thereof.

(E) A security shall be deemed to be of the same class as another security if both securities confer upon the holder or holders thereof substantially the same rights and privileges; provided, however, that, in the case of secured evidences of indebtedness, all of which are issued under a single indenture, differences in the interest rates or maturity dates of various series thereof shall not be deemed sufficient to constitute such series different classes; and provided, further, that, in the case of unsecured evidences of indebtedness, differences in the interest rates or maturity dates thereof shall not be deemed sufficient to constitute them securities of different classes, whether or not they are issued under a single indenture.

For the purposes of this Section, the term "voting security" means any security presently entitling the owner or holder thereof to vote in the direction or management of the affairs of a person, or any security issued under or pursuant to any trust, agreement or arrangement whereby a trustee or trustees or agent or agents for the owner or holder of such security are presently entitled to vote in the direction or management of the affairs of a person; the term "director" means any director of a corporation, or any individual performing similar functions with respect to any organization whether incorporated or unincorporated; the term "executive officer" means the president, every vice-president, every trust officer, the cashier, the secretary and the treasurer of a corporation, and any individual customarily performing similar functions with respect to any organization whether incorporated or unincorporated, but shall not include the chairman of the board of directors; and the term "underwriter" when used with reference to an obligor upon the bonds means every person, who, within three (3) years prior to the time as of which the determination is made, has purchased from such obligor with a view to, or has sold for such obligor in connection with, the distribution of any security of such obligor outstanding

at such time, or has participated or has had a direct or indirect participation in any such undertaking, or has participated or has had a participation in the direct or indirect underwriting of any such undertaking, but such term shall not include a person whose interest was limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors' or sellers' commission.

If a separate or co-trustee is appointed pursuant to Section 16. 19, the provisions of this Section which have been made specifically applicable to the Trustee shall also apply to such separate or co-trustee, except that, in case of the resignation of a separate or co-trustee, such resignation and the appointment of a successor shall (subject to the provisions of subsection (c) of this Section) be governed by the provisions of paragraph (3) of Section 16. 20.

SECTION 16. 15. (a) Subject to the provisions of subsection (b) of this Section, if the Trustee shall be or shall become a creditor, directly or indirectly, secured or unsecured, of an obligor upon the bonds within four (4) months prior to a default (as defined in the last paragraph of this subsection), or subsequent to such a default, then, unless and until such default shall be cured, the Trustee shall set apart and hold in a special account for the benefit of the Trustee individually, the holders of the bonds and the holders of other indenture securities (as defined in the last paragraph of this subsection)

(1) an amount equal to any and all reductions in the amount due and owing upon any claim as such creditor in respect of principal or interest effected after the beginning of such four (4) months' period and valid as against such obligor and its other creditors, except any such reduction resulting from the receipt or disposition of any property described in paragraph (2) of this subsection, or from the exercise of any right of set-off which the Trustee could have exercised if a petition in bankruptcy had been filed by or against such obligor upon the date of such default; and

(2) all property received in respect of any claim as such creditor, either as security therefor, or in satisfaction or composition thereof, or otherwise, after the beginning of such four (4) months' period, or an amount equal to the proceeds of any

such property, if disposed of, subject, however, to the rights, if any, of such obligor and its other creditors in such property or such proceeds.

Nothing herein contained, however, shall affect the right of the Trustee

(A) to retain for its own account (i) payments made on account of any such claim by any person (other than such obligor) who is liable thereon, and (ii) the proceeds of the bona fide sale of any such claim by the Trustee to a third person, and (iii) distributions made in cash, securities or other property in respect of claims filed against such obligor in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable State law;

(B) to realize, for its own account, upon any property held by it as security for any such claim, if such property was so held prior to the beginning of such four (4) months' period;

(C) to realize, for its own account, but only to the extent of the claim hereinafter mentioned, upon any property held by it as security for any such claim, if such claim was created after the beginning of such four (4) months' period and such property was received as security therefor simultaneously with the creation thereof, and if the Trustee shall sustain the burden of proving that at the time such property was so received the Trustee had no reasonable cause to believe that a default as defined in the last paragraph of this subsection would occur within four (4) months; or

(D) to receive payment on any claim referred to in paragraph (B) or (C), against the release of any property held as security for such claim as provided in paragraph (B) or (C), as the case may be, to the extent of the fair value of such property.

For the purposes of paragraphs (B), (C) and (D), property substituted after the beginning of such four (4) months' period for property held as security at the time of such substitution shall, to the extent of the fair value of the property released, have the same status as the

property released, and, to the extent that any claim referred to in any of such paragraphs is created in renewal of or in substitution for or for the purpose of repaying or refunding any preexisting claim of the Trustee as such creditor, such claim shall have the same status as such preexisting claim.

If the Trustee shall be required to account, the funds and property held in such special account and the proceeds thereof shall be apportioned between the Trustee, the bondholders and the holders of other indenture securities in such manner that the Trustee, the bondholders and the holders of other indenture securities realize, as a result of payments from such special account and payments of dividends on claims filed against such obligor in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable State law, the same percentage of their respective claims, figured before crediting to the claim of the Trustee anything on account of the receipt by it from such obligor of the funds and property in such special account and before crediting to the respective claims of the Trustee, the bondholders and the holders of other indenture securities dividends on claims filed against such obligor in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable State law, but after crediting thereon receipts on account of the indebtedness represented by their respective claims from all sources other than from such dividends and from the funds and property so held in such special account. As used in this paragraph, with respect to any claim, the term "dividends" shall include any distribution with respect to such claim, in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable State law, whether such distribution is made in cash, securities or other property, but shall not include any such distribution with respect to the secured portion, if any, of such claim. The court in which such bankruptcy, receivership or proceedings for reorganization is pending shall have jurisdiction (i) to apportion between the Trustee, the bondholders and the holders of other indenture securities, in accordance with the provisions of this paragraph, the funds and property held in such special account and the proceeds thereof, or (ii) in lieu of such apportionment, in whole or in part, to give to the provisions of this paragraph due consideration in determining the fairness of the distributions to be made to the Trustee, the bond-

holders and the holders of other indenture securities, with respect to their respective claims, in which event it shall not be necessary to liquidate or to appraise the value of any securities or other property held in such special account or as security for any such claim, or to make a specific allocation of such distributions as between the secured and unsecured portions of such claims, or otherwise to apply the provisions of this paragraph as a mathematical formula.

Any Trustee who has resigned or been removed after the beginning of such four (4) months' period shall be subject to the provisions of this subsection as though such resignation or removal had not occurred. If any Trustee has resigned or been removed prior to the beginning of such four (4) months' period, it shall be subject to the provisions of this subsection if and only if the following conditions exist—

(i) the receipt of property or reduction of claim which would have given rise to the obligation to account, if such Trustee had continued as trustee, occurred after the beginning of such four (4) months' period; and

(ii) such receipt of property or reduction of claim occurred within four (4) months after such resignation or removal.

As used in this Section, the term "default" means any failure to make payment in full of the principal of or interest upon the bonds or upon the other indenture securities when and as such principal or interest becomes due and payable; and the term "other indenture securities" means securities upon which an obligor upon the bonds is an obligor (as defined in the Trust Indenture Act of 1939) outstanding under any other indenture (a) under which the Trustee is also trustee, (b) which contains provisions substantially similar to the provisions of this subsection, and (c) under which a default exists at the time of the apportionment of the funds and property held in said special account.

(b) There shall be excluded from the operation of subsection (a) of this Section a creditor relationship arising from—

(1) the ownership or acquisition of securities issued under any indenture, or any security or securities having a maturity of one year or more at the time of acquisition by the Trustee;

(2) advances authorized by a receivership or bankruptcy court of competent jurisdiction or by this Indenture for the purpose of preserving the property subject to the lien of this Indenture or of discharging tax liens or other prior liens or encumbrances on the trust estate, if notice of such advance and of the circumstances surrounding the making thereof is given to the bondholders as provided in subsections (a), (b) and (c) of Section 8.04 with respect to advances by the Trustee as such;

(3) disbursements made in the ordinary course of business in the capacity of trustee under an indenture, transfer agent, registrar, custodian, paying agent, fiscal agent or depositary, or other similar capacity;

(4) an indebtedness created as a result of services rendered or premises rented; or an indebtedness created as a result of goods or securities sold in a cash transaction as defined in the last paragraph of this subsection;

(5) the ownership of stock or of other securities of a corporation organized under the provisions of Section 25 (a) of the Federal Reserve Act, as amended, which is directly or indirectly a creditor of an obligor upon the bonds; or

(6) the acquisition, ownership, acceptance or negotiation of any drafts, bills of exchange, acceptances or obligations which fall within the classification of self-liquidating paper as defined in the last paragraph of this subsection.

As used in this subsection (b), the term "security" shall have the meaning assigned to such term in the Securities Act of 1933, as amended and in force on the date of the execution of this Indenture; the term "cash transaction" shall mean any transaction in which full payment for goods or securities sold is made within seven (7) days after delivery of the goods or securities in currency or in checks or other orders drawn upon banks or bankers and payable upon demand; the term "self-liquidating paper" shall mean any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred by an obligor upon the bonds for the purpose of financing the purchase, processing, manufacture, shipment, storage or sale of goods,

wares or merchandise and which is secured by documents evidencing title to, possession of, or a lien upon, the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares or merchandise previously constituting the security, provided the security is received by the Trustee simultaneously with the creation of the creditor relationship with such obligor arising from the making, drawing, negotiating, or incurring of the draft, bill of exchange, acceptance or obligation; and the term "Trustee" shall include any separate or co-trustee appointed pursuant to Section 16. 19.

SECTION 16. 16. The Trustee may at any time resign and be discharged of the trusts hereby created by giving written notice to the Company specifying the day upon which such resignation shall take effect and thereafter publishing notice thereof in one daily newspaper printed in the English language and of general circulation in each of the cities in which the principal of any of the bonds then outstanding shall be payable, once in each of three (3) consecutive calendar weeks, in each case on any business day of the week, and such resignation shall take effect upon the day specified in such notice unless previously a successor trustee shall have been appointed by the bondholders or the Company in the manner hereinafter provided in Section 16. 18, and in such event such resignation shall take effect immediately on the appointment of such successor trustee. This Section shall not be applicable to resignations pursuant to Section 16. 14.

SECTION 16. 17. The Trustee may be removed at any time by an instrument or concurrent instruments in writing filed with the Trustee and signed and acknowledged by the holders of a majority in principal amount of the bonds then outstanding or by their attorneys-in-fact duly authorized.

In case at any time the Trustee shall cease to be eligible in accordance with the provisions of Section 16. 01, then the Trustee shall resign immediately in the manner and with the effect specified in Section 16. 16; and, in the event that the Trustee does not resign immediately in such case, then it may be removed forthwith by an instrument or concurrent instruments in writing filed with the Trustee and either (a) signed by the President of a Vice-President of the Company with its corporate seal attested by the Secretary or an Assistant Secretary of

the Company or (b) signed and acknowledged by the holders of a majority in principal amount of the bonds then outstanding or by their attorneys-in-fact duly authorized.

SECTION 16.18. In case at any time the Trustee shall resign or shall be removed (unless the Trustee shall be removed as provided in subsection (c) of Section 16.14 in which event the vacancy shall be filled as provided in said subsection) or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, a vacancy shall be deemed to exist in the office of Trustee, and a successor or successors may be appointed by the holders of a majority in principal amount of the bonds then outstanding hereunder, by an instrument or concurrent instruments in writing signed and acknowledged by such bondholders or by their attorneys-in-fact duly authorized, and delivered to such new trustee, notification thereof being given to the Company and the retiring trustee; provided, nevertheless, that until a new trustee shall be appointed by the bondholders as aforesaid, the Company, by instrument executed by order of its Board of Directors and duly acknowledged by its President or a Vice-President, may appoint a trustee to fill such vacancy until a new trustee shall be appointed by the bondholders as herein authorized. The Company shall publish notice of any such appointment made by it in the manner provided in Section 16.16. Any new trustee appointed by the Company shall, immediately and without further act, be superseded by a trustee appointed by the bondholders, as above provided, if such appointment by the bondholders be made prior to the expiration of one year after the first publication of notice of the appointment of the new trustee by the Company.

If in a proper case no appointment of a successor trustee shall be made pursuant to the foregoing provisions of this Section within six (6) months after a vacancy shall have occurred in the office of Trustee, the holder of any bond outstanding hereunder or any retiring trustee may apply to any court of competent jurisdiction to appoint a successor trustee. Said court may thereupon after such notice, if any, as such court may deem proper and prescribe, appoint a successor trustee.

If the Trustee resigns because of a conflict of interest as provided in subsection (a) of Section 16.14 and a successor has not been appointed by the Company or the bondholders or, if appointed, has not accepted the appointment within thirty (30) days after such resignation, the resigning trustee may apply to any court of competent jurisdiction for the appointment of a successor trustee.

Any trustee appointed under the provisions of this Section in succession to the Trustee shall be a bank or trust company eligible under Sections 7.13 and 16.01 and qualified under Section 16.14.

Any trustee which has resigned or been removed shall nevertheless retain the lien upon the trust estate, including all property or funds held or collected by the trustee as such, to secure the amounts due to such trustee as compensation, reimbursement, expenses and indemnity, afforded to it by Section 16.10 and retain the rights afforded to it by Section 16.11.

SECTION 16.19. At any time or times, for the purpose of conforming to any legal requirements, restrictions or conditions in any State or jurisdiction in which any part of the mortgaged and pledged property then subject to this Indenture may be located, the Company and the Trustee shall have power to appoint, and, upon the request of the Trustee, the Company shall for such purpose join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint, another corporation or one or more persons approved by the Trustee, to act either as separate trustee or trustees, or as co-trustee or co-trustees jointly with the Trustee, of all or any of the property subject to the lien hereof. In the event that the Company shall not have joined in such appointment within fifteen (15) days after the receipt by it of a request so to do, the Trustee alone shall have power to make such appointment.

