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THIRD SUPPLEMENTAL INDENTURE

IOWA POWER AND LIGHT COMPANY

TO

HARRIS TRUST AND SAVINGS BANK

AND

HAROLD ECKHART
TRUSTEES

DATED AS OF DECEMBER 1, 1949

CREATING AN ISSUE OF FIRST MORTGAGE BONDS,
2¾% SERIES DUE 1979

SUPPLEMENTAL TO INDENTURE OF MORTGAGE AND DEED OF TRUST
DATED AS OF AUGUST 1, 1943

THE TWENTIETH CENTURY PRESS, INC., CHICAGO

THIS THIRD SUPPLEMENTAL INDENTURE, dated as of the 1st day of December, 1949, between IOWA POWER AND LIGHT COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of Iowa (hereinafter called the "Company"), party of the first part, and HARRIS TRUST AND SAVINGS BANK, a corporation duly organized and existing under and by virtue of the laws of the State of Illinois, having its principal place of business in the City of Chicago, State of Illinois (hereinafter called the "Trustee"), and HAROLD ECKHART of Chicago, Illinois (hereinafter called the "Individual Trustee"), as Trustees under the Indenture hereinafter mentioned, parties of the second part (the Trustee and Individual Trustee being hereinafter together referred to as the "Trustees"):

WITNESSETH:

WHEREAS, the Company has heretofore executed and delivered to the Trustees an Indenture of Mortgage and Deed of Trust (hereinafter called the "Indenture"), dated as of August 1, 1943, to secure the Company's First Mortgage Bonds, unlimited in aggregate principal amount except as therein otherwise provided, and a Supplemental Indenture of the same date (hereinafter called the "First Supplemental Indenture") creating the initial series of bonds designated as First Mortgage Bonds, 3¼% Series due 1973, to be issued under the Indenture, of which series there have been issued and are now outstanding $17,000,000 principal amount of bonds; and

WHEREAS, the Company has heretofore executed and delivered to the Trustees a Second Supplemental Indenture (hereinafter called the "Second Supplemental Indenture"), dated as of February 1, 1948, creating the second series of bonds designated as First Mortgage Bonds, 3% Series due 1978, to be issued under the Indenture, of which series there have been issued and are now outstanding $6,000,000 principal amount of bonds; and in and by the Second Supplemental Indenture there was recorded the description of, and confirmed unto the Trustees, certain property acquired after the execution and delivery of the Indenture; and

WHEREAS, the Company desires in and by this Third Supplemental Indenture to create a third series of bonds to be issued under the Indenture, to designate or otherwise distinguish such series, to specify the particulars necessary to describe and define the same, and to specify such other provisions and agreements in respect thereof as are in the Indenture provided or permitted; and

WHEREAS, the Company also desires in and by this Third Supplemental Indenture to record the description of, and confirm unto the Trustees, certain property acquired after the execution and delivery of the Second Supplemental Indenture and now subject to the lien of the Indenture by virtue of the provisions of the Indenture conveying to the Trustees property acquired after its execution and delivery; and

WHEREAS, the Company also desires in and by this Third Supplemental Indenture to record the correct description of, and confirm unto the Trustees, certain property which was incorrectly described in the Indenture; and

WHEREAS, all the conditions and requirements necessary to make this Third Supplemental Indenture, when duly executed and delivered, a valid, binding and legal instrument in accordance with its terms and for the purposes herein expressed, have been done, performed and fulfilled, and the execution and delivery of this Third Supplemental Indenture in the form and with the terms hereof have been in all respects duly authorized;

NOW, THEREFORE, in consideration of the premises and in further consideration of the sum of One Dollar in lawful money of the United States of America paid to the Company by the Trustees at or before the execution and delivery of this Third Supplemental Indenture, the receipt whereof is hereby acknowledged, and of other good and valuable considerations, it is agreed by and between the Company and the Trustees as follows:

Description of Property Acquired After Execution and Delivery of the Second Supplemental Indenture.

First. The Company records below the description of, and hereby confirms unto the Trustees, the following described real property which has been acquired by the Company after the execution and delivery of the Second Supplemental Indenture and which, since the respective dates of acquisition thereof, has been and is now subject to the lien of the Indenture in all respects as if originally described therein, to wit:

HARRISON COUNTY.

F.M. Radio Tower Site, Missouri Valley

1. That part of Lot One (1) in Block Seventy-two (72) of Town Lot Company's Fourth Addition to the City of Missouri Valley, Harrison County, Iowa, described as follows:

Beginning at a point six (6) feet north of the northeast corner (at ground level) of the present reservoir of the City of Missouri Valley, Iowa, located on Lot One (1), Block Seventy-two (72) aforesaid, thence east sixty (60) feet, thence north thirty (30) feet, thence west sixty (60) feet, thence south thirty (30) feet to the point of beginning; subject to a provision for reversion of title upon the abandonment of the use of said premises for purposes connected with the business of Iowa Power and Light Company, its successors or assigns.

MAHASKA COUNTY.

Oskaloosa Electric Power Station Site

2. A strip of ground twenty-five (25) feet in width, beginning at the southeast corner of Lot Three (3) of Lacey's Subdivision of Block Fourteen (14) of Montgomery's Second Addition to the City of Oskaloosa, thence west to the southeast corner of Lot Five (5) of Lacey's Subdivision of Block Thirteen (13) of Montgomery's Second Addition to the City of Oskaloosa, thence south twenty-five (25) feet, thence east to a point twenty-five (25) feet south of the place of beginning, thence north to the place of beginning, including that portion of South A Street included in the twenty-five (25) feet described, all in Montgomery's Second Addition to the City of Oskaloosa, Mahaska County, Iowa; subject to the lawful existing right-of-way rights of any and all railroad companies in and to said strip of ground.

A portion of South A Street as platted in Montgomery's Second Addition to the City of Oskaloosa, Iowa, being a strip of ground sixty-six (66) feet wide and fifty-three and one-half (53½) feet long lying south of the intersection of Sixth Avenue and A Street, described as follows:

Commencing at the southwest corner of Lot One (1) of Lacey's Subdivision of Block Fourteen (14) of Montgomery's Second Addition to the City of Oskaloosa, Iowa, thence west sixty-six (66) feet, thence north fifty-three and one-half (53½) feet, thence east sixty-six (66) feet, thence south fifty-three and one-half (53½) feet to the place of beginning, all in Montgomery's Second Addition to the City of Oskaloosa, Mahaska County, Iowa.

A portion of South A Street as platted in Montgomery's Second Addition to the City of Oskaloosa, Iowa, being a strip of ground sixty-six (66) feet wide and forty-two (42) feet long lying south of the Chicago, Rock Island and Pacific Railroad Company right-of-way, described as follows:

Beginning at the northwest corner of Lot Four (4) of Lacey's Subdivision of Block Fourteen (14) of Montgomery's Second Addition to the City of Oskaloosa, Iowa, thence south forty-two (42) feet, thence west sixty-six (66) feet, thence north forty-two (42) feet, thence east sixty-six (66) feet to the place of beginning, all in Montgomery's Second Addition to the City of Oskaloosa, Mahaska County, Iowa.

The west fifty (50) feet of Lot Four (4) of Lacey's Subdivision of Block Fourteen (14) of Montgomery's Second Addition to the City of Oskaloosa, Mahaska County, Iowa.

Lot Five (5) of Lacey's Subdivision of Block Thirteen (13) of Montgomery's Second Addition to the City of Oskaloosa, Mahaska County, Iowa.

MARION COUNTY.

Knoxville Substation Site

3. A part of the Southwest Quarter (SW¼) of the Northeast Quarter (NE¼) of Section One (1), Township Seventy-five (75) North, Range Twenty (20) West of the 5th P.M., Marion County, Iowa, bounded and described as follows:

Beginning at a point at the intersection of the east line of Primary Highway No. 14 and the south line of the Southwest Quarter (SW¼) of the Northeast Quarter (NE¼) aforesaid, thence north one hundred thirty (130) feet, thence east two hundred (200) feet, thence south one hundred thirty (130) feet to the south line aforesaid, thence west two hundred (200) feet to the place of beginning; subject to an agreement to erect and maintain a hog-tight fence along the north and east sides of said premises.

MILLS COUNTY.

Glenwood Electric Power Station Site

4. The east twenty-five (25) feet and ten (10) inches of Lots Seven (7) and Eight (8) in Block Five (5) in the City of Glenwood, Iowa, according to the recorded plat thereof, being a part of the Southwest Quarter (SW¼) of Section Twelve

(12), Township Seventy-two (72) North, Range Forty-three (43) West of the 5th P.M., Mills County, Iowa.

Glenwood Substation Site

5. A tract of land located in the southeast corner of the Southeast Quarter (SE¼) of Section Twenty-eight (28), Township Seventy-two (72) North, Range Forty-three (43) west of the 5th P.M., Mills County, Iowa, more particularly described as follows:

Commencing at the southeast corner of said Section Twenty-eight (28), thence north along the section line two hundred (200) feet, thence west two hundred thirty-three (233) feet parallel to the south section line, thence south two hundred (200) feet parallel to the east section line, thence east along the south section line two hundred thirty-three (233) feet to the point of beginning (subject to easement for public road over a part of the above-described tract).

MONTGOMERY COUNTY.

Elliott Substation Site

6. A parcel of ground in the northwest corner of the north half of the Northeast Fractional Quarter (NE fr. ¼) of Section One (1), Township Seventy-three (73) North, Range Thirty-eight (38) West of the 5th P.M., Montgomery County, Iowa, more particularly described as follows:

Beginning at a point approximately thirty-three (33) feet south of the north section line of said Section One (1) and approximately thirty-three (33) feet east of the center line of said Section One (1), thence easterly parallel to the north section line of said Section One (1) one hundred (100) feet, thence southerly parallel to the center line of said Section One (1) one hundred (100) feet, thence westerly parallel to the said north section line one hundred (100) feet, thence northerly parallel to said center line one hundred (100) feet to the point of beginning.

