and all the property rights, interests, privileges and franchises above enumerated as thereto belonging and shall have and enjoy all the tolls, issues, incomes and profits which may be derived therefrom or any part thereof: Provided, the said Company shall create a sinking fund of all the nett income of the road after paying the necessary expenses of operating and repairing the same, the purchase of the necessary additional equipments and the interest on and providing the required sinking fund for loans of the previous mortgage dated June the 15th 1857 Provided the sinking fund thus created shall not exceed 12 per centum per annum of the income bonds secured by this mortgage, except at the option of the Board of Directors and the amount so set apart shall apply from time to time first to the payment of the semiannual interest thereon and secondly to the principal of said bonds as they shall severally fall due.

But if the said Company shall make default therein or shall fail to pay the semi annual interest on or the principal of said bonds as they shall severally fall due and be demanded according to the tenor thereof, then, after four months after the date of such demand and default the said trustee or his successor shall with the written assent of the trustees of the first mortgage take possession of all or any part of the premises or property hereby granted and by themselves their agents or substitutes duly appointed have, use and employ the same according to the rules, regulations and lawful directions of the president and Directors and agents of said Company and receive and collect the tolls, rents, income and profits of the said Rail road and its appurtenances, and after defraying thereout the necessary expenses of keeping said road, engines, cars and other fixtures in good order the other proper and legitimate expenses of said Company and the interest on and providing the required sinking fund for loans of the previous mortgage herein before specified, and the costs of executing this trust, apply the balance to the payment of the interest due upon said income bonds and if the principal of said bonds shall have become due and payable then to the payment of the same. And in case of failure to pay the principal and interest of said bonds for the period of six months after the time when said bonds shall become due and payable according to the tenor thereof and payment be demanded, then the said trustee or his successor upon the request in writing of the holders of at least one third of said bonds which shall be unpaid shall cause the aforesaid premises and property herein conveyed or so much and such parts thereof as may be necessary for the purpose to be sold at public auction to the highest bidder for ready money in the City of Norfolk after giving at least ninety days notice of the time, place and terms of sale and of the specific property to be sold in newspapers published in each of the cities of Norfolk, Petersburg, Richmond and New York: and shall execute good and sufficient conveyance to the purchaser or purchasers of the same and shall apply the proceeds of such sale (after deducting the expenses thereof and satisfying the requirements of the previous mortgage if any shall then exist binding said property) in discharge of the principal and interest due upon such of said income bonds as shall be unpaid and the residue thereof to the parties of the first part or their assigns

And the parties of the first part hereby covenant that they will execute to