

PIONEER, INC., TACOMA—156789

Mortgage bonds actually received by the Trustee as aforesaid, and \$1,300 par value of bonds hereby secured for each \$1,000 of principal of such General First Mortgage bonds so actually received: Provided, That the net proceeds of the sale of such bonds, as certified by the President or one of the Vice-Presidents of the Railway Company (except a sum equal to the amount of unpaid interest accrued on the bonds so sold, which shall be paid over to the Railway Company) shall simultaneously be deposited with the Trustee; and thereupon such net proceeds received by the Trustee shall forthwith be added to the Cash Fund established under Section 3 of Article Eight hereof, and shall be treated in all respects as part thereof.

(c) Whenever, after the date of this indenture, the trustee of said General First Mortgage of the Northern Pacific Railroad Company shall have been provided with, or shall have in any way collected or received, any moneys for the sinking fund created under said mortgage for the redemption of said General First Mortgage bonds (whether any such moneys be received for interest on bonds held in such sinking fund or otherwise), and said trustee, after the date of this indenture shall have called any such bonds for redemption for such sinking fund pursuant to the terms of said General First Mortgage, then, for each \$1,000 par value of said General First Mortgage bonds so called for redemption, other than bonds held by the Trustee hereunder, the Trustee hereunder shall certify \$1,300 par value, of the bonds hereby secured and reserved as aforesaid, and shall apply the same as follows, viz.:

The Trustee hereunder shall set apart \$1,300 par value of the bonds hereby secured for each \$1,100 of such moneys received by the trustee of said General First Mortgage for said sinking fund after the date of this indenture, which shall have been derived from sales of lands subject to said General First Mortgage and to this indenture, and which shall be applicable to the redemption of the principal of the General First Mortgage bonds so called for redemption, other than bonds then held by the Trustee hereunder—a ratable share of such moneys being regarded, for the purposes hereof, as applicable to the redemption of each of the bonds called for redemption whether held by the Trustee or not. The bonds so set apart under this paragraph may from time to time be sold by the Railway Company, and the Trustee shall deliver the same upon the order of the Railway Company, provided that the net proceeds of the sale of such bonds, as certified by (1) the chairman of the board of directors, or the president, or any vice-president and (2) the treasurer, or any assistant treasurer, of the Railway Company, shall simultaneously be deposited with the Trustee (except a sum equal to the amount of unpaid interest accrued on such bonds, which shall be paid over to the Railway Company), and such proceeds, when and as so received, shall be added to the net moneys mentioned in Article Eight hereof and be treated in all respects as part thereof. If, however, such bonds set apart as aforesaid shall not be sold by the Railway Company within one year after the call for redemption of the General First Mortgage bonds in respect of which such bonds hereby secured were certified and set apart, then out of one-half of the bonds so set apart and unsold (so far as such one-half shall suffice) an amount at par equal to the difference between \$500,000 and the amount applied during the preceding calendar year, out of the combined fund under Section 2 of Article Eight hereof, to the purchase of bonds hereby secured, shall be canceled by the Trustee, and the remainder of such one-half of such bonds, together with the other one-half of such bonds so set apart and unsold, may be sold from time to time thereafter by the Railway Company, and the Trustee shall deliver the same upon its order, provided that the net proceeds of such sale, as certified by two such officers of the Railway Company, shall simultaneously be deposited