

be excluded only to the extent of the ratio of the value of the properties being released and so charged to the value of the properties not being released and so charged.

All Bonds of Series "A" which it may be necessary to call for redemption, for the purposes of this Section, shall be redeemed at the prices and in the manner expressed in Article IV.

(c) The Trustee shall not release or consent to the release of the Natural Gas Properties, pursuant to this Section, until Bonds of the amount required by this Section shall have been redeemed or the redemption thereof provided for, and until it shall have received (1) an inventory by one or more engineers or experts (not in the employ of the Company) selected by the Company and approved by the Trustee, which inventory shall contain a description of the property which is to be released, including the jointly used property (with proper proration of its value), shall state whether the property, described in the statements required by paragraphs G and S of Section 10 of Article II and by Section 11 of Article V and by paragraphs A and I of Section 2 of Article VII and by Clauses (c) and (d) of Paragraph III of Section 2 of Article IX and by Section 1 of Article X, as Natural Gas Properties, is and continues to be such at the time of the request for such release, and as to whether the other property described in such statements is and continues to be property other than Natural Gas Properties at the time of the request for such release and if such inventory shall state that the nature of any such property hereinabove set forth has changed, then it shall specify the property the nature of which has so changed and shall further state the extent of such change; and (2) a copy of a resolution certified to have been adopted by the Directors of the Company requesting such release; and (3) a report similar to that provided for in Paragraph A of Section 8 of Article II showing the combined net earnings and the combined interest charges calculated in the manner hereinabove set forth, which report shall also state all other matters to show compliance with the provisions of this Section 3 necessary to entitle the Company to the release of the Natural Gas Properties.

(d) The resolution, inventory and report hereinbefore provided for shall be full authority to the Trustee for making any such release, and the Trustee may conclusively rely upon the truth of any statement made in any such resolution, inventory or report, whether such statement be required by any provision of this Section or be voluntarily made; but before making any such release the Trustee may, in its discretion, cause to be made such independent investigation as it may see fit, and the expense thereof shall be paid by the Company, or, if paid by the Trustee, shall be repaid by the Company upon demand, with interest at the rate of 6% per annum.

(d) The Company agrees that it will not sell to the Bankers, in connection with the redemption of any Bonds for the purposes of this Section, any of the Bonds of Series "A" secured hereby and held in its Treasury or the Treasury of any of the subsidiary Companies, except such Bonds as may have been previously marketed and bought in by it or them.

In the drawing of Bonds by lot to be redeemed by the Bankers for the purposes of this Section, the Bankers shall exclude from the Bonds subject to drawing, any of the Bonds of Series "A" secured hereby and so held (without previous marketing) in the Company's Treasury or in the Treasury of the subsidiary Companies, prior to such drawing by lot the Company shall forthwith upon the request of the Bankers deliver to the Bankers a statement showing the numbers of the Bonds of Series "A" secured hereby and so held (without previous marketing) in the Company's Treasury or in the Treasury of any