

PIONEER, INC., TACOMA—156789

similar manner, or to apply the same to the purchase and cancellation of Prior Lien Bonds or General Lien Bonds as aforesaid.

Sec. 3. In each calendar year, one-half of the combined fund mentioned in Section 2 of this Article, received by the Trustee in that year and such portion of the other one-half as may be in excess of \$500,000, and also, in the cases hereinbefore indicated, any moneys received by the Trustee on account of any bonds pledged with the Trustee hereunder, other than bonds of the Northern Pacific Railroad Company, and any moneys received by the Trustee as the proceeds of any shares of stock or claims held by the Trustee hereunder upon the liquidation or dissolution of the company which issued such stock (but not any interest on bonds, or dividends on stocks, or principal or interest of claims or indebtedness which the Railway Company shall be entitled to receive under any provision of this indenture), and also the net proceeds of sales of bonds as provided in the last paragraph of Subdivision (b) of Section 3 of Article One hereof, and in the last sentence of the second paragraph of Subdivision (c) of Section 3 of Article One hereof, shall be set apart by the Trustee, and thereafter shall be held by the Trustee separate from all other funds under this indenture as a Cash Fund to be paid over to the Railway Company, from time to time, and to be used for any purposes for which Prior Lien bonds reserved under Section 4 of Article One hereof, or the proceeds of such bonds, may be used, including the retirement or acquisition of liens, charges and indebtedness for which bonds hereby secured shall have been set apart as provided in Section 4 of Article One hereof, or to reimburse the Railway Company for expenditures made for any of the said purposes, but only subject to the following limitations and conditions:

The cash so set apart under this section shall by the Trustee be paid to the Railway Company, or upon its order, as follows, viz:

(1) Upon January 1, 1898, or upon any day thereafter, upon resolution or resolutions of the Board of Directors of the Railway Company, such sums as shall be called for by such resolutions, but not exceeding \$500,000, shall be so paid over out of any such Cash Fund at the time of such call in the possession of the Trustee.

(2) After such first payment there shall be paid over to the Railway Company out of such Cash Fund from time to time such sums, not exceeding \$500,000 in any one payment, as from time to time shall be on hand and shall be specified in similar resolutions; but in every instance, before paying over any sum under this Section (except the first payment hereunder), the Trustee shall require the Railway Company to furnish, in addition to such resolution of the Board, the verified certificate or certificates of some person or persons stating as of his or their own knowledge:

(a) that all such cash paid over under this Section since the last previous verified certificate has been used for the purposes hereinbefore authorized in this Section, or for some one or more of them, or to reimburse the Railway Company as above provided, and specifically indicating every such acquisition or construction of any railroad, track, structure, betterment, rolling stock or other property, and every such acquisition of the bonds or stock of any company owning any railroad or other property (which bonds or stock shall be acquired only when a majority of the total capital stock of such company shall be thereby obtained unless previously thereto such majority shall have been acquired and pledged hereunder) and also stating in detail the amount of cash expended for each and every such purpose, and whether such acquisition was by or in the name of the Railway Company, or by or for account of any other company as herein authorized; and also that no acquisition, construction or expenditure stated in such certificate was stated in any previous certificate: