other action or proceeding on the part of the Company hereunder:

(a) In the ordinary conduct of its business, sell, exchange or otherwise dispose of, free from the lien of the Mortgage, any office equipment, machinery, tools, furniture, materials and supplies and other chattels which may have become obsolete, worn out, unserviceable or no longer required in the conduct of its business; provided the Company shall, within a reasonable time, replace the same with other property which shall become subject to the lien of the Mortgage and be of a value to the Company at least equal to the value of the property so disposed of;

(b) In the ordinary course of its business, sell, exchange or otherwise dispose of, free from the lien of the Mortgage, any buildings, bridges, structures, industrial tracks, side tracks or yard tracks which it has been desirable in the conduct of its business to retire from use, and any land constituting abandoned right of way or station grounds, or industrial sites or other land (with or without improvements thereon) which is no longer useful to the Company, if the consideration received on any such sale or other disposition does not exceed $10,000; provided that if the Company shall receive any cash or other consideration (other than property, which may but need not have a similar substitutional use, and which shall become subject to the lien of the Mortgage) on any such sale or other disposition, it shall from time to time, but at intervals of not more than 6 months, deposit with the Corporate Trustee, or with the trustee or mortgagee of any Prior Lien or Permitted Encumbrance as permitted by the provisions of Section 4 of this Article IX, an amount in cash equal to the cash so received and the fair value to the Company of such other consideration; and

(c) Make any lease of any of the mortgaged property, other than its lines of railroad (including any leasehold, trackage right or other interest therein), bridges or terminals, or grant any easement, license or other right with respect to any of the mortgaged property which does not interfere with the use and operation of its lines of railroad, bridges and terminals, provided such lease, easement, license or other right is subject to the continuing lien of the Mortgage.



On or before April 1, 1951, and on or before April 1 of each succeeding year, the Company shall file with the Corporate Trustee a report for the preceding calendar year, signed as in the case of an Officers' Certificate, which shall (i) set forth in reasonable detail a description of the property sold, exchanged or otherwise disposed of during the preceding calendar year under subsection (b) of this Section 2, the cash or other consideration received by the Company in connection with each such sale, exchange or other disposition (showing separately, in the case of such other consideration, that which shall have become, and that which shall not have become, subject to the lien of the Mortgage), the total amount of consideration received during the preceding calendar year for property so sold, exchanged or otherwise disposed of, and the total amount thereof deposited with the trustee or mortgagee of any Prior Lien or Permitted Encumbrance as permitted by the provisions of Section 4 of this Article IX, and (ii) state 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.

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 obligations held by the Corporate Trustee or Securities deposited and pledged with the Corporate Trustee, provided that the