

clause of this indenture;

(g) \$3,625,000 The Willmar and Sioux Falls Railway Company First Mortgage bonds, being the same outstanding bonds more particularly described under heading IX of the granting clause of this indenture;

(h) \$10,000,000 The Montana Central Railway Company First Mortgage bonds, being the same outstanding bonds more particularly described under heading X of the granting clause of this indenture;

(i) \$229,000 The Spokane Falls and Northern Railway Company First Mortgage bonds, being the same outstanding bonds more particularly described under heading XI of the granting clause of this indenture.

Sec. 2. General Mortgage bonds from time to time shall be reserved hereunder for issue from time to time as provided in this Article for the purpose of exchanging, redeeming, purchasing, retiring, refunding or paying before, at or after maturity the bonds secured by mortgages prior to the lien of this indenture upon railroads or real property hereafter conveyed by the Railway Company to the Trustee by indenture or indentures supplemental hereto executed as provided in Article Eleven hereof. The amount of bonds so to be reserved shall be a principal amount equal to the principal amount remaining unpaid of the prior debt enumerated in such indenture or indentures. Mortgages which are such liens upon any property which may hereafter be acquired by the Railway Company and be conveyed to the Trustee by indenture or indentures supplemental hereto, as aforesaid, shall be specified and described in such supplemental indenture or indentures, and the principal amount of the bonds secured thereby shall be stated therein, and thereafter shall be regarded as forming a part of the prior debt of the Railway Company whenever prior debt is mentioned in this indenture or any indenture supplemental hereto.

Sec. 3. General Mortgage bonds, at the election of the Railway Company, to be expressed by resolution of its Board of Directors, or Executive Committee of its Board of Directors, a duly certified copy of which shall be delivered to the Trustee, may be reserved hereunder for issue, from time to time, as in this Article provided, for the purpose of exchanging, redeeming, purchasing, retiring, refunding or paying before, at or after maturity the bonded indebtedness of any company which hereafter may be consolidated with or merged into, or whose railroad property shall hereafter be acquired by, the Railway Company, although such bonded indebtedness may not be secured by mortgage; provided, however, <sup>that</sup> the railroad property acquired through consolidation, merger or purchase shall be conveyed by the Railway Company to the Trustee by, and such bonded indebtedness shall be specified and the amount thereof stated in, an indenture or indentures supplemental to this indenture, executed as provided in Article Eleven hereof. The bonded indebtedness against which the Railway Company shall so elect to reserve General Mortgage bonds, and which shall be so specified, and the amount thereof stated in any supplemental indenture, shall be regarded as forming a portion of the prior debt of the Railway Company, whenever prior debt is mentioned in this indenture or any indenture or indentures supplemental hereto.

Sec. 4. Whenever, from time to time, the Railway Company shall tender or cause to be tendered to, and shall deposit, or cause to be deposited with, the Trustee, either in bearer form or accompanied by proper instruments of assignment and transfer, and whether before, at or after maturity thereof, and whether cancelled or uncanceled, any of the bonds (together with all unmatured coupons thereto belonging) forming part of the prior debt to retire which bonds are then reserved as provided in this Article Three, the Trustee, in exchange for bonds received by the Trustee upon such tender, shall authenticate and deliver to the Railway Company, or upon its written order, bonds reserved as