Rural Substation Four (4) Miles North of Red Oak

7. A parcel of ground located in the northwest corner of the north half of the Northwest Quarter (NW¼) of Section Thirty-three (33), Township Seventy-three (73) North, Range Thirty-eight (38) West of the 5th P.M., Montgomery County, Iowa, more particularly described as follows:

Beginning at a point fifty-five and forty-hundredths (55.40) feet east and thirty-five (35) feet south of the northwest corner of said Section Thirty-three (33), thence east parallel to the north line of said Section Thirty-three (33) fifty (50) feet, thence south parallel to the west line of said Section Thirty-three (33) one hundred (100) feet, thence west parallel to said north section line fifty (50) feet, thence north parallel to said west section line one hundred (100) feet to the point of beginning; subject to a reservation of oil, gas and mineral rights.

POLK COUNTY.

East Twenty-ninth Street Substation, Des Moines

8. Lots Fifty-four (54), Fifty-five (55), Fifty-six (56), Fifty-seven (57), Fifty-eight (58) and Sixty-one (61) in Grand View Heights, an Official Plat, now included in and forming a part of the City of Des Moines, Polk County, Iowa, subject to right-of-way permit to Northwestern Bell Telephone Company, and subject to building restrictions and restrictive covenants of record.

POTTAWATTAMIE COUNTY.

Substation Situated on the Treynor Road East of South Avenue, and South of Council Bluffs

9. A tract of land in the Southeast Quarter (SE¼) of the Northwest Quarter (NW¼) of Section Eight (8), Township Seventy-four (74) North, Range Forty-three (43) West of the 5th P.M., Pottawattamie County, Iowa, described as follows:

Commencing at a point in the center of the public highway seven hundred forty-seven (747) feet south and four hundred thirty-five (435) feet east of the northwest corner of said forty-acre tract and running thence west to a point on the west line thereof seven hundred forty-seven (747) feet south of the northwest corner thereof, thence north one hundred (100) feet, thence east to the center of the highway, thence southeasterly along the center of the highway to the place of beginning; subject to public highway rights.

Transmission Line Right-of-way

10. The northerly twenty (20) feet of the Northeast Quarter (NE¼) of the Northwest Quarter (NW¼) of Section Twenty-five (25), Township Seventy-five (75) North, Range Forty-four (44) West of the 5th P.M., Pottawattamie County, Iowa; subject to the conditions, reservations and limitations contained in that certain warranty deed from Sarah B. B. Rohrer and M. F. Rohrer, dated July 10, 1923, and filed for record June 25, 1949, and recorded in Book 1007, page 461, in the office of the Recorder of Pottawattamie County, Iowa.

Tower Site, Council Bluffs

11. A strip of ground one hundred (100) feet in width by one hundred fifty (150) feet in length in the least dimension, lying west of and abutting upon Nathan P. Dodge Boulevard, in the City of Council Bluffs, Pottawattamie County, Iowa, at the intersection of the westerly line of said boulevard and the center line of Ninth Avenue in said city produced westward; said tract of land being more particularly described as follows:

Commencing at the intersection of the center line of Ninth Avenue produced, and the westerly line of said Nathan P. Dodge Boulevard in Government Lot Three (3), Section Thirty-three (33), Township Seventy-five (75) North, Range Forty-four (44) West of the 5th P.M., Pottawattamie County, Iowa, and in the City of Council Bluffs, and running thence southeasterly along the above described westerly line, one hundred fourteen and three-tenths (114.3) feet; thence west parallel to the center line of Ninth Avenue produced, one hundred fifty (150) feet; thence in a northwesterly direction parallel to the westerly line of the abovementioned Dodge Boulevard, one hundred fourteen and three-tenths (114.3) feet; thence easterly one hundred fifty (150) feet to the westerly line of Dodge Boulevard, to the place of beginning; subject to the conditions (including a provision for reversion upon abandonment) contained in that certain deed from Council Bluffs Savings Bank, and Grenville D. Montgomery and Council Bluffs Savings Bank, Trustees under the Will of Grenville M. Dodge, deceased, dated August 18, 1922, and filed for record March 26, 1923, and recorded in Book 651, page 361, in the office of the Recorder of Pottawattamie County, Iowa.

Substation at Sixteenth Avenue and Eleventh Street in Council Bluffs

12. Lots One (1) and Twenty-one (21) in Block Four (4) of Howard Addition to the City of Council Bluffs, Pottawattamie County, Iowa.

Substation at Fleming Avenue and East Broadway, Council Bluffs

13. Lots Six (6) and Seven (7) in Norgaard's Addition to the City of Council Bluffs, Pottawattamie County, Iowa; subject to a reservation of an easement for city water pipes.

Substation at Twenty-ninth Street and Broadway in Council Bluffs

14. Lots Twenty-two (22), Twenty-three (23), Twenty-four (24), and Twenty-five (25), in Block Two (2) of Evans' Bridge Addition to the City of Council Bluffs, Pottawattamie County, Iowa; subject to a revocable permit of user over a part of said Lot Twenty-two (22).

Substation at Thirteenth Street and Fourth Avenue in Council Bluffs

15. Lots Seven (7), Eight (8), Nine (9) and Ten (10) (except that part of said lots lying in Union Avenue) in Block Fifteen (15) of Beers' Addition to the City of Council Bluffs, Pottawattamie County, Iowa.

Substation at 618 First Avenue, Council Bluffs

16. Lot Twelve (12) and the west half of Lot Thirteen (13) in Block Six (6) of Bayliss First Addition (otherwise known as S. S. Bayliss Addition) to the City of Council Bluffs, Pottawattamie County, Iowa.

Substation at Fifteenth Street and Avenue Q in Council Bluffs

17. A part of the south half of the Southeast Quarter (SE¼) of Section Twenty-three (23), Township Seventy-five (75) North, Range Forty-four (44) West of the 5th P.M., Pottawattamie County, Iowa, described as: Beginning at a point eleven hundred forty-seven and eight-tenths (1147.8) feet east and five hundred two and eight-tenths (502.8) feet north of the

southwest corner of the Southeast Quarter (SE¼) of Section Twenty-three (23), Township Seventy-five (75) North, Range Forty-four (44) West of the 5th P.M., Pottawattamie County, Iowa (which point coincides with the point at which the east line of North Fifteenth Street intersects the north line of the railroad right-of-way, commonly called Omaha Bridge and Terminal Railroad, and owned or controlled by Illinois Central Railroad), running thence north along the east line of North Fifteenth Street one hundred sixty (160) feet, thence ninety degrees (90°) east two hundred fifty-seven (257) feet to a point of intersection with the northerly line of said railroad right-of-way, thence in a southwesterly direction along the northerly line of said right-of-way to the point of beginning.

Description of Property Incorrectly Described in the Indenture.

Second. The Company also records below the correct description of, and hereby confirms unto the Trustees, certain property which was listed, with an incorrect description, as item (40) under paragraph First of the granting clause of the Indenture and identified in the margin thereof as the "Red Oak Manufacturing Plant and Pole Yard"; said property having been and being now subject to the lien of the Indenture in all respects as if correctly described therein and the correct description thereof being as follows, to-wit:

MONTGOMERY COUNTY.

Red Oak Gas Manufacturing Plant and Pole Yard

The south one hundred and five (105) feet of Sublot One (1) of Sublot (1) of Lot One (1), and Sublot Two (2) of Lot One (1), all in the north half of the Southeast Quarter (SE¼) of the Northeast Quarter (NE¼) of Section Twenty-nine (29), Township Seventy-two (72) North, Range Thirty-eight (38) West of the 5th P.M., Montgomery County, Iowa.

Sublot Four (4) of Lot Three (3) and a parcel of land sixty-two (62) feet north and south by fifty (50) feet east and west abutting said Sublot Four (4) on the west, all in the south half of the Southeast Quarter (SE¼) of the Northeast Quarter (NE¼) of Section Twenty-nine (29), Township Seventy-two (72) North, Range Thirty-eight (38) West of the 5th P.M., Montgomery County, Iowa.

The north sixteen (16) feet of the east one hundred and fifty (150) feet of Sublot Two (2) of Lot Three (3) of Outlot One (1) in the Central Addition to Red Oak Junction, now the City of Red Oak, Montgomery County, Iowa.

Third. The Company also hereby confirms unto the Trustees all other property of every kind, character and description (other than Excepted Property as defined in the Indenture), acquired or constructed by the Company after the execution and delivery of the Second Supplemental Indenture, including, without limiting the generality of the foregoing, the system and properties formerly owned and operated by Western Iowa Power Company in and around Council Bluffs, Iowa, and elsewhere in Pottawattamie and Mills Counties, Iowa, and the system and properties in Marion, Monroe and Mahaska Counties, Iowa, acquired by the Company from Central States Electric Company (except such part of such properties as has been disposed of by the Company in accordance with the provisions of the Indenture), and all transmission lines, pipe lines, additions to electric generating plants and to gas works, substations and electric and gas distribution systems and facilities of the Company, including those now under construction; also all franchises, privileges, permits, licenses, easements and rights-of-way; all of said property being now subject to the lien of the Indenture in all respects as if originally described therein; together with all and singular the easements, hereditaments and appurtenances belonging or in any wise appertaining to the property above described or referred to, and all the estate, title, claims and demands whatsoever, as well in law as in equity, of the Company in and to the same and any and every part and parcel thereof; and all and singular the rents, issues, profits, tolls and other income thereof; excepting always Excepted Property as defined in the Indenture.

ARTICLE I.

First Mortgage Bonds, 2¾% Series Due 1979.

