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The Railroad Company shall execute or shall cause to be executed any conveyances or instruments of further assurance that may be necessary for the purpose of effectually subjecting to the lien and operation of this indenture any new property so acquired by the Railroad Company, and, also, the Railroad Company shall furnish the written opinion of counsel for the Railroad Company to the effect that such conveyances or other instruments are sufficient for such purposes, or that no conveyance or instrument of further assurance is necessary for the purposes aforesaid. Such resolutions, statements, certificates and opinions shall be deemed and shall be taken to be full authority and protection to the Trust Company for its authentication of such bonds under the foregoing provisions of this Section. The Railroad Company shall also deliver to the Trust Company the certificates of any shares of stock and any bonds or other indebtedness acquired by the Railroad Company by the use of gold bonds reserved under this Section, or their proceeds.

Any gold bonds reserved under this Section which, after all the gold bonds reserved under Section 6 of this Article Two shall have been issued or set apart, shall not have been used for the purposes, or some of them, specified in this Section, or, in the judgment of the board of directors or of the executive committee of the Railroad Company, to be expressed by a resolution of said board or of said committee, shall no longer be required to be reserved for such purpose, may be authenticated, issued and delivered for the purposes and subject to the restrictions contained in said Section 6.

SEC. 8. Whenever under Section 6 or Section 7 of this Article, the Railroad Company shall be entitled to the authentication and delivery of gold bonds in reimbursement of expenditures theretofore made or contracted to be made by it, the Railroad Company may take and accept such bonds at prices to be fixed by resolution of its board of directors or of its executive committee. Such price shall not in any case be

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less than the average price for which such bonds shall have been sold on the New York Stock Exchange during the previous calendar month (if there shall have been any such sales of such bonds).

ARTICLE THREE.

PARTICULAR COVENANTS OF THE RAILROAD COMPANY.

THE RAILROAD COMPANY COVENANTS AS HEREINAFTER IN THIS ARTICLE SET FORTH:

SECTION 1. The Railroad Company will duly and punctually pay the principal and interest of every bond issued under this indenture, at the dates and the place and in the manner mentioned in such bonds, or in the coupons thereto belonging, according to the true intent and meaning thereof, without deduction from either principal or interest for any tax or taxes which the Railroad Company or the Trustees, or either of them, may be required to pay or to retain therefrom, under or by reason of any present or future law of the United States, or of any state, county or municipality therein, the payment of which tax or taxes the Railroad Company hereby assumes. The interest upon the coupon bonds shall be payable only upon presentation and surrender of the several coupons for such interest as they respectively mature, and when paid, such coupons shall forthwith be canceled. The interest on the registered bonds without coupons shall be payable only to the registered holders thereof.

In order to prevent any accumulation of coupons and claims for interest after maturity, the Railroad Company will not directly or indirectly extend or assent to the extension of the time for the payment of any coupon or claim for interest on any of the gold bonds; and the Railroad Company will not, directly or indirectly, be a party to or approve of

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any such arrangement by purchasing or funding said coupons or claims for interest or in any other manner.

SEC. 2. All railways, franchises, bonds, stocks and other property of every kind, by the granting clauses covenanted to be conveyed or pledged to the Trustees under this indenture, or in respect of the construction or acquisition whereof bonds under this indenture shall be authenticated and be issued as hereinbefore provided, and any of the underlying securities and equipment trust notes specified in Sections 2 and 4 of Article Two of this indenture, which hereafter may be acquired by the Railroad Company, shall immediately upon the acquisition thereof by the Railroad Company, and without any further conveyance or assignment, become and be subject to the lien of this indenture as fully and completely as though now owned by the Railroad Company and specifically described in the granting clauses hereof; but at any and all times the Railroad Company will execute and deliver any and all such further assurances or conveyances or assignments thereof as the Trustees may reasonably direct or require, for the purpose of expressly and specifically subjecting the same to the lien of this indenture; and also the Railroad Company will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all and every such further acts, deeds, conveyances, transfers and assurances in the law, for the better assuring, conveying, assigning and confirming unto the Trustees all and singular the hereditaments and premises, estates and property hereby conveyed or assigned, or intended so to be, or which the Railroad Company may be or hereafter become bound to convey or assign to the Trustees, as the Trustees shall reasonably require.

But nothing expressed or implied in this indenture is intended or shall be construed to limit the right or power of the Railroad Company, hereby expressly reserved, by the use of its credit or in any manner other than by the use of the

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gold bonds or their proceeds, to construct or to acquire other lines of railroads, branches, extensions or other property or interests therein, free from the lien hereof.

SEC. 3. The Railroad Company covenants that all of the underlying securities and equipment trust notes described in Sections 2 and 4 of Article Two of this indenture (except the \$5,149,600 face amount of the Refunding Mortgage four per cent. bonds of the Railroad Company described in subdivision (k) of said Section 2) shall be acquired only by the use of the gold bonds. The Railroad Company may, at its option, either

(a) deposit said Refunding bonds or any part thereof as and when the same shall be issued, with the Trustees against the certification and delivery by the Trust Company of gold bonds, as provided in said Section 2, or

(b) sell or otherwise dispose of said Refunding bonds or any part thereof as and when the same shall be issued.

In the event that all or any of said Refunding bonds shall be so sold or otherwise disposed of by the Railroad Company, the aggregate face amount of gold bonds otherwise issuable under said Section 2 of Article Two of this indenture, and, in consequence, the aggregate face amount of gold bonds ultimately issuable under this indenture, shall be reduced to the extent of the face amount of said Refunding bonds so sold or otherwise disposed of. The Railroad Company shall and will forthwith upon the sale or other disposition by it of any or all of said Refunding bonds, deliver to the Trust Company a certificate signed by its president or a vice-president, and by its treasurer or an assistant treasurer, under the corporate seal, stating such fact, and stating the face amount of such Refunding bonds so sold or disposed of. Such certificate or certificates shall be deemed and shall be taken to be full authority and protection to the Trust Company for all action by it taken in reliance thereon.