

and renew any of its equipment, machinery or other property, *provided, however*, that no such action shall be taken which shall result in a diminution of the Trust Estate or impair the lien of this Indenture on such property unless such property is sold, abandoned, released or otherwise disposed of as permitted by this Article.

SECTION 7.02. *Disposal of Worn Out Property, etc., Without Trustees' Consent.* Unless an Event of Default shall have occurred and be continuing, the Company may, from time to time, without reference to the Trustees:

(a) *Replacement of Worn Out Property.* Dispose of, free from the lien hereof, any of its fixtures, equipment, machinery, apparatus and appliances, then subject to the lien of this Indenture, which may have become worn out, unserviceable, obsolete, unsuitable or unnecessary in the conduct of its business, upon contemporaneously replacing the same with or substituting for the same other fixtures, equipment, machinery, apparatus or appliances, not necessarily of the same character but of at least equal value to the Company at the date of such substitution or replacement, which forthwith shall become subject to the lien of this Indenture free and clear of all liens and charges except Permitted Encumbrances; *provided, however*, that properties of the foregoing character may be so disposed of without such substitution or replacement for a cash consideration which is not less than the fair market value of such property provided that any cash received by the Company in connection with any such disposition shall forthwith be deposited with the Trustee for disposition as provided in Section 7.05; and

(b) *Grant of Easements, etc., and Modification Thereof.* Grant easements, licenses, rights-of-way and other similar rights and privileges with respect to the Mortgaged Property, or surrender or assent to or procure the modification of easements, licenses, rights-of-way and other similar rights and privileges, free from the lien of this Indenture, with or without consideration, *provided* that, in the opinion of the Board of Directors, such action shall not be contrary to the best interests of the Company and shall not materially impair the security for the Bonds, and that any cash consideration received by the Com-