Section 1. There is hereby created a third series of bonds to be issued under and secured by the Indenture, to be designated, distinguished and known as "First Mortgage Bonds, 2¾% Series due 1979" of the Company (herein called "Bonds of Third Series"). Bonds of Third Series may be issued without limitation as to aggregate principal amount except as provided in the Indenture and in this Third Supplemental Indenture. The coupon Bonds of Third Series shall be dated December 1, 1949, and the registered bonds without coupons of said series shall be dated as of the interest payment date next preceding the authentication thereof by the Trustee (except that if any such registered bond be authenticated before June 1, 1950, it shall be dated December 1, 1949, and except that if any such registered bond shall be authenticated on an interest payment date it shall be dated as of such interest payment date, and except that if the Company shall at the time of the issue or transfer of a registered bond be in default in the payment of interest upon the Bonds of Third Series, such registered bond shall be dated as of the date of the beginning of the period for which such interest is so in default); all Bonds of Third Series shall mature December 1, 1979; the principal of and interest on the Bonds of Third Series shall be payable in lawful money of the United States of America; the place where such principal shall be payable shall be the principal office of the Trustee in the City of Chicago, State of Illinois, and the place where such interest shall be payable shall be the office or agency of the Company in said City of Chicago, State of Illinois, or, at the option of the bearers of coupons representing interest on coupon bonds or the registered owners of registered bonds without coupons, as the case may be, at the office or agency of the Company in the Borough of Manhattan, City and State of New York; the rate of interest shall be two and three-fourths per cent ($2\frac{3}{4}\%$) per annum, payable semi-annually on the first days of June and December; and the terms of redemption shall be as referred to in Section 2 of this Article I.

Section 2. The Bonds of Third Series shall be redeemable prior to maturity, either at the option of the Company in whole at any time or in part from time to time, or through the operation of the Sinking Fund provided for in Article III hereof in part on December 1, 1954, and on each December 1 thereafter to and including December 1, 1978, on notice given in the manner and with the effect provided in Article IV of the Indenture and as in this Section 2 provided.

The redemption prices of Bonds of Third Series redeemed at the option of the Company shall be the following percentages of the principal amount thereof:

IF REDEEMED DURING TWELVE MONTHS' PERIOD BEGINNING

December 1	Percentage	December 1	Percentage	December 1	Percentage
1949....	105.50%	1959....	103.61%	1969....	101.71%
1950....	105.32%	1960....	103.42%	1970....	101.52%
1951....	105.13%	1961....	103.23%	1971....	101.33%
1952....	104.94%	1962....	103.04%	1972....	101.14%
1953....	104.75%	1963....	102.85%	1973....	100.95%
1954....	104.56%	1964....	102.66%	1974....	100.76%
1955....	104.37%	1965....	102.47%	1975....	100.57%
1956....	104.18%	1966....	102.28%	1976....	100.38%
1957....	103.99%	1967....	102.09%	1977....	100.26%
1958....	103.80%	1968....	101.90%	1978....	100.00%

in each case plus accrued interest to the redemption date.

The redemption prices of Bonds of Third Series redeemed for the Sinking Fund provided for in Article III hereof shall be the following percentages of the principal amount thereof:

IF REDEEMED ON

December 1	Percentage	December 1	Percentage	December 1	Percentage
1954....	102.38%	1962....	101.78%	1970....	101.04%
1955....	102.31%	1963....	101.70%	1971....	100.94%
1956....	102.24%	1964....	101.61%	1972....	100.83%
1957....	102.17%	1965....	101.52%	1973....	100.72%
1958....	102.10%	1966....	101.43%	1974....	100.61%
1959....	102.02%	1967....	101.34%	1975....	100.50%
1960....	101.94%	1968....	101.24%	1976....	100.38%
1961....	101.86%	1969....	101.14%	1977....	100.26%
				1978....	100.00%

in each case plus accrued interest to the redemption date.

In case the Company shall at any time elect to redeem all or any part of the Bonds of Third Series, it shall give notice to the effect that it has elected to redeem all or a part thereof, as the case may be, on a date therein designated, specifying in case of redemption of a part of the Bonds of Third Series the distinctive numbers of the bonds to be redeemed, and in every case stating in substance that on said date there will become and be due and payable upon each bond so to be redeemed, at the principal office of the Trustee in the City of Chicago, State of Illinois, the redemption price thereof (or portion thereof in the case of partial redemption of a registered bond without coupons) hereinbefore in this Section 2 specified for bonds redeemed at the option of the Company, and that on and after such date interest thereon will cease to accrue.

Such notice, in case of redemption of bonds at the option of the Company, shall be published in one authorized Chicago newspaper and in one authorized New York newspaper at least once in each week for four successive calendar weeks, the first publication to be made at least thirty and not more than forty-five days before the date fixed for redemption, and shall also be mailed by the Company, postage prepaid, at least thirty and not more than forty-five days prior to such date of redemption, to the holders of all coupon bonds at the time registered as to principal and of all registered bonds without coupons to be so redeemed, at the addresses that shall appear upon the registers thereof. No failure to mail or to receive any such notice and no defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of any of the bonds so to be redeemed.

Notice of redemption of bonds redeemed through the operation of the Sinking Fund shall be given as provided in Section 3 of Article III hereof.

Section 3. The Bonds of Third Series shall be coupon bonds registrable as to principal and registered bonds without coupons. Coupon Bonds of Third Series shall be issued in the denomination of $1,000 each, numbered consecutively from "M1" upward. Registered Bonds of Third Series without coupons may be issued in denominations of $1,000, numbered consecutively from "RM1" upward, $5,000 numbered consecutively from "RV1" upward and in multiples of $5,000 appropriately numbered.

The forms of the coupon Bonds of Third Series and of the coupons thereto attached shall be substantially as follows:

[FORM OF COUPON BOND]

IOWA POWER AND LIGHT COMPANY

FIRST MORTGAGE BOND, $2\frac{3}{4}\%$ SERIES DUE 1979
Due December 1, 1979

$1,000 No. ....

IOWA POWER AND LIGHT COMPANY (hereinafter called the "Company"), a corporation of the State of Iowa, for value received, hereby promises to pay to bearer, or, if this bond be registered as to principal, to the registered owner hereof, on December 1, 1979, at the principal office of the Trustee hereinafter named, in the City of Chicago, State of Illinois, or at the principal office of any successor in trust, the sum of One Thousand Dollars ($1,000) in lawful money of the United States of America, and to pay interest thereon from December 1, 1949, at the rate of two and three-fourths per cent ($2\frac{3}{4}\%$) per annum, in like lawful money, payable semi-annually at the office or agency of the Company in the City of Chicago, State of Illinois, or, at the option of the bearer of the coupons for interest appertaining hereto, at the office or agency of the Company in the Borough of Manhattan, City and State of New York, on the first day of June and on the first day of December in each year until the Company's obligation with respect to the payment of such principal sum shall be discharged as provided in the indentures hereinafter mentioned, but only, in the case of interest due on or before the maturity date, upon presentation and surrender of the interest coupons therefor hereto attached as they severally mature.

This bond is one, of the series hereinafter specified, of the bonds of the Company (herein called the "bonds") known as its "First Mortgage Bonds", issued and to be issued in one or more series under, and all equally and ratably secured by, an Indenture of Mortgage and Deed of Trust dated as of August 1, 1943, duly executed by the Company to Harris Trust and Savings Bank (herein called the "Trustee") and Harold Eckhart, Trustees, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the terms and conditions upon which the bonds are, and are to be, issued and secured, and the rights of the bearers or registered owners of the bonds and of the Trustees in respect of such security. As provided in said Indenture, said bonds may be for various principal sums and are issuable in series, which may mature at different times, may bear interest at different rates and may otherwise vary as therein provided; and this bond is one of a series entitled "First Mortgage Bonds, 2¾% Series due 1979", created by the Third Supplemental Indenture dated as of December 1, 1949, as provided for in said Indenture.

To the extent permitted by said Indenture, modifications or alterations of said Indenture or of any indenture supplemental thereto and of the rights and obligations of the Company and of the bearers or registered owners of the bonds and coupons may be made, and compliance with said Indenture or any such supplemental indenture may be waived, with the consent of the Company, by an affirmative vote of the bearers or registered owners of not less than sixty-six and two-thirds per cent (66⅔%) in principal amount of the bonds entitled to vote at a meeting of bondholders called and held as provided in said Indenture and by an affirmative vote of not less than sixty-six and two-thirds per cent (66⅔%) in principal amount of the bonds entitled to vote of each series affected by such modification or alteration or waiver in case one or more, but less than all, of the series of bonds then outstanding under said Indenture are so affected; provided, however, that no such modification or alteration or waiver shall be made which will (a) affect the terms of payment of the principal of, or interest or premium on, this bond, or the right of any bondholder to institute suit for the enforcement of any such payment on or after the respective due dates expressed in this bond or in the coupons appertaining hereto, or (b) otherwise than as permitted by said Indenture, permit the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of said Indenture or of any indenture supplemental thereto, with respect to any property covered thereby, or give to any bond or bonds secured by said Indenture any preference over any other bond or bonds so secured, or deprive any bondholder of the security afforded by the lien of said Indenture, or (c) reduce the percentage in principal amount of the bonds required to authorize or consent to any such modification or alteration or waiver; all as more fully provided in said Indenture.

The First Mortgage Bonds, 2¾% Series due 1979, may be redeemed at the option of the Company in whole at any time, or in part from time to time, at the following percentages of the principal amount thereof:

IF REDEEMED DURING TWELVE MONTHS' PERIOD BEGINNING

December 1	Percentage	December 1	Percentage	December 1	Percentage
1949....	105.50%	1959....	103.61%	1969....	101.71%
1950....	105.32%	1960....	103.42%	1970....	101.52%
1951....	105.13%	1961....	103.23%	1971....	101.33%
1952....	104.94%	1962....	103.04%	1972....	101.14%
1953....	104.75%	1963....	102.85%	1973....	100.95%
1954....	104.56%	1964....	102.66%	1974....	100.76%
1955....	104.37%	1965....	102.47%	1975....	100.57%
1956....	104.18%	1966....	102.28%	1976....	100.38%
1957....	103.99%	1967....	102.09%	1977....	100.26%
1958....	103.80%	1968....	101.90%	1978....	100.00%

in each case plus accrued interest to the date of redemption.

