

with upon its request such additional moneys as may be necessary to effect the retirement of all of the Bonds as aforesaid. If such proceeds of all or substantially all of the mortgaged property, together with any other moneys available as aforesaid, is insufficient to effect the retirement of all of the Bonds outstanding and the Company shall default in making such additional payment, such money shall be held by the Trustee as security for all the Bonds outstanding hereunder.

§ 7.03. Any moneys received by the Trustee pursuant to § 6.02 upon the release of any non-bondable property, and any insurance moneys received by the Trustee pursuant to § 5.12 on account of damage, loss or destruction of non-bondable property, shall be paid over from time to time by the Trustee to or upon the order of the Company, in an amount equal to the lesser of cost or fair value of other non-bondable property acquired by the Company, but only upon receipt by the Trustee of the resolutions, certificates, instruments and opinion of counsel of the kind described in and setting forth the facts with respect to such property specified in Subdivision (III) of § 7.02, except that such certificates, instruments and opinions

(a) need not state the property therein described consists of additional property, but in lieu thereof shall state that such property is non-bondable property as defined in § 7.03;

(b) shall omit the statement required by clauses (2) and (3) of paragraph (A) of Subdivision (II) of § 7.02 and in lieu thereof state that no portion of such property has theretofore been included in any certificate filed pursuant to the provisions of this § 7.03.

No cash shall be withdrawn pursuant to this § 7.03 on the basis of property subject to a prior lien which is not a permitted lien, unless the cash being withdrawn was deposited upon the release of property subject to such prior lien.

For the purpose of this § 7.03 the term "non-bondable property" shall mean any property at any time owned by the Company of the general character of additional property, but not used or useful in the Gas Business.

All Bonds purchased or received by the Trustee under the provisions of this Subdivision (IV) shall be cancelled and cremated.

In the event that all or any part of the mortgaged property shall be taken through the exercise of eminent domain or sold pursuant to the exercise of any right of any municipal, state or governmental body or agency to purchase or designate a purchaser of, or order the sale of such property (or shall be sold in lieu of and in reasonable anticipation of any such event), the proceeds thereof, if amounting to One Million Dollars (\$1,000,000) or more in respect of any one such taking, purchase or sale, deposited with the Trustee in connection therewith, shall be applied to the retirement of Bonds issued hereunder, by purchase, payment or by redemption at the applicable redemption price or prices thereof at the time in effect (which redemption price in the case of Bonds of the 1976 Series shall be 105.90% of the principal amount thereof if redeemed prior to September 1, 1953, and thereafter a price equal to one-half of the sum of the then applicable price at which the bonds of such series may be redeemed for the sinking fund and the then applicable price at which such bonds may be redeemed at the option of the company together in each case with interest accrued thereon to the redemption date, upon notice given in the manner above provided with respect to Bonds redeemed at the option of the Company), in accordance with the provisions of Subdivision (IV) of this § 7.02; subject, however, to the following provisions of this paragraph. If all or substantially all of the mortgaged property shall be so taken, purchased or sold, the proceeds thereof, together with any other moneys held by the Trustee and available for the purpose and with any additional moneys paid by the Company to the Trustee for such purpose, if sufficient, to effect the retirement as aforesaid of all of the Bonds outstanding, shall be applied to such retirement irrespective of whether or not interest on any of the Bonds outstanding hereunder shall be due and unpaid or a default shall exist; and the Company covenants that if all or substantially all of the mortgaged property shall be so taken, purchased or sold it will pay to the Trustee forth-