

of outstanding prior lien bonds and/or a Treasurer's certificate to the effect that a prior lien has been reduced by payment or otherwise as ascertained by judicial determination or otherwise to be in whole or in part invalid, to an extent in each such case at least equal in the aggregate to the full value to the Company of the property to be released, as specified in said engineer's certificate, and/or (c) a further engineer's certificate stating that the Company has acquired, made or constructed subsequent to April 10, 1926, or will acquire concurrently with the release of such property, permanent improvements or additions the cost or then fair value to the Company (whichever is less) of which permanent improvements or additions together with (1) any cash, (2) the principal amount of any obligations or bonds of the character referred to in the next preceding clauses (a) and (b), and (3) the amount of the reduction of any lien shown by a Treasurer's certificate such as is described in the next preceding clause (b), delivered under this Subdivision (3) to the Trustee concurrently with said engineer's certificate, is not less than the full value to the Company of the property to be released, as specified in said engineer's certificate and stating further that said permanent improvements or additions have not theretofore been made the basis by the Company for the authentication and delivery of bonds or the release of property or withdrawal of cash under any provision of this Indenture or of the underlying mortgage or of any prior lien, other than the withdrawal of cash held by the trustee of the underlying mortgage or by the trustee or other holder of any mortgage or other instrument constituting a prior lien for the purposes of any sinking fund or other similar device for the retirement of bonds. Any Treasurer's Certificate delivered to the Trustee under the preceding clause (b) of this Subsection (3) shall contain a statement that the amount of the reduction of, or invalidity in a prior lien therein referred to, has not previously been used as a basis for the authentication and delivery of bonds or the withdrawal of cash or the release of other property under any of the provisions of this Indenture. If the property to be released is subject to the lien of the underlying mortgage or to any prior lien or prior liens and if, to obtain the release of such property therefrom, the terms thereof require any consideration to be paid to the trustee of the underlying mortgage or to the trustee or other holder of any such prior lien, the certificate of the trustee of such underlying mortgage or of the trustee or other holder of any such prior lien that it has received such consideration, shall be accepted by the Trustee, to the extent of such consideration so received, in lieu of cash, obligations, Treasurer's certificates, bonds or permanent improvements or additions required by the provisions of this Subdivision (3) to be delivered or certified to the Trustee upon the release of said property;

(4) an opinion of counsel to the effect that any obligations secured by purchase money mortgage upon the property to be released and included in the consideration for such release are, in his or their opinion, valid obligations, and that any purchase money mortgage securing the same is sufficient to afford a valid purchase money lien upon the property to be released.

In case the release of property is based upon permanent improvements or additions, the Trustee shall also be furnished with such certificates and opinions with respect thereto, and such instruments and other papers as would be necessary to entitle the Company under the provisions of Section 33 hereof to the authentication and delivery of bonds upon the basis of such permanent improvements or additions, exclusive of the resolution and certificates required by Subdivisions (1), (2) and (6) of Section 33 and such parts of the opinion described in Subdivision (7) of Section 33 as relate solely to the authorization of issuance of bonds by governmental authorities and by the Company; and the releases of such property to the extent that the same are based upon permanent improvements or additions shall be subject to all the conditions, provisions and limitations to which the authentication and delivery of additional bonds are subjected by the provisions of Sections 27, 28, 29, 30 and 32 hereof, as fully to all intents and purposes as if application were made for the authentication of bonds in principal amounts equivalent to the value (as shown by the engineer's certificate in Subdivision (2) of this Section provided for) of property so released; except that the provisions of Section 29 hereof in so far as they limit the principal amount of bonds to be authenticated to a percentage of the cost or of the then fair value to the Company of such permanent improvements or additions, whichever shall be less, shall be inapplicable to the release of property under this Section.

Any bonds issued hereunder deposited with the Trustee pursuant to the provisions of this Section shall forthwith be canceled and delivered to the Company, and any underlying bonds and prior lien bonds deposited with the Trustee pursuant to the provisions of this Section shall be held by the Trustee subject to the provisions of Article X.

Section 66. The Trustee shall whenever from time to time requested by the Company (such request to be evidenced by a resolution as defined in Section 3 hereof) and without requiring compliance with any of the provisions of Section 65 hereof, release from the lien hereof unimproved real estate, provided the aggregate value of unimproved real estate so released without such compliance in any period of five consecutive years shall not exceed the sum of Fifty thousand dollars (\$50,000). A Treasurer's certificate, as defined in Section 3 hereof, as to any facts required to be known by the Trustee as a condition precedent to action by it under this Section shall fully protect the Trustee in any action taken upon the faith thereof. The Company covenants that it will deposit with the Trustee, to be dealt with in the manner provided in Section 67 hereof, the consideration, if any, received by it upon the sale or other disposition of any unimproved real estate so released (unless the same shall have been paid or delivered to the trustee under the underlying mortgage or to the trustee or other holder of a mortgage or other instrument constituting a prior lien in accordance with the provisions thereof and a certificate to that effect shall have been furnished to the Trustee).