SECTION 16.20. Every separate trustee, every co-trustee and every successor trustee, other than any trustee which may be appointed as successor to the Trustee actually executing this Indenture, shall, to the extent permitted by law, but to such extent only, be appointed subject to the following provisions and conditions, namely:

- (1) The rights, powers, duties and obligations conferred or imposed upon trustees hereunder or any of them shall be con-

ferred or imposed upon and exercised or performed by the Trustee or by the Trustee and such separate trustee or separate trustees or co-trustee or co-trustees jointly, as shall be provided in the supplemental indenture appointing such separate trustee or separate trustees or co-trustee or co-trustees, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed by such separate trustee or separate trustees or co-trustee or co-trustees.

(2) The bonds secured hereby shall be authenticated and delivered, and all powers, duties, obligations and rights, conferred upon the Trustee in respect of the custody of all bonds and other securities and of all cash pledged or deposited hereunder, shall be exercised solely by the Trustee actually executing this Indenture, or its successor in the trust hereunder.

(3) The Company and the Trustee, at any time by an instrument in writing executed by them jointly, may accept the resignation of or remove any separate trustee or co-trustee appointed under Section 16.19 or otherwise, and, upon the request of the Trustee, the Company shall, for such purpose, join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to make effective such resignation or removal. In the event that the Company shall not have joined in such action within fifteen (15) days after the receipt by it of a request so to do, the Trustee alone shall have power to accept such resignation or to remove any such separate trustee or co-trustee. A successor to a separate trustee or co-trustee so resigned or removed may be appointed in the manner provided in Section 16.19.

(4) No trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder.

SECTION 16.21. Any notice, request or other writing, by or on behalf of the holders of the bonds, delivered to the Trustee actually

executing this Indenture, or its successor in the trust hereunder, shall be deemed to have been delivered to all of the then trustees or co-trustees as effectually as if delivered to each of them. Every instrument appointing any trustee or trustees other than a successor to the Trustee actually executing this Indenture, shall refer to this Indenture and the conditions in this Article expressed, and upon the acceptance in writing by such trustee or trustees or co-trustee or co-trustees, he, they or it shall be vested with the estates or property specified in such instrument, either jointly with the Trustee actually executing this Indenture, or its successor, or separately, as may be provided therein, subject to all the trusts, conditions and provisions of this Indenture; and every such instrument shall be filed with the Trustee actually executing this Indenture, or its successor in the trust hereunder.

SECTION 16. 22. Any separate trustee or trustees, or any co-trustee or co-trustees, may at any time by an instrument in writing constitute the Trustee, or its successor in the trust hereunder, his, their or its agents or attorney-in-fact, with full power and authority, to the extent which may be permitted by law, to do all acts and things and exercise all discretion authorized or permitted by him, them or it, for and in behalf of him, them or it, and in his, their or its name. In case any separate trustee or trustees or co-trustee or co-trustees, or a successor to any of them, shall die, become incapable of acting, resign or be removed, all the estates, property, rights, powers, trusts, duties and obligations of said separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee, or its successor in the trust hereunder, without the appointment of a new trustee or successor to such separate trustee or co-trustee.

SECTION 16. 23. Any successor trustee appointed hereunder shall execute, acknowledge and deliver to his or its predecessor trustee, and also to the Company, an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of his or its predecessor in trust hereunder, with like effect as if originally named as trustee herein; but the trustee ceasing to act shall nevertheless, on

the written request of the Company, or of the successor trustee, or of the holders of ten per centum (10%) in principal amount of the bonds then outstanding hereunder, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor trustee all the right, title and interest of the trustee to which he or it succeeds, in and to the mortgaged and pledged property and such rights, powers, trusts, duties and obligations, and the trustee ceasing to act shall also, upon like request, pay over, assign and deliver to the successor trustee any money or other property subject to the lien of this Indenture, including any pledged securities which may then be in his or its possession. Should any deed, conveyance or instrument in writing from the Company be required by the new trustee for more fully and certainly vesting in and confirming to such new trustee such estates, properties, rights, powers, trusts and duties, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Company.

SECTION 16.24. Any corporation into which the Trustee may be merged or with which it may be consolidated or any corporation resulting from any merger or consolidation to which the Trustee shall be a party or any corporation to which substantially all the business and assets of the Trustee may be transferred provided such corporation shall be eligible under the provision of Sections 7.13 and 16.01 and qualified under Section 16.14, shall be the successor trustee under this Indenture, without the execution or filing of any paper or the performance of any further act on the part of any other parties hereto, anything herein to the contrary notwithstanding. In case any of the bonds contemplated to be issued hereunder shall have been authenticated but not delivered, any successor to the Trustee may, subject to the same terms and conditions as though such successor had itself authenticated such bonds, adopt the certificate of authentication of the original Trustee or of any successor to it as trustee hereunder, and deliver the said bonds so authenticated; and in case any of said bonds shall not have been authenticated, any successor to the Trustee may authenticate such bonds either in the name of any predecessor hereunder or in the name of the successor trustee, and in all such cases such certificate

shall have the full force which it is anywhere in said bonds or in this Indenture provided that the certificate of the Trustee shall have; provided, however, that the right to authenticate bonds in the name of the Trustee actually executing this Indenture shall apply only to its successor or successors by merger or consolidation or sale as aforesaid.

ARTICLE XVII.

Supplemental Indentures.

SECTION 17.01. The Company, when authorized by resolution of its Board of Directors, and the Trustee, from time to time and at any time, subject to the restrictions in this Indenture contained, may, and when so required by this Indenture shall, enter into such indentures supplemental hereto, as may or shall by them be deemed necessary or desirable, for any one or more of the purposes hereinbefore provided for and for one or more of the following purposes:

(a) To more fully describe or to amplify or correct the description of any property hereby conveyed or pledged or intended so to be, or to assign, convey, mortgage, pledge, transfer and set over unto the Trustee, subject to such liens or other encumbrances, if any, as shall be therein specifically described, additional property or properties of the Company, for the equal and proportionate benefit and security, except as herein otherwise expressly provided, of the holders of all bonds at any time issued and outstanding under this Indenture;

(b) To add other limitations, to be thereafter observed, to the limitations on the authorized issue and purposes of issue of the bonds which may be issued for any of the purposes specified in Articles IV, V and VI hereof; to specify definitive limitations on the total authorized issue of any series of bonds issued hereunder; or to add to the covenants or agreements of the Company for the protection of the bondholders and of the trust estate;

(c) To provide the terms and conditions of redemption of the bonds, and for a special sinking, purchase or other fund for the retirement of the bonds of any particular series;

(d) To provide additional or other restrictions and limitations upon the issue of any new series of bonds or additional covenants and undertakings of the Company with respect thereto;

(e) To provide the terms and conditions of the exchange of bonds of one series for bonds of another or other series, or as to the exchange of bonds of one denomination for bonds of another denomination, of the same series;

(f) To provide that the principal of the bonds of any particular series may be converted at the option of the holders into the capital stock or other bonds of the Company, and the terms and conditions of such conversion;

(g) To evidence the succession of another corporation to the Company, or successive successions, and the assumption by such successor corporation of the covenants and obligations of the Company under this Indenture, and to evidence the succession of a new trustee to any trustee hereunder;

(h) To set forth the form and substance of the bonds, other than bonds of 1971, and the terms, provisions and conditions thereof;

(i) For any other purpose not inconsistent with the terms of this Indenture and which shall not impair the security of the same, including the purpose of supplying an omission, curing any ambiguity or of curing, correcting or supplementing any defective or inconsistent provision contained herein or in any supplemental indenture.

SECTION 17.02. In each and every case provided for in this Article XVII, the Trustee shall be entitled to exercise its discretion in determining whether or not any proposed supplemental indenture or any term or provision therein contained is necessary or desirable, having in view the needs of the Company and the respective rights and interests of the holders of bonds issued and to be issued hereunder; and the Trustee shall be under no responsibility or liability to any holder of

any bond for any act or thing which it may do or decline to do in good faith and without negligence, subject to the provisions of this Article XVII, in the exercise of such discretion. The Trustee shall be entitled to receive and, in the absence of negligence and bad faith on its part, shall be fully protected in relying upon a treasurer's certificate and an opinion of counsel as conclusive evidence that any such supplemental indenture complies with the provisions of this Indenture and any indenture supplemental thereto, and that it is proper for the Trustee, under the provisions of this Article XVII, to join in the execution of such supplemental indenture.

Nothing contained in this Section shall be deemed to modify the obligation of the Trustee to exercise after default (which has not been cured) the rights and powers vested in it by this Indenture with the degree of care and skill specified in Section 16.02.

SECTION 17.03. The Trustee is authorized to join with the Company in the execution of any such supplemental indenture, to make the further agreements and stipulations which may be therein contained, and to accept the conveyance, transfer and assignment of any property thereunder.

Any supplemental indenture executed in accordance with any of the provisions of this Article XVII shall comply with the provisions of the Trust Indenture Act of 1939 as then in effect and shall thereafter form a part of this Indenture; and all the terms and conditions contained in any such supplemental indenture as to any provision authorized to be contained therein shall be part of the terms and conditions of this Indenture for any and all purposes, and, if deemed necessary or desirable by the Trustee, any of such terms or conditions may be set forth in reasonable and customary manner in the bonds of the particular series to which such supplemental indenture shall apply. In case of the execution and delivery of any supplemental indenture, express reference may be made thereto in the text of the bonds of any series issued thereafter, if deemed necessary or desirable by the Trustee.

ARTICLE XVIII.**Miscellaneous Provisions.**

SECTION 18.01. All the covenants, stipulations and agreements in this Indenture contained are and shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, and of the holders of the bonds and of the coupons hereby secured. If any provision of this Indenture, or the application of any provision to any person or circumstance, shall be held invalid or unenforceable, the remainder, of this Indenture, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

SECTION 18.02. All parties to this Indenture agree, and each holder of any bond by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as such Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any bondholder, or group of bondholders, holding in the aggregate more than ten per centum (10%) in principal amount of the bonds outstanding, or to any suit instituted by any bondholder for the enforcement of the payment of the principal of or interest on any bond, on or after the respective due dates expressed in such bond.

SECTION 18.03. If any provision of this Indenture limits, qualifies or conflicts with another provision of this Indenture which is required to be included herein by any of Sections 310 to 317, inclusive, of the Trust Indenture Act of 1939, such required provision shall control.

SECTION 18.04. Any notice to the Company under any provision of this instrument shall be sufficiently given if served personally upon

any officer of the Company or deposited in the mails addressed to the Company at its office in Gulfport, Harrison County, Mississippi, or at such other address as may be designated for that purpose in a writing delivered to the Trustee by the Company.

SECTION 18.05. Subject to the provisions of Article XV hereof, whenever in this Indenture any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all of the covenants, promises and agreements in this Indenture contained by or on behalf of the Company, or by or on behalf of the Trustee, shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not; but the provisions of this paragraph shall not be deemed to subject to the lien hereof, except to the extent in Article XV hereof provided, the property of any successor corporation not acquired from the Company and not then subject to the lien hereof, unless it shall have expressly agreed that such shall be the case, in the manner provided in Article XV hereof.

SECTION 18.06. The due date of this Indenture shall be the date of maturity of that series of bonds issued or that may at any time hereafter be issued under and secured by this Indenture which, of all the series of bonds issued hereunder, has the latest date of maturity; provided, however, that nothing in this Section shall affect or limit any of the rights or remedies of the Trustee or the bondholders prescribed in Article XI hereof.

SECTION 18.07. The headings of the different Articles of this Indenture are inserted for convenience of reference, and are not to be taken to be any part of these provisions, nor to control or affect the meaning, construction or effect of the same.

SECTION 18.08. Wherever in this Indenture it is provided that the Trustee shall cancel any bonds or coupons, the Trustee may cancel and cremate such bonds and coupons and deliver a certificate of cremation thereof to the Company.

SECTION 18.09. The initial issue of bonds under this Indenture consists of bonds all of which are payable to bearer.

SECTION 18.10. This Indenture may be simultaneously executed in any number of counterparts, and all said counterparts, executed and delivered each as an original, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, said Mississippi Power Company has caused this Indenture to be executed in its corporate name by its President or one of its Vice-Presidents and its corporate seal to be hereunto affixed and to be attested by its Secretary or one of its Assistant Secretaries, and said Guaranty Trust Company of New York, to evidence its acceptance of the trust hereby created, has caused this Indenture to be executed in its corporate name by one of its Vice-Presidents and its corporate seal to be hereunto affixed and to be attested by one of its Assistant Secretaries, in several counterparts, all as of the day and year first above written.

MISSISSIPPI POWER COMPANY,

By E. A. YATES
Vice-President.

(CORPORATE SEAL)

Attest:

S. A. DAWLEY
Assistant Secretary.

Signed, sealed and delivered this 17th day of
October, 1941 by MISSISSIPPI POWER COM-
PANY in the presence of:

A. W. BAUMANN
GEO. HENRY

GUARANTY TRUST COMPANY OF NEW YORK,

By ARTHUR E. BURKE
Vice-President.

(CORPORATE SEAL)

Attest:

W. W. MERKER
Assistant Secretary.

Signed, sealed and delivered this 17th day of
October, 1941 by GUARANTY TRUST COMPANY
OF NEW YORK, in the presence of:

ELBERT B. SMITH
W. C. SANDY

STATE OF NEW YORK }
 COUNTY OF NEW YORK } ss.:

Personally appeared before me, the undersigned authority in and for the aforesaid state and county, E. A. YATES, as Vice-President, and S. A. DAWLEY, as Assistant Secretary, of MISSISSIPPI POWER COMPANY, who acknowledged that they signed, attached the corporate seal of the corporation thereto, and delivered the foregoing instrument on the day and year therein stated, by the authority of and as the act and deed of the corporation.

Given under my hand and official seal this 17th day of October, 1941.

JOSEPH P. FLEMMING

JOSEPH P. FLEMMING

(NOTARIAL SEAL)

Notary Public, New York County
 N. Y. Co. Clerk's No. 145, Reg. No. 3-F-90
 Commission Expires March 30, 1943

STATE OF NEW YORK }
 COUNTY OF NEW YORK } ss.:

On the 17th day of October, in the year one thousand nine hundred and forty-one, before me personally came E. A. YATES, to me known, who being by me duly sworn, did depose and say that he resides in 635 Park Avenue, New York, N. Y.; that he is a Vice-President of MISSISSIPPI POWER COMPANY, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

JOSEPH P. FLEMMING

JOSEPH P. FLEMMING

(NOTARIAL SEAL)

Notary Public, New York County
 N. Y. Co. Clerk's No. 145, Reg. No. 3-F-90
 Commission Expires March 30, 1943

STATE OF NEW YORK }
 COUNTY OF NEW YORK } ss.:

Personally appeared before me, the undersigned authority in and for the aforesaid state and county, ARTHUR E. BURKE, as Vice-President, and W. W. MERKER, as Assistant Secretary, of GUARANTY TRUST COMPANY OF NEW YORK, who acknowledged that they signed, attached the corporate seal of the corporation thereto, and delivered the foregoing instrument on the day and year therein stated, by the authority of and as the act and deed of the corporation.

