

by appropriate deeds and assignments upon the trusts and for the purposes of this Indenture. Such Company shall deliver to the Trustee the written opinion of counsel for such Company to the effect either that such deeds or other instruments are sufficient for that purpose, or that any such deeds or other instruments are not necessary to subject any such property to the lien of this Indenture as aforesaid.

(3) In the case of property exchanged, the property acquired by such Company in exchange therefor shall forthwith be and become subject to the lien of this Indenture Upon request of the Trustee, such Company shall transfer the same to the Trustee or Trustees, and in such manner as the Trustee may specify or require.

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(4) Every request of any of the Companies for the release of mortgaged property under the provisions of this Section 1 shall be accompanied by a certified copy of a resolution of the Board of Directors of such Company and the sworn statements of the President or a Vice President and of the Treasurer or an Assistant Treasurer of such Company, showing the terms of the sale or exchange of the property to be released, and a description of the property, if any, to be exchanged therefor, and also showing that in the opinion of said Board of Directors and of said officers of such Company (a) such property to be released is not necessary for the efficient conduct of the business of such Company; (b) the proceeds realized from the sale of the property to be released represent the full value thereof or that the value of the property received in exchange therefor is at least equal to that of the property to be released; and (c) such sale or exchange is advisable from the standpoint of such Company, the Trustees and the holders of the notes hereby secured.

(5) The Trustees may in their discretion and at the expense of such Company require additional evidence in respect of any of the statements or matters in any of the foregoing subparagraphs of this Section 1 mentioned and in any resolution or certificate which may be delivered to them, or either of them, pursuant to the provisions of any such sub-paragraphs. The Trustees, however, shall be fully protected in acting upon any request, certificate, copy of resolution or sworn statement hereinabove referred to.

SECTION 2. In case any part or parts of the mortgaged property or any interest therein shall be taken under any condemnation or eminent domain proceedings, the net proceeds realized by any of the Companies therefrom shall be treated in the same manner as though realized from a voluntary sale of such property under the provisions hereof.

SECTION 3. In favor of every purchaser from any of the Companies and of every person claiming any interest therein by, through or under such Company, every release of property from the lien of this Indenture by the Trustee or Trustees under the provisions of this Article Seven shall be valid, and no such purchaser or person need inquire as to the power or authority of the Trustee or Trustees to give any such release or see to the application of the purchase money.

SECTION 4. In case the mortgaged premises shall be in the possession of a receiver lawfully appointed, the power in and by this Article Seven conferred upon the Companies or any of them may be exercised by such receiver, but only with the approval of the Trustee, and if the Trustees, or either of them, shall be in possession of the mortgaged premises under any provision of this Indenture, then, all the powers of this Article Seven conferred upon the Companies, or any of them, may be exercised by the Trustees, or either of them, in the discretion of the Trustee.

SECTION 5. The Companies may from time to time sell free from the lien hereof such gas and electrical apparatus and other merchandise and supplies as are commonly dealt in by companies operating like properties, such sale or sales being in the usual course of trade with the customers of the Companies.