

provided in this Article Three for a principal amount equal to the principal amount of such bonds so received by the Trustee.

At any time or times at or after the maturity, or within twelve months before such maturity, of any bonds constituting part of the prior debt to retire which bonds are then reserved under this Article Three, the Railway Company may sell or otherwise dispose of the bonds reserved under this Article Three in respect of such matured or maturing bonds. The Trustee shall authenticate and deliver to the Railway Company or upon its written order, bonds reserved under this Article Three for a principal amount not exceeding the principal amount of the matured or maturing bonds to be paid or purchased, as aforesaid, upon the deposit with the Trustee of cash in exchange for such bonds equal to the principal amount of the bonds so authenticated and delivered. Upon delivery to the Trustee of a duly certified copy of a resolution of the Board of Directors, or the Executive Committee, of the Board of Directors, of the railway Company requesting the Trustee to authenticate and deliver to the Railway Company such reserved bonds to be sold or disposed of for and in respect of the payment or purchase of such matured or maturing bonds, and specifying such bonds to be paid or purchased, and specifying the amount of General Mortgage bonds to be authenticated, the Trustee shall authenticate and deliver to the Railway Company, or upon its written order, bonds reserved under this Article Three for a principal amount <sup>so specified not exceeding the principal amount</sup> of the matured or maturing bonds to be paid or purchased as aforesaid; provided, that cash equal to the principal amount of the bonds so authenticated and delivered shall simultaneously be deposited with the Trustee in exchange therefor. On the written order of the Railway Company, and upon delivery to the Trustee from time to time of maturing or matured bonds specified in the resolution aforesaid (other than bonds in exchange for which the Trustee shall have authenticated and delivered bonds under the first paragraph of this Section 4), either in bearer form or accompanied by proper instruments of assignment and transfer, either cancelled or uncanceled (together with all unmatured coupons, if any, thereto belonging), the Trustee out of the cash so deposited with it, or out of any cash held by the Trustee pursuant to the provisions of Section 7 of Article Three of this indenture and directed by the Railway Company to be applied to such purpose, shall pay to the Railway Company, or upon its written order, a sum equal to the principal amount of such bonds so delivered to the Trustee.

Every bond constituting part of the prior debt which shall be deposited with the Trustee, whether or not cancelled when delivered to the Trustee, shall be held by the Trustee without extinguishment or impairment of lien, as additional security for the payment of the bonds issued and to be issued hereunder, until otherwise disposed of as in this Article Three authorized and directed.

Whenever any General Mortgage bonds reserved under Sections 1, 2 and 3 of this Article Three shall be found to be unnecessary for use for the purposes specified in said sections, all such General Mortgage bonds, if any, remaining unissued under Sections 1, 2 and 3, or any of them, of this Article Three, shall become and be subject to issue, and shall be authenticated by the Trustee and delivered to the Railway Company, for the purposes and subject to the restrictions specified in Section 7 of this Article, in addition to the bonds otherwise issuable under said section.

Sec. 5. \$230,000,000, face amount, of bonds issuable hereunder shall be, and hereby are, reserved for issue from time to time as in this Section 5 of Article Three provided, and not otherwise.

(a) \$140,000,000, face amount, of the bonds reserved by this Section 5 of Article Three, to be designated "General Mortgage 7% Gold Bonds, Series A", to be dated July 1, 1921, to mature July 1, 1936, bearing interest at the rate of seven per centum per annum, payable semi-annually, not redeemable before maturity, shall be and hereby are reserved