Section 67. Any money received in consideration of any release by the Trustee, including payment on account of the principal of any obligations secured by purchase money mortgage so received, (1) may be withdrawn from time to time to reimburse the Company in full for expenditures incurred in acquiring, making or constructing permanent improvements or additions not theretofore made the basis for the authentication and delivery of bonds or the release of property or withdrawal of cash under any provisions of this Indenture or of the underlying mortgage or of any prior lien other than the withdrawal of cash held by the trustee of the underlying mortgage or by the trustee or other holder of any mortgage or other instrument constituting a prior lien for the purposes of any sinking fund or other similar device for the retirement of bonds; or (2) may be withdrawn from time to time by the Company in an amount equal to the principal amount of bonds issued hereunder and concurrently deposited with the Trustee for cancellation, or in an amount equal to the principal amount of underlying bonds and/or prior lien bonds concurrently deposited with the Trustee to be held subject to the provisions of Article X hereof, or equal to the amount by which any prior lien may have been reduced by payment or otherwise or ascertained by judicial determination or otherwise to be invalid, provided that said amount of the reduction of, or invalidity in a prior lien, has not previously been used as a basis for the authentication and delivery of bonds or the withdrawal of cash or the release of other property under any of the provisions of this Indenture; or (3) may, upon the request of the Company, be used by the Trustee for the purchase of bonds issued hereunder in accordance with the provisions of Section 61 hereof; or (4) may, upon the request of the Company, be applied by the Trustee to the redemption of any bonds issued hereunder as are by their terms redeemable before the maturity, of such series as may be designated by the Company, such redemption to be in the manner and as provided in Article XI hereof. Such moneys shall from time to time be paid out or used or applied by the Trustee as aforesaid upon the written order of the Company, signed by its President or a Vice-President, and (a) with respect to any payment under Subdivision (1) above, upon receipt by the Trustee of such certificates, opinions, instruments and other papers with respect to such permanent improvements or additions as would be necessary under the provisions of Section 33 hereof to entitle the Company to the authentication and delivery of bonds upon the basis thereof, exclusive of the resolution and certificate required by Subdivisions (1) and (6) of Section 33 and of such parts of the opinion described in Subdivision (7) of Section 33 as relate solely to the authorization of the issuance of bonds by governmental authorities and by the Company, or (b) with respect to any payment under Subdivision (2) above, upon the deposit with the Trustee by the Company of bonds issued hereunder or of underlying bonds or upon deposit of such prior lien bonds or of such certificates with respect to prior liens as would be necessary under the provisions of Section 30 hereof to entitle the Company to the authentication and delivery of additional bonds.

The withdrawal of cash upon the basis of permanent improvements or additions under the provisions of this Section shall be subject to all the conditions, provisions and limitations to which the authentication and delivery of additional bonds are subject by the provisions of Sections 27, 28, 29, 30 and 32 hereof, as fully to all intents and purposes as if application were made for the authentication of bonds in principal amounts equivalent to the amounts of cash so withdrawn; except that the provisions of Section 29 hereof in so far as they limit the principal amount of bonds to be authenticated to a percentage of the cost or of the then fair value of such permanent improvements or additions whichever shall be less, shall be inapplicable to the release of cash under this Section.

In the event that the Company shall direct the Trustee to apply any money held by it under this Section, or any money subject to be used or applied as in this Section provided, to the redemption of bonds issued hereunder, the Company shall pay to the Trustee on or before the date of such redemption an amount in cash, to be held by the Trustee subject to the provisions of this Section, equal to the premiums, if any, and the accrued interest, if any, payable to the holders of the bonds to be redeemed by reason of such redemption.

Any purchase money mortgage received in consideration of the release of any property by the Trustee, and/or the obligations secured by such purchase money mortgage, may be released by the Trustee upon payment by the Company to the Trustee of the principal or any unpaid portion of such purchase money mortgage and/or of the obligations thereby secured. The principal of and interest on any such purchase money mortgage, and/or of the obligations thereby secured, shall be collected by the Trustee as and when the same become payable, and the Trustee may take any action which in its judgment may be desirable or necessary to avail of the security of such purchase money mortgage. So long as none of the completed defaults specified in Section 72 shall have occurred, the interest received by the Trustee on any such purchase money mortgage, or the obligations thereby secured, prior to the maturity thereof, shall be paid over to the Company.