The First Mortgage Bonds, 2¾% Series due 1979, are entitled to the benefit of a sinking fund, the terms and provisions of which are set forth in said Third Supplemental Indenture and, as provided therein, are subject to redemption through the operation of said sinking fund in part from time to time on December 1, 1954, and on each December 1 thereafter to and including December 1, 1978, at the following percentages of the principal amount thereof:

IF REDEEMED ON

December 1	Percentage	December 1	Percentage	December 1	Percentage
1954....	102.38%	1962....	101.78%	1970....	101.04%
1955....	102.31%	1963....	101.70%	1971....	100.94%
1956....	102.24%	1964....	101.61%	1972....	100.83%
1957....	102.17%	1965....	101.52%	1973....	100.72%
1958....	102.10%	1966....	101.43%	1974....	100.61%
1959....	102.02%	1967....	101.34%	1975....	100.50%
1960....	101.94%	1968....	101.24%	1976....	100.38%
1961....	101.86%	1969....	101.14%	1977....	100.26%
				1978....	100.00%

in each case plus accrued interest to the date of redemption.

Notice of any redemption of bonds to be redeemed at the option of the Company shall be given by publication once in each of four successive calendar weeks in two daily newspapers printed in the English language, one published and of general circulation in the City of Chicago, State of Illinois, and the other published and of general circulation in the Borough of Manhattan, City and State of New York, the first publication to be at least thirty and not more than forty-five days prior to the redemption date, and notice of any redemption of bonds to be redeemed through the operation of the sinking fund shall be given by similar publication once in each of two successive calendar weeks, the first of said publications to be at least fifteen and not more than thirty days prior to the redemption date; all subject to the conditions set forth and as more fully provided in said Indenture and in said Third Supplemental Indenture. Said Indenture and said Third Supplemental Indenture provide, among other things, that notice of redemption having been duly given, the bonds called for redemption shall become due and payable upon the redemption date and, if the redemption price shall have been duly deposited with the Trustee, interest thereon shall cease to accrue on and after the redemption date, and that whenever the redemption price thereof shall have been duly deposited with the Trustee and notice of redemption shall have been duly given or provision therefor made as provided in said Indenture, such bonds shall no longer be entitled to any lien or benefit of said Indenture.

In the event that any bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise or at the date fixed for the redemption thereof, or in the event that any coupon shall not be presented for payment at the due date thereof, and the Company shall have on deposit with the Trustee in trust for the purpose, on the date when such bond or coupon is so due, funds sufficient to pay the principal of such bond (and premium, if any), together with all interest due thereon to the date of maturity of such bond or to the date fixed for the redemption thereof, or to pay such coupon, as the case may be, for the use and benefit of the bearer or registered owner thereof, then all liability of the Company to the bearer or registered owner of said bond for the payment of the principal thereof and interest thereon (and premium, if any), or to the holder of said matured coupon for the payment thereof, as the case may be, shall forthwith cease, determine and be completely discharged and such bearer or registered owner or holder shall no longer be entitled to any lien or benefit of said Indenture.

In case an event of default as defined in said Indenture shall occur, the principal of this bond may become or be declared due and payable in the manner, with the effect, and subject to the conditions provided in said Indenture.

This bond is transferable by delivery unless registered as to principal on the books of the Company to be kept for that purpose at the principal office of the Trustee in the City of Chicago, State of Illinois, upon the payment of charges as provided in said Third Supplemental Indenture, such registration to be noted hereon. After such registration, no transfer shall be valid unless made upon said books by the registered owner in person, or by attorney duly authorized, and similarly noted hereon; but this bond may be discharged from registration by being in like manner transferred to bearer upon the payment of such charges, and thereupon transferability by delivery shall be restored, after which this bond may again from time to time be registered or made transferable to bearer as before. Such registration, however, shall not affect the negotiability of the coupons for interest hereto attached, which shall always be payable to bearer and transferable by delivery merely, and payment to the bearer thereof shall fully discharge the Company in respect of the interest therein mentioned, whether or not this bond be registered as to principal and whether or not any such coupons shall have matured.

In the manner and upon payment of the charges provided in said Third Supplemental Indenture, coupon bonds of this series may, at the option of the holders and upon surrender at said office, be exchanged for registered bonds without coupons of this series of the same aggregate principal amount in any authorized denominations; and in like manner and upon payment of like charges, registered bonds without coupons of this series may, at the option of the registered owners and upon surrender at said office, be exchanged either for registered bonds without coupons of this series of the same aggregate principal amount in larger or smaller authorized denominations, or for coupon bonds of this series of the same aggregate principal amount, in the denomination of $1,000 each, with all unmatured coupons attached.

No recourse shall be had for the payment of the principal of, or the interest on, this bond, or for any claim based hereon or otherwise in respect hereof or of said Indenture or any indenture supplemental thereto, against any incorporator, or against any stockholder, director or officer, past, present or future, of the Company, as such, or of any predecessor or successor corporation, either directly or through the Company or any such predecessor or successor corporation, 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, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being waived and released by every bearer or registered owner hereof by the acceptance of this bond and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of said Indenture.

Neither this bond nor any of the annexed interest coupons shall be valid or become obligatory for any purpose unless and until the certificate endorsed hereon shall have been executed by the Trustee or its successor in trust under said Indenture.

In Witness Whereof, Iowa Power and Light Company has caused this bond to be signed in its name by its President or one of its Vice-Presidents, and its corporate seal to be impressed or imprinted hereon and attested by its Secretary or one of its Assistant Secretaries, and coupons for said interest bearing the facsimile signature of its Treasurer to be hereunto attached, as of December 1, 1949.

Iowa Power and Light Company,

By ....
President.

Attest:

....
Secretary.

[form of interest coupon]

No. $13.75

On the .... day of ...., 19..., unless the bond hereinafter mentioned shall have been duly called for previous redemption and payment duly provided therefor, upon surrender of this coupon, Iowa Power and Light Company will pay to bearer, at its office or agency in the City of Chicago, State of Illinois, or, at the option of bearer, at its office or agency in the Borough of Manhattan, City and State of New York, Thirteen dollars and seventy-five cents ($13.75) in lawful money of the United States of America, being six months' interest then due on its First Mortgage Bond, 2¾% Series due 1979, No. ....

....
Treasurer.

The form of registered bonds without coupons of the Bonds of Third Series shall be substantially as follows:

[FORM OF REGISTERED BOND WITHOUT COUPONS]

IOWA POWER AND LIGHT COMPANY

FIRST MORTGAGE BOND, 2¾% SERIES DUE 1979
Due December 1, 1979

$.......... No............

IOWA POWER AND LIGHT COMPANY (hereinafter called the "Company"), a corporation of the State of Iowa, for value received, hereby promises to pay to...................... .... or registered assigns, on December 1, 1979, at the principal office of the Trustee hereinafter named, in the City of Chicago, State of Illinois, or at the principal office of any successor in trust, the sum of.................. .... Dollars ($............) in lawful money of the United States of America, and to pay interest thereon from the date hereof at the rate of two and three-fourths per cent (2¾%) per annum, in like lawful money, payable semi-annually at the office or agency of the Company in the City of Chicago, State of Illinois, or, at the option of the registered owner, at the office or agency of the Company in the Borough of Manhattan, City and State of New York, on the first day of June and on the first day of December in each year until the Company's obligation with respect to the payment of such principal sum shall be discharged as provided in the indentures hereinafter mentioned.

This bond is one, of the series hereinafter specified, of the bonds of the Company (herein called the "bonds") known as its "First Mortgage Bonds", issued and to be issued in one or more series under, and all equally and ratably secured by, an Indenture of Mortgage and Deed of Trust dated as of August 1, 1943, duly executed by the Company to Harris Trust and Savings Bank (herein called the "Trustee") and Harold Eckhart, Trustees, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the terms and conditions upon which the bonds are, and are to be, issued and secured, and the rights of the bearers or registered owners of the bonds and of the Trustees in respect of such security. As provided in said Indenture, said bonds may be for various principal sums and are issuable in series, which may mature at different times, may bear interest at different rates and may otherwise vary as therein provided; and this bond is one of a series entitled "First Mortgage Bonds, 2¾% Series due 1979", created by the Third Supplemental Indenture dated as of December 1, 1949, as provided for in said Indenture.

To the extent permitted by said Indenture, modifications or alterations of said Indenture or of any indenture supplemental thereto and of the rights and obligations of the Company and of the bearers or registered owners of the bonds and coupons may be made, and compliance with said Indenture or any such supplemental indenture may be waived, with the consent of the Company, by an affirmative vote of the bearers or registered owners of not less than sixty-six and two-thirds per cent (66⅔%) in principal amount of the bonds entitled to vote at a meeting of bondholders called and held as provided in said Indenture and by an affirmative vote of not less than sixty-six and two-thirds per cent (66⅔%) in principal amount of the bonds entitled to vote of each series affected by such modification or alteration or waiver in case one or more, but less than all, of the series of bonds then outstanding under said Indenture are so affected; provided, however, that no such modification or alteration or waiver shall be made which will (a) affect the terms of payment of the principal of, or interest or premium on, this bond, or the right of any bondholder to institute suit for the enforcement of any such payment on or after the respective due dates expressed in this bond, or (b) otherwise than as permitted by said Indenture, permit the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of said Indenture or of any indenture supplemental thereto, with respect to any property covered thereby, or give to any bond or bonds secured by said Indenture any preference over any other bond or bonds so secured, or deprive any bondholder of the security afforded by the lien of said Indenture, or (c) reduce the percentage in principal amount of the bonds required to authorize or consent to any such modification or alteration or waiver; all as more fully provided in said Indenture.

