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IOWA SOUTHERN UTILITIES COMPANY OF  
DELAWARE

TO

THE NORTHERN TRUST COMPANY

AND

SHELDON A. WEAVER  
AS TRUSTEES

Supplemental Indenture

Dated January 1, 1948

Ind.	✓
Rec.	✓
Page	✓
C.S.	✓

Providing for the Issuance of First Mortgage Bonds,  
3 5/8% Series due January 1, 1978, of INDEXED IN CHATTEL  
Iowa Southern Utilities Company of Delaware. MORTGAGE INDEX No. 24

STATE OF IOWA }  
MADISON COUNTY } ss  
Filed for record the 7 day of February  
A.D. 1948 at 10:35 o'clock A. M.  
Recorded in book 96A on page 1  
Thelma M. Wade Recorder  
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Fee \$ 17.10

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46 pages

This Supplemental Indenture dated as of the 1st day of January, 1948 between Iowa Southern Utilities Company of Delaware, a corporation organized and existing under the laws of the State of Delaware (hereinafter sometimes called the "Company"), party of the first part, and The Northern Trust Company, a corporation organized and existing under the laws of the State of Illinois, and Sheldon A. Weaver, as Trustees (both of whom are hereinafter referred to as the "Trustees" and the first mentioned of whom is hereinafter referred to as the "Corporate Trustee" and the last mentioned of whom, together with his predecessor in the trust, Harold H. Rockwell, is hereinafter referred to as the "Individual Trustee"), parties of the second part,

WITNESSETH :

WHEREAS, a certain Indenture or Deed of Trust (hereinafter sometimes termed the "Original Indenture") dated as of the 1st day of February, 1923, was made between the Company, as party of the first part, and The Northern Trust Company and Harold H. Rockwell as Trustees, as parties of the second part, whereby the Company mortgaged and pledged to the said Trustees and their successors in the trust and assigns, all and singular its properties, real, personal, and mixed, then owned, or which might thereafter be acquired (except certain property expressly excepted and reserved from the lien thereof), for the purpose of securing the payment of the principal and interest of all bonds at any time issued and outstanding under the Original Indenture and to secure the performance and observance of all the covenants and conditions upon which the said bonds might be issued, received and held, in trust, and subject to the agreements, covenants and conditions expressed in the Original Indenture, which Original Indenture has been duly recorded in the following counties, in the State of Iowa, to wit: Clarke, Davis, Monroe, Union, Lucas, Louisa, Ringgold, Appanoose, Keokuk, Wayne, Taylor, Poweshiek, Jasper, Washington, Des Moines, Decatur, Wapello, Jefferson, Adams, Mahaska, Madison, Adair, Henry and Warren, and

WHEREAS, pursuant to the provisions of Section 4 of Article XIV of the Original Indenture by an instrument in writing dated April 10, 1939, duly executed by The Northern Trust Company,

as Trustee, by its Vice-President under its seal, said Harold H. Rockwell was removed as Individual Trustee under the Original Indenture and S. A. Weaver (Sheldon A. Weaver), an officer of said The Northern Trust Company, was appointed successor in trust to the said Individual Trustee, and

WHEREAS, heretofore and at various times the Company has duly executed and delivered to The Northern Trust Company and Harold H. Rockwell or Sheldon A. Weaver, as Trustees various supplemental indentures to the Original Indenture, including in particular a supplemental indenture to the Original Indenture, dated as of October 2, 1945, assented to by the holders of all the bonds at the time outstanding under the Original Indenture (other than bonds called for redemption with funds deposited with the Corporate Trustee), wherein and whereby the Original Indenture was modified and amended, certain property was released from the lien of the Original Indenture, and all articles, covenants and provisions thereof subsequent to the granting clauses thereof were rewritten as Articles I to XXII, inclusive, (the said Original Indenture as so modified and amended being hereinafter termed the Amended Indenture), and

WHEREAS, the Amended Indenture provides, in Sections 2.02 and 2.03 thereof, that bonds may be issued thereunder in series and for the execution and delivery of a supplemental indenture setting forth the general form of the bonds of such series whether coupon bonds or registered bonds without coupons or both which it shall be determined to issue and the general form of coupon appertaining to the coupon bonds of such series and that the text thereof so set forth shall conform substantially to the tenor and purport of the general form of coupon bond, general form of registered bond without coupons and general form of coupon set forth in Section 14 of Article II of the Original Indenture as heretofore amended by the Supplemental Indenture dated as of May 2, 1940, with such additional and other "variable provisions of series" as may be fixed for the particular series provided for in such supplemental indenture, and

WHEREAS, all mortgages or trust indentures prior in lien to the lien of the Original Indenture or the Amended Indenture have been satisfied and discharged of record and the Original Indenture and the Amended Indenture are now a first mortgage lien upon the properties subject thereto, and

WHEREAS, the Company desires, pursuant to the provisions of Section 2.03 and Section 22.03 of the Amended Indenture, to provide, by the execution and delivery of this Supplemental Indenture, for the issuance under the Amended Indenture of bonds of a series to be designated "First Mortgage Bonds, 3 $\frac{5}{8}$ % Series due January 1, 1978" to be substantially in the form and to contain the terms and provisions hereinafter set forth; and for the creation of a Sinking Fund for the purchase, redemption, acquisition or retirement of the bonds of the said series; and to assign, convey, mortgage, pledge, transfer and set over unto the Trustees additional property or properties of the Company acquired by the Company subsequently to the execution and delivery of the Original Indenture and not heretofore specifically described in the Original Indenture or any indenture supplemental thereto or in the Amended Indenture for the purpose of confirming the lien of the Original Indenture and the Amended Indenture thereon; and to provide in accordance with the provisions of Section 1 of Article III of the Supplemental Indenture dated October 1, 1945 for the redemption prices of the bonds of such Series in the event that all or substantially all of the property of the Company used or useful in the electric utility business of the Company shall be taken by exercise of the power of eminent domain, and to add to the covenants contained in the Amended Indenture certain additional covenants hereafter to be observed by the Company, and

WHEREAS, the execution and delivery of this Supplemental Indenture and the issue of bonds as in this Supplemental Indenture and the Amended Indenture provided have been duly authorized by resolutions duly adopted by the Board of Directors of the Company, and

WHEREAS, all things necessary to make said bonds, when duly issued and executed by the Company and authenticated and delivered by the Corporate Trustee, valid, binding and legal obligations of the Company and to make the Amended Indenture and this Supplemental Indenture valid, binding and legal instruments for the security thereof, have been done and performed and the issue of said bonds as in this Supplemental Indenture and the Amended Indenture provided has been in all respects duly authorized;

Now, THEREFORE, Iowa Southern Utilities Company of Delaware in consideration of the premises and of One Dollar (\$1.00) to it paid by the Trustees at or before the ensembling and delivery

of these presents, the receipt whereof is hereby acknowledged, for the purposes hereinabove recited, and in particular for the purpose of creating a series of bonds to be designated "First Mortgage Bonds, 3 $\frac{5}{8}$ % Series due January 1, 1978" and establishing the form and terms thereof, does hereby covenant to and with the Trustees, as follows:

#### ARTICLE I.

##### PROVISIONS IN RESPECT OF THE BONDS OF THE 3 $\frac{5}{8}$ % SERIES DUE JANUARY 1, 1978.

SECTION 1. There is hereby created for issuance under the provisions of the Amended Indenture a series of bonds designated "First Mortgage Bonds, 3 $\frac{5}{8}$ % Series due January 1, 1978" hereinafter termed 3 $\frac{5}{8}$ % Series due January 1, 1978.

SECTION 2. In accordance with the provisions of Sections 2.02 and 2.03 of the Amended Indenture the following "variable provisions of series" are hereby fixed for the bonds of said 3 $\frac{5}{8}$ % Series due January 1, 1978 and shall be appropriately expressed in the bonds of said Series and in the general forms thereof hereinafter set forth:

(a) The designation of said Series is 3 $\frac{5}{8}$ % Series due January 1, 1978 and the full title to be borne by the bonds of said Series is "First Mortgage Bond, 3 $\frac{5}{8}$ % Series due January 1, 1978".

(b) The date to be borne by the coupon bonds of said Series is January 1, 1948, and the date to be borne by the registered bonds of said Series is as provided in the Amended Indenture.

(c) The date of maturity of the bonds of said Series is January 1, 1978.

(d) The rate of interest to be borne by the bonds of said Series is Three and five-eighths per cent. (3 $\frac{5}{8}$ %) per annum from the date thereof until the Company's obligation with respect to the payment of the principal shall be discharged and six per cent. (6%) per annum on any overdue principal and on any overdue installment of interest (to the extent that payment of such interest on overdue interest is enforceable under applicable law).

(e) The dates for payment of interest on the bonds of said Series are January 1 and July 1 of each year.

(f) The currency in which the principal of and premium, if any, and interest on the bonds of said Series shall be payable is lawful money of the United States of America.

(g) The place for the payment of the principal of and premium, if any, and interest on the bonds of said Series is the office of the Corporate Trustee, or its successor as such Corporate Trustee, in the City of Chicago, State of Illinois, and such place in the Borough of Manhattan, City and State of New York, if any, as the Company may hereafter designate.

(h) The maximum aggregate principal amount of bonds of said Series that may be issued under the Amended Indenture is Two Million Dollars (\$2,000,000) provided that this subdivision (h) shall not be deemed or construed to affect the amount of bonds of said Series that may be issued upon transfer of or in exchange for bonds previously outstanding or that may be issued pursuant to Section 2.12 of the Amended Indenture in lieu of lost, stolen, destroyed or mutilated bonds of said Series.

(i) The coupon bonds of said Series shall be registerable as to principal.

(j) The place for the registration of the coupon bonds and registered bonds without coupons of said Series shall be the office of the Corporate Trustee or its successor as such Corporate Trustee, in the City of Chicago, State of Illinois.

