

except after the prior payment in full of the principal of all bonds issued hereunder, and of all coupons and interest obligations not so transferred or pledged.

Sec.2. In case (1) default shall be made in the payment of any interest on any bond at any time issued under and secured by this indenture; and any such default shall continue for a period of six months; or in case (2) default shall be made in the due and punctual payment of the principal of any bond secured hereby; or in case (3) the Railway Company shall make default in the due observance and performance of any other covenant and condition herein contained, and any such last-mentioned default shall continue for a period of six months after written notice thereof from the Trustee or from the owners of five per cent. in amount of the bonds hereby secured; then and in each and every case of default continuing as aforesaid, the Trustee personally, or by its agent or agents, attorney or attorneys, may enter into or upon all or any part of the mortgaged property and exclude the Railway Company wholly therefrom, and, having and holding the same, may use, operate, manage and control the said property, regulate tolls for the transportation of passengers and freight thereon and conduct the business thereof, either personally or by its agents, to the best advantage of the holders of the bonds hereby secured in accordance with law; and upon every such entry the Trustee, at the expense of the trust estate, may maintain, restore, renew, replace and keep insured the said mortgaged property, to the same extent as is usual with railway companies, and likewise from time to time, at the expense of the trust estate, may make all necessary or proper repairs, renewals, replacements, alterations, additions, betterments and improvements thereto and thereon as to it may seem judicious; and the Trustee in such case shall have the right to manage the mortgaged premises as aforesaid and exercise all the rights and powers of the Railway Company, either in the name of the Railway Company or otherwise, as the Trustee may deem best, and it shall be entitled to collect and receive all the tolls, freights, income, rents, issues and profits of the property, and every part thereof, and after deducting the expenses of operating said railways and other premises and of conducting the business thereof and of all repairs, maintenance, renewals, replacements, alterations, betterments and improvements and of all payments which may have been made for taxes, assessments, insurance, and for prior or other charges upon said railways and premises or any part thereof, as well as just and reasonable compensation for its own services and the services of all its agents and attorneys and an amount sufficient to indemnify and save it harmless from all liabilities incurred by it in the operation or through the possession of the mortgaged premises, it shall apply the moneys arising aforesaid as follows: In case the principal of the bonds hereby secured shall not have become due, to the payment of the interest remaining in default, in the order of the maturity of the installments of such interest, with interest thereon at the rate of four per cent. per annum from the date of such default; such payments to be made ratably to those entitled to such interest without discrimination or preference; In case the principal of the bonds hereby secured shall have become due by declaration or otherwise, first, to the payment of the accrued interest, with interest as aforesaid on the overdue installments of interest, in the order of the maturity of such installments, and next to the payment of the principal of all bonds hereby secured; in every instance such payments to be made ratably to those entitled thereto, without any discrimination or preference. These provisions, however, are subject to the provisions of Section 1 of this Article.

Sec.3. In case default shall be made by the Railway Company in the payment of any interest on any bond hereby secured, and such default shall continue for a period of six months, then and in every case of such continuing default, upon the written request of the owners of a