The First Mortgage Bonds, 2¾% Series due 1979, may be redeemed at the option of the Company in whole at any time, or in part from time to time, at the following percentages of the principal amount thereof:

IF REDEEMED DURING TWELVE MONTHS' PERIOD BEGINNING

December 1	Percentage	December 1	Percentage	December 1	Percentage
1949....	105.50%	1959....	103.61%	1969....	101.71%
1950....	105.32%	1960....	103.42%	1970....	101.52%
1951....	105.13%	1961....	103.23%	1971....	101.33%
1952....	104.94%	1962....	103.04%	1972....	101.14%
1953....	104.75%	1963....	102.85%	1973....	100.95%
1954....	104.56%	1964....	102.66%	1974....	100.76%
1955....	104.37%	1965....	102.47%	1975....	100.57%
1956....	104.18%	1966....	102.28%	1976....	100.38%
1957....	103.99%	1967....	102.09%	1977....	100.26%
1958....	103.80%	1968....	101.90%	1978....	100.00%

in each case plus accrued interest to the date of redemption.

The First Mortgage Bonds, 2¾% Series due 1979, are entitled to the benefit of a sinking fund, the terms and provisions of which are set forth in said Third Supplemental Indenture and, as provided therein, are subject to redemption through the operation of said sinking fund in part from time to time on December 1, 1954, and on each December 1 thereafter to and including December 1, 1978, at the following percentages of the principal amount thereof:

IF REDEEMED ON

December 1	Percentage	December 1	Percentage	December 1	Percentage
1954....	102.38%	1962....	101.78%	1970....	101.04%
1955....	102.31%	1963....	101.70%	1971....	100.94%
1956....	102.24%	1964....	101.61%	1972....	100.83%
1957....	102.17%	1965....	101.52%	1973....	100.72%
1958....	102.10%	1966....	101.43%	1974....	100.61%
1959....	102.02%	1967....	101.34%	1975....	100.50%
1960....	101.94%	1968....	101.24%	1976....	100.38%
1961....	101.86%	1969....	101.14%	1977....	100.26%
				1978....	100.00%

in each case plus accrued interest to the date of redemption.

Notice of any redemption of bonds to be redeemed at the option of the Company shall be given by publication once in each of four successive calendar weeks in two daily newspapers printed in the English language, one published and of general circulation in the City of Chicago, State of Illinois, and the other published and of general circulation in the Borough of Manhattan, City and State of New York, the first publication to be at least thirty and not more than forty-five days prior to the redemption date, and notice of any redemption of bonds to be redeemed through the operation of the sinking fund shall be given by similar publication once in each of two successive calendar weeks, the first of said publications to be at least fifteen and not more than thirty days prior to the redemption date; all subject to the conditions set forth and as more fully provided in said Indenture and in said Third Supplemental Indenture. Said Indenture and said Third Supplemental Indenture provide, among other things, that notice of redemption having been duly given, the bonds called for redemption shall become due and payable upon the redemption date and, if the redemption price shall have been duly deposited with the Trustee, interest thereon shall cease to accrue on and after the redemption date, and that whenever the redemption price thereof shall have been duly deposited with the Trustee and notice of redemption shall have been duly given or provision therefor made as provided in said Indenture, such bonds shall no longer be entitled to any lien or benefit of said Indenture.

In the event that any bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise or at the date fixed for the redemption thereof, or in the event that any coupon shall not be presented for payment at the due date thereof, and the Company shall have on deposit with the Trustee in trust for the purpose, on the date when such bond or coupon is so due, funds sufficient to pay the principal of such bond (and premium, if any), together with all interest due thereon to the date of maturity of such bond or to the date fixed for the redemption thereof, or to pay such coupon, as the case may be, for the use and benefit of the bearer or registered owner thereof, then all liability of the Company to the bearer or registered owner of said bond for the payment of the principal thereof and interest thereon (and premium, if any), or to the holder of said matured coupon for the payment thereof, as the case may be, shall forthwith cease, determine and be completely discharged and such bearer or registered owner or holder shall no longer be entitled to any lien or benefit of said Indenture.

In case an event of default as defined in said Indenture shall occur, the principal of this bond may become or be declared due and payable in the manner, with the effect, and subject to the conditions provided in said Indenture.

This bond is transferable by the registered owner hereof in person, or by attorney duly authorized in writing, at the principal office of the Trustee in the City of Chicago, State of Illinois, upon surrender and cancellation of this bond and upon the payment of charges as provided in said Third Supplemental Indenture, and upon any such transfer a new registered bond without coupons of the same series for the same aggregate principal amount will be issued to the transferee in exchange herefor.

In the manner and upon payment of the charges provided in said Third Supplemental Indenture, registered bonds without coupons of this series may, at the option of the registered owners and upon surrender at said office, be exchanged either for registered bonds without coupons of this series of the same aggregate principal amount in larger or smaller authorized denominations, or for coupon bonds of this series of the same aggregate principal amount, in the denomination of $1,000 each, with all unmatured coupons attached.

No recourse shall be had for the payment of the principal of, or the interest on, this bond, or for any claim based hereon or otherwise in respect hereof or of said Indenture or any indenture supplemental thereto, against any incorporator, or against any stockholder, director or officer, past, present or future, of the Company, as such, or of any predecessor or successor corporation, either directly or through the Company or any such predecessor or successor corporation, 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, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being waived and released by every owner hereof by the acceptance of this bond and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of said Indenture.

This bond shall not be valid or become obligatory for any purpose, unless and until the certificate endorsed hereon shall have been executed by the Trustee or its successor in trust under said Indenture.

In Witness Whereof, Iowa Power and Light Company has caused this bond to be signed in its name by its President or one of its Vice-Presidents, and its corporate seal to be impressed or imprinted hereon, and attested by its Secretary or one of its Assistant Secretaries, as of the .... day of ...., 19....

Iowa Power and Light Company,

By ....
President.

Attest:

....
Secretary.

The form of Trustee's certificate to be endorsed on all Bonds of Third Series shall be substantially as follows:

[FORM OF TRUSTEE'S CERTIFICATE]

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

Harris Trust and Savings Bank,
as Trustee,

By ....
Authorized Officer.

Section 4. Bonds of Third Series shall be exchangeable as follows:

(a) Registered bonds without coupons may, at the option of the registered owners thereof and upon surrender thereof at the principal office of the Trustee in the City of Chicago, State of Illinois, be exchanged for registered bonds without coupons of the same aggregate principal amount but of different authorized denomination or denominations.

(b) Coupon bonds may, at the option of the holders thereof and upon surrender thereof at said office with all unmatured coupons attached, be exchanged for registered bonds without coupons of the same aggregate principal amount, and of any authorized denomination or denominations.

(c) Registered bonds without coupons may, at the option of the registered owners thereof and upon surrender thereof at said office, be exchanged for coupon bonds of the same aggregate principal amount in the denomination of $1,000 each.

If any coupon bond so surrendered shall be registered as to principal, it shall be accompanied by a proper transfer power duly executed by the registered owner or by duly authorized attorney transferring such registered principal to "bearer," and the signature to such transfer power shall be guaranteed to the satisfaction of the Trustee; and every registered bond without coupons so surrendered shall be accompanied by a proper transfer power duly executed by the registered owner or by duly authorized attorney transferring such bond to the Company, and the signature to such transfer power shall be guaranteed to the satisfaction of the Trustee.

All coupon bonds so surrendered and all coupon bonds so delivered in exchange for registered bonds without coupons shall be accompanied by all unmatured coupons appertaining thereto. If at the time of the surrender of coupon bonds for exchange, or the issue of coupon bonds in exchange for registered bonds without coupons, the Company shall be in default in the payment of interest upon the Bonds of Third Series, the coupon bonds so surrendered or issued, as the case may be, shall also be accompanied by matured interest coupons representing the interest in default.

All bonds so surrendered shall be forthwith cancelled and delivered to or upon the order of the Company.

All bonds executed, authenticated and delivered in exchange for bonds so surrendered shall be valid obligations of the Company, evidencing the same debt as the bonds surrendered, and shall be secured by the same lien and be entitled to the same benefits and protection as the bonds in exchange for which they are executed, authenticated and delivered.

For any exchange of Bonds of Third Series as hereinbefore provided for, or for any transfer of registered bonds without coupons of said series, or for the registration as to principal of any coupon bond or temporary bond of said series, or for transferring or discharging such registration as to principal, the Company at its option may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge incident thereto, and in addition thereto, of a further sum not exceeding two dollars for each new bond, if any, issued upon any such exchange or transfer; and the Company shall not be required to make any such exchange or transfer either (1) during a period of fifteen days next preceding any interest payment date or (2) after the bond so presented for exchange or transfer, or any portion thereof, has been drawn for redemption, but may do so at its option.

Section 5. Pending the preparation of definitive Bonds of Third Series the Company may from time to time execute, and, upon its written order, the Trustee shall authenticate and deliver, in lieu of such definitive bonds and subject to the same provisions, limitations and conditions, one or more temporary printed, lithographed or typewritten bonds, in bearer or registered form, of any denomination specified in the written order of the Company for the authentication and delivery thereof, with or without coupons, or with one or more coupons, and with such omissions, insertions and variations as may be determined by the Board of Directors of the Company. Such temporary bonds shall be substantially of the tenor of the bonds to be issued as hereinbefore recited, but such temporary bonds may, in lieu of the statement of the specific redemption prices required to be set forth in Bonds of Third Series in definitive form, include a reference to this Third Supplemental Indenture for a statement of such redemption prices.

If any such temporary Bonds of Third Series shall at any time be so authenticated and delivered in lieu of definitive bonds, the Company shall without unreasonable delay at its own expense prepare, execute and deliver to the Trustee and thereupon, upon the presentation and surrender of temporary bonds, the Trustee shall authenticate and deliver in exchange therefor, without charge to the holder, definitive bonds of the same series for the same principal sum in the aggregate as the temporary bonds surrendered. All temporary bonds so surrendered shall be forthwith cancelled by the Trustee and delivered to or upon the order of the Company. Until exchanged for definitive bonds the temporary bonds shall in all respects be entitled to the lien and security of the Indenture and all supplemental indentures, and interest, when and as payable, shall be paid upon the presentation thereof and endorsement of such payment shall be made thereon, unless any temporary bond shall be a fully registered bond or shall bear a coupon for such interest. If any temporary bonds shall bear interest coupons, the interest on such temporary bonds represented by coupons shall be paid only upon presentation and surrender of such coupons as they severally mature.

SECTION 6. Definitive Bonds of Third Series may be in the form of fully engraved bonds or bonds printed or lithographed with steel engraved borders.

ARTICLE II.

ISSUE OF BONDS OF THIRD SERIES.

Bonds of Third Series may be executed, authenticated and delivered from time to time as permitted by the provisions of Article III of the Indenture.

ARTICLE III.

SINKING FUND FOR BONDS OF THIRD SERIES.

SECTION 1. The Company covenants and agrees that, subject to the provisions of this Article III, it will retire through a Sinking Fund, on December 1, 1954, and on each December 1 thereafter to and including December 1, 1978 (such dates being hereafter referred to respectively as the "Sinking Fund dates"), so long as any Bonds of Third Series are outstanding, a principal amount of Bonds of Third Series equal to one per cent (1%) of the sum of (a) the principal amount of Bonds of Third Series outstanding under the Indenture on the next preceding October 1, (b) the principal amount of Bonds of Third Series redeemed through the operation of the Sinking Fund prior to said October 1 and (c) the principal amount of Bonds of Third Series redeemed at the option of the Company or delivered uncancelled by it to the Trustee and in either case used by the Company to satisfy in whole or in part, as hereinafter provided, its obligation in respect of the Sinking Fund prior to said October 1. In computing the amount of Bonds of Third Series to be retired on any Sinking Fund date, the excess over the nearest multiple of $1,000 shall be disregarded.

The principal amount of Bonds of Third Series required to be retired by the Company on any Sinking Fund date shall, at the option of the Company, be reduced by:

(1) An amount equal to the principal amount of Bonds of Third Series theretofore redeemed at the option of the Company and not theretofore bonded which the Company elects to use for such purpose; provided that the Company shall have delivered to the Trustee not less than forty days prior to such Sinking Fund date an officers' certificate notifying the Trustee of such election, stating the principal amount of Bonds of Third Series so to be used and that they have not theretofore been bonded;

(2) An amount equal to the principal amount of Bonds of Third Series not theretofore bonded which shall be delivered uncancelled by the Company to the Trustee for the Sinking Fund not less than forty days prior to such Sinking Fund date, together with an officers' certificate stating that such bonds were theretofore sold or otherwise disposed of by the Company for a consideration and reacquired by the Company; provided that all coupon bonds so delivered shall be accompanied by all unmatured coupons appertaining thereto and all registered bonds without coupons and all coupon bonds registered as to principal shall be accompanied by duly executed instruments of transfer; and/or

(3) To the extent of one-half of the principal amount of Bonds of Third Series to be retired on such Sinking Fund date, an amount (disregarding any excess over a multiple of $1,000) equal to sixty per cent (60%) of the cost or fair value, whichever is less, of net property additions not theretofore bonded which the Company elects to certify to the Trustee for such purpose, but only if the Company shall deliver to the Trustee not less than forty days prior to such Sinking Fund date certificates, instruments and opinions of the kind prescribed in, and setting forth the facts with respect to such net property additions specified in, subdivisions (b), (c), (d), (f), (g)(1), (2) and (5), and (h)(1) and (3), of subdivision 3 of Section 3 of Article III of the Indenture. In case such net property additions shall be subject to a prior lien there

shall be deducted from the amount thereof, an amount equal to one hundred sixty-six and two-thirds per cent ($166\frac{2}{3}\%$) of the principal amount of the then outstanding prior lien bonds secured by such prior lien and not theretofore deducted in connection with any application for the authentication and delivery of bonds, or for the withdrawal of cash, or for the reduction of cash, or for the release of property, under any provision of the Indenture.

Section 2. The Company covenants and agrees to notify the Trustee in writing not less than forty days prior to each Sinking Fund date of the principal amount of Bonds of Third Series required to be retired on such date under the provisions of Section 1 of this Article III (after giving effect to the reductions permitted by subdivisions (1), (2) and (3) of said Section 1) and to pay to the Trustee at least three business days prior to such Sinking Fund date a sum in cash equal to the applicable Sinking Fund redemption price of such bonds.

Section 3. All cash deposited with the Trustee for the Sinking Fund, as aforesaid, shall be held in trust for the Bonds of Third Series and shall be applied by the Trustee to the redemption of outstanding Bonds of Third Series on the December 1 immediately following such deposit in the manner herein and in the Indenture provided. Such bonds shall be called for redemption by the Trustee at the then applicable Sinking Fund redemption price.

The Trustee, after receiving the notice provided for in Section 2 of this Article III, shall give notice of the redemption of bonds for the Sinking Fund by publication once in each week for two successive calendar weeks in an authorized Chicago newspaper and in an authorized New York newspaper, the first publication to be made at least fifteen and not more than thirty days before the date fixed for redemption, and by mailing a copy of such notice, postage prepaid, at least fifteen and not more than thirty days prior to the date of such redemption, to the owners of all coupon bonds at the time registered as to principal and of all registered bonds without coupons so to be redeemed, at the addresses that shall appear on the registers thereof. No failure to mail any such notice and no defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of any of the bonds so to be redeemed. Such notice shall state that the bonds specified therein by distinctive numbers, or specified portions thereof in case of partial redemption of registered bonds without coupons, are to be redeemed for the Sinking Fund at the principal office of the Trustee, in the City of Chicago, Illinois, or at the principal office of any successor in trust, and shall specify the date on which they shall become due and payable and the redemption price thereof and that on and after such date interest thereon will cease to accrue.

Notice of redemption having been given as aforesaid, the Bonds of Third Series, so called, or the specified portions thereof, shall, on the date designated in such notice, become due and payable at said office at the then current Sinking Fund redemption price, and upon presentation and surrender thereof with (in the case of coupon bonds) all interest coupons maturing subsequent to the redemption date and (in the case of registered bonds or of coupon bonds which shall at the time be registered as to principal) accompanied by duly executed assignments or transfer powers, such bonds or the specified portions thereof shall be paid and redeemed out of the funds held by the Trustee in the Sinking Fund as aforesaid, at said redemption price, and on and after said redemption date interest on said bonds shall cease to accrue.

Section 4. All bonds, and the coupons, if any, attached thereto, delivered uncancelled to the Trustee for the purpose of the Sinking Fund or redeemed as above provided with moneys in the Sinking Fund, shall be forthwith cancelled by the Trustee, and shall be delivered to or upon the written order of the Company; and all such bonds, and all bonds redeemed at the option of the Company and all net property additions used to reduce the amount of bonds to be retired through the Sinking Fund as provided in Section 1 of this Article III, shall thereafter, for all purposes of the Indenture and this Third Supplemental Indenture, be deemed to have been bonded, but only so long as any Bonds of Third Series remain outstanding, and when no bonds of such series remain outstanding such bonds so delivered to the Trustee for the Sinking Fund, or redeemed with moneys in the Sinking Fund, or redeemed at the option of the Company and used to reduce the amount of bonds to be retired through the Sinking Fund and all net property additions so used, as provided in Section 1 of this Article III, shall cease to be bonded.

ARTICLE IV.

Replacement Fund.

Section 1. For the purpose of this Article IV, the definitions contained in and the methods of computation prescribed by this Section 1 shall be applied, unless the context otherwise requires:

(a) The "amount of the electric property account" of the Company at any date shall be the original cost (estimated if necessary) of depreciable electric and heat property in service (as shown by the Company's property accounts) subject to the Indenture. The "amount of the gas property account" of the Company at any date shall be the original cost (estimated if necessary) of depreciable gas property in service (as shown by the Company's property accounts) subject to the Indenture. Depreciable common plant subject to the Indenture shall be allocated between the electric and gas accounts on an equitable basis.

(b) The "average amount of the electric property account for the period covered by the replacement certificate" shall be deemed to be the average of the amounts of the electric property account at the date of such replacement certificate and at the date of the next preceding replacement certificate filed hereunder (or in the case of the period covered by the first replacement certificate, at January 1, 1950). The "average amount of the gas property account for the period covered by the replacement certificate" shall be deemed to be the average of the amounts of the gas property account at the date of such replacement certificate and at the date of the next preceding replacement certificate filed hereunder (or in the case of the period covered by the first replacement certificate, at January 1, 1950).

(c) The "replacement requirement for the period covered by the replacement certificate" shall be deemed to be an amount equal to the sum of:

(i) two and one-half per cent (2.5%) of the average amount of the electric property account for the period covered by the replacement certificate, if such replacement certificate covers a period of one year, and a proportionately greater or lesser amount if such replacement certificate covers a period of more or less than one year; and

(ii) two per cent (2%) of the average amount of the gas property account for the period covered by the replacement certificate, if such replacement certificate covers a period of one year, and a proportionately greater or lesser amount if such replacement certificate covers a period of more or less than one year.

(d) The "cumulative replacement requirement" shall be the sum of the replacement requirements for all periods covered by replacement certificates filed hereunder, including the replacement certificate then being filed.

SECTION 2. The Company covenants and agrees that so long as any of the Bonds of Third Series are outstanding it will deliver to the Trustee a replacement certificate (1) within four months after the close of the calendar year 1950 covering the period from January 1, 1950 through December 31, 1950, and (2) within four months after the close of each calendar year thereafter, covering the period from the date of the next preceding replacement certificate filed hereunder to the end of such calendar year. The Company may, in addition, at its election, at any time file a replacement certificate for the period specified therein, which shall cover the period from the date of the next preceding replacement certificate filed hereunder to a date within four months prior to the date when filed. Each replacement certificate filed hereunder shall be dated the last day of the period covered thereby, shall be signed by the President or a Vice-President or the Treasurer of the Company and shall show the following:

(a) The average amount of the electric property account for the period covered by the replacement certificate, and the average amount of the gas property account for the period covered by the replacement certificate.