Given under my hand and official seal this 17th day of October, 1941.

WM. J. BURNHAM

WM. J. BURNHAM

(NOTARIAL SEAL)

Notary Public, New York County
 Clerk's No. 396, Register's No. 2 B 123
 Commission Expires March 30, 1942

STATE OF NEW YORK }
 COUNTY OF NEW YORK } ss.:

On the 17th day of October, in the year one thousand nine hundred and forty-one, before me personally came ARTHUR E. BURKE, to me known, who being by me duly sworn, did depose and say that he resides in 565 Park Avenue, New York, N. Y.; that he is a Vice-President of GUARANTY TRUST COMPANY OF NEW YORK, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

WM. J. BURNHAM

WM. J. BURNHAM

(NOTARIAL SEAL)

Notary Public, New York County
 Clerk's No. 396, Register's No. 2 B 123
 Commission Expires March 30, 1942

SCHEDULE A**Detailed Description of Certain Parcels Excepted from
Lien of Indenture.**

All the following pieces or parcels of land, situated in the State of Mississippi, except as otherwise designated:

(1) The rear or north one half, one hundred and fifty (150) feet, of a lot having a frontage of ninety-six (96) feet on the North side of Second Street seventy-one (71) feet West of Davis Avenue and a depth of three hundred (300) feet, located in Pass Christian, Harrison County.

(2) A tract or parcel of land located in the Southwest quarter of Northwest quarter of Section 26, Township 6 North, Range 11 East, more particularly described as: Beginning at the Northeast corner of the Southwest quarter of Northwest quarter of said Section 26, thence run South 1 degree 31 minutes West 185.7 feet to an iron stake, thence South 30 degrees 41 minutes West 222.2 feet, thence South 39 degrees 07 minutes West 147.8 feet to an iron stake, thence South 50 degrees 47 minutes West along the Western boundary line of the Newton and Decatur Road a distance of 690.5 feet to an iron stake, thence North 40 degrees 28 minutes West 700 feet to an iron stake, thence North 51 degrees 20 minutes East 641.5 feet, thence South 89 degrees 37 minutes East 700 feet to the point of beginning, located in Newton County.

(3) The West one half of the Northwest quarter of Southwest quarter of Section 19, Township 6 North, Range 16 East, and containing in all 20 acres, more or less, located in Lauderdale County.

(4) A parcel of land having a frontage of fifty (50) feet on the North side of West Laurel Street and extending North one hundred and fifty (150) feet, being the Southeast corner of lot 2 of Block 72 of Kamper and Whinnery Subdivision No. 1, located in Hattiesburg, Forrest County.

(5) All of Block Eight (8) of the Magruder & Company survey of said City, said block containing twenty-six (26) lots, as per official map of said survey, located in Hattiesburg, Forrest County.

(6) Lots one, two, three, four and five (Lots 1, 2, 3, 4 and 5) of Block 11 of Oakland Place Addition to the City of Meridian, County of Lauderdale, State of Mississippi, according to map recorded in Map Book 1, page 93 of the records of the Chancery Clerk's office of Lauderdale County.

(7) That certain lot or parcel of land lying and being situate in the Town of Decatur, Newton County, described as follows, to-wit: Commencing at a point forty (40) feet south of the north-west corner of Lot Seven (7) and running south twenty-two (22) feet, thence east forty (40) feet, thence north twenty-two (22) feet, thence west forty (40) feet to point of beginning, being a plot of land twenty-two (22) feet by forty (40) feet in Section Nineteen (19), Township Seven (7), Range Twelve (12) East.

(8) A parcel of land described as follows: Beginning twenty-four (24) feet north of the southeast corner of the land owned by F. E. McCormick, and running north one hundred fifty (150) feet to the right of way of the A. & V. Railroad, thence parallel with said railroad right of way in a westerly direction, one hundred thirty (130) feet, thence south one hundred fifty (150) feet, thence running east one hundred thirty (130) feet to the point of beginning, lying and being situated in the southeast quarter ($SE\frac{1}{4}$) of the southwest quarter ($SW\frac{1}{4}$) of Section Thirty-six (36), Township Six (6), Range Twelve (12) East, in Newton County.

(9) That part of the southeast quarter of the northeast quarter of Section 11, Township 2 North, Range 6 West, enclosed by boundaries as hereinafter described, reference being made to a plat of the Town of Leakesville, Greene County, Mississippi, made by R. G. Hicks, and filed in the office of the Clerk of the Chancery Court of said County; and especially to a certain avenue, designated on said plat as Turner Avenue: From the point where the east line of Section 11 intersects the westerly (or northerly) line of Turner Avenue, or the southward projection thereof,—said point being 1771 feet, more or less, south of the northeast corner of Section 11,—run southwestwardly, along said line of Turner Avenue, 15.4 feet; thence north 51 degrees west 104.5 feet to a point of

beginning: From said point of beginning run south 40 degrees 30 minutes west, along an existing fence line, 209 feet; thence north 51 degrees west, along an old fence line, 209 feet; thence north 40 degrees 30 minutes east, 209 feet; thence south 51 degrees east, 209 feet, to point of beginning; containing one acre, more or less; all of the Town of Leakesville, County of Greene.

(10) Lots 1 and 2 of Block 12 and Lots 1, 2, 3 and part of lot 4 of Block 1 of Beard and Brandon Survey with vacated portions of First Street and Tenth Avenue, which has ceased to be used for street purposes, located in Lumberton, Lamar County.

(11) A parcel of land described as follows: Commencing at the northwest corner of Government Lot Five (5) of Section 31, Township 1 North, Range 14 West, running East 200.0 feet to an iron stake, thence South 340.1 feet to southern boundary of the main line right-of-way of Columbia Division of the Gulf and Ship Island Railroad (from which point the northwest corner of power house building bears south no (0) degrees fifty-five minutes (55) West 48.8 feet), thence north seventy-five (75) degrees fifteen (15) minutes West 19.75 feet to point of beginning of the parcel of land herein described, thence run south sixteen (16) degrees thirty (30) minutes East 149.4 feet, thence north seventy-nine (79) degrees thirteen (13) minutes East 341.1 feet to point where said line intersects the tangents of the south boundary of said main line right-of-way, thence northerly at right angles to said tangent to the south line of said main line right-of-way, thence in a north-westerly direction along the south line of said main line right-of-way (the tangents of which are as follows: North eighty-seven (87) degrees twenty (20) minutes west 87.4 feet, thence north seventy-five (75) degrees fifteen (15) minutes west 300.2 feet), a distance of 387.6 feet, more or less, to the point of beginning, located in Lumberton, Lamar County.

(12) That certain tract or parcel of land situated in Lot Nine (9), Section Two (2), Township Two (2) North, Range Fifteen (15) East, in Clarke County, Mississippi, and more particularly described as follows: Beginning at a point which is 179.60 feet

west and 262.80 feet south of the northeast corner of said Lot Nine (9), thence west 35 feet, thence south $33\frac{1}{2}$ feet, thence east 35 feet, thence north $33\frac{1}{2}$ feet to the point of beginning.

(13) The Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ (SE $\frac{1}{4}$ of the SE $\frac{1}{4}$) of section thirty-five (35), township seven (7), north of range fifteen (15) west, containing forty (40) acres, more or less, in the County of Covington.

(14) A parcel of land described as follows: Beginning 509 $\frac{1}{2}$ feet West of the Northeast corner of NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 7, in Township 5 North, Range 15 West, and running thence South 64 degrees and 21 minutes East 186 feet; thence South 26 degrees and 20 minutes West 236 feet; thence North, 64 degrees and 21 minutes West, 344 feet, more or less, to Western boundary of pond marked by board wall; thence South, 23 degrees and 00 minutes West, along said Western boundary of pond or board wall to Northern right-of-way of Mississippi Central Railroad; thence North, 66 degrees and 25 minutes West, along said right-of-way line, 127 feet, more or less; thence North, 26 degrees and 35 minutes East, 467 feet; thence South, 64 degrees and 21 minutes East, to said point of beginning, 285 feet, more or less, located in Lamar County.

(15) An undivided one-half interest in Lots 6, 7, and 8 of Block 22 Culmseig Plan of survey Town of Ocean Springs, described as follows: Commencing at a point on the South side of Porter Avenue one hundred (100) feet East of Vancleave Avenue, thence running East along the South side of Porter Avenue three hundred and thirty-nine (339) feet to Goos Avenue, thence South along the West side of Goos Avenue one hundred and ninety-one (191) feet, thence Westerly three hundred and thirty-nine (339) feet, thence North two hundred (200) feet to Porter Avenue, the point of beginning, being situated in Town of Ocean Springs, Jackson County.

(16) The North half of lots 5 and 6 of Block 14 of Hemphill and Hamilton Survey of Niles City, now McHenry, Stone County.

(17) An undivided half interest in lots numbered twenty-three and twenty-four on Blakely Island, according to map of Blakely Island recorded in Deed Book 65 N. S., pages 428-433; lot twenty-three has a front on the channel line of Mobile River of one hundred and ninety-seven feet, and is bounded south by lot twenty-two, and north by lot twenty-four and extends east to Pole Cat Bay between parallel sides; and lot twenty-four commences at a point on the channel line one hundred and ninety-seven feet northwardly from the intersection of the north line of lot twenty-two with the said channel line as established, and runs thence northwardly one hundred and ninety-seven feet for a front along said channel line and extends eastwardly to Pole Cat Bay, between parallel sides, each bearing due east, all located in Mobile County, State of Alabama.

(18) That lot or parcel of land lying and being located in the City of Biloxi in the County of Harrison, more particularly described as follows: to-wit: Beginning at the point of intersection of the eastern boundary of Lameuse Street and the Southern boundary of the Louisville and Nashville Railroad Company right-of-way and running east along said right-of-way one hundred and sixty-six (166) feet, thence south parallel to Lameuse Street one hundred and nine (109) feet, thence west parallel to the Louisville and Nashville Railroad Company right-of-way one hundred and sixty-six (166) feet, thence north along the eastern boundary of Lameuse Street one hundred and nine (109) feet to the point of beginning; such lot or parcel of land lying and being located in and a part of the private claim of John B. Carquotte designated on the United States Government township plats as section or claim No. 28, Township 7 South, Range 9 West.

(19) That lot or parcel of land lying and being located in the City of Biloxi in the County of Harrison, more particularly described as follows, to-wit: Beginning at a point on the eastern boundary of Lameuse Street one hundred and eighty nine (189) feet south of the southern boundary of the Louisville and Nashville Railroad Company right-of-way and running east parallel to said

right-of-way one hundred and sixty-six (166) feet, thence south parallel to Lameuse Street eighty six (86) feet, thence west parallel to the Louisville and Nashville Railroad Company right-of-way one hundred and sixty-six (166) feet, thence North along the eastern boundary of Lameuse Street eighty-six (86) feet to the point of beginning; such lot or parcel of land lying and being located in and a part of the private claim of John B. Carquotte designated on the United States Government township plats as section or claim No. 28, Township 7 South, Range 9 West.

Signed for identification:

S. A. DAWLEY

W. W. MERKER

SCHEDULE B**I.****Electric Generating Plants.**

All the electric generating plants and stations of the Company, including all powerhouses, buildings, reservoirs, dams, pipe lines, flumes, structures and works, and the land on which the same are situated, and all water rights, and all other lands and easements, rights of way, permits, privileges, towers, poles, wires, machinery, equipment, appliances, appurtenances, supplies, and all other property, real or personal, forming a part of or appertaining to or used, occupied, or enjoyed in connection with such plants and stations or any of them, or adjacent thereto, including the following described property in the State of Mississippi:

- (1) The steam plant in the City of Gulfport, Harrison County, Mississippi, located on land described as follows:

That lot or parcel of land beginning at a point in the easterly line of 30th Avenue Seven hundred Fifty (750) feet South from its intersection with the southerly line of 13th Street, running thence southerly along the easterly line of 30th Avenue Two hundred (200) feet to a point, thence running easterly at right angles to such a line Two hundred and Twenty (220) feet to a point running thence northerly parallel with and Two hundred and Twenty (220) feet distant from the easterly line of 30th Avenue Two hundred (200) feet to a point Seven hundred and Fifty (750) feet south of the southerly line of 13th Street; thence westerly Two hundred and Twenty (220) feet to the point of beginning; such land being located in Block 201 in the City of Gulfport, Harrison County.

Also any right the Company may have to maintain and use perpetually a conduit for the purpose of conveying water for condensing purposes from the harbor of Gulfport.

- (2) The steam plant in the City of Hattiesburg in Forrest County, located on lands described as follows:

Lots One (1), Two (2), Three (3), Four (4), Five (5) and that part of Lot Six (6) lying east of the right-of-way of the New Orleans and Northeastern Railroad, all in Block 79 of Kamper and Whinnery Subdivision Number 1 of the City of Hattiesburg.

(3) The steam plant in the City of Meridian in Lauderdale County, located on lands described as follows:

Lots 145, 146, 147 and 148 according to the Mobile & Ohio Survey of the City of Meridian; also lots 7 to 24 inclusive of Block 18 of Caldwell's Survey of the City of Meridian, except the portion of lots 19, 20, 21 and 22 occupied by Gas Holder owned by Mississippi Public Service Company.

