

Power to lease.

Trusts of income and receipts.

Return of premises entered upon.

Power to sell portion of the mortgaged premises.

Trust of Proceeds.

entitled thereto and without being responsible for any loss or damage that may be occasioned thereby, and may also demise or let such premises or any part thereof upon such terms and with such stipulations as the trustee shall think fit, subject however to the mortgagor's right of possession, as hereinafter provided in case all defaults shall be made good and the trustee shall out of the rents, profits and income of the same premises pay the expenses of such management and all its expenses and outgoings in the execution of these presents and shall pay and apply the residue to or towards the payments of all overdue and unpaid coupons pro rata and without priority, and thereafter of all principal moneys if the same shall be then due and payable. And in case all defaults of the mortgagor known to the trustee shall be made good and no event to the trustee's knowledge shall exist upon which this security shall be enforceable, the trustee shall yield to the mortgagor the possession of the premises entered upon not then sold, and such premises shall thereupon be subject to all the trusts and provisions of these presents in the same manner and to the same extent as if such entry had not been made.

6. At any time when the mortgagor shall not be in default to the knowledge of the trustee in the performance or observance of any of the covenants or agreements hereof, it may, without the consent of the trustee and at other times with the consent in writing of the trustee, use and consume its fuel and supplies, alter and repair its buildings and structures and replace any of its rails, machinery, tools, equipment and rolling stock with others and sell such of them as shall have been replaced or worn out as it may think fit, without any obligation on the part of any purchaser to ascertain the occurrence of the event in which any such sale hereby authorized, but so that the mortgagor shall not be entitled to create any mortgage or charge in priority to these presents or to impair the value of this security. And at any time when the mortgagor shall not be so in default, the trustee shall permit the mortgagor to sell any other of the mortgaged premises no longer used or needed in the mortgagor's business as hereinbefore described for such price as the board of directors of the mortgagor shall certify to be fair. Provided, that the proceeds of such sales shall be paid to the trustee upon trust to be applied to the purchase of any of the bonds outstanding at a price not greater than the market value thereof or par and accrued interest, and a premium of five per cent. on the principal or to be laid out by the board of directors of the mortgagor in the construction, erection or improvement of railways, buildings, works or erections of a fixed or permanent nature suitable for the purpose of the mortgagor and so as to constitute permanent extensions or improvements of the property of the mortgagor, or in the purchase of other lands or real estate suitable to be held in con-