(b) The replacement requirement for the period covered by the replacement certificate, and the cumulative replacement requirement.

(c) The lesser of the cost or fair value (both of which shall be stated) of property additions (whether or not theretofore bonded) from December 31, 1949, through the date of such replacement certificate, in renewal or replacement of, in substitution for or in lieu of any property retirements (including property retirements consisting of property additions not theretofore bonded) made subsequent to December 31, 1949, showing separately the cost or fair value, whichever shall be less, of such property additions not included in item (c) of any previous replacement certificate filed hereunder. For this purpose any property additions (whether or not theretofore bonded) shall be deemed to be in substitution for or in lieu of such property retirements to the extent that the cost or fair value, whichever shall be less, of such property additions does not exceed the amount of such property retirements (determined at the amounts specified in the definition of "property retirements" in Article I of the Indenture) irrespective of the kind or character of the property additions. The fair value of property additions for the purpose of this item (c) shall be taken at the date of the replacement certificate filed hereunder in which such property additions were included in item (c) for the first time. If any property additions made the basis of a credit under this item (c) are subject to any prior lien, then the amount of such credit otherwise available to the Company shall be reduced by an amount equal to one hundred sixty-six and two-thirds per cent (166⅔%) of the principal amount of the then outstanding prior lien bonds secured by such prior lien and not theretofore deducted in connection with any application for the authentication and delivery of bonds, or for the withdrawal of cash, or for the reduction of cash, or for the release of property, under any provision of the Indenture. Property additions shall not be considered to be bonded by reason of their utilization under this item (c).

(d) The aggregate of (1) the amount of any net property additions not theretofore bonded which the Company in such replacement certificate elects to make the basis of a credit under this Article IV, and (2) the amount of net property additions utilized under item (d) of all previous replacement certificates filed hereunder but only so far as the net property additions so utilized have not ceased to be bonded as permitted by Section 5 of this Article IV at the date of the replacement certificate then being filed. The amount of net property additions utilized under item (d) of a replacement certificate, filed hereunder, for the first time shall be separately stated. The fair value of property additions shall be determined for the purpose of their inclusion in net property additions under this item (d) as of the date of the replacement certificate, filed hereunder, in which they are included in item (d) for the first time. In any such case, if any property additions made the basis of a credit under this item (d) are subject to any prior lien, then the amount of such credit otherwise available to the Company shall be reduced by an amount equal to one hundred sixty-six and two-thirds per cent (166⅔%) of the principal amount of the then outstanding prior lien bonds secured by such prior lien and not theretofore deducted in connection with any application for the authentication and delivery of bonds, or for the withdrawal of cash, or for the reduction of cash, or for the release of property, under any provision of the Indenture. Subject to the provisions of the last paragraph of this Section 2, to the extent that net property additions are utilized under this item (d), they shall be deemed to have been bonded for all purposes of the Indenture; and to the extent that prior lien bonds are deducted under this item (d), they shall be deemed to have been deducted, for all purposes of the Indenture, in connection with an application for the withdrawal or reduction of cash.

(e) The aggregate of (1) one hundred per cent (100%) of the principal amount of prior lien bonds which shall have theretofore been deducted in connection with any application for the authentication and delivery of bonds, or for the release of property, or for the withdrawal of cash, or for the reduction of cash, under any provision of the Indenture (or, in the case of prior lien bonds, one hundred sixty-six and two-thirds per cent (166⅔%) of the principal amount whereof has theretofore been deducted in connection with the reduction or withdrawal of cash under any provision of the Indenture, then an amount equal to one hundred sixty-six and two-thirds percent (166⅔%) of the principal amount of such prior lien bonds), which after such deduction and prior to or simultaneously with the filing of such replacement certificate shall have been deposited with the Trustee or paid or redeemed or reduced or ascertained by final judicial determination to be invalid, which the Company in such replacement certificate elects to make the basis of a credit under this Article IV and which shall not theretofore have been bonded, and (2) the aggregate amount of credit based on prior lien bonds utilized under item (e) of all previous replacement certificates filed hereunder, but only so far as the prior lien bonds so utilized have not ceased to be bonded as permitted by Section 5 of this

Article IV at the date of the replacement certificate then being filed. The amount of prior lien bonds utilized under item (e) of a replacement certificate for the first time shall be separately stated. Subject to the provisions of the last paragraph of this Section 2, to the extent that prior lien bonds are utilized under this item (e) they shall be deemed to have been bonded for all purposes of the Indenture.

(f) The aggregate of (1) the principal amount of bonds theretofore authenticated and delivered under any provision of the Indenture, which after such delivery and prior to or simultaneously with the filing of such replacement certificate shall have been or be surrendered for conversion (if convertible) except into other bonds, or paid or redeemed or otherwise surrendered to the Trustee and cancelled (otherwise than upon exchange of bonds of one denomination for bonds of another denomination or of coupon bonds for registered bonds or of registered bonds for coupon bonds or upon transfer of registered bonds or in lieu of lost, mutilated, stolen or destroyed bonds), which the Company in such replacement certificate elects to make the basis of a credit under this Article IV and which shall not theretofore have been bonded, and (2) the principal amount of bonds utilized under item (f) of all previous replacement certificates filed hereunder, but only so far as the bonds so utilized have not ceased to be bonded as permitted by Section 5 of this Article IV at the date of the replacement certificate then being filed. The amount of bonds utilized under item (f) of a replacement certificate for the first time shall be separately stated. Subject to the provisions of the last paragraph of this Section 2, to the extent that bonds are utilized under this item (f) they shall be deemed to have been bonded for all purposes of the Indenture.

(g) The amount, if any, of cash previously deposited by the Company with the Trustee pursuant to Section 3 of this Article IV or previously (but after December 31, 1949) or concurrently so deposited pursuant to Section 3 of Article IV of the First Supplemental Indenture or of the Second Supplemental Indenture and not subsequently withdrawn pursuant to subdivision (a) of Section 4 of this Article IV, or pursuant to subdivision (a) of Section 4 of Article IV of the First Supplemental Indenture or of the Second Supplemental Indenture.

(h) The amount, if any (hereinafter sometimes referred to as the "Item (h) Credit"), by which the aggregate of the foregoing items (c), (d), (e), (f) and (g) exceeds the cumulative replacement requirement.

(i) The amount, if any (hereinafter sometimes referred to as the "Item (i) Deficit"), by which the aggregate of the amounts of the foregoing items (c), (d), (e), (f) and (g) fails to equal the cumulative replacement requirement.

Each replacement certificate shall be accompanied by the officers' certificate, engineer's certificate and independent engineer's certificate, opinion of counsel, instruments of conveyances and transfer and other documents described in Article III of the Indenture to the extent that they are pertinent to establish the facts set forth in the replacement certificate, except that, subject to the provisions of Section 8 of Article XVII of the Indenture, the Company may incorporate by reference any such certificates, opinions, instruments or documents previously or concurrently filed with the Trustee under this Article IV or under Article IV of the First Supplemental Indenture or of the Second Supplemental Indenture.

Notwithstanding any provision elsewhere set forth herein, or in the First Supplemental Indenture, the Second Supplemental Indenture or in the Indenture:

(1) for purposes of a replacement certificate filed hereunder, property additions purchased, constructed or otherwise acquired and prior lien bonds and bonds acquired by the Company shall not be deemed to be bonded, and the utilization thereof under items (c), (d), (e) or (f) of such replacement certificate shall not be limited or precluded, by reason of the utilization, subsequent to December 31, 1949, of such property additions, prior lien

bonds or bonds under items (c), (d), (e) or (f) of a maintenance certificate filed in compliance with the provisions of Article IV of either the First Supplemental Indenture or the Second Supplemental Indenture; and

(2) for purposes of a maintenance certificate filed in compliance with the provisions of Article IV of either the First Supplemental Indenture or the Second Supplemental Indenture, property additions, prior lien bonds and bonds shall not become bonded, and the utilization thereof under items (c), (d), (e) or (f) of such maintenance certificate shall not be limited or precluded, by reason of the utilization of such property additions, prior lien bonds or bonds under items (c), (d), (e) or (f) of a replacement certificate filed hereunder.

Section 3. In case any replacement certificate shows an Item (i) Deficit, the Company covenants that it will, concurrently with the filing of such certificate, deposit with the Trustee an amount in cash equal to the amount of such deficit.

Section 4. Any cash deposited with the Trustee under this Article IV shall be held by the Trustee as further security for the bonds, but may be withdrawn by the Company as follows:

(a) Any such cash may at any time be withdrawn by the Company in an amount equal to the Item (h) Credit stated in the last filed replacement certificate, upon filing with the Trustee an officers' certificate requesting such withdrawal and stating that such withdrawal is made against the utilization of such Item (h) Credit.

(b) Any such cash may be also withdrawn by the Company upon compliance with the provisions of subdivisions (b) and (c) of Section 1 of Article VIII of the Indenture.

The Company shall also have the right at all times and from time to time to direct the Trustee to apply any moneys deposited with it under this Article IV toward the purchase or redemption of bonds and/or prior lien bonds in the manner provided in Section 2 of Article VIII of the Indenture.

Any moneys deposited with the Trustee under this Article IV which shall not have been withdrawn by the Company or applied by the Trustee at the direction of the Company to the purchase or redemption of bonds or prior lien bonds within two years from the date of deposit thereof shall be applied by the Trustee, if in excess of $50,000, toward the purchase or redemption of bonds or prior lien bonds in the manner provided in Section 2 of Article VIII of the Indenture, except that the Company shall not be required to provide the Trustee with any amount by which the price at which such bonds or prior lien bonds are purchased or redeemed exceeds the principal amount thereof and shall not be entitled to receive from the Trustee the amount by which said price is less than said principal amount.

