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erty to be released or the then fair value thereof (which ever shall be greater) as specified in said engineer's certificate, or, if an independent engineer's certificate is required, then as specified therein, which amount of cash shall, at the election of the Company be reduced by:

- (1) an amount equal to the fair value of obligations secured by purchase money mortgage or trust deed on the property to be released deposited with the Trustee (which obligations shall constitute all of such obligations secured by such mortgage and (a) the redemption of each by reason of the deposit of such obligations shall not exceed sixty per cent (60%) of the fair value of the property to be released as specified in the engineer's certificate; or, if required, the independent engineer's certificate, and (b) the principal amount of such purchase money obligations together with the principal amount of all other purchase money and other obligations which shall have been used to reduce the amount of cash required to be deposited under the provisions of this Section 7.03 and are then held as a part of the trust estate, shall not exceed fifteen per cent (15%) of the aggregate principal amount of bonds at the time outstanding under this Indenture), but only upon receipt by the Trustee of:

- (i) an opinion of counsel to the effect that such obligations are valid obligations and that any purchase money mortgage or trust deed securing the same is sufficient to constitute a valid purchase money lien upon the property to be released, subject to no liens other than the liens, if any, existing on such property immediately prior to its release;

- (ii) an appraiser's certificate, stating the fair value to the Company of such obligations; and

- (iii) if the fair value to the Company of such obligations and of all other securities made the basis of any release from the lien of this Indenture since the commencement of the then current calendar year, as shown by certificates filed pur-

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suant to subparagraph (i) or (ii) of this paragraph (2) or pursuant to subparagraph (i) or (iii) of paragraph (1) of this subdivision (c), is ten per cent (10%) or more of the aggregate principal amount of bonds outstanding at the time of the application then being made, an independent appraiser's certificate, stating the fair value to the Company of such obligations; provided, however, that no independent appraiser's certificate need be filed with the Trustee with respect to any such obligations if the fair value thereof to the Company, as shown by the certificate required by subparagraph (i) of this paragraph (2), is less than twenty-five thousand dollars (\$25,000) or less than one per cent (1%) of the aggregate principal amount of bonds outstanding at the time of the application then being made; and

- (iii) an opinion of counsel to the effect that such bonds or other interest-bearing obligations have been issued pursuant to law in whole or in part payment for the property to be released, and either (a) that such municipal corporation or other governmental body or agency possesses taxing power and that such bonds or other interest-bearing obligations are direct and general obligations of such municipal corporation or other governmental body or agency; or (b) that the interest on and principal of such bonds or other interest-bearing obligations are secured by a valid first mortgage lien on that part of the property to be released which is or has been purchased by such municipal corporation or other governmental body or agency and are also payable from and secured by a valid lien on the revenues derived from the operation of such property; and/or

- (3) an amount equal to the aggregate principal amount of all outstanding prior lien bonds secured

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suant to subparagraph (i) or (iii) of this paragraph (1) or pursuant to subparagraph (i) or (ii) of paragraph (2) of this subdivision (c), is ten per cent (10%) or more of the aggregate principal amount of bonds outstanding at the time of the application then being made, an independent appraiser's certificate, stating the fair value to the Company of such obligations; provided, however, that no independent appraiser's certificate need be filed with the Trustee with respect to any such obligations if the fair value thereof to the Company, as shown by the certificate required by subparagraph (i) of this paragraph (1), is less than twenty-five thousand dollars (\$25,000) or less than one per cent (1%) of the aggregate principal amount of bonds outstanding at the time of the application then being made; and/or

- (2) an amount equal to the fair value of bonds or other interest-bearing obligations issued pursuant to law, in whole or in part payment for the property to be released, by any municipal corporation or other governmental body or agency (the principal amount of which, together with the principal amount of all other such obligations and purchase money obligations which shall have been used to reduce the amount of cash required to be deposited under the provisions of this Section 7.03 and are then held as part of the trust estate, shall not exceed fifteen per cent (15%) of the aggregate principal amount of bonds at the time outstanding under this Indenture), which shall be deposited with the Trustee, but only upon receipt by the Trustee of:

- (i) an appraiser's certificate stating the fair value to the Company of such bonds or other interest-bearing obligations;

- (ii) if the fair value to the Company of such obligations and of all other securities made the basis of any release from the lien of this Indenture since the commencement of the then current

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by a prior lien, which is a lien solely on the property to be released or a portion thereof; provided, however, that there shall be deducted from such aggregate principal amount an amount equal to the proceeds of property, considerations for property taken by the exercise of a power of eminent domain or purchased by a municipality in the exercise of any right, considerations for property released, proceeds of insurance, and moneys in lien of which, in each case, the Trustee shall have received a certificate that the same have been deposited with the trustee or other holder of such prior lien in pursuance of any provision of this Indenture and which in each case are then held by the trustee or other holder of such prior lien; and provided further, that there shall be filed with the Trustee an opinion of counsel stating the aggregate principal amount of outstanding prior lien bonds secured by such prior lien and that such prior lien is a lien solely on the property to be released or a portion thereof; and/or

- (4) the amount of any taxes (other than income or profits taxes), commissions and other expenses incidental to the sale or other disposition of the property to be released, as certified in an officers' certificate filed with the Trustee;

- (d) An opinion of counsel to the effect that all conditions precedent provided for in this Indenture relating to the release of the property in question have been complied with; and

- (e) An officers' certificate stating, in the opinion of the signers, that such release is desirable or advisable in the conduct of the business of the Company and not prejudicial to the interests of the bondholders, and that all conditions precedent provided for in this Indenture relating to the release of the property in question have been complied with.