

securities of such class, and shall cause the mortgage, trust deed or trust agreement securing the same to be canceled or discharged of record, or the mortgaged or pledged premises and property embraced therein to be released from such mortgage, trust deed or trust agreement. Upon the cancellation or discharge of any such mortgage, trust deed or trust agreement all bonds, shares of capital stock or other personal property pledged thereunder shall be delivered to and held by the Trustees as further security for the bonds issued hereunder; and whenever the Trustees shall so hold bonds of any class constituting the entire amount outstanding of bonds of the same issue, secured by a first lien upon any railway or railways herein mortgaged as railways of the Railroad Company, or upon the entire issue of bonds of any other railway company, secured by lien upon the railroads, property and franchises of such other railway company, the Trust Company in its discretion may, and, at the request of the Railroad Company, shall, cancel all bonds of such class, and shall cause the mortgage, trust deed or trust agreement securing the same to be canceled or discharged of record, or the mortgaged or pledged premises and property embraced therein to be released from such mortgage, trust deed or trust agreement. Whenever bonds constituting the entire amount outstanding of any class pledged hereunder and described in granting clause Thirteenth of this indenture shall be held by the trustee or trustees of one or more of the mortgages or trust agreements subject to which such bonds are pledged hereunder, the Trustees, at the request of the Railroad Company, shall consent to the cancellation by any such trustee or trustees of the bonds so held, and to the release and discharge of the mortgage or trust agreement securing the same.

SEC. 3. The Trust Company is authorized in its discretion to cause to be registered in its name as Trustee any and all coupon bonds or notes which the Trustees shall receive as security under any of the provisions of this indenture, or it

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may cause such coupon bonds to be exchanged for registered bonds without coupons, of any denomination. The Trust Company shall cause to be transferred into its name as Trustee hereunder all registered bonds which shall be delivered to the Trust Company or which it shall receive as security on the trusts hereof. The Trust Company at any time may transfer into its name as Trustee hereunder all or any shares of stock the certificates for which shall have been pledged with and delivered to it hereunder, or in its discretion it may hold such certificates in the name of the registered holder thereof at the time of such pledge, or in the name of a nominee of the Trust Company, provided, that, in either case, the same be endorsed in blank for transfer or be accompanied by proper instruments of assignment in blank duly executed by such registered holder. The Trust Company may do whatever may be necessary for the purpose of maintaining, preserving, renewing or extending the corporate existence of any company stock of which shall be held by the Trustees hereunder, and for such purposes from time to time may sell, assign, transfer and deliver so many shares of the stock of the several companies as may be necessary to qualify persons to act as directors of or in any other official relation to said companies. Whenever the Railroad Company, not being in default under this indenture, shall in writing so request, stating in such request that the Railroad Company has no shares for that purpose under its control, other than shares held under this indenture, the Trust Company shall assign and transfer to persons designated by the Railroad Company a sufficient number of any shares that then shall be held by the Trustees hereunder to qualify such persons to act as directors of, or in any official relation to the several companies which issued such shares; provided, however, that under this provision no transfer shall be made of the stock of any company the greater part of whose stock shall be pledged hereunder, which shall reduce the amount of stock in any such company held by the

Trustees so as to render it less than a majority of such stock; and in every case the Trust Company shall make such arrangements as it shall deem necessary for the protection of the trust hereunder in respect of the shares so assigned.

SEC. 4. Unless and until a receiver shall have entered into possession of the railroads or some of them, constituting part of the trust estate, or unless and until the Trustees shall have entered into possession of said railroads or some of them, or a part thereof, under the powers herein granted; or unless and until there shall be a default (1) in the payment of any interest on any gold bond or bonds at any time outstanding; or (2) in the payment of the principal of any gold bond; or (3) in the payment of any interest on, or of the principal of, any outstanding bond, note or obligation secured by any mortgage or instrument of conveyance or assignment in trust at the time constituting a prior lien on the trust estate or on part thereof; or (4) in the due observance or performance of any other covenant or condition in this indenture required to be kept or performed by the Railroad Company, and such last mentioned default shall have continued for a period of six months after written notice thereof shall have been given by the Trust Company to the Railroad Company,

(a) The Trustees shall not (except with the assent of the Railroad Company, or as otherwise authorized by this indenture) whether at or before or after the maturity thereof, collect or be entitled to collect the principal or interest of any bonds, notes or obligations, or of any other claims or indebtedness now or hereafter subject to this indenture, and shall not enforce any of the provisions of the mortgages, trust deeds or other instruments under which such bonds or other obligations shall be issued, or by which the same are secured;

(b) The Railroad Company shall be entitled to receive all interest paid in respect of any such bonds or obligations and the dividends out of earnings, on all

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shares of stock which shall be subject to this indenture although the same may have been transferred to the Trustees;

(c) From time to time (subject to the covenants in respect thereof in this Section contained), upon request of the Railroad Company, the Trustees shall deliver to the Railroad Company any coupons for such interest then in the possession of the Trustees (except coupons belonging to bonds or notes of any issue secured by lien prior to the lien of this indenture, upon any of the railways or other property of any character constituting part of the trust estate, which shall be canceled before delivery to the Railroad Company) in order that the Railroad Company may receive payment thereof for its own use, or may cause the same to be canceled; and the Trustees shall deliver to the Railroad Company suitable orders in favor of the Railroad Company, or its nominee, for the payment of such interest and dividends, and the Railroad Company may collect such coupons, interest and dividends (but not by any proceeding which the Trustees shall deem to be prejudicial to the trusts hereunder), and the Trustees shall upon demand pay over to the Railroad Company any such interest and dividends which may be collected or be received by them; and

(d) The Railroad Company, for its own use, shall be entitled to demand and receive and collect (but not by any proceeding which the Trustees shall deem prejudicial to the trusts hereunder) and may release and discharge the principal and interest of any such claims or indebtedness subjected to the lien of this indenture under Section 11 of Article Three hereof, and upon request of the Railroad Company the Trustees shall execute any re-assignments or releases which may be required for that purpose;