

Bonds to the amount of six million dollars (\$6,000,000) shall be reserved and held by the trustee unexecuted until ^{the} ~~some~~ or all of the bonds issued and outstanding under the Prior lien mortgage of the railroad company, bearing date July 1st, 1910, shall have been Paid or redeemed and cancelled and upon the ~~payment~~ and cancellation of any of the bonds of the said Prior lien mortgage, a corresponding and equal amount of bonds under this mortgage, may be issued in their Place and stead and when all the bonds of the said Prior lien mortgage shall have been Paid and cancelled, the mortgage securing the same shall be duly released of record.

Additional bonds may be hereafter issued, secured by this mortgage for main line and branches and side track of the said railroad company to be hereafter constructed, purchased or otherwise acquired, in addition to the Present railroad lines of the company. Such bonds shall not exceed in the aggregate twenty-five thousand dollars (\$25,000) per mile for each mile of main or branch line track completed, and ten thousand dollars (\$10,000) for each additional mile of side track completed, whether constructed, purchased or otherwise acquired and the railroad company may issue the same as the work of the construction of the said additional track Proceeds, and it shall be the duty of the trustee to certify the same, but bonds Proposed to be issued against road constructed by the railroad company, shall be certified and issued only when secured as a first lien upon completed sections of five miles or over, except where a less distance will enable the said railroad company to reach an intersection with another line of railroad ~~mine~~ or to the terminal Point, in which case bonds may be issued upon such smaller section, but not exceeding the rate of twenty-five thousand dollars (\$25,000) and ten thousand dollars (\$10,000) respectively Per mile as herein Provided.

And when notified of the ^{completion} ~~com~~ of any section of five miles or over, it shall be the duty of the trustee, at the expense of the railroad company to select and appoint a railroad engineer of approved character as an expert to examine and report upon the ^{com} ~~com~~ pletion of the section or sections ^{on} ~~on~~ which bonds are to be issued, and the said bonds shall be certified only upon receiving a certificate from such expert that the section or sections of the said railroad have been constructed and completed in a good, thorough and workmanlike manner, and the trustee shall be justified in accepting such certificate as conclusive evidence of the facts therein stated, and, having received the opinion of counsel that such certificate complies with the terms of this article, shall not be made liable in any court of law or equity for any action in good faith taken thereunder.

Provided, also, however, that the railroad company shall furnish to the trustee an affidavit of its President, treasurer or chief engineer, stating that the cost of the construction of the section in respect to which bonds are then to be certified and delivered has been in fact Paid for, except such usual Percentages, if any, as may have been retained from the contractor or ^{or} ~~contractors~~ under the terms of the contract.

In case of bonds Proposed to be issued as against any line of railroad Purchased or acquired otherwise than by construction, the trustee shall certify the same upon being furnished with an opinion of counsel learned in the law, that the ^{line} ~~line~~ of railroad against which bonds are Proposed to be issued has been duly acquired and is the Property of the railroad company and that this mortgage, has attached to said line, and become a first lien thereon, save as to any mortgage, securing bonds not yet by their terms Payable or redeemable, and that the bonds to be issued as against said line will not, either of themselves or in conjunction with any bonds then outstanding secured by such existing mortgage upon said line, exceed the ratable amount of twenty-five thousand dollars (\$25,000) Per mile, of main or branch line and ten thousand dollars (\$10,000) Per mile of side track it being the intention hereof ^{that} ~~that~~ the issue of bonds under this mortgage is expressly