Section 5. Any net property additions, bonds or prior lien bonds which have become bonded by being included under item (d), (e) or (f) of any replacement certificate filed with the Trustee under this Article IV may subsequently cease to be so bonded on utilizing the Item (h) Credit, if any, stated in the last-filed replacement certificate hereunder but only in an amount not exceeding (1) in the case of such net property additions, the cost or then fair value thereof to the Company, whichever is greater, and (2) in the case of bonds or prior lien bonds, the amount with respect thereto included under item (e) or (f) at the time of the utilization thereof in any replacement certificate filed hereunder; and thereupon any prior lien bonds deducted under item (d) in respect of such net property additions shall no longer be deemed to have been deducted for the purposes of any subsequent application under the Indenture for the authentication and delivery of bonds or for the release of property or for the withdrawal of cash or for the reduction of cash. Such changes shall become effective upon the filing with the Trustee of an officers' certificate stating that the bonded net property additions, bonds or prior lien bonds referred to therein are to cease to be bonded upon the utilization of an amount, specified therein and determined as aforesaid of the Item (h) Credit stated in the last-filed replacement certificate hereunder, and describing any bonded net property additions included therein and stating their cost and then fair value to the Company and describing any prior lien bonds theretofore deducted in respect of such net property additions.

Whenever any Item (h) Credit, or any part thereof, has been utilized as hereinbefore in this Article IV stated, such Item (h) Credit shall be diminished to the extent so utilized for all future purposes.

Section 6. Whenever all Bonds of Third Series are paid or redeemed, the Company shall be entitled to any remaining moneys received by the Trustee and then held undisposed of under the provisions of this Article IV, and all property additions, bonds and prior lien bonds, which have become bonded by being included in any replacement certificate filed under this Article IV, shall thereupon cease to be bonded; and, for the purposes of any subsequent application for authentication and delivery of bonds or for the release of property or for the withdrawal of cash or for the reduction of cash under any of the provisions of the Indenture, prior lien bonds which shall have been deducted under item (d) of Section 2 of this Article IV shall no longer be deemed to have been deducted as provided in said item (d).

ARTICLE V.

Covenant With Respect to Dividends.

Section 1. The Company covenants that, after the date of delivery of this Third Supplemental Indenture and so long as any of the Bonds of Third Series are outstanding, it will not declare or pay any dividend or make any other distribution on, or purchase or redeem any shares of, any class of its capital stock at any time outstanding, if after giving effect to such dividend, distribution, purchase or redemption, the Company's earned surplus, determined and adjusted as hereinafter provided, would be exhausted.

For the purposes of this Section 1, the Company's earned surplus shall mean earned surplus of the Company determined in accordance with sound accounting practice; provided, however, that if, for any calendar year or part thereof elapsed after December 31, 1949, to the close of the calendar month next preceding the determination of earned surplus, the amounts charged or provided on the books of the Company for depreciation of the mortgaged property for the period from December 31, 1949, to the close of such calendar month are less than the cumulative replacement requirement (determined as provided in Section I of Article IV of this Third Supplemental Indenture and as though a replacement certificate were being filed as of the close of such calendar month) for the period from December 31, 1949, to the close of such calendar month, there shall be deducted in determining earned surplus for the purposes of this Section 1 an amount equal to the difference between the amounts so charged or provided on the books of the Company for depreciation and the amount of the cumulative replacement requirement determined as hereinabove provided.

Section 2. The Company covenants that it will, so long as any Bonds of Third Series are outstanding, file with the Trustee within four months after the close of the fiscal year concluding December 31, 1950, an earned surplus account for the fiscal year beginning January 1, 1950, and within four months after the close of each fiscal year beginning after December

31, 1950, an earned surplus account for such fiscal year. Each account so filed shall be certified by independent accountants to have been prepared in accordance with the provisions of this Article V.

ARTICLE VI.

Additional Covenant.

The Company covenants that after the date of delivery of this Third Supplemental Indenture and so long as any Bonds of Third Series are outstanding it will not, in any case wherein the provisions of subdivision 3(e) of Section 3 of Article III of the Indenture are applicable, issue any additional bonds unless the accountants' certificate required by said subdivision 3(e) shall show, in addition to the matters required to be shown by the provisions of said subdivision 3(e), that after deduction from the net earnings of the Company available for interest and for depreciation for the period specified in said subdivision 3(e), (calculated as prescribed by said subdivision) of the amount, which would be shown as the replacement requirement for such period in a replacement certificate if prepared for such period pursuant to the provisions of Section 1 of Article IV of this Third Supplemental Indenture, such net earnings are equal to at least two times the amount of the aggregate annual interest charges on the bonds and indebtedness specified in subparagraphs (i) (ii) and (iii) of said subdivision 3(e).

ARTICLE VII.

The Trustees.

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this

Third Supplemental Indenture or the due execution hereof by the Company, or for or in respect of the recitals and statements contained herein, all of which recitals and statements are made solely by the Company.

Except as herein otherwise provided, no duties, responsibilities or liabilities are assumed, or shall be construed to be assumed, by the Trustees by reason of this Third Supplemental Indenture other than as set forth in the Indenture; and this Third Supplemental Indenture is executed and accepted on behalf of the Trustees, subject to all the terms and conditions set forth in the Indenture, as fully to all intents as if the same were herein set forth at length.

ARTICLE VIII.

Miscellaneous Provisions.

Except in so far as herein otherwise expressly provided, all the provisions, terms and conditions of the Indenture shall be deemed to be incorporated in, and made a part of, this Third Supplemental Indenture; and the Indenture as supplemented by the First Supplemental Indenture, the Second Supplemental Indenture and this Third Supplemental Indenture is in all respects ratified and confirmed; and the Indenture and said Supplemental Indentures shall be read, taken and construed as one and the same instrument.

Nothing in this Third Supplemental Indenture is intended, or shall be construed, to give to any person or corporation, other than the parties hereto and the holders of bonds issued and to be issued under and secured by the Indenture, any legal or equitable right, remedy or claim under or in respect of this Third Supplemental Indenture, or under any covenant, condition or provision herein contained, all the covenants, conditions and provisions of this Third Supplemental Indenture being intended to be, and being, for the sole and exclusive benefit of the parties hereto and of the holders of bonds issued and to be issued under the Indenture and secured thereby.

All covenants, promises and agreements in this Third Supplemental Indenture contained by or on behalf of the Company shall bind its successors and assigns whether so expressed or not.

The term "date of delivery of the First Supplemental Indenture," wherever used in this Third Supplemental Indenture, shall mean September 8, 1943. The term "date of delivery of the Second Supplemental Indenture," wherever used in this Third Supplemental Indenture, shall mean the close of business January 31, 1948.

This Third Supplemental Indenture may be executed in any number of counterparts, and each of such counterparts when so executed shall be deemed to be an original; but all such counterparts shall together constitute but one and the same instrument.

In Witness Whereof, Iowa Power and Light Company has caused this Third Supplemental Indenture to be executed by its President or one of its Vice-Presidents and its corporate seal to be hereunto affixed, duly attested by its Secretary or one of its Assistant Secretaries, and Harris Trust and Savings Bank has caused the same to be executed by one of its Vice-Presidents and its corporate seal to be hereunto affixed, duly attested by one of its Assistant Secretaries, and

Harold Eckhart has hereunto affixed his signature and seal, as of the day and year first above written.

Iowa Power and Light Company,

(Corporate Seal)

By N. Bernard Gussett
N. Bernard Gussett, President

Attest:

L. E. Slade
L. E. Slade, Secretary

Signed, sealed, acknowledged and delivered by Iowa Power and Light Company in the presence of:

Cyrus A. Leland III

Donald H. Shaw

Harris Trust and Savings Bank, Trustee

(Corporate Seal)

By W. L. Fellingham
W. L. Fellingham, Vice-President

Attest:

G. N. Askew
G. N. Askew, Assistant Secretary

Signed, sealed, acknowledged and delivered by Harris Trust and Savings Bank, in the presence of:

W. Lee Stoetzel

Harold W. Phillips

Harold Eckhart (Seal)
Harold Eckhart, Individual Trustee

Signed, sealed, acknowledged and delivered by Harold Eckhart in the presence of:

W. Lee Stoetzel

Harold W. Phillips

STATE OF ILLINOIS }
COUNTY OF COOK } ss.

On this fifth day of December, A. D. 1949, before me, a Notary Public in and for said County, personally appeared N. Bernard Gussett and L. E. Slade, to me personally known, who being by me duly sworn did say that they are, respectively, President of IOWA POWER AND LIGHT COMPANY, an Iowa corporation, and Secretary of said corporation; that the seal affixed to the foregoing instrument is the 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 N. Bernard Gussett and L. E. Slade each acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by each of them and by it voluntarily executed.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year aforesaid.

MARY M. HACK

(NOTARIAL SEAL) *Notary Public in and for said County.*

My commission expires August 7, 1950.

STATE OF ILLINOIS }
COUNTY OF COOK } ss.

On this fifth day of December, A. D. 1949, before me, a Notary Public in and for said County, personally appeared W. L. Fellingham and G. N. Askew, to me personally known, who being by me duly sworn did say that they are respectively a Vice-President of HARRIS TRUST AND SAVINGS BANK, an Illinois corporation, and an Assistant Secretary of said corporation; that the seal affixed to the foregoing instrument is the 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 W. L. Fellingham and G. N. Askew each acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by each of them and by it voluntarily executed.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year aforesaid.

LOUIS CHRISTIN
(NOTARIAL SEAL) *Notary Public in and for said County.*

My commission expires September 17, 1952.

STATE OF ILLINOIS }
COUNTY OF COOK } ss.

On this fifth day of December, A. D. 1949, before me, a Notary Public in and for said County, in the State aforesaid, personally appeared HAROLD ECKHART, to me personally known to be the identical person named in and who executed the foregoing instrument as Individual Trustee, who, being by me duly sworn, acknowledged that he executed said instrument as his free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year aforesaid.

(NOTARIAL SEAL) LOUIS CHRISTIN
Notary Public in and for said County.

My commission expires September 17, 1952.