

Whenever all of the properties securing any pledged Prior Lien Bonds or Pledged Subsidiary Bonds shall be subject to the direct lien of this Indenture and, excluding Bonds issued under this Indenture, there shall not be any outstanding bonds or obligations, not held by the Trustee, secured by lien on any part of the property securing such pledged bonds, the Trustee shall on Request of the Company and on receipt of an Opinion of Counsel that the action requested may be taken in accordance with the provisions hereof, cancel such Pledged Prior Lien Bonds or Pledged Subsidiary Bonds and surrender the same to the trustee or mortgagee under the instrument securing the same.

§ 7.08. The pledge hereunder at any time of any shares of stock of any corporation shall not prevent the consolidation or merger of such corporation with, or the sale, conveyance, transfer or lease of all or any part of the property of such corporation to, any of the Companies; provided however, that such consolidation, merger, sale, conveyance, transfer or lease shall be subject to the provisions of Article Eleven hereof to the extent that such provisions shall be applicable. In the event of the consolidation or merger of any such corporation with, or the sale, conveyance, transfer or lease of its property to, any of the Companies, this Indenture ipso facto shall become and be a lien upon all the estate, right, title and interest of such Company in any property or leasehold so acquired by such Company with the same force and effect as if the same had been directly owned by such Company at the date of this Indenture and conveyed to the Trustee hereunder; and such Company shall execute and deliver to the Trustee all such instruments as an Opinion of Counsel delivered to the Trustee may state to be required to establish and perfect such lien. Nothing in the foregoing sentence contained shall prevent such lien from being *pari passu* with the lien of any other mortgage or other instrument