

Sec. 7. Upon the discharge of any indenture or indentures, or other instrument or instruments, under which they may be pledged, assigned or held and to which they may be subject, the shares of stock and bonds assigned to the Trustee by the granting clauses of this indenture, or by the terms hereof becoming subject to the lien of this indenture, forthwith shall be assigned and delivered to the Trustee, to be held and disposed of by it, subject, in all respects, to the lien and operation of this indenture, as security for the payment of the General Mortgage bonds.

Sec. 8. The Railway Company, at all times, shall and will diligently preserve all the rights and franchises to it granted and upon it conferred, and maintain, preserve and keep the rolling stock, fixtures and appurtenances and every part and parcel thereof, in good repair, working order and condition, and will keep the railways, premises and estate subject to this indenture supplied with all necessary motive power, rolling stock and equipment, and, from time to time, shall and will thereto make all needful and proper repairs, renewals and replacements, useful and proper alterations, additions, betterments and improvements.

Sec. 9. Except as expressly authorized in this indenture the Railway Company will not do or suffer to be done any act whereby a proportionate part subject to this indenture of the entire issued and outstanding capital stock of any company shall be diminished.

Except as herein otherwise expressly provided, the Railway Company, unless with the consent of the Trustee, will not sanction or permit any company, of whose capital stock the greater part shall be pledged or assigned hereunder, to sell or otherwise dispose of its railroad or property or any part thereof, except to the Railway Company or to some other company of whose capital stock not less than the same proportionate part then shall be owned by the Railway Company and be pledged hereunder. Any such railroad or property so acquired by the Railway Company forthwith and ipso facto shall become subject to the lien of this indenture, and, if requested, by proper instruments shall be conveyed to the Trustee, subject to any liens then existing thereon or, upon such conveyance to attach thereto; provided, however, that any company, of whose capital stock the greater part shall be pledged hereunder, from time to time, may sell any of its property, which, at the time of such sale, by resolution of its Board of Directors, or Executive Committee of its Board of Directors, shall be found no longer to be necessary or advantageous to be retained for the purposes of its business and the sale of which shall be authorized by a resolution of its Board of Directors, or Executive Committee of its Board of Directors, directing that the proceeds thereof shall be held apart from all other funds of such company until applied to the acquisition or construction of other property.

Except as herein otherwise expressly provided, the Railway Company, unless with the consent of the Trustee, will not sanction or permit any company, of whose capital stock the greater part shall be pledged or assigned hereunder, to lease its railroad, or any part thereof, except to the Railway Company or to some other company of whose capital stock not less than the same proportionate part then shall be owned by the Railway Company and be pledged hereunder, nor unless such lease be upon the condition that it shall terminate at the election of the Trustee, by entry or otherwise, in case default shall be made and shall continue as provided in Section 2, Article Seven, hereof, and at the election of the purchaser in case of a sale of the property subject to this indenture.

Sec. 10. Except as herein otherwise expressly provided, the Railway Company, unless with the consent of the Trustee, will not sanction or permit any company of whose capital stock the greater part, but not more than eighty per centum (80%) thereof, shall be pledged or assigned hereunder, to issue any bonds, promissory obligations, or other evidences of indebtedness, unless the same be acquired by the Railway Company and assigned, pledged and