

same rate as was borne by the respective bonds on which such installments of interest are overdue; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the said bonds, then to the payment of such principal and without preference or priority of principal over interest interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and the accrued and unpaid interest, subject, however, to the provisions of Section 1 of this Article;

Third. To the payment of the surplus, if any, to the Railway Company, its successors or assigns, or to whosoever lawfully may be entitled to receive the same, or as a court of competent jurisdiction may direct.

Sec. 14. Upon any such sale, whether under the power of sale herein granted or pursuant to judicial proceedings, any purchaser, for or in settlement or payment of the purchase price of the property purchased, shall be entitled to use and apply any General Mortgage bonds, and any matured and unpaid coupons, by presenting such bonds and coupons in order that there may be credited thereon the sums applicable to the payment thereof out of the net proceeds of such sale to the owner of such bonds and coupons at his ratable share of such net proceeds, after the deduction of costs, expenses, compensations and other charges; and thereupon such purchaser shall be credited, on account of such purchase price payable by him, with the portion of such net proceeds that shall be applicable to the payment of, and that shall have been credited upon, the bonds and coupons so presented; and at any such sale, any bondholder may bid for and purchase such property, and may make payment therefor as aforesaid, and upon compliance with the terms of sale, may hold, retain and dispose of such property without further accountability.

Sec. 15. The Railway Company covenants

(1) in case default shall be made in the payment of any interest on any General Mortgage bond or bonds at any time outstanding, and such default shall have continued for a period of six months, or

(2) in case default shall be made in the payment of the principal of any such bonds when the same shall become payable, whether upon the maturity of said bonds or upon declaration as authorized by this indenture, or upon a sale as set forth in Section 12 of this Article, that, upon demand of the Trustee, the Railway Company will pay to the Trustee, for the benefit of the holders of the General Mortgage bonds and coupons then outstanding, the whole amount which then shall have become due and payable on all such bonds and coupons then outstanding, for interest or principal, or both, as the case may be, with interest upon the overdue principal and installments of interest at the same rate as on the bonds which, or the installments of interest on which, are overdue; and, in case the Railway Company shall fail to pay the same forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled to recover judgment for the whole amount so due and unpaid.

The Trustee shall be entitled to recover judgment as aforesaid, either before, during or after the pendency of any proceedings for the enforcement of the lien of this indenture; and the right of the Trustee to recover such judgment shall not be affected by entry or sale hereunder or by the exercise of any other right, power or remedy for the enforcement of the provisions of this indenture or the foreclosure of the lien thereof, and in case of a sale of the property subject to this indenture, and of the application of the proceeds of sale to the payment of the debt hereby secured, the Trustee, in its own name and as trustee of an express trust, shall be entitled to enforce payment of and to receive all amounts then remaining due and unpaid upon any and all General Mortgage bonds then outstanding, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the debt remaining unpaid, with interest. No recovery of any such judgment by the Trustee, and no levy of