

the Trustee may accept any award therefor, if approved by the Company, as representing its full value, and, at the request of the Company evidenced by a certified resolution, shall execute and deliver a release of property so taken or purchased and shall be fully protected in so doing upon being furnished with an opinion of counsel to the effect that such property has been taken by the exercise of a power of eminent domain or purchased by a municipality or other governmental subdivision in the exercise of a right which it had to purchase the same. In any such proceedings the Trustee may be represented by counsel, who may or may not be of counsel to the Company. The proceeds of all property so taken or purchased shall be paid over to the Trustee hereunder to be held and applied as a part of the trust estate, and to any trustee or other holder of any prior lien, as their respective interests may appear, and shall be deemed to be the proceeds of the release of such property whether or not such property is actually released by the Trustee.

SECTION 6. In no event shall any purchaser or purchasers in good faith of any property purported to be released hereunder be bound to ascertain the authority of the Trustee to execute the release or to inquire as to any facts required by the provisions hereof for the exercise of such authority; or to see to the application of the purchase moneys. Nor shall any purchaser of machinery or equipment or tools or implements or materials or supplies be under obligation to ascertain or inquire into the occurrence of the event on which any such sale is hereby authorized.

SECTION 7. The Trustee shall not be required under any of the provisions of this Article VII to release any part of the mortgaged property from the lien hereof at any time when to the knowledge of the Trustee the Company shall be in default hereunder, but notwithstanding any such default the Trustee may release from the lien hereof any part of the mortgaged property, upon compliance by the Company with the other conditions specified in this

Article VII in respect thereof, if the Trustee in its discretion shall deem such release for the best interest of the Bondholders; and, in such event, the Trustee shall not be liable for releasing or refusing to release any of the mortgaged property from the lien hereof. In case the trust estate shall be in the possession of one or more receivers lawfully appointed or of a trustee in bankruptcy or reorganization proceedings (including a trustee or trustees appointed under the provisions of Chapter X of an Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1938, as amended) or of assignees for the benefit of creditors, the powers by this Article VII conferred upon the Company may be exercised by such receivers, trustees or assignees, with the approval of the Trustee, regardless of whether or not the Company is in default hereunder, and in such event a writing signed by such receivers, trustees or assignees may be received by the Trustee in lieu of any certified resolution required by the provisions of this Article, and such receivers, trustees or assignees may make any certificate required by the provisions of this Article to be made by an officer or officers of the Company; provided, however, that so long as the trust estate shall be in the possession of any such receiver, trustee or assignee, no reduction shall be made in the amount of cash required to be deposited upon any release on the basis of refundable bonds. If the Trustee hereunder shall be in possession of the trust estate under any provision of this Indenture, then all such powers by this Article VII conferred upon the Company may be exercised by the Trustee in its discretion.

#### ARTICLE VIII.

##### APPLICATION OF MONIES RECEIVED BY THE TRUSTEE.

SECTION 1. Any moneys held by the Trustee as a part of the trust estate (other than moneys received by the Trustee pursuant to Section 5(a) of Article III or on account of judgment liens or in order to make a prior lien a funded prior lien) shall be

paid over from time to time by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, in amount equal to the cost or the fair value to the Company, if the fair value is less than the cost, of gross property additions purchased, constructed or otherwise acquired by the Company during the period specified pursuant to Subdivision (b) (1) of this Section, but only upon the receipt by the Trustee of:

(a) A certified resolution authorizing the application for the withdrawal from the trust estate of cash in the amount therein specified.

(b) An engineer's certificate stating in substance:

(i) The cost to the Company of the gross property additions purchased, constructed or otherwise acquired by the Company during the period specified in such certificate, commencing,

(i) In the case of withdrawal of moneys received by the Trustee pursuant to Sections 3, 4 or 5 of Article VII upon the release of any property (other than obligations deposited pursuant to Section 3(d) of Article VII) from the lien of this Indenture, on a date not earlier than the date of the application for the release,

(ii) In the case of withdrawal of moneys received by the Trustee upon the payment of principal of obligations deposited pursuant to Section 3(d) of Article VII, or upon the release of such obligations from the lien of this Indenture, on a date not earlier than the date of the application for the release of the property with respect to which such obligations were deposited,

(iii) In the case of withdrawal of moneys deposited with the Trustee pursuant to Section 6 of Article IV, on the date of the loss or destruction of

the property with respect to which such moneys were deposited, and

(iv) In the case of withdrawal of any other moneys which may be withdrawn pursuant to this Section 1, on a date not earlier than the date of the receipt by the Trustee of such moneys.

Whether the fair value to the Company of any particular property addition included in the certificate is less than the cost to the Company thereof, and, if so, the fair value thereof. Such gross property additions shall be described in the manner provided in Section 4(a) (2) of Article III. If the fair value of any property additions is less than the cost thereof to the Company the fair value shall be used in determining the amount at which the gross property additions described pursuant to the provisions of this paragraph (1) are included in the engineer's certificate.

(2) The amount of cash theretofore withdrawn pursuant to this Section 1 on the basis of such gross property additions and the amount by which cash required to be deposited into the trust estate has been reduced by compliance with this Section 1, which amount or amounts shall be deducted from the aggregate amount stated pursuant to paragraph (1) of this Subdivision (b) of gross property additions available as the basis for the withdrawal of cash pursuant to this Section 1.

(3) Whether the gross property additions are subject to an unfunded prior lien and, if so, the amount of prior lien bonds outstanding thereunder, which amount shall be deducted from the aggregate amount stated pursuant to paragraph (1) of this Subdivision (b).

(4) That the gross property additions described in such certificate are property additions as defined in Article I; that no portion of such gross property additions