(k) The bonds of said Series shall be issuable as coupon bonds of the denomination of One Thousand Dollars (\$1,000) and as registered bonds without coupons of the denomination of One Thousand Dollars (\$1,000) and any multiple of One Thousand Dollars (\$1,000); the Company may hereafter provide in accordance with the provisions of the Amended Indenture, for the issue of coupon bonds of said Series of another or other denominations.

(l) The coupon bonds of the denomination of One Thousand (\$1,000) of said Series shall be interchangeable with registered bonds without coupons of said Series and the registered bonds without coupons of the various denominations of said Series shall be interchangeable one with the other; all as hereinafter in this Section set forth.

(m) The bonds of said Series shall be redeemable prior to January 1, 1978, at the option of the Company, at any time

as a whole, or at any time and from time to time in part, upon not less than thirty nor more than ninety days' previous notice, to be given as hereinafter provided, at the principal amount thereof, and unpaid interest accrued thereon to the date fixed for redemption plus a premium which, except in case of redemption through the use of moneys in the Sinking Fund provided for the bonds of said Series in Section 3 of this Article I or certain other moneys as provided in Section 1 of Article III of the Supplemental Indenture dated as of October 1, 1945, shall be during the respective periods set forth in following schedule the respective percentages of the principal amount set forth for such periods, as follows:

<b>On or After</b>	<b>And Before</b>	<b>Redemption Premium</b>
January 1, 1948	January 1, 1953	6%
January 1, 1953	January 1, 1958	5%
January 1, 1958	January 1, 1963	4%
January 1, 1963	January 1, 1968	3%
January 1, 1968	January 1, 1973	2%
January 1, 1973	January 1, 1978	1%

The bonds of said Series shall also be redeemable in part on January 1, 1952 and in part on January 1 of each year thereafter to and including January 1, 1977, through the use of moneys in the Sinking Fund provided for the bonds of said Series in Section 3 of this Article, upon notice of redemption to be given as hereinafter provided, at the principal amount thereof, and unpaid interest accrued thereon to the date fixed for redemption plus a premium which shall be on the respective dates set forth in the following schedule the respective percentages of the principal amount set forth for such dates, as follows:

<b>Redemption Date</b>	<b>Redemption Premium</b>
January 1, 1952.....	2.13%
January 1, 1953.....	2.08%
January 1, 1954.....	2.02%
January 1, 1955.....	1.97%
January 1, 1956.....	1.91%
January 1, 1957.....	1.85%
January 1, 1958.....	1.79%
January 1, 1959.....	1.73%
January 1, 1960.....	1.66%
January 1, 1961.....	1.60%

Redemption Date	Redemption Premium
January 1, 1962.....	1.53%
January 1, 1963.....	1.45%
January 1, 1964.....	1.38%
January 1, 1965.....	1.30%
January 1, 1966.....	1.22%
January 1, 1967.....	1.14%
January 1, 1968.....	1.05%
January 1, 1969.....	.96%
January 1, 1970.....	.87%
January 1, 1971.....	.78%
January 1, 1972.....	.68%
January 1, 1973.....	.57%
January 1, 1974.....	.47%
January 1, 1975.....	.36%
January 1, 1976.....	.24%
January 1, 1977.....	.13%

The bonds of said Series shall also be redeemable as provided in Section 1 of Article III of the Supplemental Indenture dated October 1, 1945 in the event that all or substantially all of the property of the Company used or useful in the electric utility business of the Company shall be taken by the exercise of the power of eminent domain, upon notice of redemption to be given as hereinafter provided, at the principal amount thereof, and unpaid interest accrued thereon to the date fixed for redemption plus a premium which shall be during the respective periods set forth in the following schedule the respective percentages of the principal amount set forth for such periods, as follows:

On or After	And Before	Redemption Premium
January 1, 1948	January 1, 1949	2.32%
January 1, 1949	January 1, 1950	2.27%
January 1, 1950	January 1, 1951	2.22%
January 1, 1951	January 1, 1952	2.18%
January 1, 1952	January 1, 1953	2.13%
January 1, 1953	January 1, 1954	2.08%
January 1, 1954	January 1, 1955	2.02%
January 1, 1955	January 1, 1956	1.97%
January 1, 1956	January 1, 1957	1.91%
January 1, 1957	January 1, 1958	1.85%
January 1, 1958	January 1, 1959	1.79%
January 1, 1959	January 1, 1960	1.73%
January 1, 1960	January 1, 1961	1.66%

On or After	And Before	Redemption Premium
January 1, 1961	January 1, 1962	1.60%
January 1, 1962	January 1, 1963	1.53%
January 1, 1963	January 1, 1964	1.45%
January 1, 1964	January 1, 1965	1.38%
January 1, 1965	January 1, 1966	1.30%
January 1, 1966	January 1, 1967	1.22%
January 1, 1967	January 1, 1968	1.14%
January 1, 1968	January 1, 1969	1.05%
January 1, 1969	January 1, 1970	.96%
January 1, 1970	January 1, 1971	.87%
January 1, 1971	January 1, 1972	.78%
January 1, 1972	January 1, 1973	.68%
January 1, 1973	January 1, 1974	.57%
January 1, 1974	January 1, 1975	.47%
January 1, 1975	January 1, 1976	.36%
January 1, 1976	January 1, 1977	.24%
January 1, 1977	July 1, 1977	.13%
July 1, 1977	January 1, 1978	.07%

In each case of redemption of all or a part of the bonds of said Series notice of intention to redeem shall be given by or on behalf of the Company as follows: If all of the bonds to be redeemed at any one time shall be registered bonds, including coupon bonds registered as to principal, notice of intention to redeem shall be sufficiently given if mailed not less than thirty nor more than ninety days before the date fixed for redemption, first class mail postage prepaid, and if the Company so elects by registered mail, to each registered owner of the bonds to be redeemed at his address as listed on the registration books. In any other case notice of intention to redeem shall be given by publication at least once in each of not less than three successive calendar weeks preceding the date fixed for redemption and in each case on any day in the week (the first publication to be not less than thirty nor more than ninety days before the date fixed for redemption), in a newspaper, printed in the English language and customarily published on each business day, of general circulation in the City of Chicago, State of Illinois, and in a newspaper, printed in the English language and customarily published on each business day, of general circulation in the Borough of Manhattan, City and State of New York. Except as otherwise herein provided the redemption of the bonds of said Series shall be subject to the provisions of the Amended Indenture.

Unless registered as to principal as herein provided, the coupon bonds of said Series shall be negotiable and transferable by delivery. Upon presentation of any coupon bond or bonds of said Series at the office of the Corporate Trustee in the City of Chicago, State of Illinois, the Company will, at the request of the bearer thereof, cause such bond or bonds to be registered as to the principal thereof, in the name of the owner on the books of the Company to be kept for that purpose at said office, and such registration shall be noted on such bond or bonds. After such registration no further transfer of such bond or bonds shall be valid unless made on said books by the registered owner in person or by an attorney duly authorized and similarly noted on such bond or bonds; but such bond or bonds may be discharged from registration by being in like manner registered as payable to bearer, whereupon transferability by delivery shall be restored. Such bond or bonds may again and from time to time be similarly registered in the name of the owner or as payable to bearer. Registration of any such bonds, however, shall not affect the transferability, by delivery merely, of any coupon thereto appertaining, and payment to the bearer of any such coupon shall discharge the Company in respect of the interest therein mentioned whether or not the bond to which such coupon appertained shall have been registered as to principal. No charge shall be made to the holder for any such registration or discharge from registration except such amount as shall be necessary to cover stamp taxes or other governmental charges.

For each registered bond of said Series without coupons authenticated and delivered hereunder there shall be reserved serial numbers for coupon bonds of the same series of the denomination of One Thousand Dollars (\$1,000) each of an aggregate principal amount equal to the aggregate principal amount of such registered bonds without coupons so authenticated and delivered, and whenever any registered bond without coupons of said Series shall be so authenticated and delivered there shall be stated in a legend endorsed thereon the serial number or numbers so reserved for coupon bonds to be issued in exchange for such registered bond without coupons. Such serial numbers may be expressed as groups of all numbers between or including specified numbers or in any other reasonable manner as the Corporate Trustee, in its discretion, may determine.

The bearer or registered owner of any coupon bond or bonds of said Series of the denomination of One Thousand Dollars (\$1,000)

at his option may surrender the same, with all coupons appertaining thereto maturing after the last date to which interest shall have been paid (or provided for by the deposit of funds necessary for payment with the Corporate Trustee, or other paying agent), at the office of the Corporate Trustee in the City of Chicago, State of Illinois, in exchange for a registered bond or bonds without coupons of the same series of any authorized denomination or denominations of an aggregate principal amount equal to the aggregate principal amount of the coupon bond or bonds so surrendered; all upon payment of the charges and subject to the terms and conditions specified in the Amended Indenture. Thereupon the Company shall execute and deliver to the Corporate Trustee and the Corporate Trustee shall authenticate and deliver in exchange therefor a registered bond or bonds without coupons of the same series as the coupon bond or bonds so surrendered of the required principal amount; and in like manner the registered owner of any registered bond or bonds without coupons of the said Series at his option may surrender the same accompanied by a written instrument of transfer in form approved by the Corporate Trustee duly executed by the registered owner or his duly authorized attorney, at the said office of the Corporate Trustee, for cancellation in exchange for a coupon bond or bonds of the same series as the registered bond or bonds so surrendered, of the denomination of One Thousand Dollars (\$1,000) each, bearing the serial numbers endorsed on such registered bond or bonds without coupons so surrendered of an aggregate principal amount equal to that of the bond or bonds so surrendered and having attached thereto all coupons appertaining thereto maturing after the last date to which interest shall have been paid (or provided for by the deposit of funds necessary for payment with the Corporate Trustee or other paying agent) on the registered bond or bonds without coupons so surrendered; all upon payment of the charges and subject to the terms and conditions specified in the Amended Indenture.

