

the lines of track or of right of way required in the operation of the mortgaged railways shall be released unless the Railway Company shall have ceased to use the same in the operation of its lines of railway, and no part of such railway shall be released if thereby the continuity of the lines of railway mortgaged herein shall be broken; and (2) that no part of the mortgaged premises appurtenant or incidental to the maintenance or operation of any part of the lines of railway subject to the lien of this mortgage shall be released, unless at the time of such release the same shall no longer be requisite for any purpose for which it shall have been acquired or used, and shall no longer be necessary or expedient to be retained in connection with such lines of railway, or in the business of the Railway Company. No such release shall be made unless the railway Company shall have sold, or shall have contracted to exchange for other property, or to sell, the property so to be released; and the proceeds of any and all such sales, and all moneys received as compensation for any of the mortgaged property taken by exercise of the power of eminent domain, shall be set apart as the Trustee may direct, and may be applied by the Railway Company, with the approval of the Trustee, in the construction or acquisition of betterments or improvements of any part of the mortgaged premises, or in the purchase of other property, which shall be conveyed by the Railway Company to the Trustee upon the trusts hereby declared, or, if the Railway Company so request, such moneys or any part thereof, shall be by the Trustee, applied to the purchase of the bonds secured by this indenture at the marked price thereof and any bonds so purchased shall forthwith be cancelled and no other bonds secured hereby shall be issued in lieu thereof. Any new property acquired by the Railway Company to take the place of any property released hereunder, shall ipso facto become and be subject to this mortgage, but if requested by the Trustee, the Railway Company will convey the same by appropriate instruments upon the trusts of this indenture. The Railway Company, from time to time, while in possession of the mortgaged premises, shall also have full power in its discretion to dispose of any portion of the machinery, equipment and implements at any time covered by this mortgage, which may have become unfit for its use, or which it may be advisable to dispose of, replacing the same by new machinery, equipment or implements, which shall become subject to the operation of this indenture. In no event shall any purchaser or purchasers of any property sold or disposed of under any provision of this Article be required to see to the application of the purchase money. The Railway Company, from time to time, may make changes or alterations in, or substitutions of, or may terminate, any leases, trackage rights or contracts which are covered by this indenture; but in any such event any modified, altered or substituted leases, contracts or trackage rights forthwith shall become bound by and be subject to the terms of this indenture, in the same manner as those previously existing. In case the mortgaged premises shall be in the possession of a Receiver lawfully appointed, the powers in and by this Section conferred upon the Railway Company may be exercised by such Receiver with the approval of the Trustee, and if the Trustee shall be in possession of the mortgaged premises under any provision of this indenture, then all the powers by this Section conferred upon the Railway Company may be exercised by the Trustee in its discretion. A certificate signed by (1) the President, or a Vice-President, and (2) the Chief Engineer or General Manager of the Railway Company may be received by the Trustee as conclusive evidence of any of the facts mentioned in this Article, and shall be full warrant to the Trustee for its action on the faith thereof, but the Trustee in its discretion may require such further and additional evidence as to it may seem reasonable.

Article Six .

Sec.1. The Trustee shall not be answerable for the default or misconduct of any agent or attorney appointed by it in pursuance hereof, if such agent or attorney shall have been selected