

obligations as aforesaid) with the Corporate Trustee under the provisions of this Article XI and (to the extent that such cash is not paid or delivered to the trustee or other holder of a Prior Lien or lien prior hereto, as aforesaid) will deposit, when and as received, all cash thereafter received for said property (including cash received on account of principal of such obligations as aforesaid) with the Corporate Trustee under the provisions of this Article XI, and, subject to Section 119 hereof, will (to the extent that any cash so deposited is not applied, within four (4) months after the date deposited, to the purchase or redemption of bonds Outstanding hereunder, pursuant to the provisions of Article X hereof) irrevocably direct the Corporate Trustee to apply the cash so deposited with the Corporate Trustee to the redemption of bonds Outstanding hereunder pursuant to the provisions of Article X hereof to the extent that bonds then Outstanding hereunder are, by their express terms, redeemable before maturity by the application of cash deposited pursuant to this Section. For the purpose of this Section, cash at any time remaining on deposit with the Corporate Trustee representing payment to it on account of principal of any such obligations secured by purchase money mortgage upon the property taken or sold as aforesaid, or representing consideration deposited by the Company in connection with the release of any of such obligations or representing amounts deposited by the Company in connection with the release of any property taken or sold as aforesaid, may, at the option of the Company (evidenced by a notice in writing signed by its President or a Vice-President and its Treasurer or an Assistant Treasurer delivered to the Corporate Trustee), be deemed to have been deposited (as of the time of delivery of such notice) by the Company pursuant to this Section and shall thereupon be credited against any amount required to be deposited by the Company pursuant to this Section. The Company shall in no event be required to deposit cash pursuant to this Section nor shall any cash be required to remain on deposit pursuant to this Section at a time when no bonds Outstanding hereunder are, by their express, redeemable with cash deposited pursuant to this Section and unless any such cash then on deposit is required to be held by the Corporate Trustee under some other provision of this Indenture such cash shall be paid to the Company upon the written order of its President or a Vice-President and its Treasurer or an Assistant Treasurer. No bonds shall be purchased or redeemed with cash deposited pursuant to this paragraph unless (as shall be shown by an Independent Engineer's Certificate, which shall be furnished to the Corporate Trustee within six (6) months prior to any such purchase or the first notice of any such redemption) the Fair Value of the Mortgaged and Pledged Property remaining or to remain after the disposition or proposed disposition shall be at least equal to ten-sevenths (10/7) of the principal amount of bonds which will remain Outstanding hereunder immediately after such purchase or redemption and of all Prior Lien Bonds then Outstanding.

If the principal of the bonds hereby secured shall be declared due as provided in Section 67 hereof and if

(a) the Corporate Trustee shall then hold any cash which shall have been deposited pursuant to this Section or the Company shall then be obligated to deposit cash pursuant to this Section; or

(b) the Company shall then hold or be entitled to receive or the Corporate Trustee shall then hold any obligations secured by purchase money mortgage the proceeds of payment of which would (except for such declaration), if paid, be required to be deposited pursuant to this Section; or

(c) property of the Company shall have been taken by exercise of the power of eminent domain or proceedings for such taking shall have been commenced or are about to be commenced or the Company shall have sold or agreed to sell or shall then contemplate the sale of any of its property under circumstances which in any such case (assuming the completion of such taking or sale) would (except for such declaration) require the deposit of cash pursuant to this Section or result in the receipt by the Company of obligations secured by purchase money mortgage, the proceeds of payment of which would (except for such declaration) be required to be deposited pursuant to this Section; then, to the extent that bonds then Outstanding would (except for such declaration and disregarding the last sentence of the next preceding paragraph) by their express terms be redeemable before maturity by the application of cash deposited pursuant to this Section, the Corporate Trustee shall select, in the manner provided in Section 52 hereof, such amount of bonds so redeemable as could be redeemed by the application of an amount of cash equal to the aggregate amount of cash and obligations (taken at their principal amount) referred to in clauses (a), (b) and (c) above, and the bonds so selected shall be entitled to payment at the respective redemption prices then applicable in the case of the redemption of bonds with cash deposited pursuant to this Section; provided, however, no payment representing premium shall be made to any holder of bonds Outstanding hereunder pursuant to this paragraph unless and until payment of principal and accrued interest to a date fixed by the Corporate Trustee upon all bonds Outstanding hereunder shall have been made or funds for such payment shall be held in trust by the Corporate Trustee for such purpose. Subject to the provisions of Sections 88 and 89 hereof the Corporate Trustee shall not be liable for any action taken or for failure to take action pursuant to the provisions of this paragraph to the extent that the Corporate Trustee had no knowledge of the facts upon the basis of which action should or should not have been taken, as the case may be, pursuant to the provisions of this paragraph.