The registered owner of any registered bond or bonds without coupons of the said Series, at his option may surrender the same, accompanied by a written instrument of transfer in form approved by the Corporate Trustee duly executed by the registered owner or his duly authorized attorney, at the office of the Corporate Trustee in the City of Chicago, State of Illinois, for cancellation in exchange for another or other registered bonds without coupons of the same series as the registered bond or bonds so surrendered

of other authorized denominations of an aggregate principal amount equal to the aggregate principal amount of the registered bond or bonds without coupons so surrendered and bearing interest as provided herein and in the Amended Indenture; all upon payment of the charges and subject to the terms and conditions specified in the Amended Indenture. Thereupon the Company shall execute and deliver to the Corporate Trustee and the Corporate Trustee shall authenticate and deliver such other registered bonds to such registered owner.

The text of the bonds of said Series and of the coupons appertaining to the coupon bonds of said Series shall conform substantially to the form of coupon bond and the form of coupon appertaining thereto and the form of registered bond without coupons of the said Series hereinafter set forth.

[GENERAL FORM OF COUPON BOND OF THE 3 $\frac{5}{8}$ % SERIES  
DUE JANUARY 1, 1978]

IOWA SOUTHERN UTILITIES COMPANY  
OF DELAWARE

(Incorporated under the laws of the State of Delaware)

First Mortgage Bond, 3 $\frac{5}{8}$ % Series due January 1, 1978

No. .... \$.....

IOWA SOUTHERN UTILITIES COMPANY OF DELAWARE, a corporation organized and existing under and by virtue of the laws of the State of Delaware (hereinafter called the Company), for value received, hereby promises to pay to the bearer or, if this bond be registered as to principal, to the registered owner hereof, on the first day of January, 1978, at the office of The Northern Trust Company, the Corporate Trustee under the Indenture hereinafter mentioned, or its successor as such Corporate Trustee, in the City of Chicago, State of Illinois, or, at the option of such bearer or registered owner, at the office or agency, if any, of the Company in the Borough of Manhattan, City and State of New York, the sum of ..... Dollars in lawful money of the United States of America, and to pay interest thereon from

the first day of January, 1948, at the rate of three and five-eighths per cent. ( $3\frac{5}{8}\%$ ) per annum, in like money, until the Company's obligation with respect to the payment of such principal shall be discharged, and to pay interest in like money on any overdue principal and on any overdue installment of interest (to the extent that payment of such interest on overdue interest is enforceable under applicable law) at the rate of six per cent ( $6\%$ ) per annum; said interest being payable at said office of the Corporate Trustee or at said office or agency, if any, of the Company in the Borough of Manhattan, City and State of New York, on the first day of January and on the first day of July in each year, but, until the maturity hereof, only according to the tenor and upon presentation and surrender of the respective coupons hereto attached, as they severally mature.

This bond is one of a duly authorized issue of bonds of the Company, known as its First Mortgage Bonds, of the series and designation indicated on the face hereof, which issue of bonds consists, or may consist, of several series of varying denominations, dates and tenor, all issued and to be issued under and equally secured (except in so far as a sinking fund, or similar fund, established in accordance with the provisions of the Indenture hereinafter mentioned may afford additional security for the bonds of any specific series) by an Indenture dated February 1, 1923, executed by the Company to The Northern Trust Company and Harold H. Rockwell, as Trustees (who, together with their successors, as of any particular time, in the trusts reposed in them, are herein called the Trustees and the former of whom, together with its successor as of any particular time, in the trusts reposed in it, is herein called the Corporate Trustee), as amended by the Supplemental Indenture dated October 2, 1945 and supplemented by the Supplemental Indenture dated October 1, 1945 and the Supplemental Indenture dated January 1, 1948 creating the series of bonds designated  $3\frac{5}{8}\%$  Series due January 1, 1978 which series is limited to the aggregate principal amount of Two Million Dollars (\$2,000,000), (such Indenture, as amended and supplemented, being herein called the Indenture). Reference is hereby made to the Indenture for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the holders of the bonds as to such security, and the terms and conditions upon which the bonds may be issued under the Indenture and are secured. The principal hereof may be declared

or may become due on the conditions, in the manner and at the time set forth in the Indenture, upon the happening of a default as in the Indenture provided.

The bonds of the 3½% Series due January 1, 1978 are subject to redemption, prior to January 1, 1978, as provided in the Indenture, at the option of the Company, at any time as a whole, or at any time and from time to time in part, upon notice given as provided in the Indenture, which in case any coupon bonds (other than coupon bonds registered as to principal) are to be redeemed shall be published at least once in each of not less than three successive calendar weeks, in a newspaper, printed in the English language and customarily published on each business day, of general circulation in the City of Chicago, State of Illinois, and in a newspaper, printed in the English language and customarily published on each business day, of general circulation in the Borough of Manhattan, City and State of New York, the first publication to be not less than thirty nor more than ninety days before the date fixed for redemption, and which in case only registered bonds (including coupon bonds registered as to principal) are to be redeemed shall be given by mail only not less than thirty nor more than ninety days before the date fixed for redemption, at the principal amount thereof, and unpaid interest accrued thereon to the date fixed for redemption plus a premium which, except in case of redemption through the use of moneys in the Sinking Fund provided for the bonds of said Series in the Indenture and certain other moneys as hereinafter set forth, shall be during the respective periods set forth in the following schedule the respective percentages of the principal amount set forth for such periods, as follows:

On or After	And Before	Redemption Premium
January 1, 1948	January 1, 1953	6%
January 1, 1953	January 1, 1958	5%
January 1, 1958	January 1, 1963	4%
January 1, 1963	January 1, 1968	3%
January 1, 1968	January 1, 1973	2%
January 1, 1973	January 1, 1978	1%

The bonds of the 3½% Series due January 1, 1978 are also subject to redemption, as provided in the Indenture, in part on January 1, 1952 and in part on January 1 of each year thereafter to and including January 1, 1977, through the use of moneys in the

Sinking Fund provided for the bonds of said Series in the Indenture, upon notice of redemption given as aforesaid, at the principal amount thereof, and unpaid interest accrued thereon to the date fixed for redemption plus a premium which shall be on the respective dates set forth in the following schedule the respective percentages of the principal amount set forth for such dates, as follows:

Redemption Date	Redemption Premium
January 1, 1952.....	2.13%
January 1, 1953.....	2.08%
January 1, 1954.....	2.02%
January 1, 1955.....	1.97%
January 1, 1956.....	1.91%
January 1, 1957.....	1.85%
January 1, 1958.....	1.79%
January 1, 1959.....	1.73%
January 1, 1960.....	1.66%
January 1, 1961.....	1.60%
January 1, 1962.....	1.53%
January 1, 1963.....	1.45%
January 1, 1964.....	1.38%
January 1, 1965.....	1.30%
January 1, 1966.....	1.22%
January 1, 1967.....	1.14%
January 1, 1968.....	1.05%
January 1, 1969.....	.96%
January 1, 1970.....	.87%
January 1, 1971.....	.78%
January 1, 1972.....	.68%
January 1, 1973.....	.57%
January 1, 1974.....	.47%
January 1, 1975.....	.36%
January 1, 1976.....	.24%
January 1, 1977.....	.13%

The bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 are also subject to redemption, as provided in the Indenture, upon notice of redemption to be given as aforesaid, in the event that all or substantially all of the property of the Company used or useful in the electric utility business of the Company shall be taken by the exercise of the power of eminent domain, at the principal

amount thereof and unpaid interest accrued thereon to the date fixed for redemption, plus a premium which shall be during the respective periods set forth in the following schedule the respective percentages of the principal amount set forth for such periods, as follows:

On or After	And Before	Redemption Premium
January 1, 1948	January 1, 1949	2.32%
January 1, 1949	January 1, 1950	2.27%
January 1, 1950	January 1, 1951	2.22%
January 1, 1951	January 1, 1952	2.18%
January 1, 1952	January 1, 1953	2.13%
January 1, 1953	January 1, 1954	2.08%
January 1, 1954	January 1, 1955	2.02%
January 1, 1955	January 1, 1956	1.97%
January 1, 1956	January 1, 1957	1.91%
January 1, 1957	January 1, 1958	1.85%
January 1, 1958	January 1, 1959	1.79%
January 1, 1959	January 1, 1960	1.73%
January 1, 1960	January 1, 1961	1.66%
January 1, 1961	January 1, 1962	1.60%
January 1, 1962	January 1, 1963	1.53%
January 1, 1963	January 1, 1964	1.45%
January 1, 1964	January 1, 1965	1.38%
January 1, 1965	January 1, 1966	1.30%
January 1, 1966	January 1, 1967	1.22%
January 1, 1967	January 1, 1968	1.14%
January 1, 1968	January 1, 1969	1.05%
January 1, 1969	January 1, 1970	.96%
January 1, 1970	January 1, 1971	.87%
January 1, 1971	January 1, 1972	.78%
January 1, 1972	January 1, 1973	.68%
January 1, 1973	January 1, 1974	.57%
January 1, 1974	January 1, 1975	.47%
January 1, 1975	January 1, 1976	.36%
January 1, 1976	January 1, 1977	.24%
January 1, 1977	July 1, 1977	.13%
July 1, 1977	January 1, 1978	.07%

The Indenture contains a covenant by the Company providing in substance that in case of any such taking of such property the Company shall take all steps necessary to call for redemption

all of the bonds at the time outstanding under the Indenture and that the proceeds (other than tangible property, if any), from such property so taken in excess of the amount thereof required to be deposited with the trustee under any indenture securing obligations which shall be a lien on the property so taken or on such proceeds prior to the Indenture shall be deposited by the Company with the Corporate Trustee and shall be applied by the Corporate Trustee to the payment of all bonds then outstanding at the applicable redemption price and if such proceeds shall be insufficient to redeem all of such bonds and if the Company shall fail to deposit with the Corporate Trustee an additional amount sufficient to redeem all of such bonds as aforesaid, then such proceeds, together with any additional cash, if any, that may have been so deposited by the Company shall be applied by the Corporate Trustee on the redemption date to the payment ratably of the whole amount of the principal, premium and interest then due on such bonds, all as provided in the Indenture.

