

MORTGAGE RECORD 85

of this Indenture;

B. To abandon, terminate, cancel, release or make alterations in or substitutions of any rights-of-way, easements, licenses or permits subject to the lien of this Indenture; provided that any changed, altered or substituted rights-of-way, easements, licenses or permits shall forthwith become subject to the lien of this Indenture to the same extent and in the same manner as those previously existing and that such altered or substituted rights-of-way, easements, licenses or permits shall entitle the Company to the same or an extended business in the territory in which it is then operating during the same or an extended period of time; and provided further that, if the Company shall be entitled to receive any money or property as consideration or compensation for such termination, cancellation, release, alteration or substitution, such money or property, forthwith upon its receipt by the Company, shall be paid over by the Company to the New York Trustee and/or subjected to the direct lien of this Indenture and become a part of the Trust Estate;

C. To surrender or modify any franchise which it may own or under which it may be operating; provided that, after the surrender or modification of any such franchise, the Company shall still, in the opinion of the Board of Directors of the Company, be entitled, under some other, or without any, franchise, to conduct the same or an extended business in the territory in which it is then operating during the same or an extended period of time; and provided further, that, if the Company shall be entitled to receive any money or property as consideration or compensation for such surrender or modification, such money or property, forthwith upon its receipt by the Company, shall be paid over by the Company to the New York Trustee and/or subjected to the direct lien of this Indenture and become a part of the Trust Estate;

D. To alter, repair, replace, change the location or position of and to add to its plants, works, pipelines, buildings, structures, systems, machinery, equipment, apparatus and other fixtures and appurtenances; provided, however, that no change shall be made in the location or position of any such property subject to the lien of this Indenture, which removes such property into a jurisdiction in which this Indenture has not been recorded or filed in the manner required by law to preserve the lien of this Indenture on such property; and/or

E. To enter into agreements for the joint use of telephone and telegraph poles and equipment; and to assume the burdens created under any law or governmental regulation or permit requiring the Company to maintain certain facilities or perform certain acts as a condition of its occupancy of or interference with any public lands or any river or stream or navigable waters or bridge or highway.

Section 41. The Company shall have the right, at any time and from time to time, to sell or dispose of any part of the Trust Estate (except cash, obligations or other personal property pledged or deposited with or required to be pledged or deposited with the New York Trustee hereunder), which shall no longer be useful, necessary, profitable or advantageous in the judicious management and maintenance of the Trust Estate or in the conduct of the business of the Company, or which the Company reasonably anticipates will be taken by eminent domain, or which the Company shall have been directed to sell or dispose of by order of any governmental authority having jurisdiction in the premises, and the Trustees shall, from time to time, release property so sold or disposed of from the operation and lien of this Indenture, but only upon receipt by and deposit with the New York Trustee of the following:

A. A RESOLUTION OF THE BOARD, requesting such release and describing the property so to be released.

B. A CERTIFICATE OF THE COMPANY, dated not more than 30 days prior to the application for such release, and signed also (except as to Clauses (5) and (6) of this Paragraph) by an Engineer selected by the Company, who may be in the employ of the Company, and who shall be approved by the New York Trustee, setting forth in substance as follows:

(1) That the Company has sold or disposed of or has contracted to sell or dispose of the property so to be released.

(2) Either (a) that such sale or disposition is desirable in the conduct of the business of the Company, and that the property to be released is no longer useful, necessary, profitable or advantageous in the judicious management and maintenance of the Trust Estate or in the conduct of the business of the Company, or (b) that such sale or disposition has been or is to be made to a State, municipality or other governmental authority which has the power to take such property by eminent domain and that such sale or disposition has been made in lieu and in reasonable anticipation of such taking by such State, municipality or governmental authority, or (c) that such sale or disposition is made to comply with an order or orders of a designated governmental authority having jurisdiction to require such sale or disposition.

(3) Whether any part of the property so to be released consists of a plant or system, and, if so, such property shall be separately described; and also whether any part of the property so to be released has been sold or disposed of or contracted to be sold or disposed of to a Related Company, and, if so, such property shall be separately described.

(4) Whether any part of the property so to be released has been or is to be sold or disposed of, in whole or in part, for a consideration consisting of property or securities; and, if so, such part of said property shall be separately described, and said consideration shall also be described.

(5) Whether any purchase money obligations to be delivered to the New York Trustee under Paragraph D of this Section are to be secured by purchase money mortgage on less than all of the property to be released; and, if so, the property to be covered by such purchase money mortgage shall be separately described.

(6) The Fair Value of the property to be released at the date of such Certificate as appraised by said Engineer, or that the Fair Value of the property to be released is in excess of one per centum of the aggregate principal amount of all Bonds at the time outstanding hereunder. If, by virtue of the foregoing Clauses (3), (4) and/or (5) of this Paragraph, any of the property to be released shall be separately described in said Certificate, the Fair Value of such property shall be separately stated.

(7) Whether any part of the property to be released is Bonded Property; and, as to any property to be released which is Unbonded Property, it shall be stated whether said property is at the date of said Certificate, or was immediately before such sale or disposition, subject to a Prior Lien, and, if so, such lien shall be briefly described or otherwise identified.

(8) That no Event of Default has occurred which has not been remedied.

(9) That, in the opinion of the signers, the proposed release will not impair the security under this Indenture in contravention of the provisions hereof.

C. A CERTIFICATE, dated not more than 30 days prior to the application for the release of such property, signed by an Independent Engineer selected by the New York Trustee and approved by a Resolution of the Board,

(1) stating, in case the Fair Value (as shown by the Certificate of the Company prescribed by the preceding Paragraph B) of the property to be released is in excess of one per centum of the aggregate principal amount of all Bonds at the time outstanding hereunder, the Fair Value, in the opinion of the signer, at the date of such Independent Engineer's Certificate, of the property to be released, stating separately the Fair Value of any of the property to be released which shall have been separately described by virtue of Clause (4) or Clause (5) of Paragraph B of this Section;

(2) stating the Fair Value, in the opinion of the signer, at the date of said Independent Engineer's Certificate, of any part of the property to be released which shall have been shown by said Certificate of the Company to have been sold or disposed of (or contracted to be sold or disposed of) to a Related Company of the Company and to have a Fair Value in excess of \$55,000, or which shall have been so shown to consist of a plant or system having a Fair Value in excess of \$100,000; and

(3) stating, in any case in which a Certificate pursuant to this Paragraph C shall be required to comply with the provisions of Clause (1) or (2) of this Paragraph C, that, in the opinion of the signer, the proposed release will not impair the security under this Indenture in contravention of