

It is further covenanted and agreed by and between the parties hereto, anything herein contained to the contrary notwithstanding, that the Company reserves, and shall have the right at any time to sell and convey any part of said mortgaged property, real or personal (except such portions of its railroads, roadbeds, and rights of way, the sale and conveyance of which would break the continuity of the Company's lines of railroad), which it is no longer necessary or advantageous to use in the prosecution of the business of the Company, or exchange the same for like property, and with the consent and approval of the Trustees, to expend the proceeds of the property so sold in the purchase of other real estate, buildings, easements, chattels, rolling stock, or other things necessary or proper to be used in or about the properties and business of the Company, which property when so purchased shall thereupon become and be subject to the lien of these presents, as shall also any property received in exchange for any property conveyed or transferred; provided, however, that, in case the proceeds of any of such sale shall exceed the sum of one thousand dollars, such proceeds shall be paid or delivered directly to the Corporate Trustee, and shall be paid out by it only in the purchase of other property as above provided, or, at the request of the Company and with the consent of the Corporate Trustee, for the redemption of bonds secured hereby in the manner hereinafter provided. And it shall be the duty of the said Trustees, upon being requested by the Company so to do, to execute and deliver any conveyance or other instrument necessary or proper to release the property so sold from the lien and operation of these presents; and a certificate signed by the President or Vice President and verified by the affidavit of the Chief Engineer of the company, setting forth that the property to be sold or exchanged is no longer necessary or cannot be advantageously used in carrying on the business of the Company, shall be full and absolute authority to the Trustees to consent to the sale or exchange of such property, and to execute and deliver such conveyance or other instrument as is necessary to release said property from the lien and operation of these presents.

The Corporate Trustee is hereby authorized and empowered to pay over any moneys, which may come into its possession under the provisions of this article, to the Company, or on its order, from time to time, upon a request and certificate signed by the President or Vice President and verified by the affidavit of the Chief Engineer of the Company, setting forth the purchase of other property as hereinabove provided, the cost of the same, and that it has received and has possession of the same; provided, however, in case the property so purchased is real property, such request and certificate shall be accompanied by a good and sufficient instrument subjecting said property to the lien and operation of these presents, accompanied by the opinion of counsel (who also may be counsel for the Company), setting forth that in the opinion of said counsel such instrument is a good and sufficient conveyance and does subject said property to the lien and operation of these presents, as a first lien thereon, current taxes and charges in the nature thereof excepted. All real estate acquired by exchange in accordance with the provisions of this article shall also be subjected to the lien of these presents by a good and sufficient instrument which shall be accompanied by the opinion of counsel as above provided.

Any property taken by the exercise of that right of eminent domain may be released by the Trustees upon payment to them of the entire compensation paid or allowed therefor.

#### Article VIII.

It is further covenanted and agreed by and between the parties hereto, that the Company hereby reserves, and shall have the right to redeem any or all of the bonds of the issue hereby secured on any interest-paying date prior to maturity, at the price of 101% of par and accrued interest. If at any time less than the whole amount of bonds outstanding are to be redeemed, the bonds to be redeemed shall be chosen by lot by the Corporate Trustee. The Company shall in all cases of redemption of bonds hereunder give notice by publication in one newspaper of general circulation published in the city of Chicago, Illinois, and in one newspaper of general circulation published in the City of Cleveland, Ohio, which notice shall state that the Company will, on the date fixed for redemption, redeem the bonds chosen for redemption, at the price of 101% of par and accrued interest to the date of redemption, upon presentation and surrender of such bonds and all unpaid coupons thereto belonging, at the office of the Corporate Trustee, in the city of Chicago, Illinois. The first publication of such notice in each case shall be at least sixty days prior to the date fixed for redemption, and such notice shall continue to be published once every two weeks thereafter. In all cases in which less than the entire amount of bonds are chosen for redemption, the published notice shall contain the numbers of the bonds so chosen. In all cases of redemption of bonds the Company shall, on or before the date fixed for redemption, deposit with the Corporate Trustee sufficient money to pay the redemption price of said bonds and accrued interest on the principal thereof to date of redemption, which date of redemption shall in all cases be an interest-paying date.

Said notice having been given in manner aforesaid and sufficient money to retire all bonds called for redemption at the rate aforesaid having been deposited with the Corporate Trustee, if the holder or holders of any bond or bonds so called for redemption fail to present the same for redemption at the time and place in said notice specified, such bond or bonds shall thereafter cease to bear interest, and the Corporate Trustee shall credit to each of such bonds as may not be so presented, designated by the number thereof, a sum of money equal to such redemption price, plus the interest accrued thereon to the date fixed for redemption as aforesaid and remaining unpaid, and said credit shall be treated as full payment of each such bond and the coupons thereto belonging as between the Company and the holder thereof, and said sum so credited by the Corporate Trustee to bonds which have not been presented for redemption shall bear no interest, and thereupon and thereafter said bonds and all coupons thereto belonging shall be excluded from participation in the lien and security afforded by these presents, and the holder thereof shall look for the payment of such bonds and accrued interest only to sums so credited thereto in the hands of the Corporate Trustee.