

case of the first such opinion, since the date of the execution and delivery hereof), no Bonded Property owned by the Company has become subject to any then subsisting lien or encumbrance (except Permitted Encumbrances, and easements and similar encumbrances which, in the opinion of such counsel, do not materially impair the use of such Bonded Property in the operation of the business of the Company) not existing thereon at such prior date, prior to the lien created by this Indenture for the security of the Bonds whose authentication and delivery is then applied for.

Section 36. Upon compliance with the provisions of *Section 35*, the New York Trustee shall authenticate and deliver Bonds of an aggregate principal amount up to, but not exceeding, the principal amount of the Bonds deposited with the New York Trustee, and/or paid, redeemed or otherwise retired, and/or for whose payment or redemption cash has been deposited with or is held in trust by the New York Trustee, as in *Paragraph B of Section 35* provided.

Section 37. Every Bond and its coupons delivered uncanceled to the New York Trustee, and on the basis of which an additional Bond is authenticated and delivered under this Article, shall be immediately cancelled and thereafter created if in coupon form, or delivered to the Company if in fully registered form.

## ARTICLE SEVEN

### RELEASE OF MORTGAGED PROPERTY

Section 40. The Company shall have the right, at any time and from time to time, unless an Event of Default shall have happened and shall not have been remedied, without any release from or consent by the Trustees,

A. To sell or dispose of, free from the lien of this Indenture, any furniture, apparatus, tools, implements or other machinery or equipment of a similar nature which may have