

sold, or shall have contracted to exchange for other property, or to sell, the property so to be released. The proceeds of any and all such sales, and all moneys received as compensation for any property subject to this indenture taken by exercise of the power of eminent domain (unless applied in accordance with the requirements of the said indentures severally and respectively constituting prior liens on the mortgaged and pledged premises or on part thereof), shall be held by the Railway Company separate and apart from any other assets and funds of the Railway Company, and with the approval of the Trustee, shall be applied to the purchase of other property, real or personal, or for betterments of or improvements upon any part of the mortgaged premises. Any new property acquired by the Railway Company to take the place of any property released hereunder, ipso facto shall become and be subject to this indenture, as fully as if specifically mortgaged or assigned hereby, but, if requested by the Trustee, the Railway Company will convey and assign the same to the Trustee, by appropriate deeds or other instruments upon the trusts and for the purposes of this indenture, and will cause the same to be recorded or filed in such manner as appropriately to secure and continue the lien of this indenture thereon. From time to time, while it is in possession of any property subject to this indenture, the Railway Company also shall have full power in its discretion to dispose of any portion of the machinery, equipment and implements, at any time subject to the lien hereof, which may have become unfit for such use, replacing the same by new machinery, equipment or implements, of equal value, which shall become subject to 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.

Sec. 2. The Railway Company at any time may make any change in the location of any tracks, station houses, buildings or other structures upon any part of the mortgaged premises and upon conveyance to the Trustee under the terms of this indenture of such new tracks, station houses, buildings or other structures, and the premises on which the same may be erected, the Trustee at the request of the Railway Company shall release from the lien of this indenture the former tracks, station houses, buildings and other structures, and the premises on which they were erected, and shall execute and deliver any and all instruments necessary and proper to effect such purpose.

Sec. 3. The Railway Company from time to time may make changes or alterations in, or substitutions of or for, any leases, trackage rights or contracts that are subject to this indenture. 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.

Sec. 4. Whenever the Railway Company shall own and hold, directly subject to the lien of this indenture, all the property, both real and personal, of any company, of whose shares of capital stock all or a majority shall then be held by the Trustee, subject to this indenture as a first lien thereon, upon the written request of the Railway Company, the Trustee shall release all such shares so held by it from the lien of this indenture and shall deliver to the Railway Company certificates therefor properly assigned for transfer.

Sec. 5. In case any property subject to this indenture shall be in the possession of a receiver lawfully appointed, the powers in and by this Article 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 any such property under any provision of this indenture, then all the powers in and by this Article conferred upon the Railway Company may be exercised by the Trustee in its discretion.