

acquired by the Company after the date of this Indenture, or of any corporation into which the Company may be merged or which may acquire substantially all of the road property and equipment of the Company after the date of this Indenture, provided that such property of such other corporation is subjected to the lien of this Indenture and that such bonded debt is secured by lien or charge on such property prior to the lien of this Indenture. The Company may notify the Corporate Trustee in writing from time to time as property securing such bonded debt is subjected to the lien of this Indenture, describing such bonded debt in such detail as shall be deemed sufficient by the Corporate Trustee. Thereupon Bonds shall be reserved for issue pursuant to this Section in principal amount equal to that of such bonded debt, but the amount of Bonds so reserved shall be reduced as Bonds are from time to time issued pursuant to this Section and may be further reduced as provided in Section 2.07 or 2.11 hereof.

Bonds so reserved shall be authenticated and delivered pursuant to this Section or deposited cash paid out in lieu thereof, only within the limitation of paragraph 4, Part A of Section 2.08.

SECTION 2.05. When and as under the provisions of Section 2.02 or 2.04 hereof there shall be issuable any of the Bonds reserved for the purchase, payment, refunding, retirement of, or in exchange for, the following obligations (hereinafter sometimes referred to as "prior debt bonds"): (1) First Consolidated Bonds, (2) General Unified Bonds or (3) bonded debt of the character described in Section 2.04 hereof if the property securing the same has been subjected to the lien of this Indenture, such reserved Bonds may be issued from time to time as in this Section hereafter provided:

(a) Whenever from time to time there are delivered to and pledged hereunder with the Corporate Trustee either in bearer form or accompanied by proper instruments of assignment and transfer, if required by the Corporate Trustee, and whether before, at or after maturity thereof, any uncanceled prior