

Sec. 8.16. Subject to compliance with the provisions of Sec. 8.15 with respect to subsidiary first mortgage bonds, any subsidiary may issue bonds, notes or other obligations and/or additional shares of its capital stock of any class or classes for the purpose of retiring or in exchange for any or all of its previously outstanding bonds, notes, or other obligations. In case any such subsidiary shall determine to issue bonds, notes or other obligations and/or shares of its capital stock of any class or classes for the purpose of retiring any or all of such previously outstanding bonds, notes, or other obligations, the Corporate Trustee, upon application of the Company evidenced by a directors' resolution, shall (except as otherwise provided in Sec. 8.15) cancel and deliver to the Company the notes, bonds or other obligations of such subsidiary theretofore pledged hereunder and specified in such application, upon receiving in exchange therefor the amount of new bonds, notes or other obligations and/or certificates for the number and class of shares of the capital stock of said subsidiary to be issued in lieu thereof. The Corporate Trustee shall be fully protected in taking action under this Section in reliance upon an opinion of counsel that such retirement or exchange has been properly authorized and can be validly effected and that the bonds, notes or other obligations and/or the shares of capital stock issued in exchange for such previously outstanding bonds, notes, or other obligations or stock are validly issued, and that the security afforded by this Indenture will not be impaired by such exchange.

Sec. 8.17. The Company shall have power at any time and from time to time, unless some one or more of the events of default defined in Sec. 10.02 shall have happened and be continuing, to sell, exchange or otherwise dispose of, free from the lien and operation of this Indenture, all but not a part of the subsidiary first mortgage bonds, other obligations and capital stock of any subsidiary or of any other corporation at the time pledged hereunder and the Trustees shall release the same from the lien and operation of this Indenture and deliver the same to or in accordance with such instructions as may be contained in the application therefor, upon the delivery, transfer or conveyance (as the case may be) to the Trustees of the following:

(1) An application signed by the President or a Vice President and by the Secretary or Assistant Secretary, or Treasurer or Assistant Treasurer of the Company requesting such release and specifying the person or persons to whom the released securities are to be delivered;

(2) A directors' resolution authorizing the sale, exchange or other disposition of such securities and requesting the Trustees to release the same from the lien and operation of this Indenture;

(3) A certificate signed by the President or a Vice President of the Company and by an engineer stating in their opinion the fair value, as of a date not more than 60 days prior to the date of the application of the securities to be released; and stating that the disposition of such securities is desirable in the conduct of the business of the Company and that when the Company shall have made substitution in money or its equivalent to the amount below required the security afforded by this Indenture will remain unimpaired; and

(4) The greater of the following two amounts: (a) the total proceeds of such sale, exchange or other disposition in money and/or other consideration equivalent thereto as defined in Sec. 9.07, or (b) money and/or such other consideration equivalent thereto equal to the fair value stated in the certificate referred to in paragraph (1) of this Section of the securities the release of which is requested.

All money or its equivalent (as defined in Sec. 9.07) deposited with or transferred or conveyed to the Trustees pursuant to this Section shall be held as a part of the trust estate and such money, or securities equivalent thereto (as defined in Sec. 9.07), may be paid out and applied by the Corporate Trustee from time to time as provided in Sec. 4.09.

Sec. 8.18. In case any subsidiary shall at any time hereafter effect a change in its corporate name the Company may deliver to the Corporate Trustee certificates for shares of stock of such subsidiary, bearing the new corporate name of such subsidiary, for the number of shares of each class of stock of such subsidiary for which certificates are then held by the Corporate Trustee, in substitution therefor, or bonds or other obligations of such subsidiary, bearing the new corporate name of such subsidiary, in a principal amount equal to and in substitution for the principal amount of any bonds or other obligations of such subsidiary then held by the Corporate Trustee and in all other respects identical with such bonds or other obligations then so held, and the Corporate Trustee shall thereupon cancel the certificates of stock or bonds or other obligations of such subsidiary in its former name then held by the Corporate Trustee and deliver the same to the Company. The Corporate Trustee shall, however, before permitting such substitution, be furnished with an opinion of counsel that such change of name has been legally effected and that the security of this Indenture will not be affected or impaired by making the substitution provided for in this Section. Such opinion shall be full protection to the Corporate Trustee for anything done or permitted to be done by it under this Section.

Sec. 8.19. Subject only to the specific restrictions contained in this Indenture, and to the actual exercise by the Company of its rights in respect thereof conferred by this Indenture, the Corporate Trustee shall have and may exercise all the rights of owner in respect of any shares of stock, bonds, or other securities held by the Corporate Trustee under this Indenture, or in any manner whatsoever upon the trusts hereof.

ARTICLE 9

Possession, Disposition and Release of Properties.

Sec. 9.01. Until the happening of an event of default as defined in Sec. 10.02, the Company, its successors and assigns, shall be suffered and permitted to possess, manage, operate, exercise and enjoy the premises and property, rights privileges and franchises with their appurtenances at any time subject to the lien of this Indenture, except cash and securities which are expressly required to be deposited or pledged with the Trustees hereunder, and to collect, receive, take, use and enjoy the tolls, earnings, income, rents, issues and profits thereof, as fully and in all respects as if this Indenture had not been made.

Sec. 9.02. The Company and its subsidiaries, from time to time, while in possession of their respective fixed properties, shall have full power in their discretion, without any release or consent by the Trustees, or accountability to the Trustees for any consideration received therefor by the Company or a subsidiary:

(1) To sell or otherwise dispose of, free from the lien of this Indenture, any machinery, tools, furniture, implements or other equipment which may have become obsolete, inadequate or worn out or otherwise unsuitable for use in the business of the Company or a subsidiary, upon replacing the same by, or substituting therefor, other machinery, tools, furniture, implements or other equipment equivalent thereto for the purposes of the business of the Company or the subsidiary;

(2) To cancel, make changes in or substitutions for any and all right of way grants, leases or contracts held by the Company or any of its subsidiaries;

(3) To abandon, or permit the abandonment of, the operation of any property of the Company or a subsidiary and the surrender by the Company or a subsidiary of any franchises under which such property is operated, whenever the operation of such property and such franchises are not, under the circumstances, necessary or important for the operation of the other plants and properties of the Company and its subsidiaries, or whenever such abandonment or surrender is deemed for any reason to be advisable; provided, however (a) that if the Company or a subsidiary receives for or in connection with any such abandonment any money or other thing of value, the same shall forthwith be deposited