Unless registered as to principal as herein provided, this bond shall be negotiable and transferable by delivery. As provided in the Indenture this bond may from time to time be registered as to principal in the name of the owner, at the office of The Northern Trust Company, the Corporate Trustee, in the City of Chicago, State of Illinois, on the books of the Company to be kept for that purpose at said office, such registration being noted hereon. After such registration no further transfer of this bond shall be valid unless made on said books by the registered owner in person or by an attorney duly authorized, and similarly noted hereon; but this bond may be discharged from registration by being in like manner registered as payable to bearer, whereupon transferability by delivery shall be restored, and this bond may again and from time to time be registered in the name of the owner or as payable to bearer. Such registration, however, shall not affect the transferability, by delivery merely, of the coupons hereto appertaining, which shall always be transferable by delivery and be payable to bearer. No charge shall be made to the holder for any such registration or discharge from registration except such amount as shall be necessary to cover stamp taxes or other governmental charges.

The bearer or registered owner of any coupon bond or bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 of the denomination of One Thousand Dollars (\$1,000) at his option may surrender the same, with all coupons appertaining thereto maturing after the last

date to which interest shall have been paid (or provided for by the deposit of funds necessary for payment with the Corporate Trustee, or other paying agent), at the office of the Corporate Trustee in the City of Chicago, State of Illinois, in exchange for a registered bond or bonds without coupons of the same series of any authorized denomination but of an aggregate principal amount equal to the aggregate principal amount of the coupon bond or bonds so surrendered, all upon payment of the charges and subject to the terms and conditions specified in the Indenture.

With the consent of the Company and to the extent permitted by and as provided in the Indenture, the rights and obligations of the Company and/or of the holders of the bonds and/or coupons, and/or the terms and provisions of the Indenture and/or of any instruments supplemental thereto, may be modified or altered by the affirmative vote of the holders of at least eighty per cent. (80%) in principal amount of the bonds then outstanding under the Indenture and any instruments supplemental thereto (excluding bonds challenged and disqualified from voting by reason of the Company's interest therein as provided in the Indenture); provided that no such modification or alteration intended to effect or permit the extension of the maturity of the principal of any bond or the reduction in the rate of interest thereon or any other modification in the terms of payment of such principal or interest or the taking of certain other action as more fully set forth in the Indenture, shall be effective as to any bond, the holder of which has not assented to such modification or alteration.

The Company and the Trustees may deem and treat the bearer of this bond, or if this bond be registered as herein authorized, the person in whose name the same is registered, as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and premium, if any, hereon and for all other purposes, except to receive payment of interest represented by outstanding coupons, and may also deem and treat the bearer of any interest coupons appertaining hereto as the absolute owner of said coupons for the purpose of receiving payment thereof and for all other purposes, and shall not be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal of or the interest on this bond against any subscriber to the capital stock, incorporator, or any past, present or future stockholder, officer or director of the Company or of any predecessor or successor

corporation, either directly or through the Company, or through any such predecessor or successor corporation, or through any receiver, or any trustee in bankruptcy, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as a part of the consideration for the issue hereof, expressly waived and released, as more fully provided in the Indenture.

This bond and the coupons hereto appertaining shall not be valid or become obligatory for any purpose unless and until The Northern Trust Company, as Corporate Trustee under the Indenture, or its successor thereunder, shall have signed the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, IOWA SOUTHERN UTILITIES COMPANY OF DELAWARE has caused this bond to be signed in its name by its President or a Vice President and its corporate seal to be hereto affixed and attested by its Secretary or an Assistant Secretary, and interest coupons bearing the facsimile signature of its Treasurer to be attached hereto, as of the first day of January, 1948.

IOWA SOUTHERN UTILITIES COMPANY OF DELAWARE,

By .....

Attest: ..... President.

.....  
..... Secretary.

[GENERAL FORM OF COUPON FOR COUPON BONDS OF  
THE 3½% SERIES DUE JANUARY 1, 1978]

No. .... \$.....

On the 1st day of ....., 19....., IOWA SOUTHERN UTILITIES COMPANY OF DELAWARE will pay to bearer at the office of The Northern Trust Company, or its successor as Corporate Trustee under the Indenture referred to in the Bond hereinafter mentioned, in the City of Chicago, State of Illinois, or, at the option

of bearer, at the office or agency, if any, of the Company in the Borough of Manhattan, City and State of New York, ..... Dollars (\$.....) in lawful money of the United States of America, as specified in its First Mortgage Bond, 3 5/8% Series due January 1, 1978, No. ...., being six months' interest then due on said bond.

This coupon will not be payable if said bond shall have been called for previous redemption and payment duly provided for.

.....  
Treasurer.

[GENERAL FORM OF REGISTERED BOND WITHOUT COUPONS  
OF 3 5/8% SERIES DUE JANUARY 1, 1978]

IOWA SOUTHERN UTILITIES COMPANY OF DELAWARE

(Incorporated under the laws of the State of Delaware)

First Mortgage Bond, 3 5/8% Series due January 1, 1978

No. .... \$.....

Iowa Southern Utilities Company of Delaware, a corporation, organized and existing under and by virtue of the laws of the State of Delaware (hereinafter called the Company), for value received, hereby promises to pay to ..... or registered assigns, on the 1st day of January, 1978, at the office of The Northern Trust Company, the Corporate Trustee under the Indenture hereinafter mentioned, or its successor as such Corporate Trustee, in the City of Chicago, State of Illinois, or, at the option of such registered owner, at the office or agency, if any, of the Company in the Borough of Manhattan, City and State of New York, the sum of ..... Dollars in lawful money of the United States of America, and to pay to the registered owner hereof interest thereon from the date hereof at the rate of three and five eighths per cent. (3 5/8%) per annum, in like money, until the Company's obligation with respect to the payment of such principal shall be discharged, and to pay interest in like money on any overdue principal and on any overdue install-

ment of interest (to the extent that payment of such interest on overdue interest is enforceable under applicable law) at the rate of six per cent. (6%) per annum; said interest being payable at said office of the Corporate Trustee or at said office or agency, if any, of the Company in the Borough of Manhattan, City and State of New York, on the first day of January and on the first day of July in each year.

This bond is one of a duly authorized issue of bonds of the Company, known as its First Mortgage Bonds, of the series and designation indicated on the face hereof, which issue of bonds consists, or may consist, of several series of varying denominations, dates and tenor, all issued and to be issued under and equally secured (except in so far as a sinking fund, or similar fund, established in accordance with the provisions of the Indenture hereinafter mentioned may afford additional security for the bonds of any specific series) by an Indenture dated February 1, 1923, executed by the Company to The Northern Trust Company and Harold H. Rockwell, as Trustees (who, together with their successors, as of any particular time, in the trusts reposed in them, are herein called the Trustees and the former of whom, together with its successor as of any particular time, in the trusts reposed in it, is herein called the Corporate Trustee), as amended by the Supplemental Indenture dated October 2, 1945 and supplemented by the Supplemental Indenture dated October 1, 1945 and the Supplemental Indenture dated January 1, 1948 creating the series of bonds designated 3 $\frac{5}{8}$ % Series due January 1, 1978 which series is limited to the aggregate principal amount of Two Million Dollars (\$2,000,000), (such Indenture, as amended and supplemented, being herein called the Indenture). Reference is hereby made to the Indenture for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the holders of the bonds as to such security, and the terms and conditions upon which the bonds may be issued under the Indenture and are secured. The principal hereof may be declared or may become due on the conditions, in the manner and at the time set forth in the Indenture, upon the happening of a default as in the Indenture provided.

The bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 are subject to redemption, prior to January 1, 1978, as provided in the Indenture, at the option of the Company, at any time as a whole, or at any

time and from time to time in part, upon notice given as provided in the Indenture, which in case any coupon bonds (other than coupon bonds registered as to principal) are to be redeemed shall be published at least once in each of not less than three successive calendar weeks, in a newspaper, printed in the English language and customarily published on each business day, of general circulation in the City of Chicago, State of Illinois, and in a newspaper, printed in the English language and customarily published on each business day, of general circulation in the Borough of Manhattan, City and State of New York, the first publication to be not less than thirty nor more than ninety days before the date fixed for redemption, and which in case only registered bonds (including coupon bonds registered as to principal) are to be redeemed shall be given by mail only not less than thirty nor more than ninety days before the date fixed for redemption, at the principal amount thereof, and unpaid interest accrued thereon to the date fixed for redemption plus a premium which, except in case of redemption through the use of moneys in the Sinking Fund provided for the bonds of said Series in the Indenture and certain other moneys as hereinafter set forth, shall be during the respective periods set forth in the following schedule the respective percentages of the principal amount set forth for such periods, as follows:

<b>On or After</b>	<b>And Before</b>	<b>Redemption Premium</b>
January 1, 1948	January 1, 1953	6%
January 1, 1953	January 1, 1958	5%
January 1, 1958	January 1, 1963	4%
January 1, 1963	January 1, 1968	3%
January 1, 1968	January 1, 1973	2%
January 1, 1973	January 1, 1978	1%

The bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 are also subject to redemption, as provided in the Indenture, in part on January 1, 1952 and in part on January 1, of each year thereafter to and including January 1, 1977, through the use of moneys in the Sinking Fund provided for the bonds of said Series in the Indenture, upon notice of redemption given as aforesaid, at the principal amount thereof, and unpaid interest accrued thereon to the date fixed for redemption plus a premium which shall be on the respective dates set forth in the following schedule the respective percentages of the principal amount set forth for such dates, as follows:

Redemption Date	Redemption Premium
January 1, 1952.....	2.13%
January 1, 1953.....	2.08%
January 1, 1954.....	2.02%
January 1, 1955.....	1.97%
January 1, 1956.....	1.91%
January 1, 1957.....	1.85%
January 1, 1958.....	1.79%
January 1, 1959.....	1.73%
January 1, 1960.....	1.66%
January 1, 1961.....	1.60%
January 1, 1962.....	1.53%
January 1, 1963.....	1.45%
January 1, 1964.....	1.38%
January 1, 1965.....	1.30%
January 1, 1966.....	1.22%
January 1, 1967.....	1.14%
January 1, 1968.....	1.05%
January 1, 1969.....	.96%
January 1, 1970.....	.87%
January 1, 1971.....	.78%
January 1, 1972.....	.68%
January 1, 1973.....	.57%
January 1, 1974.....	.47%
January 1, 1975.....	.36%
January 1, 1976.....	.24%
January 1, 1977.....	.13%

The bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 are also subject to redemption, as provided in the Indenture, upon notice of redemption to be given as aforesaid, in the event that all or substantially all of the property of the Company used or useful in the electric utility business of the Company shall be taken by the exercise of the power of eminent domain, at the principal amount thereof and unpaid interest accrued thereon to the date fixed for redemption, plus a premium which shall be during the respective periods set forth in the following schedule the respective percentages of the principal amount set forth for such periods, as follows:

On or After	And Before	Redemption Premium
January 1, 1948	January 1, 1949	2.32%
January 1, 1949	January 1, 1950	2.27%
January 1, 1950	January 1, 1951	2.22%
January 1, 1951	January 1, 1952	2.18%
January 1, 1952	January 1, 1953	2.13%
January 1, 1953	January 1, 1954	2.08%
January 1, 1954	January 1, 1955	2.02%
January 1, 1955	January 1, 1956	1.97%
January 1, 1956	January 1, 1957	1.91%
January 1, 1957	January 1, 1958	1.85%
January 1, 1958	January 1, 1959	1.79%
January 1, 1959	January 1, 1960	1.73%
January 1, 1960	January 1, 1961	1.66%
January 1, 1961	January 1, 1962	1.60%
January 1, 1962	January 1, 1963	1.53%
January 1, 1963	January 1, 1964	1.45%
January 1, 1964	January 1, 1965	1.38%
January 1, 1965	January 1, 1966	1.30%
January 1, 1966	January 1, 1967	1.22%
January 1, 1967	January 1, 1968	1.14%
January 1, 1968	January 1, 1969	1.05%
January 1, 1969	January 1, 1970	.96%
January 1, 1970	January 1, 1971	.87%
January 1, 1971	January 1, 1972	.78%
January 1, 1972	January 1, 1973	.68%
January 1, 1973	January 1, 1974	.57%
January 1, 1974	January 1, 1975	.47%
January 1, 1975	January 1, 1976	.36%
January 1, 1976	January 1, 1977	.24%
January 1, 1977	July 1, 1977	.13%
July 1, 1977	January 1, 1978	.07%

The Indenture contains a covenant by the Company providing in substance that in case of any such taking of such property the Company shall take all steps necessary to call for redemption all of the bonds at the time outstanding under the Indenture and that the proceeds (other than tangible property, if any) from such property so taken in excess of the amount thereof required to be deposited with the trustee under any indenture securing obligations which shall be a lien on the property so taken or on such proceeds

prior to the Indenture shall be deposited by the Company with the Corporate Trustee and shall be applied by the Corporate Trustee to the payment of all bonds then outstanding at the applicable redemption price and if such proceeds shall be insufficient to redeem all of such bonds and if the Company shall fail to deposit with the Corporate Trustee an additional amount sufficient to redeem all of such bonds as aforesaid, then such proceeds, together with any additional cash, if any, that may have been so deposited by the Company shall be applied by the Corporate Trustee on the redemption date to the payment ratably of the whole amount of the principal, premium and interest then due on such bonds, all as provided in the Indenture.

This bond is transferable as prescribed in the Indenture by the registered owner hereof in person, or by his duly authorized attorney, at the office of the Corporate Trustee, in the City of Chicago, State of Illinois, upon surrender and cancellation of this bond, and thereupon a new registered bond without coupons, of the same series and principal amount, will be issued to the transferee in exchange therefor; all upon payment of the charges and subject to the terms and conditions specified in the Indenture.

The registered owner of any registered bond or bonds without coupons of the 3 $\frac{5}{8}$ % Series due January 1, 1978, at his option may surrender the same, accompanied by a written instrument of transfer in form approved by the Corporate Trustee duly executed by the registered owner or his duly authorized attorney, at the office of the Corporate Trustee in the City of Chicago, State of Illinois, for cancellation, in exchange for a coupon bond or coupon bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978, of the denomination of \$1,000 each, of an aggregate principal amount equal to that of the registered bond or bonds without coupons so surrendered; all upon payment of the charges and subject to the terms and conditions specified in the Indenture.

The registered owner of any registered bond or bonds without coupons of the 3 $\frac{5}{8}$ % Series due January 1, 1978, at his option may surrender the same, accompanied by a written instrument of transfer in form approved by the Corporate Trustee duly executed by the registered owner or his duly authorized attorney, at the office of the Corporate Trustee, in the City of Chicago, State of Illinois, for cancellation, in exchange for another or other registered bonds without coupons of the 3 $\frac{5}{8}$ % Series due January 1, 1978, of other authorized denominations, of an aggregate principal amount equal to the aggregate principal amount of the registered bond or bonds

without coupons so surrendered; all upon payment of the charges and subject to the terms and conditions specified in the Indenture.

With the consent of the Company and to the extent permitted by and as provided in the Indenture, the rights and obligations of the Company and/or of the holders of the bonds and/or coupons, and/or the terms and provisions of the Indenture and/or of any instruments supplemental thereto, may be modified or altered by the affirmative vote of the holders of at least eighty per cent. (80%) in principal amount of the bonds then outstanding under the Indenture and any instruments supplemental thereto (excluding bonds challenged and disqualified from voting by reason of the Company's interest therein as provided in the Indenture); provided that no such modification or alteration intended to effect or permit the extension of the maturity of the principal of any bond or the reduction in the rate of interest thereon or any other modification in the terms of payment of such principal or interest or the taking of certain other action as more fully set forth in the Indenture, shall be effective as to any bond, the holder of which has not assented to such modification or alteration.

The Company and the Trustees may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest and premium, if any, hereon and for all other purposes, and shall not be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal or interest on this bond, against any subscriber to the capital stock, incorporator, or any past, present or future stockholder, officer or director of the Company or of any predecessor or successor corporation, either directly or through the Company, or through any such predecessor or successor corporation, or through any receiver, or any trustee in bankruptcy, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issue hereof, expressly waived and released, as more fully provided in the Indenture.

This bond shall not be valid or become obligatory for any purpose unless and until The Northern Trust Company, as Corporate

Trustee under the Indenture, or its successor thereunder, shall have signed the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, IOWA SOUTHERN UTILITIES COMPANY OF DELAWARE has caused this bond to be signed in its name by its President or a Vice President and its corporate seal to be hereto affixed and attested by its Secretary or an Assistant Secretary this .....

IOWA SOUTHERN UTILITIES COMPANY OF DELAWARE,

By .....  
President.

Attest:

.....  
Secretary.

The Company hereby appoints The Northern Trust Company, and its successor from time to time as Corporate Trustee under the Amended Indenture, as agent of the Company, with the title of Registrar, for the registration and transfer of bonds of the 3½% Series due January 1, 1978.

SECTION 3. The Company covenants that for the purpose of providing a Sinking Fund for the retirement of the bonds of the 3½% Series due January 1, 1978 it will, during each of the years 1951 to and including 1976 so long as any of the bonds of the 3½% Series due January 1, 1978 issued hereunder shall be outstanding, pay or cause to be paid annually to the Corporate Trustee at its office in the City of Chicago, State of Illinois, cash in an amount sufficient to redeem on January 1, of the following year, Thirty-five Thousand Dollars (\$35,000) aggregate principal amount of bonds of such Series at the redemption price applicable to the redemption of such bonds on such January 1 through the use of moneys in the Sinking Fund as provided in subdivision (m) of Section 2 of this Article I.

Each such annual payment shall be made not later than December 31st in such year (said dates being herein referred to as "sinking fund payment dates"). All moneys paid to the Corporate Trustee pursuant to the foregoing provisions of this Section shall be held and applied by the Corporate Trustee, as hereinafter in this Section 3 provided, as a Sinking Fund for the retirement of the bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978.

The Company at its option, exercisable as hereinafter provided, may surrender for cancellation to the Corporate Trustee at its said office for credit as hereinafter provided, in lieu of all or any part of any payment in cash required to be made to the Corporate Trustee pursuant to the foregoing provisions of this Section 3, outstanding bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 accompanied by all coupons appertaining thereto maturing after the last date to which interest shall have been paid (or provided for by the deposit of funds necessary for payment with the Corporate Trustee or other paying agent) on such bonds.

If any bond of the 3 $\frac{5}{8}$ % Series due January 1, 1978 shall have been surrendered for cancellation to the Trustee as aforesaid, or shall have been redeemed or otherwise retired at any time with funds other than Sinking Fund moneys, and if no bond shall have been issued in respect of the retirement thereof pursuant to the provisions of the Amended Indenture relating to the issuance of additional bonds upon the retirement of bonds previously outstanding, and if no credit shall have been taken in respect thereof on account of the Sinking Fund, Release Fund, Maintenance Fund or other fund provided for herein or in the Amended Indenture applicable to the retirement of bonds, the Company may credit against and deduct from the Sinking Fund payment required by this Section 3 next following the date on which credit is claimed as hereinafter provided on account of such bond an amount equal to the amount necessary to redeem for the Sinking Fund, on the January 1 next succeeding the date on which said credit is claimed, such bond or bonds so surrendered for cancellation or so redeemed. No credit may be taken under the provisions of this Section on account of any bond in exchange for or upon transfer of which any other bond shall have been authenticated and delivered hereunder or under the Amended Indenture.

