

MORTGAGE OF REAL ESTATE

37276 PROYONG-JARRARD CO.-GREENVILLE

(a) A certified resolution requesting such release;

(b) Except in the case of the release of obligations therefore deposited with the Trustee pursuant to paragraphs (1) and (2) of Subdivision (d) of this Section, an engineer's certificate stating in substance:

(1) The then fair value to the Company, in the opinion of the signers, of the property to be released, which shall be described in reasonable detail;

(2) Whether or not any portion of such property consists of property the disposal of which would cause the Company not to maintain and operate a railroad system substantially the same and in substantially the same manner as that existing immediately prior to such disposal, and, if so, such portion shall be described in reasonable detail;

(3) That such property is being transferred or otherwise disposed of and that such release is, in the opinion of the signers, desirable in the proper conduct of the business of the Company, or is otherwise in the best interest of the Company;

(4) Whether or not any portion of such property is subject to any lien prior to the lien of this Indenture, except permitted liens and judgment liens, and, if so, such lien or liens shall be specified; and

(5) That the signers do not know and do not believe that the Company is, or upon the granting of the application will be, in default in the performance of any of the terms and covenants of this Indenture;

(c) In case the fair value to the Company of the property (other than obligations therefore deposited with the Trustee pursuant to paragraphs (1) and (2) of Subdivision (d) of this Section) to be released is shown by the engineer's certificate required by Subdivision (b) of this Section to be more than One hundred thousand dollars or in case any portion of such property is shown by such engineer's certificate to consist of property of the character mentioned in paragraph (2) of Subdivision (b) of this Section, an independent engineer's certificate stating, in the opinion of the signer, that the proposed release is desirable in the proper conduct of the business of the Company;

(d) Except in the case of the release of obligations theretofore deposited with the Trustee pursuant to paragraphs (1) and (2) of this Subdivision (d), cash, which shall be received and applied by the Trustee as a part of the trust estate, in an amount at least equal to the amount by which the fair value to the Company of the property to be released, as specified in the engineer's certificate, exceeds the aggregate of:

(1) An amount equal to the aggregate principal amount of obligations secured by purchase money mortgage on the property to be released deposited with the Trustee, accompanied by an opinion of counsel to the effect that such obligations are valid obligations and that any purchase money mortgage securing the same is sufficient to constitute a valid purchase money lien upon the property to be released subject to no liens other than the liens, if any, existing on such property immediately prior to its release, provided, however, that, in any case where such obligations are deposited with the Trustee, the aggregate principal amount of such obligations as are deposited with the Trustee shall not exceed 75% of the fair value to the Company, as shown by the engineer's certificate required by Subdivision (b) of this Section, of the particular property to be released which is covered by the purchase money mortgage securing such obligations; and

(2) An amount equal to the fair value in cash of bonds or other interest-bearing obligations, issued pursuant to law by any municipal corporation or other governmental subdivision possessing taxing power, in whole or in part payment by such municipal corporation or other governmental subdivision for the property to be released, deposited with the Trustee, accompanied by:

(i) an appraiser's certificate stating the fair value in cash of such bonds or other interest-bearing obligations, and