

this indenture, also shall have full power, in its discretion, to dispose of any portion of the machinery, equipment and implements at any time subject to the lien hereof, which may have become unserviceable, replacing the same by new machinery, equipment or implements of equal value, which shall become subject to this indenture. In no event shall any purchaser or purchasers of any property sold or disposed of under any provision of this Article be required to see to the application of the purchase money.

SEC. 2. The Railroad Company may at any time make any change in the location of any of the tracks, station-houses, buildings or other structures upon any part of the mortgaged premises, and the Trustees, upon conveyance to them under the terms of this indenture of such new tracks, station-houses, buildings or other structures, and the premises on which the same may be erected, shall at the request of the Railroad Company, release from the lien of this indenture, the tracks, station-houses, buildings and other structures, the location of which shall be so changed and the premises on which they were erected, and shall execute and deliver any and all instruments necessary and proper to effect such purpose.

SEC. 3. The Railroad Company from time to time may make changes or alterations in, or substitutions of, any leases, trackage rights or contracts that are subject to this indenture. In any such event any modified, altered or substituted leases, contracts or trackage rights forthwith shall become bound by and be subject to the terms of this indenture, in the same manner as those previously existing.

SEC. 4. In case any property subject to this indenture shall be in the possession of a receiver lawfully appointed, the powers in and by this Article conferred upon the Railroad Company may be exercised by such receiver with the approval of the Trustees; and if the Trustees shall be in possession of

104

any such property under any provision of this indenture, then all the powers of this Article conferred upon the Railroad Company may be exercised by the Trustees in their discretion.

SEC. 5. A certificate signed by the president, a vice-president, or the chief engineer of the Railroad Company, may be received by the Trustees as conclusive evidence of any of the facts mentioned in this Article, and shall be full warrant to the Trustees for their action on the faith thereof.

#### ARTICLE TEN.

##### CONCERNING THE TRUSTEES.

SEC. 1. The Trustees accept the trusts of this indenture and agree to execute them upon the following terms and conditions, to which the parties and the holders of the gold bonds agree:

The Trustees shall be under no obligation to see to the record, registry or filing of this indenture; or while not in possession thereof to see to the insurance of the mortgaged premises or to the payment of taxes or assessments thereon or on the trust estate; or to the performance or observance of any of the covenants or agreements on the part of the Railroad Company. The possession of personal property pledged hereunder, when held by the Trustees as pledgees hereunder, is not to be regarded as possession within the meaning of this paragraph.

The Trustees shall be entitled to receive compensation for all services rendered by them in the execution of the trusts hereby created, and such compensation, as well as all reasonable expenses necessarily incurred and actually disbursed hereunder, the Railroad Company agrees to pay.

The Trustees shall not be responsible in any manner whatsoever for the recitals herein or in the gold bonds

105

contained as to the acts or powers of the Railroad Company or its stockholders or otherwise, all of which are made by the Railroad Company solely, and no statement of fact herein or in the gold bonds contained is to be deemed the statement of the Trustees.

Unless and until the Trustees shall have received written notice to the contrary from the holders of not less than twenty-five per cent. in amount of the gold bonds outstanding, the Trustees may, for all the purposes of this indenture, assume that no default has been made in the payment of any of the gold bonds or of the interest thereon, or in the observance or performance of any of the covenants contained in the gold bonds or in this indenture; that no receiver has been appointed of the Railroad Company or of its lines of railroad and property; that the Railroad Company is not in default under this indenture; that none of the events hereinbefore denominated events of default has happened; that no default has been made by any company stock of which shall be pledged or assigned under this indenture, in the payment of the principal or interest of any bond or obligation, and that no receiver has been appointed of any such company or of its property.

The Trustees shall not be under any obligation to take any action toward the execution or enforcement of the trusts hereby created which in their opinion will be likely to involve them in expense or liability, unless one or more of the holders of the gold bonds shall, as often as required by the Trustees, furnish them reasonable security and indemnity against such expense or liability; nor shall the Trustees be required to take notice of any default hereunder unless notified in writing of such default by the holders of at least twenty-five per cent. in amount of the gold bonds then

106

outstanding; or to take any action in respect of any such default involving expense or liability unless requested by an instrument in writing signed by the holders of not less than twenty-five per cent. in amount of the gold bonds then outstanding, and unless tendered reasonable security and indemnity as aforesaid, anything herein contained to the contrary notwithstanding; but neither any such notice or request, nor this provision therefor, shall affect any discretion herein given to the Trustees to determine whether or not the Trustees shall take action in respect of such default, or to take action without such request.

The Trustees may employ agents or attorneys in fact and shall not be answerable for the default or misconduct of any agent or attorney appointed by them in pursuance hereof, if such agent or attorney shall have been selected with reasonable care; nor for anything whatever in connection with this trust, except their own willful misconduct or gross negligence.

The Trustees shall be reimbursed and indemnified against any liability or damage they may sustain or incur in the premises and shall have a lien upon the trust estate under this indenture preferentially to the gold bonds for their compensation and expenses and also for any such liability or damages.

The Trustees may advise with legal counsel and any action under this indenture taken or suffered in good faith by the Trustees in accordance with the opinion of counsel, shall be conclusive on the Railroad Company and on all holders of gold bonds and the Trustees shall be fully protected in respect thereof.

The Trustees need not give to holders of stocks or bonds, assigned or pledged to the Trustees under any of the provisions of this indenture, notice of the assignment or pledge thereof under this indenture, nor need