

with any other corporation, or shall prevent any conveyance and transfer, subject to the continuing lien and the provisions of this instrument, of all the mortgaged property as an entirety, or any portion or portions thereof, to any other corporation or corporations, or any person or persons; provided, however, that any such consolidation or merger, and any such conveyance and transfer subject to this mortgage shall not impair the lien and security of this mortgage, or any of the rights or powers of the Trustees, or of the bondholders hereunder.

SECTION 2. Any and every corporation hereafter acquiring by purchase, consolidation or in any other lawful manner, the property which shall at the time of such acquisition be subject to this mortgage, shall be deemed the successor for the time being of the mortgagor company, and shall, as such successor corporation and while it shall own the property for the time being covered by this mortgage, have the right, upon the conditions and to the extent hereinafter stated to issue bonds in like manner and with like effect as herein provided in respect of the Company, such bonds to be secured by this mortgage upon terms of equality with all bonds previously issued by the Company or by any predecessor of any such successor corporation under and secured by this mortgage. Any such successor corporation desiring to issue bonds to be so secured by this mortgage shall before actual issuance of any such bonds execute, acknowledge and deliver to the trustees a deed or other appropriate instrument in writing whereby it (1) shall convey to the trustees upon the trusts herein declared, but, subject to any outstanding liens and encumbrances all the property which it shall own at the date of the conveyance and all which it may thereafter acquire, except personal property of a character similar to that of the Company which is excluded from the lien of this mortgage, and (2) shall adopt this mortgage as its own and shall assume and agree to pay the principal and interest of all bonds theretofore issued and all which may thereafter be issued hereunder, and (3) shall assume and agree to observe and perform all the covenants and conditions hereof. After the delivery of such instrument to the Trustees any such successor corporation shall have the right to issue bonds as follows to be secured hereby upon terms of equality with all previously issued bonds, that is to say:

FIRST. Such successor corporation may issue bonds hereunder to the extent of such amount, if any, as its immediate predecessor corporation was entitled to issue, but has not issued, at the time of acquisition by such successor corporation of the property subject hereto. The Certification and delivery of such bonds shall take place in the same manner and upon the same terms and conditions and subject to the same restrictions as would by this mortgage have been applicable to such bonds if issued by the Company.

SECOND. In case such successor corporation shall immediately preceding the time of the delivery of the above mentioned deed to the Trustees, own any property not then subject to this mortgage which it shall have previously acquired as and for a part of its permanent or fixed investment for its business, such successor corporation may issue bonds hereunder to the extent, in par amount, of one hundred per centum of the value of such property, provided that at the time of the issue and certification of such bonds, such property shall be subject to the lien of this mortgage as a first lien thereon. Such value shall in all cases be determined in like manner as is provided in Article Two hereof with respect to valuing property as a basis for issuing bonds under the provisions of said Article Two, and such value shall be taken as of the date of the delivery of said deed by the successor corporation to the Trustees, and the Trustees shall, in each case, be furnished with a certificate of value signed by the engineer making the valuation. In each case the