

and capital stock (excepting the amount thereof required to qualify directors) shall be received and held by the Trustee, and shall be vested in the Mortgagor Company subject to the lien of this Indenture. The Trustee may also, in any case, take such steps as in its discretion shall be best calculated to protect its interest hereunder in respect of any bonds or other obligations or stock subject to the lien hereof; and for that purpose it may in its discretion, but shall be under no obligation to, join in any plan of reorganization in respect of any such bonds or other obligations or stock and may accept new securities issued in exchange therefor under such plan.

The Mortgagor Company covenants that, on demand of the Trustee, it will forthwith pay or satisfactorily provide for all expenditures incurred by the Trustee under any of the provisions of this section, including all sums required to obtain and perfect the ownership of and title to any railways or other properties or franchises which the Trustee shall purchase or cause to be purchased pursuant to the provisions of this section; and, in case the Mortgagor Company shall fail to do so, then, without impairment of or prejudice to any of its rights hereunder by reason of default of the Mortgagor Company, the Trustee, in its discretion, may advance all such expenses and other moneys required, or may procure such advances to be made by others, and for such advances made by the Trustee or by others at its request, with interest thereon, the Trustee shall have a lien on the property mortgaged or pledged, which lien shall be prior to the lien of the bonds secured by this Indenture; but in no event shall the principal of such lien exceed in the aggregate at any one time a sum equal to two (2) per cent. of the principal of the total amount of said bonds then outstanding.

In case the Trustee shall not purchase or cause to be purchased the property sold at any such sale, and shall not join in a plan of reorganization as aforesaid in respect of such bonds or stock, the Trustee shall receive any portion of the proceeds of the sale accruing on the securities held by it hereunder and such moneys shall be treated and disposed of by the Trustee as provided in Section 7 of this Article.

Section 6. The assignment or pledge hereunder of any shares of stock of any company or companies now or hereafter held by the Trustee hereunder shall not prevent the consolidation or merger of any one or more of said companies with, or the sale, conveyance, transfer or lease of the property of any such company to, the Mortgagor Company; but, anything in this Indenture contained to the contrary notwithstanding, such consolidation, merger, sale, or lease may be made under any laws to which such companies may then be subject; provided, however, that such consolidation, merger, sale or lease shall be made only upon such terms as shall not in any manner impair or prejudice the value of the security hereunder. In the event of the consolidation or merger of any one or more of the said companies, or the sale or lease of its property to the Mortgagor Company, this Indenture immediately shall become and be a lien upon the property of the company so consolidated or merged with or so sold to the Mortgagor Company or upon the leasehold interest of the Mortgagor Company therein, with the same force and effect as if expressly conveyed by this Indenture; and the holders of the bonds secured by this Indenture shall always have as full and complete a lien upon such property and the income, earnings and profits thereof as that upon the stock and bonds of such constituent companies created by the pledge thereof to the Trustee hereunder, and the Mortgagor Company and its successor or successors will, upon the request of the Trustee, execute any and all instruments and do any acts necessary or proper under the laws applicable thereto to make such lien effectual.

The assignment or pledge hereunder of any shares of stock of any company or companies shall not prevent the consolidation or merger of any such companies with each other, nor a