

which it has been so determined shall no longer be reserved for any of such purposes shall, after all the remaining bonds reserved to be issued under Section 3 of this Article shall have been issued, be subject to issue, and at the request of the Railway Company shall be authenticated by the Trustee and delivered to the Railway Company, for the purposes and subject to the restrictions specified in said Section 3.

Sec.3. The remaining \$20,000,000, face amount, of the first mortgage gold bonds shall be reserved to be executed by the Railway Company, and to be authenticated and delivered by the Trustee from time to time, for some one or more of the purposes specified in this section, but subject to the restrictions in this section and only at a rate not exceeding in the aggregate \$1,000,000 of such bonds for each calendar year, beginning January 1, 1912; it being understood that any portion of such bonds which shall not be authenticated and delivered in any calendar year may be authenticated and delivered at any time thereafter in addition to the \$1,000,000 of said bonds which may be authenticated and delivered in any subsequent year.

(A) The purposes for which such \$20,000,000 of reserved bonds, from time to time, shall be executed, authenticated and delivered, and for which such bonds and their proceeds may be used are:

(a) The construction, purchase or acquisition, subsequent to January 1, 1912, of lines of railway, extensions or branches, telegraph or telephone lines, terminal properties, depots, yards, shops, machinery, tools, docks, wharves, ferries, landings, boats, rolling stock and other equipment, additional main or other tracks, and other acquisitions, additions, improvements and betterments upon, along or appertaining to, or for use in connection with or in extension of, any lines of railway, branches, telegraph or telephone lines at the time subject to this indenture, or which at the time of such construction or acquisition shall be leased by the Railway Company for a term expiring subsequent to March 1, 1961, and the leasehold interest of the Railway Company wherein shall be subject to this indenture, or which shall be owned, or leased for a term expiring subsequent to March 1, 1961, by any other company of whose capital stock the greater part shall be owned by the Railway Company and be pledged under this indenture;

(b) To reimburse the Railway Company for moneys at any time subsequent to January 1, 1912, expended or advanced by it for any of the aforesaid purposes;

(B) The restrictions subject to which the bonds reserved under this section from time to time shall be authenticated and delivered, are as follows, viz;

(1) Before authenticating and delivering bonds under this section there shall be delivered to the Trustee a copy of a resolution of the board of trustees or of the executive committee of the Railway Company, certified under its corporate seal by its Secretary or an Assistant Secretary, calling for the authentication and delivery of a specified amount of such bonds, not greater than the amount then issuable under this section, and, unless required for reimbursement of the Railway Company in respect of previous expenditures, directing the officers of the Railway Company to set aside such amount of bonds or their proceeds separate and apart from any other assets and funds of the Railway Company, and to use the same only for purposes authorized by this section;

(2) In every instance before authenticating or delivering any bonds reserved under this section, except bonds issuable for the calendar year 1912, which on its