The Company covenants that on or before the 10th day of November in each year (commencing with November 10, 1951) the Company will deliver to the Corporate Trustee at its office a

notice in writing, signed by the President or a Vice-President and the Secretary or an Assistant Secretary of the Company, stating whether or not the Company elects, as permitted by the foregoing provisions of this Section, to take credit as above provided on account of any bond or bonds theretofore surrendered or then to be surrendered for cancellation or theretofore redeemed or retired, in lieu of all or any part of the payment to be made on or before the next succeeding December 31 pursuant to the foregoing provisions of this Section 3, and, if so, setting forth a description of such bonds sufficient to permit the Corporate Trustee to identify such bonds. Whenever the Company shall elect in any such notice to surrender bonds for cancellation as aforesaid such notice shall be preceded or accompanied by the surrender of such bonds.

On or before the 20th day of November in each year (commencing with November 20, 1951), unless the Company shall have specified in a notice given as aforesaid that it has elected to make no payment in cash but to surrender bonds or to claim a credit on account of bonds surrendered or redeemed or retired as aforesaid in lieu of the total payment otherwise required to be made in cash for such year, the Corporate Trustee shall designate, in accordance with the provisions of Article X of the Amended Indenture, relating to the redemption of bonds, outstanding bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 (including portions of registered bonds without coupons of said Series) for redemption on the next succeeding first day of January in the aggregate principal amount specified in this Section 3 less the aggregate principal amount of bonds of said Series surrendered or redeemed or retired in respect of which credit is claimed in lieu of cash payments for the Sinking Fund for such year and shall forthwith give written notice to the Company describing in sufficient detail the bonds (and portions of registered bonds without coupons, if any) so designated for redemption.

The Company covenants that upon receipt of such notice from the Corporate Trustee the Company will give notice of redemption, to be made on the next succeeding first day of January, of the bonds (and portions of registered bonds without coupons, if any) so designated for redemption, in the manner and with the effect provided in Article X of the Amended Indenture; and, in addition to the matters required to be included in such notice by said Article X of the Amended Indenture, such notice shall also state that the bonds (and portions of registered bonds without coupons, if any)

therein designated for redemption are to be redeemed through operation of the Sinking Fund. In the event the Company shall fail to give such notice, such failure shall constitute a completed default under the Amended Indenture and thereupon all the remedies provided for in the Amended Indenture with respect to a completed default shall be available to and enforceable by the Trustees and the holders of the bonds.

The amount of each payment in cash made by the Company pursuant to this Section 3 shall be applied by the Corporate Trustee on the next succeeding January 1 to the redemption of the bonds of the 3½% Series due January 1, 1978 (and portions of registered bonds without coupons of said Series, if any) designated as aforesaid for redemption on that date with the effect provided in the Amended Indenture.

All bonds delivered to the Corporate Trustee in accordance with this Section 3 and all bonds redeemed through the operation of the Sinking Fund, together in each case with all interest coupons, if any, appertaining thereto, shall, subject to the provisions of the Amended Indenture relating to endorsement of a notation of payment of part thereof, forthwith be cancelled by the Corporate Trustee and the Corporate Trustee shall thereupon cremate such cancelled bonds and deliver evidence of the cremation thereof to the Company; and no bonds shall be issued hereunder or under the Amended Indenture in place thereof. Registered bonds may, however, be retained by the Corporate Trustee after cancellation if deemed desirable by it to preserve evidence of the assignment thereof.

## ARTICLE II.

### DESCRIPTION OF ADDITIONAL PROPERTY SUBJECT TO LIEN.

SECTION 1. For the purpose of confirming the lien of the Original Indenture and the Amended Indenture on the properties hereinafter described the Company has granted, bargained, sold, warranted, conveyed, transferred, mortgaged, pledged and assigned and does hereby grant, bargain, sell, warrant, convey, transfer, mortgage, pledge and assign unto the Trustees and to their respective successors in the trust upon the terms of the Original Indenture as heretofore supplemented and amended the following described parcels of real property and other properties owned by the Company in the following Counties of the State of Iowa respectively:

APPANOOSE COUNTY

REAL ESTATE

The following described lot situate, lying and being in the County of Appanoose, State of Iowa, to-wit:

1. Lot Twelve (12) in Block Five (5) in Adamson's addition to the City of Centerville, Appanoose County, Iowa.

GAS DISTRIBUTION SYSTEM

Equipment and system for the distribution of liquified petroleum gas in the City of Centerville, County of Appanoose, State of Iowa.

DAVIS COUNTY

ELECTRIC LIGHT AND POWER DISTRIBUTION SYSTEM

Electric light and power distribution system in the Town of Floris, County of Davis, State of Iowa.

HENRY COUNTY

GAS DISTRIBUTION SYSTEM

Equipment and system for the distribution of liquified petroleum gas in the City of Mt. Pleasant, County of Henry, State of Iowa.

JEFFERSON COUNTY

ELECTRIC LIGHT AND POWER DISTRIBUTION SYSTEMS

Electric light and power distribution systems in the following communities in the County of Jefferson, State of Iowa:

Abingdon, Linby, Pekin

KEOKUK COUNTY

REAL ESTATE

The following described lot situate, lying and being in the County of Keokuk, State of Iowa, to-wit:

1. Lot Three of Block Two of King's Addition, an addition to the City, now Town of What Cheer, Keokuk County, Iowa.

## LUCAS COUNTY

## REAL ESTATE

The following described tract of land situate, lying and being in the County of Lucas, State of Iowa, to-wit:

1. Commencing at the Southwest corner of the Southwest quarter of the Southwest quarter in Section Number Thirty (30), Township Number Seventy-two (72), Range Number Twenty (20) West of the 5th P.M., thence North Twenty (20) feet, thence East Ten (10) Feet, thence South Twenty (20) feet, thence West Ten (10) feet to the point of beginning, in Lucas County, Iowa.

## POWESHIEK COUNTY

## GAS DISTRIBUTION SYSTEM

Equipment and system for the distribution of liquified petroleum gas in the City of Grinnell, County of Poweshiek, State of Iowa.

## UNION COUNTY

## REAL ESTATE

The following described lots situate, lying and being in the County of Union, State of Iowa, to-wit:

1. Lot numbered Five (5), in Block Seven (7), in the Original Town of Lorimor, Union County, Iowa.
2. Lots numbered One Hundred Seventy-seven (177) and One Hundred Seventy-eight (178) in the Original Town of Afton, Union County, Iowa.

## WAPELLO COUNTY

## ELECTRIC LIGHT AND POWER DISTRIBUTION SYSTEMS

Electric light and power distribution systems in the following communities in the County of Wapello, State of Iowa:

Bladensburg, Farson

## WASHINGTON COUNTY

## REAL ESTATE

All of the following described pieces, parcels, lots, and tracts of land situate, lying and being in the County of Washington, State of Iowa, to-wit:

1. All of Lots One (1), Two (2), and Four (4) in Block Two (2), North Addition to the Town, now City,

of Washington. Also that parcel of real estate lying West of and adjoining Lot Two (2) in said Block Two (2) described as follows: Commencing at the Southwest corner of said Lot Two (2) running thence West to the East line of North Second (2nd) Avenue; thence North along the East line of North Second, (2nd) Avenue to the South line of the right of way of The Chicago, Rock Island and Pacific Railway Company; thence Northeast along the South line of said right of way to the Northwest corner of said Lot Two (2); thence South to the place of beginning. The aforesaid last described property being also known as Lot Eleven (11) of the Re-Plat of Block No. Two (2) to the City of Washington, Washington County, Iowa, as shown in Plat Book Four (4) at Page 529 of the Records of the recorders' office of Washington County, Washington, Iowa.

2. Commencing at the Southeast corner of Lot "A" in Plat of Robert's Sub-Division in Washington, made by A. L. Griffith, Auditor of Washington County, Iowa, and being in the Southeast Quarter of the Northeast Quarter of Section 17, Township 75 North and Range 7 West of the 5th P.M., running thence North 30 feet, thence West 30 feet, thence South to the North line of the right of way of the Chicago, Milwaukee & St. Paul Railway, thence East along said right of way to the place of beginning, City of Washington, Washington County, Iowa.

3. The West Thirty-two (32) feet of Lot numbered Nineteen (19), in Block numbered Seven (7), in the Original Plat of the Town of Wellman, in Washington County, Iowa.

4. Commencing at a point fifty (50) feet south of the Northeast corner of Lot number 3 in Block number 2 in the Original town of Brighton, Iowa, thence West fifty (50) feet, thence North to the South line of Highway number 1, thence east fifty (50) feet along said line, thence South to the place of beginning, Washington County, Iowa.

5. Beginning at a point Twenty feet North of the Southeast Corner of Outlot Number Fourteen in the Original Plat of the Town of Wellman, thence North along the West line of Dows Street, Sixty feet, thence West Forty feet, thence South Sixty feet to a point Twenty feet North of the South line of said Outlot Fourteen, thence East Forty feet to the place of beginning, in the Town of Wellman, in Washington County, Iowa.

#### GAS DISTRIBUTION SYSTEM

Equipment and system for the distribution of natural gas in the City of Washington, County of Washington, State of Iowa.

## ARTICLE III.

## MISCELLANEOUS.

SECTION 1. The Company covenants and agrees that so long as any of the bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 shall be outstanding the provisions of Sections 12.01 to 12.05, inclusive, of Article XII of the Amended Indenture relating to the Maintenance Fund therein provided shall be and continue in full force and effect and that the Company will observe and perform the requirements thereof. No credit may be taken against payments required to be made by the Company for such Maintenance Fund on account of bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 retired through the operation of, or by surrender or delivery to the Corporate Trustee in lieu of cash to satisfy, the provisions relating to the Sinking Fund provided for the bonds of said Series in Section 3 of Article I hereof; and the provisions of clause (5) of subdivision (d) of said Section 12.01 shall be deemed to except the bonds of said Series so retired.

SECTION 2. The Company covenants and agrees that so long as any of the bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 shall be outstanding the Company will not declare or pay any dividend (except a dividend payable in stock of the Company) on any shares of stock of the Company of any class or declare or make any distribution on any such shares or purchase, redeem or otherwise acquire any such shares (otherwise than from the proceeds of or in exchange for shares of stock of the Company of any class issued after the execution of this Supplemental Indenture) unless, after giving effect to the proposed dividend, distribution, purchase, redemption or other acquisition, the amount of the combined capital and surplus (including earned surplus, capital surplus and paid-in surplus) of the Company shall be equal to or in excess of the amount of such combined capital and surplus as of December 31, 1947 (as shown by a certified balance sheet of the Company as of December 31, 1947 to be filed with the Corporate Trustee and certified by an independent public accountant or firm of independent public accountants who may be the public accountants who regularly audit the Company's accounts), after deducting \$100,000 from such combined capital and surplus as of such date; provided, how-

ever, that in determining the amount of surplus of the Company for the purposes of this Section no deduction or addition shall be made for any of the following charges or credits to surplus made subsequently to December 31, 1947:

(1) charges or credits to surplus covering profits or losses on the sale, exchange or abandonment of property (including securities) owned at December 31, 1947;

(2) charges to surplus for the write-down or write-off of the excess of the carrying value of properties acquired as entireties over the original cost of such properties when first devoted to public use; or

(3) charges to surplus for the write-down or write-off of the Company's investment in stock of Southern Iowa Railway Company.

SECTION 3. The Company covenants and agrees that after the date of the authentication and delivery of any bonds of the  $3\frac{5}{8}\%$  Series due January 1, 1978 under the Amended Indenture, and while any of such bonds remain outstanding, it will not issue or permit to be issued any Funded Debt (as hereinafter in Section 5 of this Article III defined) if thereby the aggregate principal amount of all Funded Debt outstanding would be in excess of \$14,890,000 (which sum represents the aggregate principal amount of First Mortgage Bonds,  $3\frac{1}{4}\%$  Series due October 1, 1975 and 4% Sinking Fund Debentures due October 1, 1975 outstanding at the date hereof, and the \$2,000,000 aggregate principal amount of First Mortgage Bonds,  $3\frac{5}{8}\%$  Series due January 1, 1978 provided for herein), except under and subject to compliance with the following conditions:

(a) The Company shall have deposited with the Corporate Trustee \$2,000,000 in cash in respect of the authentication and delivery of the \$2,000,000 principal amount of bonds of the  $3\frac{5}{8}\%$  Series due January 1, 1978 provided for herein and shall have withdrawn such cash in respect of Property Additions in accordance with the provisions of the Amended Indenture;

(b) Subject to compliance with the requirements of subdivisions (a), (c) and (d) of this Section 3 the Company may issue additional Funded Debt (i) in an aggregate principal amount not

exceeding 100% of Net Fundable Property (computed as provided in Section 5 of this Article III) up to an aggregate principal amount of \$1,000,000, and (ii) in excess of such \$1,000,000 in an aggregate principal amount not exceeding 60% of Net Fundable Property (so computed) in excess of \$1,000,000;

(c) No bonds in addition to the \$2,000,000 aggregate principal amount of bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 shall be authenticated and delivered by the Corporate Trustee under the provisions of Articles V, VI or VII of the Amended Indenture except in accordance with and subject to the conditions, provisions and limitations set forth therein.

No application by the Company to the Corporate Trustee for the authentication and delivery of bonds under Article V or for the withdrawal of cash (except the \$2,000,000 cash to be deposited in respect of the authentication and delivery of the \$2,000,000 aggregate principal amount of bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 provided for herein) under Article VII of the Amended Indenture shall be granted by the Corporate Trustee, nor shall any other Funded Debt be issued or permitted to be issued by the Company, unless prior to each issue or withdrawal of cash, the Company shall have delivered to the Corporate Trustee the following (which in case of such authentication and delivery of bonds or such withdrawal of cash under the Amended Indenture shall be in addition to the documents required by the respective Articles thereof):

(aa) An Engineer's Certificate dated not more than ninety days prior to the date of the authentication and delivery of the bonds or the withdrawal of the cash applied for or the issuance of other Funded Debt proposed to be issued:

(1) Stating the Unapplied Balance of Property Additions stated in the last Engineer's Certificate delivered to the Corporate Trustee for the purpose of withdrawing all or the last remaining balance of the \$2,000,000 in cash referred to in subdivision (a) of this Section 3;

(2) Stating (i) that subsequently to the last date specified in the Engineer's Certificate described in the foregoing paragraph (1) (or the last date specified in the last preceding Engineer's Certificate, if any, delivered pursuant to this subdivision (c), whichever date is later) as of which the

Property Additions described therein were made, acquired, constructed or erected by the Company and prior to a date to be specified in the Engineer's Certificate to be delivered under this subdivision (c) the Company has made, acquired, constructed or erected Property Additions and/or other property of the character described in clause (iii) of subdivision (a) of Section 5 of this Article III, (ii) the Cost and the Fair Value separately of such Property Additions and such other property, (iii) the lesser of such Cost or Fair Value and (iv) that none of such Property Additions have been included as other property in the computation of Net Fundable Property in any other Engineer's Certificate previously delivered under the provisions of this subdivision (c) ;

(3) Stating the lesser of the Cost or Fair Value of the Property Additions and other property (of the character specified in clause (iii) of subdivision (a) of Section 5 of this Article III) specified pursuant to paragraph (2) above in each of the successive Engineer's Certificates, if any, previously delivered to the Corporate Trustee under the provisions of this subdivision (c) ;

(4) Stating the aggregate of the amount stated under clause (iii) of paragraph (2) plus the amounts stated under paragraphs (1) and (3) above ;

(5) Stating the amount removed from the utility plant or fixed capital accounts of the Company as and for the Cost of all Retired Property retired during the period from the last date specified in the Engineer's Certificate described in the foregoing paragraph (1) as of which the Property Additions described in such certificate were made, acquired, constructed or erected by the Company to a date to be stated in the Engineer's Certificate delivered under this subdivision (c) which date shall not be more than ninety days preceding the date of the authentication and delivery of the bonds or the withdrawal of the cash applied for or the issuance of the other Funded Debt proposed to be issued ;

(6) Stating the balance remaining after deducting the amount stated under paragraph (5) of this subdivision (c) from the amount stated under paragraph (4) of this subdivision (c) ;

and

(bb) A Treasurer's Certificate, dated not more than ten days prior to the date of the authentication and delivery of the bonds or the withdrawal of the cash applied for or the issuance of other Funded Debt proposed to be issued, stating:

(1) The aggregate principal amount of Funded Debt outstanding as described in subdivision (d) of this Section 3 on the date of such certificate and of each class or series thereof; and

(2) The aggregate principal amount of bonds applied for, or the amount of the cash the withdrawal of which is applied for or the aggregate principal amount of other Funded Debt, if any, proposed to be issued.

(d) In computing the aggregate principal amount of outstanding Funded Debt for the purposes of this Section 3, there shall be included

(i) All bonds issued under the Amended Indenture and outstanding as defined therein, except that bonds issued under Article VII of the Amended Indenture upon the deposit of cash with the Corporate Trustee shall not be deemed to be outstanding unless and until the Company shall, pursuant to the provisions of Section 7.02 of the Amended Indenture, withdraw all or any part of such cash so deposited at which time such bonds of a principal amount equal to the amount of cash so withdrawn shall be deemed to have become outstanding;

(ii) All 4% Sinking Fund Debentures due October 1, 1975 issued under the Trust Indenture dated October 1, 1945 between the Company and Chemical Bank & Trust Company and outstanding as defined therein;

(iii) All First Mortgage Bonds, 3¼% Series due October 1, 1975, First Mortgage Bonds, 3⅝% Series due January 1, 1978 and 4% Sinking Fund Debentures due October 1, 1975 redeemed or retired subsequently to January 1, 1948 through the operation of the respective sinking funds provided for the retirement thereof in the respective indentures relating thereto; and

(iv) All other Funded Debt which has not been retired, except such other Funded Debt for the redemption or payment

of which funds sufficient for such redemption or payment shall have been deposited in trust.

SECTION 4. The provisions of Section 3 of this Article III shall not be construed or be deemed to prohibit the Company from issuing additional Funded Debt without regard to the amount of Net Fundable Property provided (1) such additional Funded Debt is issued to pay, retire or refund other Funded Debt, and (2) such additional Funded Debt either (a) bears no greater rate of interest than the Funded Debt to pay, retire or refund which it is issued, or (b) is issued not more than two years prior to the stated maturity of the Funded Debt to pay, retire or refund which it is issued.

The provisions of Section 3 of this Article III are not intended to affect and shall not affect (a) the right of the Company to issue bonds under the Amended Indenture in accordance with the provisions thereof except in so far as the aggregate principal amount of such bonds issued under the Amended Indenture is limited as a result of including the same in computing the aggregate principal amount of Funded Debt that may be issued and that may be outstanding under the provisions of such Section 3, or (b) the obligation of the Company to observe the covenants and conditions of the Amended Indenture relating to the authentication and delivery of additional bonds thereunder.

