

to the Trustees that they are such holders, and the giving to the Trustees of an indemnity satisfactory to them securing them against liability by reason of the action requested; but no inaction by the Trustees upon any such request or demand shall be deemed a refusal until after the expiration of a reasonable time for the consideration thereof by the Trustees. In any case in which the Trustees are authorized or required under any provision of this instrument to take any action upon the request or direction of holders of said bonds, the Trustees shall have the right to require the person or persons presenting such request to furnish proof as to the ownership of the bonds claimed to be owned or represented by him or them by the production of said bonds or by affidavits or other evidence satisfactory to the Trustees, and if such proof be so required the said request shall be without effect until such proof shall be furnished.

ARTICLE XII.

IN case the Company shall at any time desire to sell any of its real property, personal property, rolling stock or any part of its plants or distribution or electric railway systems, which, in the judgement of the Company's Board of Directors, is not required for the proper carrying on of the Company's business, or in case the Company shall at any time desire to exchange any such property for other property, the Trustees may, upon request of the Company manifested by resolution of its Board of Directors, and upon the conditions hereinafter contained, transfer such property by way of release or otherwise to the parties designated by the Company as purchaser or purchasers thereof. The consideration for any such sale or exchange may be in the form of money or physical property to be acquired by the Company and made subject to the

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of this Mortgage Deed of Trust as a first lien thereon in lieu of the property to be released. Before the Trustee shall make any such release of any property the Company shall furnish to the Corporate Trustee the certificate of an engineer acceptable to the Corporate Trustee, stating that in the opinion of such engineer the consideration for the sale or exchange of such property is of a value not less than the value of the property proposed to be sold or exchanged. The proceeds of any and all sales or exchanges hereinbefore in this Article provided for, whether in the form of moneys or physical property, and all moneys which may be received as compensation for any of the mortgaged property taken by the exercise of the power of eminent domain (less the expenses of the condemnation proceedings) shall be paid, delivered or conveyed to the Corporate Trustee. If and whenever requested so to do by resolution of the Board of Directors of the Company, the Corporate Trustee shall pay out and apply any moneys so received to the purchase by the Company of other property, real or personal (other than stocks, bonds or securities of other companies), for use in its business, or to pay, or to reimburse the Company for, the cost of additions and extensions to, betterments of, or improvements upon, the mortgaged property, whether such property were purchased or such additions, extensions, betterments, or improvements were made or acquired before or after the date of any release, or the receipt by the Corporate Trustee of any moneys, under this section; provided, however, that said moneys shall not be applied to make any payments or to reimburse the Company for any expenditures, for which bonds may have been certified under any provision of this Mortgage Deed of Trust, or for any expenditures made pursuant to the provisions of Article VIII hereof. At the request of the Company all or any part of the money so received and all or any part of any condemnation money received by Cor-

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porate Trustee, instead of being applied as aforesaid, may be used by the Corporate Trustee to purchase bonds issued and outstanding hereunder at a price satisfactory to the Corporate Trustee, but not exceeding for any bond the redemption price of said bond; and if bonds issued hereunder be not so purchased, then all or any part of such money may, at the request of the Company, be used for the redemption of the bonds in accordance with Section 5, of Article I, hereof, or be invested by the Corporate Trustee in such securities as may for the time being be authorized by law in the State of Illinois or the State of New York for the investment of trust funds. Any such bonds or security so purchased shall be held by the Corporate Trustee as security for the protection of the bonds issued hereunder, and subject to the lien, terms, covenants and provisions of this Mortgage Deed of Trust, but such bonds or securities or any of them may be sold by the Corporate Trustee upon terms satisfactory to it and to the Company and the proceeds thereof may be invested in other like securities or may be disposed of in any other manner hereinbefore authorized with respect to the proceeds of the property released from the lien hereof; and at the request of the Company any such bonds or securities shall be sold and the proceeds thereof invested in the purchase by the Company of other property, real or personal, suitable and useful for the business of the Company (other than stocks, bonds or securities of other companies), approved by the Corporate Trustee, (which shall thereby be subjected to the lien of this Mortgage Deed of Trust as a first lien thereon), or in additions, extensions, betterments or improvements to any of the mortgaged property (which shall likewise thereby be subjected to the lien hereof as a first lien thereon). So long as there shall be no default on the part of the Company of which the Corporate Trustee shall have written notice, the interest or dividends paid upon any bonds or other securities purchased and held or in any manner acquired by the

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Corporate Trustee under the provisions of this Article shall by the Corporate Trustee be paid over to the Company from time to time as collected. Any new property acquired by the Company in exchange for or to take the place of any property released herefrom shall, upon its acquisition, become and be subject to the lien of this Mortgage Deed of Trust as fully as if specifically mortgaged hereby; but if requested by the Trustees the Company will convey the same to the Trustees by appropriate conveyances upon the trust and for the purposes of this Mortgage Deed of Trust. In no event shall any purchaser or purchasers of any property sold or disposed of under any provision of this Article be required to see to the application of the purchase money.

Released of pledged securities and properties not needed in Company's business.

Company to furnish certificate.

Disposition of proceeds of any property sold or exchanged.

Interest and dividends on securities held by Corporate Trustee to be paid to Company.