

Such report shall be accompanied by an Engineer's Certificate stating that the respective considerations received in all cases of sales, exchanges or other dispositions made under subsection (b) of this Section 2 represented the fair value to the Company of the property sold or otherwise disposed of and that in no case was the consideration received in any one sale or other disposition in excess of \$10,000 and stating the fair value to the Company of all such consideration other than cash.

In order to evidence the termination of the lien of the Mortgage on any property sold, exchanged or otherwise disposed of in accordance with this Section 2 the Corporate Trustee, or in case such property is located in the State of Missouri, the Trustees shall execute and deliver confirmatory releases or certificates that such property is free from the lien of the Mortgage from time to time at the request of the Company upon receiving an Officers' Certificate describing in reasonable detail the property to be released, and stating that it has been sold, exchanged or otherwise disposed of under the provisions of this Section 2 and in full compliance with the terms and conditions prescribed herein, and an Engineer's Certificate stating the fair value to the Company of the property to be released and the fair value to the Company of all consideration, other than cash to be received by the Company therefor, and stating that the consideration, including cash, received or to be received by the Company for such property represented the fair value of such property to the Company and does not exceed \$10,000.

SECTION 3. PART A. From time to time unless and until an Event of Default shall have occurred and be continuing, the Company may sell or dispose of, and in connection therewith obtain the release of, any part of the property subject to the lien of the Mortgage, other than cash or purchase money

money obligations pledged with the Corporate Trustee pursuant to the provisions of this Section 3, and then held subject to the lien of the Mortgage (or pledged with the corporate trustee of the First Mortgage or with the trustee or mortgagee of any Prior Lien or Permitted Encumbrance, as permitted by the provisions of Section 4 of this Article X, and then held by such trustee or mortgagee) shall not exceed 40% of the aggregate principal amount of Bonds outstanding at the date of the Application for release filed with the Corporate Trustee pursuant to the provisions of clause (b) of Part B of this Section 3;

(c) The Cost of Additions and Betterments not theretofore Bonded then certified to the Corporate Trustee in the Officers' Certificate filed with the Corporate Trustee, pursuant to the provisions of clause (e) of Part B of this Section 3, with respect to Additions and Betterments which have been or are to be concurrently acquired by the Company, as consideration or part consideration for the disposition of the property to be released and which shall not at the time of acquisition be subject to any lien, other than the First Mortgage and liens in the nature of Permitted Encumbrances, prior to the lien of the Mortgage.

PART B. Prior to the release of any part of the property from the lien of the Mortgage under this Section 3 there shall in each case have been delivered to the Corporate Trustee:

(a) A Certified Resolution authorizing or approving the request for release and stating that in the judgment of the Board of Directors such release is desirable in the conduct of the business of the Company;

(b) An Application for such release;

(c) An Officers' Certificate which shall contain:

(1) a description in reasonable detail of the property a release of which is requested, and the fair value thereof as stated in the Engineer's Certificate required by clause (g) of this Part B;

obligations held by the Corporate Trustee or Securities deposited and pledged with the Corporate Trustee, provided that the applicable provisions, if any, of Part B of Section 1 of this Article X are complied with; and the Corporate Trustee, or in the case of property located in the State of Missouri, the Trustees, shall release from the lien of the Mortgage any such property if the fair value (as determined by the Engineer in accordance with the provisions of clause (g) of Part B of this Section 3) of the part of the property to be released shall not exceed the aggregate of:

(a) The cash, then being deposited with the Corporate Trustee or with the corporate trustee of the First Mortgage or with the trustee or mortgagee of any Prior Lien or Permitted Encumbrance as permitted by the provisions of Section 4 of this Article X, which shall have been or is to be concurrently received by the Company as consideration or part consideration for the disposition of the property to be released;

(b) The principal amount of any purchase money obligations, then being deposited and pledged with the Corporate Trustee or with the corporate trustee of the First Mortgage or with the trustee or mortgagee of any Prior Lien or Permitted Encumbrance as permitted by the provisions of Section 4 of this Article X, which shall have been received by the Company as consideration or part consideration for the disposition of the part of the property to be released and which shall be secured by a purchase money mortgage thereon; provided that:

(1) such purchase money obligations shall mature within five years of the date thereof and shall be included only to the extent that the principal amount thereof does not in the aggregate exceed 60% of the fair value, determined as aforesaid, of the property to be released; and

(2) the aggregate principal amount of such purchase money obligations and all other purchase

(2) a statement of the amount of cash, if any, being deposited pursuant to clause (a) of Part A of this Section 3;

(3) a description in reasonable detail of the purchase money obligations, if any, being pledged pursuant to clause (b) of Part A of this Section 3, a statement that such purchase money obligations have been received as consideration or part consideration for the disposition of the property to be released, a statement that such purchase money obligations do not exceed the limitations of clause (b) (1) of Part A of this Section 3, and a computation showing that the principal amount of all such purchase money obligations does not exceed the limitations of clause (b) (2) of said Part A;

(4) a statement of the Cost of Additions and Betterments which have been or are to be concurrently acquired as consideration or part consideration for the property to be released, and a description in reasonable detail of such Additions and Betterments;

(5) a statement that no Event of Default has occurred and is continuing;

(6) a statement accompanied by a showing of compliance with Part B of Section 1 of this Article X with respect to the property the release of which is applied for, or a statement that such property does not constitute any part of the lines of railroad or any bridge or terminal subject to the lien of the Mortgage or any leasehold, easement, right-of-way or other interest therein; and

(7) a statement as to whether the property, the release of which is applied for, is subject to any Prior Lien or Permitted Encumbrance of the nature referred to in Section 4 of this Article X, and identifying any such liens;