

COMPARED

413

or appraisers stating his or their appraisal or valuation of such property shall be delivered to the Corporate Trustees;

(b) In case of any sale of such property, the purchase price or the appraised value thereof, whichever shall be greater, shall be paid in money to the Corporate Trustees prior to or simultaneously with the execution and delivery of such release;

(c) In case of an exchange or substitution, other property appraised or valued by the appraiser or appraisers referred to in paragraph (a) of this Section to be of a value at least equal to the value of the property given in exchange or substitution, shall be subjected the lien of this Indenture as a first mortgage lien thereon, of which the opinion in duplicate signed by counsel (who may be of counsel to the Company) selected by the Company and satisfactory to the Corporate Trustees, shall be sufficient evidence to the Trustees; or if the said appraised value of the property so received in exchange or substitution shall be less than the said appraised value of the property so given in exchange or substitution, the difference shall be paid to the Corporate Trustees in money prior to or simultaneously with the execution and delivery by the Trustees of such release;

(d) In case of an exchange or substitution, there shall also be furnished to the Corporate Trustees opinion in duplicate signed by said counsel that the property so received in exchange or substitution was not at the time of such exchange or substitution subject to the lien of this Indenture, or of any mortgage or instrument securing bonds or obligations of a subsidiary company then pledged under this Indenture; and a certificate of the Company, signed in duplicate by its President or a Vice President and by its Treasurer or an Assistant Treasurer, under its corporate seal, that such property is necessary to or advantageous in the business of the Company, and is of a character in respect of which bonds might be authenticated and delivered under Section 4 of Article II of this Indenture, and that such exchange or substitution will not adversely affect the security of this Indenture or the interests of the holders of the bonds issued hereunder.

In case any property, bonds or obligations at any time subjected to the lien of this Indenture under the provisions of this Section, in exchange or substitution for property released from the lien of this Indenture, shall be of an appraised value or of a principal amount, as the case may be, in excess of the appraised value of the property so released, the Company, subject to the provisions of Section 7 of this Article, shall be entitled to utilize and apply the amount of such excess as a credit in connection with subsequent exchanges or substitutions of property for property released under the provisions of this Section.

Any property, bonds or obligations acquired by the Company in exchange for or to take the place of any property released hereunder, ipso-facto shall become and be subject to this Indenture, as a first mortgage lien thereon, as fully and effectually as if specifically mortgaged or conveyed hereby or pledged hereunder and described in the granting Clauses hereof, and the Company will convey, assign and transfer the same to the Trustees by appropriate (in the opinion of said counsel) deeds or other instruments upon the trusts and for the purposes of this Indenture, and will cause such deeds or other instruments to be recorded or filed in such manner as appropriately to secure and continue the lien of this Indenture thereon.