

(4) in case the fair value of such property as stated in such application is in excess of \$250,000, or the property to be released consists of securities of a subsidiary, a certificate signed by an independent engineer, stating in substance that in his opinion, considering the substitution made or evidenced pursuant to (2) above, and all other circumstances, the release of such property will not be prejudicial to the interests of the bondholders.

The Company may, in lieu of depositing with the Corporate Trustee any cash and/or purchase money obligations required to be so deposited by the foregoing provisions of this Section, deliver to the Corporate Trustee the documents and other things which would entitle it, pursuant to the provisions of Subsection I or II of Section 8.12, to the repayment of cash equal to the amount of cash or the principal amount of purchase money obligations otherwise required to be deposited with the Corporate Trustee; and in such case the deposit of such cash or purchase money obligations shall not be required; whenever the Company shall desire to take advantage of this provision, the application otherwise required by this Section shall contain an additional statement to such effect and the certificates and other documents required by Subsection I or II of Section 8.12 may be modified accordingly.

Unless an event of default shall have happened and be continuing, the Company may at any time procure from the Trustees the release of all or any part of the shares of Common Stock of Western Natural Gas Company at the time pledged hereunder upon receipt by the Corporate Trustee of

(a) an application of the Company requesting the release of a specified number of shares of such Common Stock, together with a copy, certified by the Secretary or an Assistant Secretary of the Company under its corporate seal, of a resolution of the Board of Directors of the Company authorizing such application; and

(b) cash in an amount equal to  $\$2.43\frac{1}{3}$  for each share of such Common Stock (as the same is constituted at June 15, 1953) the release of which is so applied for, or a proportionately greater or lesser sum for each share in the event of any com-