

Sec. 2. If the Railway Company shall elect to redeem a part only of any series of General Mortgage bonds then outstanding, the bonds of said series so to be redeemed shall be selected by lot by the Trustee in such manner as it shall deem proper, and, if the Railway Company shall so desire and shall seasonably designate a representative for that purpose, in the presence of the representative so designated.

Whenever exercising the right of redemption as provided for in this Article Four, the Railway Company, if requested by the Trustee ^{to} so/do, shall furnish the Trustee with a duly certified copy of a resolution of its Board of Directors, or of the Executive Committee of its Board of Directors, electing to redeem, and properly designating, the bonds called for redemption.

Sec. 3. On the deposit with the Trustee of the amount necessary so to redeem all the outstanding bonds issued under this indenture (if they shall be redeemable and shall all have been called for redemption) together with proof satisfactory to the Trustee of the giving of such notice or notices of redemption of all of said bonds as hereinbefore provided, and on payment to the Trustee of all its cost, charges and expenses in relation thereto, the Trustee, upon the written order of the Railway Company, shall cancel and satisfy this indenture and assign and deliver to the Railway Company all securities, indebtedness and other properties then held by the Trustee under the provisions hereof. The Trustee shall apply the money so deposited with it to the payment of the bonds issued under this indenture at the rate aforesaid with accrued interest to the said date designated for redemption.

Sec. 4. All bonds redeemed and paid under this Article Four shall be cancelled and shall not be reissued, but bonds of other series may be issued in substitution therefor as provided in Article Three.

ARTICLE FIVE. Particular covenants of the Railway Company. The Railway Company covenants as hereinafter in this Article set forth:

Section 1. The Railway Company duly and punctually will pay the principal and interest of every bond issued under this indenture, at the dates and the place and in the manner mentioned in such bonds, or in the coupons thereto belonging, according to the true intent and meaning thereof. The interest upon the coupon bonds shall be payable only upon presentation and surrender of the several coupons for such interest as they respectively mature, and when paid, such coupons forthwith shall be cancelled. The interest on the registered bonds without coupons shall be payable only ^{to} the registered holders thereof.

In order to prevent any accumulation of coupons and claims for interest after maturity; the Railway Company will not, directly or indirectly, extend or assent to the extension of the time for the payment of any coupon or claim for interest on any of the General Mortgage bonds; and the Railway Company will not, directly or indirectly, be a party to or approve ^{of} any such arrangement by purchasing or funding said coupons or claims for interest or in any other manner.

Sec. 2. The Railway Company shall not and will not issue, or permit to be issued, any additional bonds under the mortgages or trust indentures, or any of them, securing the bonds constituting the prior debt mentioned in Section 1 of Article Three of this indenture, which shall have the effect to increase the amount of the principal of the bonds at any time issued or outstanding under any of the said mortgages or trust indentures; provided, however, that the Railway Company reserves and shall have the right to issue, or cause to be issued, under its First and Refunding Gold Bond Mortgage, additional bonds to the principal amount of \$12,132,000 (now in the treasury of the Railway Company) and to pledge the same with the Trustee.

Sec. 3. The Railway Company at any and all times will do, execute, acknowledge and