(4) The steam plant in the City of Laurel in Jones County, located on lands described as follows:

That certain lot or parcel of land beginning at a point on the westerly line of the New Orleans and Northeastern Railroad right-of-way, south three hundred thirty and twenty-two hundredths (330.22) feet and north eighty degrees forty-three minutes ($80^{\circ} 43'$) three hundred twenty-five and three-tenths (325.3) feet west of a cement monument located at the center of section 32, township 9, range 11 west, running thence in a northerly direction parallel to the New Orleans and Northeastern Railroad right-of-way two hundred (200) feet, thence north eighty degrees forty-three minutes ($80^{\circ} 43'$), west one hundred twenty-five (125) feet, thence in a southerly direction parallel to the New Orleans and Northeastern Railroad right-of-way two hundred (200) feet, thence south eighty degrees forty-three minutes ($80^{\circ} 43'$), east one hundred twenty-five (125) feet to the point of beginning.

(5) The Internal Combustion Engine Plant in the Town of Lucedale in George County, located on land described as follows:

That certain piece or parcel of land in said town, county and state described as commencing at the southeast corner of the northeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 28, Township 1 South, Range 6 West, thence run west to the western boundary line

of the Gulf, Mobile & Northern Railroad right-of-way for a place of beginning, thence run further west to the southwest corner of the northeast $\frac{1}{4}$ of southeast $\frac{1}{4}$ of said section, and from thence run north to the western boundary line of said railroad right-of-way, and from thence run southeasterly along said western boundary line of said railroad right-of-way to place of beginning.

(6) The Internal Combustion Engine Plant in the Town of Waynesboro in Wayne County, located on land and in building leased from Mississippi Water and Ice Company, Ltd.

(7) The Internal Combustion Engine Plant in the Town of Leakesville in Greene County, located on land and in building leased from Ice Company, S. R. McKay, owner.

(8) The Internal Combustion Engine Plant in the Town of Bay Springs in Jasper County, located on land described as follows:

Lots Four (4), less Twenty (20) feet on West side donated to street, Five (5) and Six (6) of Block Thirty-three (33), Town of Bay Springs as platted and recorded in the office of the Chancery Clerk of Jasper County.

(9) The Internal Combustion Engine Plant in the Town of Newton in Newton County, located on land described as follows:

The North Half (N. $\frac{1}{2}$) of Block Seven (7), of Scanlan Addition to the Town of Newton, all being in the Southeast Quarter (S.E. $\frac{1}{4}$) of the Southwest Quarter (S.W. $\frac{1}{4}$) of Section Twenty-seven (27), Township Six (6), Range Eleven (11), Newton County.

II.

Electric Transmission Lines.

All the electric transmission lines of the Company, including towers, poles, pole lines, wires, switch racks, switchboards, insulators and other appliances and equipment, and all other property, real or personal, forming a part of or appertaining to or used, occupied or enjoyed in connection with such transmission lines or any of them,

or adjacent thereto, and all service lines extending therefrom; together with all real property, rights of way, easements, permits, privileges, franchises and rights for or relating to the construction, maintenance or operation thereof, through, over, under or upon any private property or any public streets or highways within as well as without the corporate limits of any municipal corporation or other governmental subdivision, including the following described property in the State of Mississippi:

(1) The Mississippi State Line to Hattiesburg Transmission Line, extending from a point on the State Line at or near Cuba, Alabama, via Meridian, Stonewall and Laurel, 99 miles, more or less, to the Company's Transmission Substation at or near Hattiesburg in Forrest County.

(2) The Mississippi State Line to Gulfport Transmission Line, extending from the Mississippi State Line in Jackson County, 45 miles, more or less, to the Company's Transmission Substation, at or near Gulfport in Harrison County, with a tap line 17 miles more or less to the Company's Substation at Moss Point in Jackson County.

(3) The Gulfport to Pass Christian Transmission Line, extending from the Company's City Substation at or near Gulfport in Harrison County, 15 miles, more or less, to the Company's Substation at or near Pass Christian in Harrison County.

(4) The Pass Christian to Bay St. Louis and tap to Pine Hills Transmission Line extending from the Company's Substation at or near Pass Christian in Harrison County, 15 miles more or less, to the Company's Substations at or near Pine Hills in Harrison County and at or near Bay St. Louis in Hancock County.

(5) The Gulfport Transmission Substation to Gulfport City Substation Transmission Line, extending from the Company's Transmission Substation at or near Gulfport in Harrison County, 5 miles, more or less, to the Company's City Substation at or near Gulfport in Harrison County.

(6) The Gulfport to Biloxi Front Transmission Line and Tap to Edgewater Substation, extending from the East City Limits

of Gulfport in Harrison County, 7 miles, more or less, to the West City limits of Biloxi in Harrison County.

(7) The Gulfport to Biloxi Back Transmission Line and Tap to Edgewater Substation extending from the Company's City Substation at or near Gulfport in Harrison County, 15 miles, more or less, to the Company's Substation at or near Biloxi in Harrison County.

(8) The Gulfport to Biloxi North Transmission Line, extending from the Company's Transmission Substation at or near Gulfport in Harrison County, 16 miles, more or less, to the Company's Substation at or near Biloxi in Harrison County.

(9) The Biloxi to Pascagoula Transmission Line, extending from the Company's Substation at or near Biloxi in Harrison County, 25 miles, more or less, to the Company's Substation at or near Pascagoula in Jackson County.

(10) The Moss Point to Pascagoula Transmission Line, extending from the Company's Transmission Substation at or near Moss Point in Jackson County, 8 miles, more or less, to the Company's Substation at or near Pascagoula in Jackson County.

(11) The Stonewall Transmission Substation to the Stonewall Mills Substation Transmission Line, extending from the Company's Transmission Substation at or near Stonewall in Clarke County, 1 mile, more or less, to the Stonewall Mills Substation at or near Stonewall in Clarke County.

(12) The Hattiesburg to Beaumont Transmission Line, extending from the Company's Transmission Substation at or near Hattiesburg in Forrest County, via Richton, 37 miles, more or less, to the Company's Substation at or near Beaumont in Perry County.

(13) The Meridian to Newton Transmission Line, extending from the Company's Transmission Substation at or near Meridian in Lauderdale County, 27 miles, more or less, to the Company's Switching Station at or near Newton in Newton County.

(14) The Newton to Union to Walnut Grove to Lena Transmission Line, extending from the Company's Substation at or

near Newton in Newton County, 20 miles, more or less, to the Company's Substation at or near Union in Newton County, and 54 miles, more or less, to the Company's Substations at or near Walnut Grove and Lena in Leake County.

(15) The Picayune to Maxie Transmission Line, extending from the Company's Substation at or near Picayune in Pearl River County, via Poplarville and Lumberton, 55 miles, more or less, to the Company's Substation at or near Maxie in Forrest County.

(16) The Hattiesburg to Lumberton Transmission Line, extending from the Company's Transmission Substation at or near Hattiesburg in Forrest County, 27 miles, more or less, to the Company's Substation at or near Lumberton in Lamar County.

(17) The Hattiesburg to Columbia to Sumrall Transmission Line, extending from the Company's Transmission Substation at or near Hattiesburg in Forrest County, 37 miles, more or less, to the Company's Substations at or near Columbia in Marion County and at or near Sumrall in Lamar County.

(18) The Sumrall to Bassfield to Seminary Transmission Line, extending from the Company's Substation at or near Sumrall in Lamar County, 10 miles, more or less, to the Company's Substation at or near Bassfield in Jefferson Davis County and 11 miles, more or less, to the Company's Substation at or near Seminary in Covington County.

(19) The Gulfport to Hattiesburg Transmission Line, extending from the Company's Transmission Substation at or near Gulfport in Harrison County, 68 miles, more or less, to the Company's Transmission Substation at or near Hattiesburg in Forrest County with a tap line 7 miles, more or less, to the Company's Substation at or near Camp Shelby in Forrest County.

(20) The Beaumont to Lucedale Transmission Line, extending from the Company's Substation at or near Beaumont in Perry County, via McLain, 29 miles, more or less, to the Company's Substation at or near Lucedale in George County.

(21) The McLain to Leakesville Transmission Line, extending from the Company's Substation at or near McLain in Greene

County, 15 miles, more or less, to the Company's Substation at or near Leakesville in Greene County.

(22) The Richton to Waynesboro Transmission Line, extending from the Company's Substation at or near Richton in Perry County, 32 miles, more or less to the Company's Substation at or near Waynesboro in Wayne County.

III.

Distribution Systems.

All the electric distribution systems of the Company, including substations, transformers, switchboards, towers, poles, wires, insulators, subways, trenches, conduits, manholes, cables, meters and other appliances and equipment and all other property, real or personal, forming a part of or appertaining to or used, occupied or enjoyed in connection with such distribution systems or any of them, or adjacent thereto; together with all real property, rights of way, easements, permits, privileges, franchises and rights for or relating to the construction, maintenance or operation thereof, through, over, under or upon any private property or any public streets or highways within as well as without the corporate limits of any municipal corporation or other governmental subdivision, including the following described property in the State of Mississippi:

(1) The Bassfield system as constructed and equipped in and near the Town of Bassfield, in Jefferson Davis County.

(2) The Bay St. Louis system as constructed and equipped in and near the City of Bay St. Louis, in Hancock County.

(3) The Bay Springs system as constructed and equipped in and near the Town of Bay Springs, in Jasper County.

(4) The Beaumont system as constructed and equipped in and near the Town of Beaumont, in Perry County.

(5) The Biloxi system as constructed and equipped in and near the City of Biloxi, in Harrison County.

(6) The Brooklyn system as constructed and equipped in and near the Town of Brooklyn, in Forrest County.

(7) The Carriere system as constructed and equipped in and near the Town of Carriere, in Pearl River County.

(8) The Chunky system as constructed and equipped in and near the Town of Chunky, in Newton County.

(9) The Columbia system as constructed and equipped in and near the City of Columbia, in Marion County.

(10) The Decatur system as constructed and equipped in and near the Town of Decatur, in Newton County.

(11) The DeSoto system as constructed and equipped in and near the Village of DeSoto, in Clarke County.

(12) The Ellisville system as constructed and equipped in and near the City of Ellisville, in Jones County.

(13) The Enterprise system as constructed and equipped in and near the Town of Enterprise, in Clarke County.

(14) The Forest system as constructed and equipped in and near the Town of Forest, in Scott County

(15) The Gulfport system as constructed and equipped in and near the City of Gulfport, in Harrison County.

(16) The Harpersville system as constructed and equipped in and near the Town of Harpersville, in Scott County.

(17) The Hattiesburg system as constructed and equipped in and near the City of Hattiesburg, in Forrest County.

(18) The Heidelberg system as constructed and equipped in and near the Town of Heidelberg, in Jasper County.

(19) The Hickory system as constructed and equipped in and near the Town of Hickory, in Newton County.

(20) The Hillsboro system as constructed and equipped in and near the Town of Hillsboro, in Scott County.

(21) The Lake system as constructed and equipped in and near the Town of Lake, in Scott County.

(22) The Lauderdale system as constructed and equipped in and near the Town of Lauderdale, in Lauderdale County.

(23) The Laurel system as constructed and equipped in and near the City of Laurel, in Jones County.

(24) The Lawrence system as constructed and equipped in and near the Town of Lawrence, in Newton County.

(25) The Leakesville system as constructed and equipped in and near the Town of Leakesville, in Greene County.

(26) The Lena system as constructed and equipped in and near the Town of Lena, in Leake County.

(27) The Long Beach system as constructed and equipped in and near the Town of Long Beach, in Harrison County.

(28) The Louin system as constructed and equipped in and near the Town of Louin, in Jasper County.

(29) The Lucedale system as constructed and equipped in and near the Town of Lucedale, in George County.

(30) The Lumberton system as constructed and equipped in and near the City of Lumberton, in Lamar County.

(31) The Lyman system as constructed and equipped in and near the Town of Lyman, in Harrison County.

(32) The Maxie system as constructed and equipped in and near the Town of Maxie, in Forrest County.

(33) The McHenry system as constructed and equipped in and near the Town of McHenry, in Stone County.

(34) The McLain system as constructed and equipped in and near the Town of McLain, in Greene County.

(35) The Meridian system as constructed and equipped in and near the City of Meridian, in Lauderdale County.

(36) The Montrose system as constructed and equipped in and near the Town of Montrose, in Jasper County.

(37) The Moselle system as constructed and equipped in and near the Village of Moselle, in Jones County.

(38) The Moss Point system as constructed and equipped in and near the City of Moss Point, in Jackson County.

(39) The New Augusta system as constructed and equipped in and near the Town of New Augusta, in Perry County.

(40) The Newton system as constructed and equipped in and near the Town of Newton, in Newton County.

(41) The Ocean Springs system as constructed and equipped in and near the Town of Ocean Springs, in Jackson County.

(42) The Pachuta system as constructed and equipped in and near the Village of Pachuta, in Clarke County.

(43) The Pascagoula system as constructed and equipped in and near the City of Pascagoula, in Jackson County.

(44) The Pass Christian system as constructed and equipped in and near the City of Pass Christian, in Harrison County.

(45) The Picayune system as constructed and equipped in and near the City of Picayune, in Pearl River County.

(46) The Poplarville system as constructed and equipped in and near the Town of Poplarville, in Pearl River County.

(47) The Purvis system as constructed and equipped in and near the Town of Purvis, in Lamar County.

(48) The Quitman system as constructed and equipped in and near the Town of Quitman, in Clarke County.

(49) The Richton system as constructed and equipped in and near the Town of Richton, in Perry County.

(50) The Sandersville system as constructed and equipped in and near the Town of Sandersville, in Jones County.

(51) The Sanford system as constructed and equipped in and near the Town of Sanford, in Covington County.

(52) The Saucier system as constructed and equipped in and near the Town of Saucier, in Harrison County.

(53) The Seminary system as constructed and equipped in and near the Town of Seminary, in Covington County.

(54) The Shubuta system as constructed and equipped in and near the Town of Shubuta, in Clarke County.

(55) The Soso system as constructed and equipped in and near the Village of Soso, in Jones County.

(56) The Stonewall system as constructed and equipped in and near the Town of Stonewall, in Clarke County.

(57) The Stringer system as constructed and equipped in and near the Town of Stringer, in Jasper County.

(58) The Sumrall system as constructed and equipped in and near the Town of Sumrall, in Lamar County.

(59) The Taylorsville system as constructed and equipped in and near the Town of Taylorsville, in Smith County.

(60) The Union system as constructed and equipped in and near the Town of Union, in Newton County.

(61) The Vossburg system as constructed and equipped in and near the Town of Vossburg, in Jasper County.

(62) The Walnut Grove system as constructed and equipped in and near the Town of Walnut Grove, in Leake County.

(63) The Waveland system as constructed and equipped in and near the Town of Waveland, in Hancock County.

(64) The Waynesboro system as constructed and equipped in and near the Town of Waynesboro, in Wayne County.

(65) The Wiggins system as constructed and equipped in and near the Town of Wiggins, in Stone County.

Together with the following franchises and rights under which such property, or any of it is or may be constructed, operated or maintained:

(1a) Franchise granted to M. L. Culley and A. R. Williams by the Mayor and Board of Aldermen of the Town of Bassfield by ordinance dated April 1, 1928, to distribute and sell electric current for light, power and other purposes in Bassfield.

(2a) Franchise granted to the Company by the Mayor and Board of Aldermen of the City of Bay St. Louis by ordinance

dated December 3, 1927, to manufacture, distribute and sell electric current for light, power and other purposes in Bay St. Louis.

(3a) Franchise granted to City State Investment Company by the Mayor and Board of Aldermen of the Town of Bay Springs by ordinance dated February 2, 1926, to distribute and sell electric current for light, power and other purposes in Bay Springs.

(5a) Ordinance No. 283 granted to E. C. Joullian (assigned to Biloxi Electric Railway and Power Company) by the Mayor and Board of Aldermen of the City of Biloxi by ordinance dated March 7, 1905, to distribute and sell electric current for light, power and other purposes in Biloxi.

(8a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Chunky by ordinance dated January 13, 1931, to manufacture, distribute and sell electric current for light, power and other purposes in Chunky.

(10a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Decatur by ordinance dated May 27, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Decatur.

(11a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Village of DeSoto by ordinance dated June 28, 1928, to manufacture, distribute and sell electric current for light, power and other purposes in DeSoto.

(12a) Franchise granted to Laurel Light and Railway Company by the Mayor and Board of Aldermen of the City of Ellisville by ordinance dated July 1, 1924, to distribute and sell electric current for light, power and other purposes in Ellisville.

(13a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Enterprise by ordinance dated November 4, 1926, to manufacture, distribute and sell electric current for light, power and other purposes in Enterprise.

(14a) Franchise granted to General Utilities Company by the Mayor and Board of Aldermen of the Town of Forest by ordinance dated February 4, 1926, to distribute and sell electric current for light, power and other purposes in Forest.

(15a) Franchise granted to J. T. Jones by the Mayor and Board of Aldermen of the City of Gulfport by ordinance dated March 7, 1905, to distribute and sell electric current for light, power and other purposes in Gulfport.

(18a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Heidelberg by ordinance dated June 8, 1927, to manufacture, distribute and sell electric current for light, power and other purposes in Heidelberg.

(19a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Hickory by ordinance dated June 3, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Hickory.

(21a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Lake by ordinance dated May 7, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Lake.

(23a) Franchise granted to Laurel Light and Railway Company by the Mayor and Board of Commissioners of the City of Laurel by ordinance dated July 21, 1924, to distribute and sell electric current for light, power and other purposes in Laurel.

(25a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Leakesville by ordinance dated July 1, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Leakesville.

(26a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Lena by ordinance dated April 7, 1931, to manufacture, distribute and sell electric current for light, power and other purposes in Lena.

(27a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Long Beach by ordinance No. 144, dated April 6, 1932, to distribute and sell electric current for light, power and other purposes in Long Beach.

(28a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Louin by ordinance dated June

16, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Louin.

(29a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Lucedale by ordinance dated June 17, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Lucedale.

(30a) Franchise granted to the Company by the Mayor and Board of Aldermen of the City of Lumberton by ordinance No. 110, dated May 5, 1931, to manufacture, distribute and sell electric current for light, power and other purposes in Lumberton.

(35a) Franchise granted to Meridian Street Railway and Power Company by the Mayor and Board of Councilmen and Aldermen of the City of Meridian by ordinance dated December 28, 1900, to distribute and sell electric current for light, power and other purposes in Meridian.

(36a) Franchise granted to Mississippi Utilities Company by the Mayor and Board of Aldermen of the Town of Montrose by ordinance dated April 23, 1928, to distribute and sell electric current for light, power and other purposes in Montrose.

(37a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Village of Moselle by ordinance dated July 18, 1928, to manufacture, distribute and sell electric current for light, power and other purposes in Moselle.

(38a) Franchise granted to the Company by the Mayor and Board of Aldermen of the City of Moss Point by ordinance No. 254 dated July 10, 1925, to manufacture, distribute and sell electric current for light, power and other purposes in Moss Point.

(40a) Franchise granted to Inland Utilities Company by the Mayor and Board of Aldermen of the Town of Newton by ordinance dated November 14, 1927, to distribute and sell electric current for light, power and other purposes in Newton.

(41a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Ocean Springs by ordinance dated December 3, 1929, to manufacture, distribute and sell electric current for light, power and other purposes in Ocean Springs.

(42a) Franchise granted to Mississippi Utilities Company by the Mayor and Board of Aldermen of the Village of Pachuta by ordinance dated April 7, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Pachuta.

(43a) Franchise granted to the Company by the Mayor and Board of Councilmen of the City of Pascagoula by ordinance No. 10, dated October 6, 1925, to manufacture, distribute and sell electric current for light, power and other purposes in Pascagoula.

(45a) Franchise granted to the Company by the Mayor and Board of Aldermen of the City of Picayune by ordinance dated June 1, 1928, to manufacture, distribute and sell electric current for light, power and other purposes in Picayune.

(46a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Poplarville by ordinance dated August 29, 1928, to manufacture, distribute and sell electric current for light, power and other purposes in Poplarville.

(47a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Purvis by ordinance dated December 2, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Purvis.

(48a) Franchise granted to Mississippi Utilities Company by the Mayor and Board of Aldermen of the Town of Quitman by ordinance dated May 15, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Quitman.

(49a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Richton by ordinance dated March 19, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Richton.

(50a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Sandersville by ordinance dated June 7, 1927, to manufacture, distribute and sell electric current for light, power and other purposes in Sandersville.

(53a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Seminary by ordinance dated

July 1, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Seminary.

(54a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Shubuta by ordinance dated February 1, 1927, to manufacture, distribute and sell electric current for light, power and other purposes in Shubuta.

(55a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Village of Soso by ordinance dated April 27, 1928, to manufacture, distribute and sell electric current for light, power and other purposes in Soso.

(58a) Franchise granted to Mississippi Utilities Company by the Mayor and Board of Aldermen of the Town of Sumrall by ordinance dated February 18, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Sumrall.

(59a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Taylorsville by ordinance dated March 18, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Taylorsville.

(60a) Franchise granted to Inland Utilities Company by the Mayor and Board of Aldermen of the Town of Union by ordinance No. 66 dated March 6, 1928, to distribute and sell electric current for light, power and other purposes in Union.

(62a) Franchise granted to the Company by the Mayor and Board of Aldermen of the Town of Walnut Grove by ordinance dated May 15, 1930, to manufacture, distribute and sell electric current for light, power and other purposes in Walnut Grove.

(64a) Franchise granted to Robert Golden by the Mayor and Board of Aldermen of the Town of Waynesboro by ordinance dated August 3, 1927, to distribute and sell electric current for light, power and other purposes in Waynesboro.

(65a) Franchise granted to Mississippi Utilities Company by the Mayor and Board of Aldermen of the Town of Wiggins by ordinance dated September 11, 1928, to distribute and sell electric current for light, power and other purposes in Wiggins.

IV.**Substations.**

All the substations of the Company for transforming or distributing or otherwise regulating electric current at any of its plants and elsewhere, together with all buildings, transformers, wires, insulators and other appliances and equipment, and all other property, real or personal, forming a part of or appertaining to or used, occupied or enjoyed in connection with any of such substations or adjacent thereto, including the following described property in the State of Mississippi:

(1) The Substations at or near Gulfport in Harrison County, known as the Gulfport Transmission Substation, and the Lyman 22 kv Substation, located on land described as follows:

All of Block 2, Block 3, Block 5, and all of Block 4 except Lot 13, and Lots 1 to 17, both inclusive, and Lots 20 to 34, both inclusive, of Block 8, and Lots 9, 10, 11 and 12 of Block 9, all in Gillespie Addition as per plat of record in the office of the Chancery Clerk of Harrison County, Mississippi in Plat Book No. 3 on page 49.

(2) The Substations at or near Hattiesburg in Forrest County, known as the Hattiesburg Transmission Substation, and the Hattiesburg 110/11 kv Substation, located on land described as follows:

A tract or parcel of land located in the East half of the Southwest quarter of Section 32, Township 5 North, Range 13 West and more particularly described as follows: Beginning at a point on the north and south center line of said Section 32, said point being located as follows: Commence at a point on the south boundary of said Section 32, said point being west 2653.1 feet from the southeast corner of said Section 32, thence North 0 degrees 09 minutes West along the center line of said Section 32 for a distance of 645.7 feet to said point of beginning which is the southeast corner of the tract of land herein conveyed, thence from said point of beginning South 89 degrees 44 minutes West for a distance of 664.1 feet to a stake, thence North 0 degrees 10 minutes West for a distance of 1148.5 feet to the South boundary

of the Hattiesburg and Rawls Springs Public Road, thence South 63 degrees 51 minutes East along the south boundary of said road for a distance of 741.4 feet to the north and south center line of said Section 32, thence South 0 degrees 09 minutes East along said center line for a distance of 819.9 feet more or less to the point of beginning, containing 15 acres.

(3) The Substations at or near Meridian in Lauderdale County, known as the Meridian Transmission Substation, and the Meridian 110/11 kv Substation, located on land described as follows:

The East $\frac{1}{2}$ of the Northwest quarter of Southwest quarter of Section 19, Township 6 North, Range 16 East, and containing in all 20 acres more or less.

(4) The Substations at or near Stonewall in Clarke County, known as the Stonewall Transmission Substation, and the Stonewall 44/11 kv Substation, located on land described as follows:

A tract or parcel of land located in the Southwest quarter of Northeast quarter and Northwest quarter of Southeast quarter of Section 31, Township 4 North, Range 15 East, and more particularly described as follows: Commence at a point on the North boundary of said Section 31, said point being West 166.2 feet from the Northeast corner of said Section 31, thence South, 37 degrees 14 minutes, West 3122.9 feet to the point of beginning of the tract of land herein conveyed, thence from said point of beginning South 89 degrees 30 minutes West for a distance of 362.8 feet to a point in the East boundary of public road, thence South 11 degrees 34 minutes East along the East boundary of said road for a distance of 600 feet, thence North 89 degrees 30 minutes East, for a distance of 375 feet, thence North 11 degrees 34 minutes West, for a distance of 600 feet to the North boundary of Grantors land, thence South 89 degrees 30 minutes west for a distance of 12.2 feet, more or less, to the point of beginning, containing five acres, more or less.

(5) The Substation at or near Moss Point in Jackson County, known as the Moss Point Transmission Substation, located on land described as follows:

Lots 1, 5, 6, and 7 of Popp's Addition to Moss Point, Mississippi, in Section 30, Township 7 South, Range 5 West and the Alley extending North from the Orange Grove Road to the Elder Ferry Road, between said lots 1 and 6 and lots 5 and 7.

(6) The Substation at or near Gulfport in Harrison County, known as the Gulfport City Substation, located on land on which the steam plant in the City of Gulfport is located, a description of which is set out under I (1) herein.

(7) The Substation at or near Biloxi in Harrison County, to serve the Edgewater Gulf Park Subdivision, located on land described as follows:

A lot or parcel of land Fifty feet square in Section Thirty-three, Township Seven South, Range Ten West and more particularly described as follows: Beginning at the point of intersection of the center line of said Section Thirty-three and the west boundary line of Edgewater Gulf Hotel Company property, thence, east fifty feet, thence South Fifty feet, thence, west Fifty feet to said west property line, thence north to the point of beginning.

(8) The Substation at or near Biloxi in Harrison County, known as the Biloxi Rotary Substation located in building leased to Gulf Coast Warehouse Corporation.

(9) The Substation at or near Ocean Springs in Jackson County located on land described as follows:

Beginning at a point on the East side of Vermont Avenue 96½ feet North of the center line of the L. & N. R. R. Company's main track and running from thence North 8 degrees and 10 minutes, West 100 feet, thence North 84 degrees and 30 minutes East 50 feet, thence South 8 degrees and 10 minutes East 100 feet, thence South 84 degrees and 30 minutes West 50 feet to the point of beginning all situated in the town of Ocean Springs and in the SE¼ of the SE¼ of Section 19, of Township 7 South, Range 8 West.

(10) The Substation at or near Pascagoula in Jackson County, known as the Pascagoula City Substation, located on land described as follows:

That part of Lot five (5), Lowry Island survey, in Section 3, Township 8 South, Range 6 West, Jackson County, Mississippi, described as follows: Commencing at a point on the South margin of the Old Spanish Trail Highway, the said point of beginning being the Northwest corner of a parcel of land sold by prior vendors to the United States, per deed dated June 14, 1920, recorded in Book 48, page 49, Record of Deeds of Jackson County, Mississippi, and said point of beginning being on the South margin of said Highway 865 feet West of the Pascagoula River, running thence Southerly along the West margin of the parcel of land sold the United States, hereinbefore mentioned a distance of one hundred and fifty (150) feet, thence West or Westerly parallel with the South margin of the aforesaid Highway a distance of one hundred (100) feet, thence North or Northerly parallel with the West line of said parcel sold the United States a distance of one hundred and fifty (150) feet, thence East or Easterly along the South margin of the Old Spanish Trail Highway, a distance of one hundred (100) feet, said tract bounded as follows: On North by Old Spanish Trail Highway, on South by unsold portion of said lot five, on East by property of United States hereinbefore mentioned, and on the West by portion of lot five.

(11) The Substation at or near Long Beach in Harrison County, located on land described as follows:

A lot of land in Lots Eight and Nine of Block One, original Long Beach, Mississippi and described as follows: Beginning at the Southwest corner of Lot Eight on the North boundary of Second Street, thence east along the North boundary of Second Street 50 feet, thence North 28 degrees West parallel with Jeff Davis Avenue 40 feet, thence West parallel with Second Street 60 feet, thence South 28 degrees East, parallel with Jeff Davis Avenue, 40 feet to the North boundary of Second Street, thence east along Second Street 10 feet to the point of beginning.

A tract or parcel of land in the Town of Long Beach, Mississippi, described as beginning at the Northwest corner of Lot 4 of Block 1 original Long Beach said point being on the South boundary of First Avenue and the Northeast corner of land

heretofore conveyed by G. & M. C. T. Co. to the Town of Long Beach, thence run east along the south boundary of said First Avenue one hundred fifty (150) feet, thence South 28 degrees East one hundred fifty (150) feet, thence West parallel to the South boundary of First Avenue fifty (50) feet, thence South 28 degrees East one hundred fifty (150) feet to the North boundary of Second Street, thence West along the North boundary of Second Street forty (40) feet to land now owned by Mississippi Power Company, thence North 28 degrees West forty (40) feet, thence West parallel to the North boundary of Second Street sixty (60) feet, to the East boundary of land now owned by Harper, thence North 28 degrees West along the East boundary of Harper land one hundred ten (110) feet, thence East parallel with the South boundary of First Avenue ten (10) feet, thence North 28 degrees West along the East boundary of land now owned by the Town of Long Beach one hundred fifty (150) feet to the point of beginning, and being all the land now owned by Gulfport and Mississippi Coast Traction Company in Block 1 original Long Beach, and subject to easement given the Town of Long Beach by instrument dated April 29th, 1932, granting said Town of Long Beach the right of ingress and egress to and from a spur track across the North side of the above described property.

(12) The Substation at or near Pass Christian in Harrison County, known as the Pass Christian City Substation, located on land described as follows:

Beginning at a point on Second Street 71 feet West of Davis Avenue, running West along Second Street 96 feet, more or less, thence North 150 feet, thence East 96 feet, more or less, thence South to the point of beginning.

(13) The Substation at or near Hattiesburg in Forrest County, known as the Hattiesburg City Substation, located on land on which the steam plant in the City of Hattiesburg is located, a description of which is set out under I (2) herein.

(14) The Substation at or near Hattiesburg in Forrest County to serve the Meridian Fertilizer Company, located on land owned by Meridian Fertilizer Company.

(15) The Substation at or near Richton in Perry County to serve the Richton Investment Company, located on land owned by Richton Investment Company.

(16) The Substation at or near Laurel in Jones County, known as the Laurel City Substation, located on land on which the steam plant in the City of Laurel is located, a description of which is set out under I (4) herein.

(17) The Substation at or near Laurel in Jones County to serve the Eastman-Gardiner Lumber Company, located on land owned by Eastman-Gardiner Lumber Company.

(18) The Substation at or near Ellisville in Jones County, located on land described as follows:

Beginning at the NE corner of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 34, Township 8, Range 12 West run North 171.4 ft., thence angle left 50 degrees and 15.5 minutes run in a northwesterly direction 167.1 ft. for a point of beginning, thence angle left 108 degrees and 6 minutes and run in a southwesterly direction parallel with the Mississippi Power Company Inter-urban Car Line Right-of-Way 100 ft. to a point thence, angle right 108 degrees and 6 minutes and run in a northwesterly direction to a point on center line of said right-of-way, thence angle right 71 degrees and 54 minutes and run in a northeasterly direction along said center line 100 ft. to a point, thence angle right 108 degrees and 6 minutes and run in a southeasterly direction 100 ft. to the point of beginning, said described property being in the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 34-8-12.

(19) The Substation at or near Meridian in Lauderdale County, known as the Meridian City Substation, located on land on which the steam plant in the City of Meridian is located, a description of which is set out under I (3) herein.

(20) The Substation at or near Stonewall in Clarke County to serve the Stonewall Cotton Mills, located on land owned by the Stonewall Cotton Mills.

(21) The Substation at or near Biloxi in Harrison County, known as the Biloxi City Substation, located on land described as follows:

That certain lot, or parcel of land, situated in the City of Biloxi, Harrison County, State of Mississippi, lying on the North side of Division Street, and measuring Seventy-three (73) feet and Five (5) inches East and West and running back between parallel lines Two Hundred (200) feet. Bounded as follows:

North by the property of Svarro, formerly of Goodman et al, formerly Lopez; on the East by Couevas Street; on the South by West Division Street; and, on the West by property of Swetman et al.

(22) The Substation at or near Meridian in Lauderdale County, known as the Meridian "B" Street Substation, located on land described as follows:

Beginning at the southeast corner of Block 274 of and according to Ragsdale's Survey of the said City of Meridian, and run thence in a southwesterly direction along the north line of "B" Street 50 feet; thence in a northwesterly direction on a line parallel with 12th Avenue to the north line of said Block 274; thence in a northeasterly direction along the north line of said Block 274 to the northeast corner thereof; thence in a southeasterly direction along the eastern boundary line of said Block 274 to the southeast corner thereof, being the point of beginning.

(23) The Substation at or near Meridian in Lauderdale County to serve the Lauderdale Mills, located on land owned by the Lauderdale Mills.

(24) The Substation at or near Bay St. Louis in Hancock County, located on land described as follows:

The property lying within lines commencing at the southeast corner of lot seventy-six of the third ward of Bay St. Louis, County of Hancock, State of Mississippi, as per the official plat of said city on file in the office of the clerk of the Chancery Court of said County and State, and running from thence north seventy degrees west three hundred and thirty-one feet for a beginning point, and from said point of beginning running thence north seventy degrees west one hundred thirty and one half feet

to the southwest corner of lot seventy-six, from thence along Railroad Avenue in a northeasterly direction one hundred feet; thence on a line at right angles to Railroad Avenue eighty-seven feet to the point of beginning.

(25) The Substation at or near Laurel in Jones County to serve the Laurel Oil and Fertilizer Company, located on land owned by the Laurel Oil and Fertilizer Company.

(26) The Substations at or near Richton in Perry County, known as the Richton City Substation, and the Richton Step-up Substation, located on land described as follows:

The $S\frac{1}{2}$ of the following described parcel of land to-wit:
Beginning 480 feet east of the SW corner of the $SW\frac{1}{4}$ of section 31, township 5 north, range 9 west and running thence 12 feet south for a beginning point; thence south 150 feet; thence east 150 feet; thence north 150 feet; thence west 150 feet to point of beginning; and being in the $NW\frac{1}{4}$ of the $NW\frac{1}{4}$ of section 6, township 4 north, range 9 west.

(27) The Substation at or near Carriere in Pearl River County, located on land described as follows:

A lot or parcel of land in the southeast quarter of southwest quarter of section 12, township 5 south, range 17 west and more particularly described as beginning at a point 1311.9 feet east and 1249.9 feet north of the southwest corner of said section 12; thence from said point of beginning north 84 degrees and 35 minutes east 50 feet; thence north 5 degrees 25 minutes west 60 feet to the south boundary of public road; thence south 84 degrees 35 minutes west 50 feet to the west boundary of the southeast quarter of the southwest quarter of said section 12; thence south 5 degrees 25 minutes east along said west boundary line 60 feet, to point of beginning.

(28) The Substation at or near Shubuta in Clarke County, located on land described as follows:

Beginning at the southwest corner of lot 5 in Block 45 of the Town of Shubuta, Clarke County, Mississippi, and run thence in a northwesterly direction parallel with the right-of-way

of the M & O Railroad Company one hundred seventy feet; thence in a northeasterly direction parallel with Third Street fifty feet; thence in a southeasterly direction parallel with the right-of-way of the M & O Railroad Company one hundred seventy feet; thence in a southwesterly direction along Third Street fifty feet to the point of beginning, being fifty feet off the west side of lot 5 in said Block 45 of the Town of Shubuta, Mississippi.

(29) The Substation at or near Picayune in Pearl River County, known as the Picayune City Substation, located on land owned by Goodyear Yellow Pine Lumber Company.

(30) The Substation at or near Union in Newton County, located on land described as follows:

Beginning at a point 44 feet south and 30 feet west of the NW corner of lot 2, in Magnolia Subdivision of the Town of Union, and run thence north 4 degrees west 264 feet; thence south 79 degrees west 225 feet to the right-of-way of the Gulf, Mobile and Northern Railroad; thence south along the east edge of the Gulf, Mobile and Northern Railroad right-of-way 264 feet; thence south 79 degrees east 110 feet, to point of beginning, all in the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$, Section 1, Township 8 north, Range 11 east, according to a map of the Magnolia Subdivision now on file with the Clerk of said County.

(31) The Substation at or near Newton in Newton County, known as the Newton City Substation, located on land on which the Internal Combustion engine plant in the Town of Newton is located, a description of which is set out under I (9) herein.

(32) The Substation at or near Lawrence in Newton County, located on the right-of-way of Federal Highway No. 80.

(33) The Substation at or near Lake in Scott County, located on right-of-way of Federal Highway No. 80.

(34) The Substation at or near Harpersville in Scott County, located on land described as follows:

Beginning at the northeast corner of Section 32, Township 8 north, Range 8 east, Scott County, Mississippi, and running thence 3660.3 feet south no degrees and no minutes east to a point; thence running north 65 degrees 12 minutes west 194.3 feet to an iron pipe which is on the property lines of Mill Street and the Forest Road. This is the point of beginning. From this point run south 24 degrees 48 minutes west a distance of 75 feet to an iron pipe; thence run south 65 degrees 12 minutes east a distance of 100 feet to an iron pipe; thence run north 24 degrees 48 minutes east a distance of 75 feet; thence run north 65 degrees 12 minutes west a distance of 100 feet to the point of beginning. Said lot being located in the northeast quarter of the southeast quarter of Section 32, Township 8 north, Range 8 east.

(35) The Substation at or near Walnut Grove in Leake County, located on land described as follows:

Beginning at an iron pin at the southeast corner of the intersection of Sylvanus and Bonita Streets, thence south 88 degrees 44 minutes east 308.8 feet along south margin of Sylvanus Street to a point; thence north 1 degree 16 minutes east 60 feet to an iron post, being the southwest corner of Gulf Refining Company's property. This is the point of beginning, and from this point, which is in the southwest corner of Gulf Refining Company's property in Lot 5, Block 2, L. B. Johnson Addition to Walnut Grove, run north 88 degrees 44 minutes west 50 feet along the north margin of Sylvanus Street to an iron pipe; thence run north 1 degree 16 minutes east 150 feet to an iron pipe, run thence south 88 degrees 44 minutes east 50 feet to an iron pipe on the west boundary of above described Gulf Refining Company's property; thence run south 1 degree 16 minutes west 150 feet to an iron post, the point of beginning; all being a part of Lots 5 and 6 in Block 2 of and according to L. B. Johnson's Addition to the Town of Walnut Grove, County of Leake, State of Mississippi, and situate in the northwest quarter of northeast quarter of Section 34, Township 9 north, Range 8 east.

(36) The Substation at or near Lena in Leake County, located on right-of-way of State Highway.

(37) The Substation at or near Hattiesburg in Forrest County to serve the Hercules Powder Company, located on land owned by the Hercules Powder Company.

(38) The Substation at or near Picayune in Pearl River County, known as the Picayune Step-up Substation, located on land described as follows:

Commencing at the northeast corner of Section 16, Township 6 south, Range 17 west, which said corner is also the half mile corner of south boundary of the Stephen Jarrell Claim #40 in the said Township 6 south, Range 17 west; thence north along the half Section line of said Stephen Jarrell Claim #40 Two Thousand (2,000) feet; thence west Thirty-five (35) feet to a railroad steel stake for the place of beginning. Thence from said point of beginning north Sixty (60) feet; thence west Fifty (50) feet; thence south Sixty (60) feet; thence east Fifty (50) feet to the point of beginning, the said parcel of land being located in the southeast portion of the NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of the Stephen Jarrell Claim #40.

(39) The Substation at or near Poplarville in Pearl River County, located on land described as follows:

North Seventy-five (75) feet of Lot 27, of Block 3, of College Highlands Addition to Poplarville.

(40) The Substation at or near Hattiesburg in Forrest County to serve the American Sand and Gravel Company, located on land owned by the American Sand and Gravel Company.

(41) The Substation at or near Gulfport in Harrison County to serve the Mac Smith Garment Company, located on land owned by the Mac Smith Garment Company.

(42) The Substation at or near Taylorsville in Smith County located on land described as follows:

A lot or parcel of land described as follows: Beginning at a point Fifty (50) feet east of the southwest corner of Lot 2 of Block 5 of Moore's Survey of the Town of Betah, now Taylorsville, in the southwest quarter of the southeast quarter of Sec-

tion 17, Township 10 north, Range 14 west; thence running east Fifty (50) feet; thence north Sixty (60) feet; thence west Fifty (50) feet; thence south Sixty (60) feet to the point of beginning.

(43) The Substation at or near Hillsboro in Scott County, located on right-of-way of State Highway No. 35.

(44) The Substation at or near Meridian, in Lauderdale County, known as the Poplar Springs Substation, located on land described as follows:

Commencing at the northwest corner of Lot 4 of Mobile and Ohio Railroad Company's Survey of Section 6, Township 6 north, Range 16 east, and running from thence east 476 feet; thence south at right angles 20 feet to the point of beginning of the property hereby conveyed, and from said beginning point run south 107.8 feet; thence east 50 feet; thence north 107.8 feet; thence west 50 feet, to the point of beginning; all being in and a part of Lot 4 of the Mobile and Ohio Railroad Survey of Section 6, Township 6 north, Range 16 east.

(45) The Substation at or near Columbia in Marion County, known as the Columbia City Substation, located on land described as follows:

Lot No. 7 in Block No. 2 of the B. F. Winborne Addition to the Town of Columbia, Mississippi, as per the map or plat thereof made by J. W. Rankin, Surveyor, and filed for record in the office of the Chancery Clerk of said County and State on the 18th day of January 1904.

(46) The Substation at or near Sumrall in Lamar County located on land described as follows:

A lot or parcel of land located in the NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 7, Township 5 north, Range 15 west, and more particularly described as follows: Commence at the southwest corner of said Section 7 and run east along the south boundary of said Section 1450 feet; thence north 0 degrees and 04 minutes west, 4695 feet; thence north, 84 degrees and 07 minutes west, 253.3 feet to the point of beginning on the west boundary of the tract of land herein conveyed; thence from said point of beginning north, 20

degrees and 00 minutes west, 91.7 feet to iron pin; thence south, 89 degrees and 30 minutes east, 88.8 feet to an iron pin in the west boundary of Mill Street, 84.2 feet; thence south, 63 degrees and 49 minutes west, 53.2 feet to an iron pin; thence north, 20 degrees and 00 minutes west, 23.8 feet to the point of beginning, and containing 13/100 acres, more or less.

