

(c) any property acquired through expenditures for maintenance or repairs or other expenditures which under sound accounting practice are chargeable to operating expenses;

(d) any stocks, bonds or other obligations or choses in action;

(e) any Non-bondable New Pipe Line Property, as defined in Section 1.12;

(f) any Non-bondable Loop Line Property, as defined in Section 1.12A;

(g) any Non-bondable San Juan Property, as defined in Section 1.12B;

(h) any Non-bondable Permian-San Juan Property, as defined in Section 1.12C;

(i) any Non-bondable Second Permian-San Juan Property, as defined in Section 1.12D;

(j) any Non-bondable Third Permian-San Juan Property, as defined in Section 1.12E;

(k) any rights of way, unless and until pipe lines or other property of the character mentioned in subdivision (iv) of this Section shall have been located on, in or under the same;

(l) any property specifically described in the Schedule of Mortgaged Properties in Article Sixteen of the Original Mortgage, the Company's title to which is perfected after December 31, 1945;

(m) any excepted property as defined in the Granting Clauses of this Indenture; or

(n) that certain pipe line, known as the "Arizona Public Service Avondale Line", acquired by the Company from Arizona Public Service Company, specifically described in subdivision (4) of Section B of Division One of Part II of Article Five of the Seventeenth Supplemental Indenture.

The term "right of way" shall mean any right of way, easement, lease, permit, license, franchise or other right for the construction, maintenance or operation of pipe lines, telephone, telegraph, teletype,