

be due and payable, then the payment also of the same. And in case of a failure to pay the principal and interest of the said bonds when said bonds shall become due and payable according to the tenor thereof when demanded then the said trustees or their successors upon the request in writing of the holders of at least one-fifth of the outstanding bonds which shall be impaired shall cause the said premises and property or such part thereof as shall be necessary to discharge the principal and interest of all such bonds as shall then be due and unpaid, to be sold at public auction in the said City of Norfolk giving at least sixty days notice of the time, place and terms of such sale and of the specific property to be sold in newspapers published in the cities of Norfolk, Petersburg, Richmond and Lynnhaven and New York, and shall execute good and sufficient conveyances to the purchasers or purchasers of the same possessing all the right title and interest of the said parties of the first part therein, which shall belong to the said parties of the first part their successors and assigns and all other persons claiming under them of all right, interest or claim in or to the premises which shall be sold and conveyed as aforesaid or any part thereof and shall apply the proceeds of such sale after deducting the cost and expenses thereof and the expenses of this trust in discharge of the principal and interest due upon such of the said bonds as shall be unpaid and the residue thereof shall pay to the said parties of the first part.

And the parties of the first part hereby covenant that they will execute to the parties of the second part any further reasonable conveyances which shall be necessary to effect the objects of this trust and especially for the conveyance of any property hereafter acquired and comprehended in the description contained in the premises.

And the said parties of the first part further covenant that the money borrowed upon the security hereof and of the said bonds shall be applied to the construction of the unfinished part of the said road, to the payment of duties on iron rails, to the purchase of Rolling Stock and Machinery to the erection of all necessary buildings and other structures required about the said road and to the purchase of all necessary materials for the same and to the purchase of such other things and the performance of such other work as may be necessary to the perfect and final completion of said road in all its parts and particulars. And to the expenses attending the purchase of all such things and the performance of all such work and that in the purchase of all such things and in the performance of all such work due diligence shall be observed. But this deed is made upon covenants that nothing herein contained shall prevent the said parties of the first part from selling, by hypothecating or otherwise disposing of any city or other securities received or to be received in payment of stock or otherwise or any land or other property of the parties of the first part not necessary to be returned for the roadway, depot, grounds or stations nor required for the construction or convenient use of said road nor from collecting moneys due them upon stock or otherwise provided they shall collect and apply all such means to the construction of said road and provided also that no default shall have been made in the payment of the principal or interest of the above described bonds.

And it is further stipulated and agreed that the parties of the first part may apply any money or personal property belonging to them to the construction and repairs of the said Railroad or to its current expenses or to the purchase of necessary machinery materials or other things or to the payment of its debts or to the furnishing and equipping the said road. And that all which may be received or acquired thereby shall come to and be held by the parties of the second part upon the trusts herein declared. And it is also further agreed that after deducting from the net profits of the said Railroad an amount sufficient to pay the semi-annual interest on the bonds herein secured, which is pledged for that purpose, and also the further sum of five per centum per annum on the amount of said bonds which the parties of the first part covenant to lay aside as a sinking fund to provide for the payment of the principal of said bonds, the parties of the first part may distribute the residue of said profits in part payment of semi-annual dividends of the said profits to the