

thereof and successive registrations and transfers as aforesaid may be made from time to time as desired. Each registration of a coupon Bond, and each transfer of a coupon Bond so registered, shall be recorded on the registry books, and shall be noted on the Bond by the bond registrar of the Company. Registration of any of the coupon Bonds as to principal, however, shall not affect the negotiability of the coupons appertaining to such Bond, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to the bearer.

SECTION 4. The Company and the Trustee may deem and treat the bearer of any coupon Bond which shall not at the time be registered as to principal, and the bearer of any coupon for interest on any coupon Bond, whether such Bond shall be registered as to principal or not, as the absolute owner of such Bond, or coupon, for all purposes, and neither the Company nor the Trustee shall be affected by any notice to the contrary.

As to all registered Bonds, either with or without coupons, the person in whose name the same shall be registered shall, for all purposes of this Indenture, be deemed and be regarded as the owner thereof, and thereafter, payment of, or on account of, the principal of such Bond, if it be a coupon Bond registered as to principal, and of the principal and interest, if it be a registered Bond without coupons, shall be made only to, or upon the order of, such registered holder thereof. All such payments so made shall be valid and effectual to satisfy and to discharge the liability upon such Bonds to the extent of the sum or sums so paid.

SECTION 5. In case any Bond issued hereunder shall become mutilated or be lost, stolen or destroyed, the Company, in the case of a mutilated Bond shall, and in the case of a lost, stolen or destroyed Bond may in its discretion, execute, and thereupon the Trustee shall authenticate and deliver, a new Bond with or without coupons as the case may be, of like tenor and date, bearing the same or a different serial number, or numbers, and bearing the same rights with respect to interest, in exchange and substitution for and upon cancellation of the mutilated Bond and its coupons, if any, or in lieu of and in substitution for the Bond and its coupons, if any, so lost, stolen, or destroyed upon the production of evidence satisfactory to the Company and the Trustee of the loss, theft or destruction of such Bond and its coupons, if any, or that the mutilated Bond was one of the Bonds issued hereunder, as the case may be, and upon receipt by the Company and the Trustee, respectively, of such indemnity as in their discretion they may require; provided, that if any such Bond or coupon shall have matured or shall be about to mature, instead of issuing a substituted Bond or coupon, the Company may pay the same without surrender thereof. The applicant for such substituted Bond shall pay all expenses, including counsel fees, in connection with the preparation and issue thereof.

Any new Bond issued under this Section in lieu of any Bond alleged to have been lost, stolen or destroyed shall constitute an additional original contractual obligation of the Company, whether or not the Bond alleged to have been lost, stolen or destroyed be at any time enforceable by anyone; and such new Bond shall be entitled to the benefits of this Indenture equally and ratably with all other Bonds issued hereunder, subject to the provisions of Section 1 of Article Seven.

SECTION 6. Pending the preparation of the definitive engraved Bonds to be issued hereunder, the Company may execute and the Trustee upon the written request of the Company shall authenticate and deliver in lieu of such definitive Bonds, and subject to the same provisions, limitations and conditions, temporary bearer Bonds, registerable as to principal, in any denomination substantially of the tenor of the definitive Bonds in lieu of which they are to be issued, with or without coupons, and with appropriate omissions, insertions and variations as may be required. Such temporary Bonds shall be exchangeable, without expense to the holder, for the definitive Bonds in lieu of which they are issued, and upon surrender and cancellation of such temporary Bonds, the Company shall execute and the Trustee upon the written request of the Company shall authenticate and deliver in exchange therefor definitive Bonds for the same aggregate principal amount. Until so exchanged, the temporary Bonds in all respects shall be entitled to the same lien and security of this Indenture as the definitive Bonds issued and authenticated hereunder.

## ARTICLE TWO.

### Issue of Bonds.

SECTION 1. Upon the execution of this Indenture, the Company shall execute and deliver to the Trustee Five Million Dollars (\$5,000,000) principal amount of Bonds which shall be known as "Second Mortgage 3 $\frac{3}{4}$ % Bonds", hereinafter sometimes called Bonds, and thereupon the Trustee without further action by the Board of Directors of the Company and without awaiting the filing or recording of this Indenture shall authenticate the said Bonds and deliver the same upon the written order of the Company, signed in its name by its President or one of its Vice-Presidents; provided that the Trustee shall have received certificates in form satisfactory to the Trustee, from the trustees under the Company's First Mortgage, dated July 1, 1914, to the effect (a) that the Company's said First Mortgage dated July 1, 1914, has been satisfied and released (which satisfaction and release need not have been recorded at the date of such certificates), and (b) that arrangements satisfactory to the trustees under said mortgage have been made for the payment or cancellation of all bonds authenticated and delivered and outstanding under said mortgage.

SECTION 2. Bonds shall also be issuable under this Indenture from time to time in principal amounts equal to the principal amounts of First Mortgage Bonds of the Company due November 1, 1963, retired and cancelled through the sinking fund provisions of the First Mortgage of the Company dated November 1, 1943.

Whenever and as often as the Company shall tender to the Trustee:

(1) A certificate or certificates of the trustee under said First Mortgage to the effect that bonds theretofore issued and outstanding under said First Mortgage and not included in any previous certificate of retirement and cancellation of bonds retired and cancelled through the sinking fund provisions of said First Mortgage have been retired and cancelled through the sinking fund provisions of said First Mortgage; and

(2) A copy, authenticated in a manner satisfactory to the Trustee, of any orders or certificates of any commissions or governmental authorities authorizing the issue of such Bonds; and