

issues, profits and other incomes thereof; but the Railroad Company hereby covenants and agrees to pay first from such income, after paying the expenses of operating and maintaining said properties and the taxes thereon, the interest accruing and maturing upon the bonds hereunder; and such income, after paying the expenses of maintaining and operating the railroads subject to the lien hereof, shall, either before or after default, and whether said railroads are operated by the Railroad Company, or by the Trustee under the power of entry hereinafter reserved, or by receiver or receivers appointed by any court at the instance of the Railroad Company or of any creditor, stock holder of person, interested in said Railroad Company, or having a right to apply for such appointment, be primarily pledged and applied to the payment of the interest and principal of said bonds in the order of priority declared in Section 1 of Article Fifth hereof.

Section 2. If, when the bonds hereby secured shall become due and payable, the Railroad Company shall well and truly pay or cause to be paid the whole amount of the principal and interest due or accrued upon all of the bonds hereby secured and then outstanding, or shall provide for such payment by depositing with the Trustee hereunder, for the payment of such bonds, the entire amount due and to become due thereon for principal and interest, and also pay or caused to be paid all of the sums payable hereunder, and shall well and truly keep, perform and observe all things herein required to be kept, performed and observed by it according to the true intent of the meaning of this indenture, then and in that case all the railroads and other property, rights and interests hereby conveyed shall revert to the Railroad Company, or to whoever shall be lawfully entitled thereto, and the estate, right, title and interest of the Trustee therein shall thereupon cease, determine and become void; and the Trustee shall, in such case, on demand of the Railroad Company, and at the latter's cost and expense, enter satisfaction and discharge of this indenture upon the public records.

Section 3. The Railroad Company, at any time before full payment of the bonds hereby secured, and whenever it shall deem it expedient for the better protection and security of such bonds, although there then be no default entitling the Trustee to enter into possession, with the consent of the Trustee, may surrender to the Trustee full possession of the whole or any part of the property, premises and interest hereby conveyed, or intended so to be, for any period fixed or indefinite. Upon such surrender and delivery to the Trustee, with its consent, the Trustee shall enter into and upon the premises so surrendered and delivered, and shall take and receive possession thereof, for such period, fixed or indefinite, as aforesaid, without prejudice, however, to its right at any time subsequently, when entitled thereto by any provisions hereof, to insist upon, and to maintain such possession, though beyond the expiration of any prescribed period, upon any such voluntary surrender and delivery of such property and premises, or any part thereof, the Trustee, from the time of its entry, shall work, maintain, use, manage, control and employ the same in accordance with the provisions of this indenture, and shall receive and apply the incomes and revenues thereof as provided in Section 1 of Article Fifth hereof.

Article Fourth.

Particular Covenants of Railroad Company.

Section 1. The Railroad Company covenants and agrees that it will duly and punctually pay, or cause to be paid, to every holder or registered owner of any bond issued hereunder and secured hereby the principal and interest accruing thereon, all in gold coin of the United States of America of, or equal to, the present standard of weight and fineness, or in sterling money of the United Kingdom of Great Britain and Ireland, in accordance with the terms, and the dates and places and in the manner, mentioned in said bonds or in the coupons thereto appertaining, according to the true intent and meaning thereof. The Railroad Company further covenants and agrees that said principal and interest shall be paid without deduction for any tax or taxes which the Railroad Company may be required or permitted to pay thereon or to retain therefrom, under any present or future law of the United States of America, or of any State, county or municipality therein. The interest on coupon bonds shall be payable only upon presentation and surrender of the several coupons annexed to said coupon bonds as such coupons respectively mature; and when and as paid all coupons shall forthwith be canceled by the Railroad Company. The interest on registered bonds without coupons shall be payable only to the registered owners thereof.

Section 2. The Railroad Company covenants and agrees that it will not, directly or indirectly, extend or assent to the extension of the time for payment of any coupon or claim for interest upon any bond secured hereby, and that it will not, directly or indirectly, be a party to any arrangement therefor by purchasing or funding said coupons or claims for interest or in any other manner. In case the payment of any such coupon or claim for interest should be so extended whether or not by or with the consent of the Railroad Company, such coupon or claim for interest so extended shall not be entitled in case of default hereunder, to the benefit of security of this indenture, except subject to the prior payment in full of the principal of all bonds issued hereunder and outstanding; and of all coupons and claims for interest on such bonds, the payment of which has not been so extended; the intention of this agreement being to prevent any accumulation after maturity of coupons or other claims for interest.

Section 3. The Railroad Company covenants and agrees that it will well and truly pay and discharge, upon presentation thereof for payment at or after maturity, or will acquire and deposit with the Trustee hereunder, all of the old bonds mentioned and described in Section 3 of Article Second hereof; that it will punctually pay or cause to be paid the interest on all such outstanding old bonds not acquired and deposited hereunder, as when such interest shall become due and payable, until all of the old bonds shall have been fully paid and discharged or shall have been acquired and deposited hereunder; that it will not make or suffer any default upon any of the old bonds or hereunder; that it will not make or suffer any default upon any of the old bonds or hereunder the mortgage security thereon, wherefrom the right might arise to enforce by foreclosure or otherwise the lien therein provided; that it will not extend or renew any of