

der that there may be credited, as paid thereon, the sums payable out of the net proceeds of such sale to the holders of such bonds and coupons, as his ratable share of such net proceeds, after allowing for the proportion of the total purchase price necessary to pay all sums required to be paid in cash; and such purchaser shall be credited, on account of the purchased price of the property purchased, with the sums payable out of such net proceeds on the bonds and coupons so turned in; and, at any such sale, any holders of the First and Refunding Bonds may bid for, and purchase, such property, and may make payment on account thereof as aforesaid, and and upon and on compliance with the terms of sale, may hold, retain and dispose of such property without further accountability therefor.

Section I4. The Railway Company covenants that (1) in case default shall be made in the payment of any interest on any First and Refunding Bond at any time outstanding, and such default shall have continued for a period of six months, (2) in case default shall be made in the payment of the principal of any such bonds when the same shall become payable, whether at the maturity of said bonds, or by declaration as authorized by this indenture, or by ^a sale of the mortgaged premises as hereinbefore mentioned, then, upon demand of the Trustee, the Railway Company will pay to the Trustee for the benefit of the holders of the First and Refunding Bonds and coupons then outstanding, the whole amount due and payable on such bonds and coupons then outstanding, for interest or principal, or both, as the case may be, with interest ~~### principal, or both~~ upon the overdue installments of interest at the rate of five (5) per cent. per annum; and in case the Railway Company shall fail to pay the same forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled to recover judgment for the whole amount so due and unpaid.

The Trustee shall be entitled to recover judgment as aforesaid, either before, or after, or during the pendency of, any proceedings for the enforcement of the lien of this indenture upon the mortgaged and pledged premises, and the right of the Trustee to recover such judgment shall not be affected by any entry or sale, or by the exercise of any other right, power or remedy, for the enforcement of the provisions of this indenture or the foreclosure of the lien hereof; and in case of a sale of the mortgaged premises and of the application of the proceeds of sale to the payment of the mortgaged debt, the Trustee, in its own name and as trustee of an express trust, shall be entitled to enforce payment of, and to receive, all amounts then remaining due and unpaid upon any and all of the First and Refunding Bonds then outstanding, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the mortgage debt remaining unpaid with interest. No recovery of any such judgment by the Trustee, and no levy of any execution upon any such judgment on property subject to the lien of this indenture, or upon any other property, shall in any manner, or to any extent, affect the lien of the Trustee upon the mortgaged premises or any part thereof, or any rights, powers, or remedies of the Trustee hereunder, or any rights, powers or remedies of the holders of the First and Refunding Bonds; but such lien, rights, powers and remedies shall continue unimpaired as before.

All moneys collected by the Trustee under this section shall be applied by the Trustee, first to the payment, at the option of the Trustee, of the costs and expenses of the proceedings resulting in the collection of such moneys, and of the expenses paid or incurred by the Trustee in managing and maintaining the property hereby conveyed, and then to the payment of the amounts then due and unpaid upon the First and Refunding Bonds and coupons, respectively, without any preference or priority of any kind, except as provided in section I of this Article, and ratably according to the amounts due and payable upon such bonds and coupons, respectively, at the date fixed by the Trustee for the