SECTION 5. For the purposes of this Article III the terms hereinafter defined shall have the meanings hereinafter specified as follows:

- (a) The term "Net Fundable Property" shall mean the sum of
  - (i) the Unapplied Balance of Property Additions stated in the last Engineer's Certificate delivered to the Corporate Trustee for the purpose of withdrawing all (or the last remaining balance) of the \$2,000,000 cash deposited as provided in subdivision (a) of Section 3 of this Article III, plus
  - (ii) the lesser of the Cost or Fair Value (as stated in the respective Engineer's Certificates successively delivered to the Corporate Trustee as provided in subdivision (c) of Section 3 of this Article III) of Property Additions made, acquired, constructed or erected by the Company, subsequent to the last date specified in the Engineer's Certificate referred to in clause (i) above as of which the Property Additions

therein described were made, acquired, constructed or erected by the Company, plus

(iii) the lesser of the Cost or Fair Value (as stated in the respective Engineer's Certificates successively delivered to the Corporate Trustee as provided in subdivision (c) of Section 3 of this Article III) of property (which except for the existence of a lien thereon would be within the definition of Property Additions) acquired subsequently to December 31, 1947 subject to a mortgage or trust indenture constituting a lien at the time of acquisition on such property or given to secure or provide funds for a portion of the purchase price of such property, provided that the obligations secured by any such lien on any such property do not at the time of acquisition exceed  $66\frac{2}{3}\%$  of the Cost or Fair Value, whichever is less, of such property, and further provided that any such property included in the computation of Net Fundable Property in any Engineer's Certificate delivered to the Corporate Trustee under the provisions of subdivision (c) of Section 3 of this Article III shall not thereafter be duplicated in any computation of Net Fundable Property by reason of having become within the definition of Property Additions,

after deducting from such sum the amount or amounts removed from the utility plant or fixed capital accounts of the Company as and for the Cost of all Retired Property retired during the period from such last date so specified in such Engineer's Certificate (referred to in clause (i) above) to a date not more than ninety days preceding the date of issuance of such additional Funded Debt.

(b) The term "Funded Debt" shall mean and include all bonds, debentures, notes and other evidences of indebtedness which mature one year or more from the date thereof or from the date of issuing or incurring the same if undated and which either have been issued, guaranteed or assumed by the Company or are secured by a lien upon any of the property of the Company other than Permitted Liens.

(c) The terms "Cost", "Engineer's Certificate", "Fair Value", "Permitted Liens", "Property Additions", "Retired Property", "Treasurer's Certificate" and "Unapplied Balance of Property Additions" shall have the meanings set forth in the Amended Indenture.

SECTION 6. The Company covenants and agrees that so long as any of the bonds of the 3 $\frac{5}{8}$ % Series due January 1, 1978 shall be outstanding it will not issue or permit to be issued any Unsecured Funded Debt (as hereinafter in this Section defined) of the Company unless the Net Earnings (as hereinafter in this Section defined) of the Company for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the first day of the calendar month in which such Unsecured Funded Debt shall be issued shall have been in the aggregate at least equivalent to twice the interest requirements for a period of one year upon all Funded Debt and interest bearing Current Indebtedness (as hereinafter in this Section defined) which shall be outstanding at the date on which the Unsecured Funded Debt shall be issued, and upon the Unsecured Funded Debt then about to be issued.

The term "Unsecured Funded Debt" shall mean and include all Funded Debt which is not secured by a lien upon any of the property of the Company.

The term "Current Indebtedness" shall mean and include all open accounts, notes and other indebtedness of the Company or guaranteed or assumed by the Company (except endorsements of checks deposited in the account of the Company and guarantees and endorsements of commercial paper of customers discounted in the ordinary course of business) payable on demand or which mature less than one year from the date thereof or the date of incurring the same if undated, exclusive of such indebtedness as is secured by Permitted Liens.

The term "Net Earnings" as used in this Section 6 shall have the meaning of "Earnings Applicable to Bond Interest" as defined in subdivision 6 of Section 1.01 of the Amended Indenture except that the last paragraph of such definition shall be inapplicable to the computation of Net Earnings hereunder; and in case at the time of making any computation of Net Earnings any property is owned by the Company, although not owned during the whole or any part of the period for which the computation of Net Earnings is made, then the net earnings of such property during the whole of such period computed in accordance with such subdivision 6 may, at the option of the Company, be included in Net Earnings; provided that in the event that any such property has been acquired in exchange or substitution for property disposed of by the Company or from the proceeds of the sale or other disposition of any such

property, then and in that event the earnings from the property so disposed of shall be excluded in computing Net Earnings.

For the purposes of this Section 6 the term "outstanding" as applied to Funded Debt or Current Indebtedness shall not include as of any particular time Funded Debt or Current Indebtedness then held alive in any Sinking Fund established by or for the Company, or pledged as security for other Funded Debt or Current Indebtedness of the Company, or for the redemption or payment of which funds sufficient for such redemption or payment shall have been deposited in trust, or Funded Debt or Current Indebtedness which is to be paid, retired, purchased or redeemed through the use of all or part of the proceeds of the Unsecured Funded Debt at the time about to be issued; provided that in the case of the pledging of any Funded Debt or Current Indebtedness as aforesaid there shall be included as outstanding the Funded Debt or Current Indebtedness of the Company as security for which such Funded Debt or Current Indebtedness is so pledged; and provided, further, in case any Funded Debt or Current Indebtedness is to be paid, retired, purchased or redeemed as aforesaid by the use of all or part of the proceeds of the Unsecured Funded Debt about to be issued, the Company shall, for the purposes of the covenants in this Section contained, file with the Corporate Trustee a Treasurer's Certificate stating the nature and the amount of the Funded Debt or Current Indebtedness to be so paid, retired, purchased or redeemed and shall make arrangements satisfactory to the Corporate Trustee for such payment, retirement, purchase or redemption.

Notwithstanding the foregoing provisions of this Section 6 the Company may issue Unsecured Funded Debt without regard to the amount of Net Earnings provided (1) such Unsecured Funded Debt is issued to pay, retire or refund other Funded Debt and (2) such additional Unsecured Funded Debt either (a) bears no greater rate of interest than the Funded Debt to pay, retire or refund which it is issued or (b) is issued not more than two years prior to the stated maturity of the Funded Debt to pay, retire or refund which it is issued.

SECTION 7. This Supplemental Indenture shall be read and construed in connection with and as a part of the Amended Indenture and as if the Amended Indenture and this Supplemental Indenture were parts of one and the same instrument.

SECTION 8. The recitals of fact herein and in the bonds referred to herein, except the Certificate of Authentication of the Corporate Trustee, shall be taken as statements of the Company and shall not be construed as made by the Trustees.

SECTION 9. This Supplemental Indenture shall be binding upon, and inure to the benefit of, the Company and its successors and assigns and the Trustees and their respective successors.

SECTION 10. This Supplemental Indenture may be simultaneously executed in several counterparts and all said counterparts executed and delivered each as an original shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Company has caused this instrument to be signed in its corporate name by its President or a Vice-President, and to be sealed with its corporate seal, attested by its Secretary or an Assistant Secretary, and the said The Northern Trust Company, to evidence its acceptance of the trusts hereby created, has caused these presents to be signed in its corporate name by its President or a Vice-President, and to be sealed with its corporate seal, attested by its Secretary or an Assistant Secretary, and said Sheldon A. Weaver, to evidence his acceptance of said trusts, has hereunto set his hand and seal, all as of the day and year first above written.

IOWA SOUTHERN UTILITIES COMPANY  
OF DELAWARE,

By EDWARD L. SHUTTS

*President.*

Attest:

EDWARD DERIVERA  
*Secretary.*

CORPORATE  
SEAL  
AFFIXED

THE NORTHERN TRUST COMPANY,  
*As Trustee.*

By J. C. SMITH

*Vice-President.*

Attest:

T. H. JOLLS  
*Assistant Secretary.*

CORPORATE  
SEAL  
AFFIXED

SHELDON A. WEAVER  
*As Trustee.*

(SEAL)

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

On the 29th day of January, 1948, before me, a Notary Public in and for said County and State, personally appeared EDWARD L. SHUTTS, President of Iowa Southern Utilities Company of Delaware, one of the corporations described in and which executed the foregoing instrument, to me personally known, who, being by me duly sworn, did say that he is the President of said corporation; that the seal affixed to the said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and the said EDWARD L. SHUTTS acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

JOHN BRUEHWILER  
*Notary Public.*

JOHN BRUEHWILER  
 Notary Public in the State of New York  
 Residing in Kings County  
 Kings Co. Clk's No. 513, Reg. No. 182 B 9  
 Certificates Filed in  
 N. Y. Co. Clk's No. 49, Reg. No. 315 B 9  
 Commission Expires March 30, 1949

NOTARIAL  
 SEAL  
 AFFIXED

STATE OF ILLINOIS, }  
 COUNTY OF COOK, } ss.:

On this 27th day of January, 1948, before me, a Notary Public in and for said County and State, personally appeared J. C. SMITH, Vice-President of The Northern Trust Company, one of the corporations described in and which executed the foregoing instrument, to me personally known, who, being by me duly sworn, did say that he is a Vice-President of said corporation; that the seal affixed to the said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and the said J. C. Smith acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

NOTARIAL  
 SEAL  
 AFFIXED

ARTHUR A. JOHNSON  
*Notary Public.*

ARTHUR A. JOHNSON  
 Notary Public, Cook County, Illinois  
 My Commission Expires May 9, 1949.

STATE OF ILLINOIS, }  
 COUNTY OF COOK, } ss.:

On this 27th day of January, 1948, before me, a Notary Public in and for said County and State, personally appeared Sheldon A. Weaver, one of the Trustees mentioned in the foregoing instrument, personally known to me to be the person named in and who executed the foregoing instrument, and acknowledged to me that he, as such Trustee, executed and delivered the said instrument as his free and voluntary act and deed, for the uses and purposes therein set forth.

ARTHUR A. JOHNSON  
*Notary Public.*

ARTHUR A. JOHNSON  
 Notary Public, Cook County, Illinois  
 My Commission Expires May 9, 1949.

NOTARIAL  
 SEAL  
 AFFIXED