(47) The Substation at or near Bassfield in Jefferson Davis County located on land described as follows:

A lot 40 feet square in southeast quarter of southeast quarter of Section seven, Township six, Range seventeen, west in Bassfield, Mississippi, more particularly described as follows: Begin at a point on the east line of said Section seven, said point being north twelve chains and fifty-six links from the southeast corner of said Section seven; thence north seventy-one degrees west four chains and fifty-six links to the northeast corner of said lot, this is the point of beginning; thence north seventy-one degrees west forty feet; thence south nineteen degrees west forty feet; thence south seventy-one degrees east forty feet; thence north nineteen degrees east forty feet to the point of beginning. Said plat is described on map recognized generally as correct by the town of Bassfield, as being a plat forty feet square off east end of lot one of Block thirty-five, being on the corner of Lincoln Street and Washington Avenue.

(48) The Substation at or near Seminary in Covington County located on land described as follows:

A lot or parcel of land in Lot 1 of Block 17 of Seminary, Mississippi, described as beginning at the northeast corner of said Block 17, said point being the intersection of the South boundary of Main Street and the West boundary of East Street; thence from said point of beginning south $23^{\circ} 0'$ East along the west boundary of East Street 79.1 feet; thence at right angles to East Street south $67^{\circ} 0'$ west 50 feet; thence at right angles and parallel with East Street north $23^{\circ} 0'$ west 101.1 feet to the south boundary of Main Street, thence along the south boundary of Main Street north $89^{\circ} 48'$ east 54.25 feet more or less to the point of beginning.

(49) The Substation at or near Quitman in Clarke County, located on land described as follows:

Lot 23 of Block 3 and the north 15 feet of lot 24 of Block 3 of the Dabbs and Terrell Addition to the Town of Quitman.

(50) The Substation at or near Handsboro in Harrison County to serve the Harrison County Gravel Company, located on land owned by Harrison County Gravel Company.

(51) The Substation at or near Bay Springs in Jasper County located on land on which the Internal Combustion Engine Plant in the Town of Bay Springs is located, a description of which is set out under I (8) herein.

(52) The Substation at or near Montrose in Jasper County, located on right-of-way of Federal Highway No. 15.

(53) The Substation at or near New Augusta in Perry County, located on right-of-way of County Highway.

(54) The Substation at or near Laurel in Jones County to serve the South Mississippi Fair Association, located on land owned by the South Mississippi Fair Association.

(55) The Substation at or near Hickory in Newton County, known as the Hickory-Decatur Substation, located on land described as follows:

Beginning at the southwest corner of Section 26, Township 6 North, Range 12 East, Newton County, Mississippi, run thence north 0 degrees 20 minutes west a distance of 581.5 feet to a point, which is the center of the right-of-way of Mississippi Power Company, run thence north 84 degrees 42 minutes east a distance of 3853.6 feet to a point; thence run south 5 degrees 18 minutes east a distance of 50 feet to an iron stob; this is the beginning point, said beginning point being the intersection of the present gravel highway with the south edge of Mississippi Power Company's right-of-way; thence run south 43 degrees 20 minutes east along the edge of the present highway a distance of 60 feet to an iron stob; thence run south 46 degrees 40 minutes west a distance of 100 feet to an iron stob; thence run north

43 degrees 20 minutes west a distance of 138.1 feet to an iron stob; thence run north 84 degrees 42 minutes east along the south boundary of Mississippi Power Company's right-of-way a distance of 126.9 feet to an iron stob, which is the point of beginning; said lot being in and a part of the southwest quarter of the southeast quarter of Section 26, Township 6 North, Range 12 East.

(56) The Substation at or near Purvis in Lamar County located on land described as follows:

A parcel of land 50 feet by 100 feet located fractional N. part of the SW quarter of the SE quarter of Sec. 9, Tp. 2, N, Range 14 West, more particularly described as follows, to-wit: Commencing at a point on the East boundary line of said section line, said point being N. 1025.8 ft. from the Southeast corner of said section line, thence South 89 degrees 44 minutes West 2063.3 ft. to a stake; thence N. 3 degrees 54 Min. W. 142.5 ft. to an iron hub, this is the point of beginning; thence run N. 3 degrees 54 min. W. 50 feet to an iron pipe; thence South 89 deg. 44 min. W. 100 ft. to an iron pipe; thence S. 3 degrees 54 min. E. 50 ft. to an iron pipe; thence N. 89 degrees 44 min. E. 100 ft. to pt. of beg.

(57) The Substation at or near Lumberton in Lamar County located on land described as follows:

Beginning at the northwest corner of Lot 4, of Block 1 of the Beard and Brandon Survey of Lumberton, Mississippi; run east along the north boundary of lot 4, 75 feet; thence south parallel to the east boundary of lot 4, 100 feet; thence west parallel to the south boundary of lot 4, 75 feet; thence north along the west boundary of lot 4, 100 feet to the point of beginning.

(58) The Substation at or near Forest in Scott County, located on land described as follows:

A lot or parcel of land 50 feet by 120 feet in the southeast quarter of the southeast quarter of Section 9, Township 6, Range 8 East, more particularly described as follows: Beginning at a

point 25 feet north of the southeast corner of said Section 9, Township 6, Range 8 East, as a point of beginning and running thence north along the east line of said Section 9 for a distance of 50 feet, thence running west 120 feet, thence running south 50 feet, thence running east 120 feet to the point of beginning, such lot being in and a part of the southeast quarter of the southeast quarter of Section 9, Township 6, Range 8 East.

(59) The Substation at or near Maxie in Forrest County located on land described as follows:

Commencing at the center of Section 15, Township 1 South, Range 12 West; thence run South 51 degrees 37 minutes West 1326 feet for a point of beginning. Thence run South 22 degrees 30 minutes West 100 feet; thence South 67 degrees 30 minutes East 100 feet; thence North 22 degrees 30 minutes East 100 feet; thence North 67 degrees 30 minutes West 100 feet to the point of beginning. Said land being located in NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of said Section 15, Township 1 South, Range 12.

(60) The Substation at or near Wiggins in Stone County located on land described as follows:

Lot 13, Block 13 of Pine Crest Addition, being a Resurvey of 7, 8 and 9 Batson's 3rd Addition, and of Blocks 9, 10, 11, 13, 14, 15, 16 and 17 of Batson's Addition to Wiggins.

(61) The Substation at or near Hattiesburg in Forrest County to serve the Forrest County Gravel Company, located on land owned by the Forrest County Gravel Company.

(62) The Substation at or near Hattiesburg in Forrest County to serve the Hattiesburg Water Works, located on land owned by the City of Hattiesburg.

(63) The Substation at or near Hattiesburg in Forrest County to serve State Teachers College, located on land described as follows:

Lot 8 in Block 25 of and according to Pine Crest First Survey to the City of Hattiesburg.

(64) The Substation at or near Laurel in Jones County, known as the Jefferson Street Substation, located on land described as follows:

Lot 11 in Block 2 of and according to Windham & Gardner Addition to the City of Laurel, Jones County, Mississippi, as per map of said addition now on file in the office of the Chancery Clerk at Laurel, Mississippi.

(65) The Substation at or near Newton in Newton County, to serve the Newton Oil Mill, located on land described as follows:

Commencing at the northwest corner of the northeast $\frac{1}{4}$ of the northwest $\frac{1}{4}$ of Section 34, Township 6 North, Range 11 East; thence south along the quarter section 436.3 feet to the south side of Walker Avenue, thence south 79 degrees and 15 minutes east 229.9 feet to the west side of Scanlan Street; thence south 13 degrees and 30 minutes west 167.1 feet to an iron pipe, being the northeast corner of said substation lot; this is the beginning point; thence north 76 degrees and 30 minutes west 60 feet to an iron pipe; thence south 13 degrees and 30 minutes west 50 feet to an iron pipe; thence south 76 degrees and 30 minutes east 60 feet to an iron pipe; thence north 13 degrees and 30 minutes east 50 feet to the point of beginning, said lot being in the northeast $\frac{1}{4}$ of the northwest $\frac{1}{4}$ of Section 34, Township 6 North, Range 11 East, being also in Block 2 of Oil Mill Addition.

(66) The Substation at or near McLain in Greene County, located on land described as follows:

Lot 10 of Block 1 of First Addition to the Town of McLain.

(67) The Substation at or near Biloxi in Harrison County to serve the United States Soldiers Home, located on land owned by the United States Government.

(68) The Substation at or near Laurel in Jones County to serve the Laurel Cotton Mill, located on land owned by the Laurel Cotton Mill.

(69) The Substation at or near Columbia in Marion County to serve the Reliance Manufacturing Company, located on land owned by the Reliance Manufacturing Company.

(70) The Substation at or near Hattiesburg in Forrest County to serve the Reliance Manufacturing Company, located on land owned by the Reliance Manufacturing Company.

(71) The Substation at or near Meridian in Lauderdale County to serve the Burnley Shirt Company, located on land owned by the Burnley Shirt Company.

(72) The Substation at or near Meridian in Lauderdale County, known as the Meridian Asylum Area Substation, located on land described as follows:

Beginning at a point twenty (20) feet west of the N. E. Corner of the N. W. $\frac{1}{4}$ of the S. W. $\frac{1}{4}$ of Sec. 12, T. 6, R. 15 East, and running West one hundred and sixty (160) feet, thence South sixty-eight (68) feet more or less to the center line of the Meridian and Decatur Public Road; thence in a Southeasterly direction along the center line of said public road to a point two hundred and sixty-eight (268) feet more or less South of the point of beginning; thence North two hundred and sixty-eight (268) feet more or less to the point of beginning.

(73) The Substation at or near Henderson Point in Harrison County, located on right-of-way dedicated as a Harrison County Public Road.

(74) The Substation at or near Gulfport in Harrison County to serve the United States Veterans Hospital, located on land owned by the United States Government.

(75) The Substation at or near Pass Christian in Harrison County, known as the Pine Hills-DeLisle Substation, located on right-of-way dedicated as a Harrison County Public Road.

(76) The Substation at or near Laurel in Jones County to serve the Continental Turpentine and Rosin Company, located on land owned by the Continental Turpentine and Rosin Company.

(77) The Substation at or near Seymour in Harrison County located on land described as follows:

The South fifty feet of a tract of land fronting 355 feet on the Ramsey Springs Road and known as Highway No. 57; said land is bounded on the North by Mrs. Laura Seymour, on the West by said Highway No. 57, on the East by J. D. Mulholland and on the South by Mrs. Kate Trochesette. All in Section 22, Township 7 South, Range 9 West, Harrison County, Mississippi, and being a part of the land deeded to grantor by deed dated August 11, 1936, from Peter N. Quave, and recorded in Book 211, on page 157.

(78) The Substation at or near Columbia in Marion County to serve the Pearl River Valley Electric Power Association, located on land described as follows:

A lot or parcel of land fifty (50) feet square in the northeast corner of a five (5) acre tract of land in the southeast corner of the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 33, Township 4 North, Range 18 West, Marion County, Mississippi and described as follows: Beginning at the northeast corner of said five (5) acre tract of land, on the west boundary of the Columbia-Sumrall road; thence run west along the north boundary of grantor's land fifty (50) feet; thence South and parallel with said Columbia-Sumrall road fifty (50) feet, thence east and parallel with the north boundary of grantor's land fifty (50) feet to the west boundary of said road, thence north along the west boundary of said road fifty (50) feet to the point of beginning, in the SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 33, Township 4 North, Range 18 West.

(79) The Substation at or near Laurel in Jones County to serve the Laurel Water Works, located on land owned by the City of Laurel.

(80) The Substation at or near Pascagoula in Jackson County to serve the Ingalls Ship Building Corporation, on land owned by the Ingalls Ship Building Corporation.

(81) The Substation at or near Laurel in Jones County, known as the Laurel 110/11 kv Substation, located on land described as follows:

A tract or parcel of land located in the Southwest fourth of the Northeast fourth, Section 32, Township 9 North, Range 11 West, and described as follows: Beginning at a point on the East boundary of the Southwest Fourth of the Northeast Fourth of said Section 32, said point being North 893.5 feet from the Southeast corner of the Southwest Fourth of the Northeast Fourth of said Section 32, thence west and at right angles to said East boundary line 613 feet; thence north and parallel with said East boundary line 426.5 feet to the North boundary of the said Southwest Fourth of the Northeast Fourth of said Section 32; thence East along said North boundary line 613 feet to the East boundary line of the Southwest Fourth of the Northeast Fourth, Section 32, thence South along said East boundary line 426.5 feet to the point of beginning. Containing in all six acres more or less.

(82) The Substation at or near Laurel in Jones County to serve the Masonite Company, on land described as follows:

A tract or parcel of land located in the Southeast quarter of Northwest quarter of Section 8, Township 8, North, Range 11 West, and more particularly described as follows:

Commence at a point 33 feet North of the Southwest corner of said Southeast quarter of Northwest quarter and run east 395.05 feet, thence run North 25 degrees 54 minutes West 563 feet to the point of beginning. Thence from said point of beginning run South 64 degrees 06 Minutes West 21 feet, thence North 25 degrees 54 minutes West 122 feet, thence North 64 degrees 06 minutes East 55 feet, thence South 25 degrees, 54 minutes East 122 feet, thence South 64 degrees 06 minutes West 34 feet to the point of beginning.

(83) The Substation at or near Stonewall in Clarke County known as the Stonewall-Enterprise Step-up Substation, located on land owned by the Stonewall Cotton Mills.

(84) The Substation at or near Columbia in Marion County known as the Columbia Step-up Substation, located on right-of-way of a City of Columbia street.

