

order to facilitate any such consolidation or merger in the whole or in part, the Trustee may transfer into the name of the Railway Company, under such restrictions as it may deem sufficient for the protection of the holders of the First and Refunding Bonds, the shares of any company about to be so merged; but the certificate in the name of the Railway Company shall be forthwith delivered to and held by the Trustee hereunder, and simultaneously the Railway Company shall execute such instrument as the Trustee shall deem necessary in order to enable it to transfer such shares back into its own name, if at any time it shall deem such a course expedient for the protection of the holders of the bonds hereby secured.

Section 7. All moneys received by the Trustee under any of the provisions of this Article, except as herein otherwise provided, shall be held by it and may at the request of the Railway Company, be paid over to reimburse it for amounts expended or to be expended by it in the acquisition of improvements, betterments, additions or extensions of the mortgaged premises, or equipment therefor, which said improvements, betterments, extensions, additions or equipment shall forthwith become and be made subject to the lien of this indenture; but the Railway Company nevertheless, if so requested by the Trustee, shall execute such further conveyances, assurances or assignments as shall be necessary to vest the title thereto in the Trustee for the purpose hereof; or, if such moneys shall not be so applied to the purchase of First and Refunding Bonds at such prices as the Railway Company may approve, A certificate signed by the president or a vice-president and the chief-engineer of the Railway Company stating (a) the amount expended by the Railway Company for the acquisition of improvements, betterments or extensions of the mortgaged premises, or for new equipment; (b) the improvements, betterments, extensions and new equipment obtained or to be obtained thereby; and (c) that any such improvements, betterments and extensions were made or to be made to the mortgaged premises and such equipment acquired therefor, may be received by the Trustee as conclusive evidence of the facts therein stated, and the Trustee shall not be liable for its action on the faith thereof. All bonds purchased under this section shall become and remain in all respects a part of the sinking fund provided for in Article Four hereof.

ARTICLE FOUR.

Sinking Fund.

Section I. The Railway Company covenants and agrees to pay in cash to the Trustee for and on account of a sinking fund for the retirement of the First and Refunding Bonds, on or before the first day of November, 1907, not less than twenty-five thousand dollars (\$25,000), and thereafter to pay annually on the first day of November in each year, until and including the first day of November, 1909, not less than twenty-five thousand dollars (\$25,000), and to pay on the first day of November, 1910, not less than forty thousand dollars (\$40,000), and thereafter on the first day of November in each year until and including the year 1919, to pay not less than forty thousand dollars (\$40,000), and then on the first day of November, 1920, to pay not less than sixty thousand dollars (\$60,000), and thereafter on the first day of November in each year until the maturity or final payment of all the First and Refunding Bonds issued hereunder to pay not less than sixty thousand dollars (\$60,000).

The above specified amount are based upon the issue of five million nine hundred and eighty-two thousand dollars (\$5,982,000) face value of First and Refunding Bonds. On the first day of November in any year if a greater amount of the First and Refunding bonds than five million nine hundred and eighty-two thousand dollars (\$5,982,000) face value issued hereunder shall be outstanding the annual sinking fund payments due from