

MORTGAGE RECORD 75

III. If the consideration stated in said certificate for any such property shall be

(a) Cash, then, such cash or a certificate of any trustee or mortgagee under any mortgage which, in the opinion of counsel selected and approved as provided in Clause (3) next succeeding (who may be counsel for the Company), shall constitute a lien prior to the lien hereof on any such property of the Company, stating that it has received such cash.

(b) Obligations of the nature described in Clause (2) of the preceding paragraph II, then, such obligations or a certificate of any of the trustees or mortgagees described in Clause (a) above stating that it has received such obligations and also an opinion of counsel (who may be counsel to the Company) appointed by the Company and approved by the Central Company to the effect that such obligations are of the nature described in said Clause (2) and that the purchase money mortgage securing such obligations is or will be when recorded, sufficient to afford a valid first lien (subject only to such liens prior thereto as shall have existed on the property being disposed of) upon the property to be sold or exchanged.

(c) Fixed property or tangible personal property, then instruments of conveyance, assignment or transfer sufficient in the opinion of counsel, who may be counsel to the Company, selected and approved as provided in Clause (b), to subject the same to the lien of this Indenture (subject only to such liens prior hereto as shall have existed on the property being disposed of, and Farm Mortgages and current taxes) free and clear of all liens and encumbrances except such liens as shall have existed on the property being disposed of, Farm Mortgages affecting rights of way and current taxes, or an opinion of such counsel to the effect that no instrument of conveyance, assignment or transfer is necessary so to subject such property to the lien of this Indenture.

IV. In the case of the release or conveyance of property the value of which as stated in the certificate required by Paragraph II of this Section shall be in excess of \$250,000, a report of an appraiser or appraisers who shall be selected by the Central Company and whose compensation shall be paid by the Company, appraising the property to be released or conveyed and appraising the consideration to be received therefor unless such consideration shall be cash, which appraisal shall show the value of the property to be released or conveyed to be not in excess of the consideration to be received therefor.

The resolutions and certificates, and the instruments and opinions heretofore provided for, shall be fully authority to the Trustees for making any such release or giving such consent, and the Trustees may conclusively rely upon the truth of any statement made in any such resolution, certificate, instrument or opinion whether such statement be required by any provision of this Article or be voluntarily made; but before making any such release or giving such consent the Trustees may, in their discretion, cause to be made such independent investigation as they may see fit, and the expense thereof shall be paid by the Company, or if paid by the Trustees, shall be repaid by the Company upon demand, with interest at the rate of six per cent. per annum.

SECTION 3.--Should any of the mortgaged property be taken by exercise of the power of eminent domain or should any governmental body, at any time, exercise any right which it may have to purchase any part of the mortgaged property, the Trustees shall release the property as taken or purchased, and shall be fully protected in doing so upon being furnished with an opinion of counsel (who may be of counsel to the Company) selected by the Company and approved by the Central Company, to the effect that such property has been taken by exercise of the power of eminent domain, or purchased by a governmental body in the exercise of a right which it had to purchase the same. The proceeds of all property so taken or purchased shall be paid over to the Central Company, to be applied in the manner set forth in Article VIII hereof.

SECTION 4.--In case the property of the Company or that portion thereof which it is desired to have released shall be in the possession of a receiver, lawfully appointed, the powers heretofore conferred upon the Company with respect to the sale or other disposition of property covered hereby may be exercised by such receiver, and in such case the receiver may make the certificate provided for in Clause II of Section 2 of this Article, instead of an officer of the Company, and the resolution of the Board of Directors of the Company may be dispensed with; and if the Trustees shall be in possession of such property under any provision of this Indenture, then such powers may be exercised by the Trustees in their discretion; and in such case the resolution and certificate may be dispensed with.

No purchaser of property purporting to be released hereunder shall be bound to ascertain the authority of the Trustees to execute the release, or to inquire as to any facts required by the provisions hereof for the exercise of such authority and every such purchaser shall be fully protected in relying upon such release.

SECTION 5.--In the ordinary course of business the Company shall have full power

(a) From time to time to make any changes in the location of any portion of its pipelines, machinery, apparatus or other plants, as in the judgment of the Company shall have become expedient.

(b) From time to time, either with or without the consent of the Trustees, to make such modifications, extensions, releases, surrenders, or renewals of any rights of way, which may from time to time be or become subject to this Indenture, as in the judgment of the officers of the Company are necessary or expedient for the carrying on of the Company's business, provided such releases or surrenders of rights of way shall be made only to the grantors or their successors in ownership of surface rights, and the Trustees, however, shall, from time to time, and without further inquiry, in the event that any such release shall at any time be requested by the President, a Vice-President, General Manager, Secretary or Assistant Secretary of the Company, release from the lien and operation of this Indenture any rights of way which may at any time become subject to the lien hereof, upon a certificate being furnished, signed by the President or a Vice-President, or General Manager, and by the Secretary or an Assistant Secretary of the Company, to the effect that the Company has released, surrendered or abandoned, or is about to release, surrender or abandon, said rights of way, that such rights of way are in the opinion of the signers without value, and that such release, surrender, or abandonment will not substantially impair the security hereof.

(c) From time to time, either with or without the consent of the Trustees, to permit Farm Mortgages to be placed upon the lands which are covered by rights of way owned by the Company, where such Farm Mortgages are either (1) renewals of or substitutions for Farm Mortgages which were in existence as liens on said lands at the date of this Indenture, or at the date of the acquisition of such rights of way, whichever is later, or (2) are given to secure a debt not in excess of the value of such lands for agricultural purposes solely, without taking into consideration the value of the rights of way over or across said lands; and the Company may, for that purpose, execute and deliver such waivers, releases, subordination agreements or other documents suitable to permit such Farm Mortgages to be or become liens prior and superior to the rights of way owned by the Company. And the Trustees shall, from time to time, and without further inquiry, join with the Company in the execution and delivery of any of such waivers, releases, subordination agreements or other documents aforesaid, in the event that such action shall at any time be requested by the President, a Vice-President, General Manager, Secretary or an Assistant Secretary of the Company upon a certificate being furnished signed by the President or a Vice-President or General Manager and by the Secretary or an Assistant Secretary of the Company, to the effect that either (1) the new Farm Mortgage is a renewal or a substitute for a Farm Mortgage which was in existence as a lien on the lands at the date of this Indenture, or at the date of the acquisition of such rights of way, whichever is later, or (2) is given to secure a debt not in the opinion of the signer in excess of the value of such lands for agricultural purposes solely, without taking into consideration the value of the rights of way over or across said lands.

SECTION 6.--The Company may, from time to time, without consent of the Trustees, sell, assign, and transfer any or all of its oil rights in oil and/or gas leases, all oil, mineral rights