(85) The Substation at or near Mississippi City in Harrison County located on land described as follows:

A tract of ground located in the SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 36, T. 7 South, Range 11, West, and more particularly described as follows: Beginning at the SE corner of the SW $\frac{1}{4}$ of said section as relocated by H. D. Shaw, Surveyor, and running thence West along the South line of said section a distance of eighty-five feet (85.0 ft.) to an iron pipe, which marks the SE corner of the tract herein described; thence West along said section line a distance of one hundred feet (100.0 ft.) to an iron pipe; thence North at right angles a distance of fifty feet (50.0 ft.) to an iron pipe; thence East at right angles a distance of one hundred feet (100.0 ft.) to an iron pipe; and thence South at right angles a distance of fifty feet (50.0 ft.) to the said SE corner. The East boundary of the tract described is approximately thirty-one feet (31.0 ft.) West of the center line of the existing pavement on the road running North and South and commonly known as "Railroad Street."

(86) The Substation at or near Leakesville in Greene County located on land described as follows:

A tract or parcel of land in Block 18 of Northwest division to the Town of Leakesville, Greene County, Mississippi, and described as follows: Beginning at the intersection of the South boundary of said Block 18 and the East right-of-way line of the Mississippi and Alabama Railroad, which point is also the Southwest corner of said Block 18, thence run East along the South boundary of said Block 18 for a distance of 100 feet, thence North 30 degrees West to the North boundary of said Block 18, thence South 81 $\frac{1}{2}$ degrees West along the North boundary of said Block 18 to the Mississippi and Alabama Railroad right-of-way, thence South 36 degrees East along said Railroad right-of-way 209 feet more or less to the point of beginning.

(87) The Substation at or near Lucedale in George County located on land described as follows:

Lot 4, Block 16, Plat of a Resurvey of Town of Lucedale by F. Hess.

(88) The Substation at or near Waynesboro in Wayne County located on land described as follows:

Begin at the Southeast corner of Lot D of Block 17 of the Plat of the Town of Waynesboro, Mississippi, said point being the intersection of the North side of Court Street with the West side of Turner Street, thence run Southwesterly along the North side of Court Street 425 feet for a point of beginning, thence run Northwesterly at right angles to Court Street, 100 feet, thence Southwesterly parallel to Court Street 50 feet, thence Southeasterly parallel to Turner Street 100 feet to the North line of Court Street, thence Northeasterly along Court Street 50 feet to the point of beginning. The above described lot being a part of Lot C, Block 17.

V.

Telephone Properties.

All telephone lines, systems, properties, plants and equipment of the Company used or available for use in the operation of its properties, and all other property, real or personal, forming a part of or appertaining to or used, occupied or enjoyed in connection with such telephone properties or any of them, or adjacent thereto; together with all real estate, rights of way, easements, permits, privileges, franchises, property, devices or rights related to the dispatch, transmission, reception or reproduction of messages, communications, intelligence, signals, light, vision or sound by electricity, wire or otherwise, including all telephone equipment installed in buildings used as general and divisional offices, substations and generating stations and all telephone lines erected on towers and poles.

VI.

Other Real Property.

All other real property of the Company and all interests therein of every nature and description and wherever located, including the following described property in the State of Mississippi:

(1) A portion of Lot 5 of Block 178, Original Gulfport, more particularly described as follows, to-wit: That certain tract or parcel of land beginning at the Northeast corner of Lot 5 of Block 178 of Original City of Gulfport, as shown by the official map or plat of said city on file and of record in the Chancery Clerk's office in Harrison County, and thence running west 53 feet on the dividing line between Lots 4 and 5 in said Block 178; thence running south 10 feet; thence running west to the East side of the alley running North and South through said Lot; thence south along the East side of said Alley to the Southwest corner of said Lot 5; thence running east along the dividing line between Lots 5 and 6 in said Block 178 to the west boundary line of 25th Avenue, thence running north along the west side of 25th Avenue to the Northeast corner of said Lot 5, the place of beginning, located in Harrison County, being the site of the Gulfport Division office building.

(2) That lot or parcel of land beginning at a point in the easterly line of 30th Avenue three hundred (300) feet south from its intersection with the southerly line of 13th Street, running thence southerly along the easterly line of 30th Avenue four hundred and fifty (450) feet to a point, thence running easterly to such line two hundred and twenty (220) feet to a point, running thence northerly parallel with, and two hundred and twenty (220) feet distance from the easterly line of 30th Avenue four hundred and fifty (450) feet to a point, three hundred (300) feet south of the southerly line of 13th Street; thence westerly two hundred and twenty (220) feet to the point of beginning; such land being located in Block 201 in the City of Gulfport, Harrison County, being the site of the Gulfport shop and stores buildings.

(3) A thirty foot strip of land on the northeast side of Lots 143 and 144 of Block 162 of the D. H. McInnis First Addition to the City of Hattiesburg, such land having a frontage of thirty feet on West Pine Street with a rectangular depth of 150 feet, and having an alley on the side and an alley on the rear, except the party wall rights to the south wall on said land retained by C. Z. Stevens and J. M. Stevens in their deed to Hattiesburg Traction Company, located in Forrest County, being the site of the Hattiesburg Division office building.

(4) A parcel of land described as follows: Beginning at the point on the Northerly line of Oak Street 280.6 feet Southeasterly from the intersection of said line with the East line of Fifth Avenue, said point being in the center of 18 inch brick vestibule wall; thence run Northeastwardly at right angles with Oak Street along center line of said vestibule wall 2.7 feet; thence North along center line of continuance of 18 inch vestibule wall 18.6 feet; thence West along center line of continuance of 18 inch vestibule wall 5.2 feet; thence North along center line of 18 inch brick wall separating two divisions of the Yates Building, No. 2, and along projection of said line, 94.2 feet to the South line of existing alley; thence angle left 88 degrees and run Westwardly on the South line of said alley 44.75 feet to the center line of brick wall of Yates Building, No. 1; thence run South along center line of said wall 95.63 feet to the Northerly line of Oak Street; thence Southeastwardly along line of Oak Street 55.3 feet to point of beginning. Said land lying all in the $W\frac{1}{2}$ of $NW\frac{1}{4}$ of Section 5, Township 8 North, Range 11 West, City of Laurel, Jones County, being the site of the Laurel Division office building.

(5) Lots 1, 2, 3, 15 and 16 of Block 20 of the Kingston Addition to the City of Laurel in Jones County, being the site of the Laurel garage building.

(6) A parcel of land described as follows: Commencing at the Southwest corner of Lot 5, Block 9, Beard and Brandon Survey, Town of Lumberton, Lamar County, Mississippi, —on the north margin of Main Avenue, and from thence go Eastward along the north margin of Main Avenue, 64 feet and ten inches to and for the point of beginning; From thence to Northward, parallel with Second Street, 75 feet; from thence go Eastward, parallel with Main Avenue, 45 feet; from thence go Southward, parallel with Second Street, 75 feet to a point on the north margin of Main Avenue; from thence go Westward, along the north margin of Main Avenue, 45 feet—back to point of beginning, located in Lamar County, being the site of the Lumberton office building.

(7) That certain lot or parcel of land in the Town of Purvis described as follows: Twenty (20) feet across the entire south side of lot 29, and entire lots 30 and 31, all in block 3 of subdivision No. 1

of McKeene's survey of Town of Purvis, located in Lamar County, being the site of the Purvis office building.

(8) A strip of land 18 feet wide on the north side of Lot 7, in Block 20 across the entire length of the said lot of the W. A. Stevenson survey of the Town of Sumrall, Lamar County, Mississippi, as per plat now on file with the Chancery Clerk of Lamar County at Purvis, Mississippi, and, also, the land described as 2 feet wide and 100 feet long on the south of Lot 8 in Block 20 of the W. A. Stevenson survey of the Town of Sumrall, Mississippi, as per plat now on file with the Chancery Clerk of Lamar County at Purvis, Mississippi, and, also, one half interest in the brick wall on the south side of the Sumrall Motor Company's buildings and one half interest in the wall on the north side of the Masonic building one story high together with all the appurtenances thereto belonging.

(9) The east 90 feet of the west 118 feet of lot number 128 of the Third Ward of the City of Bay Saint Louis; said lot number being in accordance with the official map of said City, made by E. S. Drake and filed in the office of the Clerk of the Chancery Court on May 1, 1923, located in Hancock County.

(10) That lot or parcel of land lying and being located in the City of Biloxi in the County of Harrison, more particularly described as follows, to-wit: Beginning at a point on the eastern boundary of Lameuse Street one hundred and nine (109) feet south of the southern boundary of the Louisville and Nashville Railroad Company right of way, and running east parallel to said right of way one hundred and sixty-six (166) feet, thence south parallel to Lameuse Street eighty (80) feet, thence west parallel to the Louisville and Nashville Railroad Company right of way one hundred and sixty-six (166) feet, thence North along the eastern boundary of Lameuse Street eighty (80) feet to the point of beginning; such lot or parcel of land lying and being located in and a part of the private claim of John B. Carquotte designated on the United States Government township plats as section or claim No. 28, Township 7 South, Range 9 West, being the site of the Biloxi shop building.

(11) All that part of the Northwest quarter of Southeast quarter; the South 165 feet of the Southwest quarter of Northeast

quarter and the South 165 feet of the Southeast quarter of Northwest quarter of Section 31, Township 4 North, Range 15 East lying between the Mobile and Ohio Railroad and the Stonewall and Enterprise public road and being all that part of said Section 31, lying West of the Stonewall and Enterprise public road as now located, East of the Mobile and Ohio Railroad as now located and South of a line 165 feet North of the East and West half Section line of said Section 31, located near Stonewall in Clarke County.

(12) All of the right, title and interest of the Company in and to the Substation at Camp Shelby, near Hattiesburg, in Forrest County, to serve the United States Army, located on land owned by the State of Mississippi and leased to the United States Government for the use as a War Department training camp.

VII.

Excepted Property Hereafter Pledged or Possessed.

Any and all cash, bonds, stocks, obligations and other securities, contracts, accounts and bills receivable, judgments and other evidences of indebtedness, natural gas, oil, minerals and mineral rights and all other property (except stock in trade, materials or supplies manufactured or acquired for the purpose of sale and/or resale in the usual course of business or consumable in the operation of any of the properties of the Company) hereinabove expressly excepted or reserved from the lien hereof (a) which may be, notwithstanding such exception or reservation, from time to time hereafter by delivery or by writing of any kind for the purposes hereof deposited with or assigned or transferred to and pledged with the Trustee by the Company or by any one on its behalf or with its written consent, and the Trustee is hereby authorized to receive any such property at any and all times as and for additional security, or (b) which, pursuant to any of the provisions hereof, may come into the possession or control of the Trustee, or of a receiver lawfully appointed upon application of the Trustee or holders of bonds outstanding hereunder.

VIII.**Miscellaneous Property.**

Without intending to limit or restrict the generality or inclusiveness of the foregoing or the following description or provisions by the specific descriptions or provisions hereinbefore contained, all other property, real, personal and mixed (except as hereinbefore expressly excepted) now owned by the Company, wheresoever located, including (without in any wise limiting or impairing by the enumeration of the same the scope or intent of the foregoing or any description contained in this Indenture) all lands, dams, rights of way, roads, steam and power houses, gas plants, telephone systems, water works, water rights, plants, systems and equipment, ice and refrigerating plants, systems and equipment, steam heat and hot water plants, systems and equipment, buildings and other structures, and all offices, buildings and the contents thereof and the equipment therefor; all street and interurban railways, buses and bus properties; all machinery, engines, boilers, dynamos, electric and gas machinery, regulators, meters, transformers, generators, motors, electrical, gas and mechanical appliances, conduits, cables, hot water, steam heat, gas or other pipes, gas mains and pipes, service pipes, fittings, valves and connections, pole and transmission lines, wires, cables, bridges, tracks, tools, implements and apparatus; all cars, automobiles, trucks, motor cars, buses, vehicles, rolling stock and tracks; all furniture; all municipal, county and other franchises; all lines or conduits for the transmission or distribution of electric energy, gas, steam heat, water or hot water for any purpose, including poles, wires, cables, pipes, conduits and all apparatus for use in connection therewith; all real estate, lands, leases, leaseholds, water rights, heat, light, gas, electric, water, ice, refrigeration and other properties, easements, licenses, permits, franchises, privileges, rights of way and other rights in or relating to real estate or the occupancy of lands; and all the right, title and interest of the Company in and to all other property of any kind or nature appertaining to or used, occupied or enjoyed, or acquired for use, occupation or enjoyment, in connection with any property hereinbefore described or referred to.

IX.**After-Acquired Property.**

All the right, title and interest of the Company in and to any and all premises, property, franchises and rights of every kind and description, real, personal and mixed, tangible and intangible, hereafter acquired by the Company, except any hereinabove expressly excepted, including (without limitation of the foregoing) all premises, property, franchises and rights appertaining to or used, occupied or enjoyed, or acquired for use, occupation or enjoyment, in connection with any property at any time subject to the lien hereof; and it is hereby agreed by the Company that all such after-acquired property shall be as fully embraced within the lien hereof as if such property were owned by the Company and specifically described herein and conveyed hereby.

Signed for identification:

S. A. DAWLEY

W. W. MERKER

Recording Data.

Filed for record October 21, 1941

	Real Estate Record		Chattel Record	
	Book No.	Page No.	Book No.	Page No.
Recorded in the Offices of the Clerks of the Chancery Courts of the following Counties in Mississippi:				
Clarke	26	201 et seq.	83	201 et seq.
Covington	127	495-531	130	483-519
Forrest	89	329-448	23	1-119
George	14	323-359	17	219-255
Greene	H-1	1-37	24	1-37
Hancock	36	213-249	16	375-411
Harrison	116	461-497	77	487-523
Jackson	23	465-501	18	1-37
Jasper—First District	6	287-323	8	483-519
Jasper—Second District ..	18	149-185	31	1-37
Jefferson Davis	107	445-78	120	472-491
Jones—First District	T	76-112	A-12	63-99
Jones—Second District ..	43	164-200	A-13	64-100
Lamar	33	1-37	30	261-297
Lauderdale	245	105	75	271
Leake	GA	378-414	FD	31-67
Marion	166	85-121	173	84-120
Neshoba	105	311-347	108	47-87
Newton	43	323-359	80	345-381
Pearl River	28	301-337	39	439-475
Perry	20	7-44	BB	429-465
Scott	122	347-83	119	355-91
Smith	122	1 et seq.	121	17 et seq.
Stone	8	589-715	13	41-177
Wayne	98	116-152	107	25-61