

the Company (but excluding any provisions for amortization of any amounts included in utility plant acquisition adjustment accounts or utility plant adjustment accounts),

will not exceed the amount of the aggregate net income of the Company for said period available for dividends (computed and ascertained in accordance with sound accounting practice, on a cumulative basis, including the making of proper deductions for any deficits occurring during any part of such period) plus \$3,000,000.

The Company further covenants and agrees that not later than May 1 of each year beginning with the year 1965 it will furnish to the Corporate Trustee a Treasurer's Certificate stating whether or not the Company has fully observed the restrictions imposed upon it by the covenant contained in this Section 2.

ARTICLE III.

Improvement Fund for Bonds of the Ninth Series.

SECTION 3. The Company covenants that, so long as any bonds of the Ninth Series shall remain Outstanding, it will, as an additional improvement fund for the benefit of the bonds of the Ninth Series Outstanding under the Mortgage, as supplemented, on or before October 1 of each year beginning with the year 1965, in addition to the amounts which will be required as to the bonds of the Ninth Series pursuant to the original provisions of Section 39 of the Mortgage, deliver to the Corporate Trustee, an amount in cash and/or principal amount of bonds of the Ninth Series equivalent to another one-half (1/2) of one per centum (1%) of the greatest principal amount of bonds of such Ninth Series prior to January 1 of such year at any one time Outstanding and such delivery shall be deemed to be an additional requirement of said Section 39 and subject to all the provisions thereof excepting

(a) that the right to obtain credits against the amount of cash or bonds of the Ninth Series payable or deliverable not only pursuant to the provisions of this Section 3 but also pursuant to the original provisions of Section 39 of the Mortgage for the Cost or then Fair Value to the Company (whichever is less) of any Property Additions which shall be set forth in the Treasurer's Certificate provided for by said Section 39 pursuant to the requirements of clause (b) of

subdivision (A) of said Section 39 in respect of the bonds of the Ninth Series only shall be limited to seventy per centum (70%) of such Cost or then Fair Value to the Company (whichever is less); and

(b) that cash deposited not only pursuant to the provisions of this Section 3 but also pursuant to the original provisions of said Section 39 in respect of bonds of the Ninth Series only may be withdrawn, used or applied from time to time only in the manner, to the extent, for the purposes and subject to the conditions provided in Section 31 and Section 32 of the Mortgage with respect to cash deposited under Section 30 thereof and, for all purposes of Section 26 of the Mortgage, such cash shall be treated as if the same had been deposited under Section 30 of the Mortgage.

ARTICLE IV.

Miscellaneous Provisions.

SECTION 4. Subject to the amendments provided for in this Eighth Supplemental Indenture, the terms defined in the Mortgage, as heretofore supplemented, shall, for all purposes of this Eighth Supplemental Indenture, have the meanings specified in the Mortgage, as heretofore supplemented.

SECTION 5. Section 39 of the Mortgage, as heretofore amended, is hereby further amended by inserting the words "; and provided further that the Company may not deposit cash prior to July 1, 1969, in anticipation of the requirements of this Section or of Section 3 of the Eighth Supplemental Indenture in respect of the 4 1/2 % Series due 1994 other than a requirement becoming due in the current calendar year, if the cash so deposited represents borrowed funds, or is in anticipation of funds to be borrowed, having an interest cost (calculated in accordance with acceptable financial practice) of less than four and one half per centum (4 1/2 %) per annum," before the period at the end of the second paragraph of subdivision (B) of that Section.

So long as any bonds of the Ninth Series are Outstanding, any cash held at any time in any sinking or improvement fund or similar device for the retirement of bonds (other than cash deposited under the provisions of Section 64 of the Mortgage, which cash shall be governed as provided in the Mortgage, as supplemented) of the First, Second, Third,