

then or theretofore certified to the New York Trustee in a Retirements Certificate under any provision hereof, whether or not such salvaged or reclaimed property shall upon such retirement have been transferred to materials and supplies account, (3) the fair value in cash (as of the date of delivery) of any securities delivered as consideration for such Property Additions, and (4) the aggregate of the amounts expended or agreed to be expended (excluding any amounts expended or to be expended in respect of interest or premium) by the Company to procure the satisfaction or discharge of any indebtedness secured by a Prior Lien upon such Property Additions outstanding or created at the time of the acquisition thereof or to cause the mortgage or other lien securing such indebtedness to become a Prepaid Lien, as defined in *Paragraph E* of this Section. The Cost to the Company of any new plant or pipeline system may be deemed to include the Cost to the Company of any franchises, rights and intangible property simultaneously acquired with the same, for which no separate or distinct consideration shall have been paid or apportioned. In determining the "Fair Value" of any new plant or pipeline system, consideration shall be given only to the value, in place, of the physical property acquired. The Cost to the Company of any property, part of which constitutes Property Additions, and part does not, and all of which is acquired for a single consideration, shall in all cases be properly allocated in the Property Additions Certificate filed with the New York Trustee pursuant to *Paragraph B* of *Section 25*. In the case of Property Additions subject to a Prior Lien or Liens, the Fair Value of such additions shall be determined as if such additions were free of such lien or liens. In the case of Property Additions consisting of property owned by a successor corporation immediately prior to the time it shall have become such by consolidation, merger or conveyance as provided in *Article Thirteen*, the Cost to the Company shall be the cost thereof on the books of such successor corporation, less applicable reserves for depreciation, retirements and/or depletion immediately prior to such consolidation, merger or conveyance.