

SECTION 5. Until some default shall have been made in the due and punctual payment of the additional interest obligations hereby secured, or in the due and punctual performance and observance of some covenant or condition hereof obligatory upon the Railroad Company, and such default shall have continued beyond the period of grace, if any, herein provided in respect thereof, the Railroad Company, its successors and assigns, shall be suffered and permitted to retain actual possession of the mortgaged premises, and to manage, operate and use the same and every part thereof, and to collect, receive and take the tolls, earnings, rents, issues, profits and other income thereof.

SECTION 6. The Railroad Company, at any time before full payment of the additional interest obligations hereby secured, and whenever it shall deem it expedient for the better protection and security of such obligations, although there then be no default entitling the Trustee to enter into possession, with the consent of the Trustee, may surrender and deliver to the Trustee full possession of the whole or any part of the mortgaged premises for any period fixed or indefinite. Upon such surrender and delivery 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 provision hereof, to insist upon, and to maintain such possession, through beyond the expiration of any prescribed period. Upon any such voluntary surrender and delivery of said property and premises, or of 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 the Refunding Mortgage and of this Indenture, and shall receive and apply the income and revenues thereof (subject, however, to the prior application thereof as provided in Section 1 of Article Fifth of the Refunding Mortgage in the event that the trustee of the Refunding Mortgage shall have entered upon the Mortgaged premises), upon the payment of all expenses of the Trustee, to the payment of all additional interest in default, in the order of the maturity of the instalments of such interest, with interest thereon at the rate of four per cent. plus the additional interest payable by the terms thereof, such payment to be made ratably to the persons entitled thereto without discrimination or preference, except as provided in Section 3 of this article.

SECTION 7. If, when the additional interest obligations hereby secured shall become due and payable, the Railroad Company shall well and truly pay or cause to be paid the whole amount due or accrued upon such additional interest obligations outstanding, or shall provide for such payment by depositing with the Trustee, for the payment of such obligations, the entire amount due and to become due thereon, and shall also pay or cause to be paid all other 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 and meaning of this Indenture, then and in that case all the mortgaged premises shall revert to the Railroad Company, or to whoever shall be lawfully entitled thereto (subject, however, to the lien of the Refunding Mortgage and to the lien, so far as the same attaches, of the Railroad Company's First Mortgage, dated July 1, 1897), and the estate, right, title and interest of the Trustee therein hereby created 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 a satisfaction and discharge of this Indenture upon the public records.

ARTICLE THIRD.

SECTION 1. In case by reason of any default under the Refunding Mortgage the trustee shall take any action thereunder to enforce the rights of the holders of the Refunding Bonds and coupons, as therein provided, either by the exercise of the right of entry or of sale of the mortgaged premises, or by any suit in equity or action at law for the foreclosure of said mortgage, or otherwise, all of the powers conferred by the Refunding Mortgage upon the trustee of such mortgage for the benefit of the Refunding Bonds and coupons are hereby also conferred upon the Trustee hereunder for the benefit of the holder of the additional interest obligations issued hereunder, and such default under the Refunding Mortgage shall also be a default hereunder; provided, however, that said additional interest obligations and any indebtedness of the Railroad Company therefor are and shall be at all times subject and subordinate to the indebtedness upon the Refunding Bonds and the interest thereon at the rate of four per cent. per annum; and provided further that said powers shall never be exercised for the benefit of the holders of said additional interest obligations against, or to the prejudice or impairment of the rights of the holders of the Refunding Bonds and coupons to prior and full satisfaction and payment. And in case of any sale of the mortgaged premises to satisfy any indebtedness upon said Refunding Bonds or interest due thereon as expressed therein, said additional interest obligations shall be payable, but payable only, out of such surplus proceeds of sale as shall remain after all indebtedness of the Railroad Company upon said Refunding Bonds for principal and interest up to four per cent. per annum shall have been paid in full and after all other payments required by the Refunding Mortgage to be made shall have been made.

SECTION 2. In case the Railroad Company (a) shall make default in the payment of any additional interest obligations, and such default shall have continued for a period of six months or (b) shall make default in the due observance or performance or any other covenant or condition in this Indenture or any instrument supplemental thereto required to be kept or performed by the Railroad Company and such default shall have continued for a period of six months after written notice to said Railroad Company thereof from the Trustee or from the holders of five per cent. in amount of the additional interest obligations hereby secured and then outstanding; then and in each and every such case all the rights and remedies conferred upon and provided to be enforced by the trustee of the Refunding Mortgage for the benefit of the holders of the Refunding Bonds, and coupons by the terms of the Refunding Mortgage in the event of a default in the payment of interest on the Refunding Bonds and the continuance thereof for the period of six months after notice thereof to the Railroad Company, are hereby conferred upon the Trustee, to be enforced by it for the benefit of the holders of the additional interest obligations in all respects upon and subject to the terms and conditions, in the same manner and with the same effect as if the same were herein repeated and set forth at length; provided, however, that all such rights and remedies shall be subject to all rights of the holders of said Refunding Bonds and coupons under the Refunding Mortgage in all respects as though in said Refunding Mortgage it were expressed that said additional interest obligations were secured by a lien secondary and subordinate to the lien of the holders of the Refunding Bonds and coupons authorized under the Refunding Mortgage as executed; and provided further that the lien of said Refunding Mortgage upon the mortgaged premises and the rights of the holders of said Refunding Bonds both as to principal and interest at the rate of four per cent. per annum thereon, shall remain undisturbed by the enforcement of any such rights and remedies.

SECTION 3. In case any default shall be made by the Railroad Company in the payment of any interest on any of the bonds mentioned and described as old bonds in Section 3 of Article Second of the Refunding Mortgage, and on that account the trustee under the First Mortgage of the Railroad Company, dated July 1, 1897, by which said old bonds are secured, shall have proceeded to exercise the right of entry as in said First Mortgage conferred, or, on that account, shall have begun any suit or suits in equity or at law for the purpose of protecting and enforcing its rights or the rights of the holders of said old bonds, or for the foreclosure of said First Mortgage, as in said First Mortgage provided, then, in any such event, if the trustee of the Refunding Mortgage shall have proceeded to enforce the rights by Section 1, 2 and 3 of Article Fifth thereof conferred, the Trustee shall have the power to enforce the rights conferred by Section 1, of this Article Third for the benefit of the holders of the additional interest obligations hereby secured, notwithstanding the fact that a period of six months shall not have elapsed since such default occurred.

SECTION 4. If the Trustee shall have entered on the railroads and premises subject thereto, then, upon complying with all the provisions of this Indenture as to which the Railroad Company shall be in default and the payment in full of whatever may be due on said additional interest obligations or for other purposes, the premises shall be returned to the Railroad Company, its successors and