

is one of the conditions of this agreement, that the amount of bonds secured on the property of the Air Line Company and the capital stock of said company, shall in no event be increased beyond the amount at present existing, except the same be subordinate to the presents bonds and stock, the interest and dividends on which shall be paid before any interest or dividends shall be paid to the holders of any other stock or bonds, should the Air Line Company, with the consent of the Richmond and Danville Company, hereafter determine to issue any other bonds or stock.

And the Air Line Company also agrees, that it will issue and deliver to the Richmond and Danville Railroad Company its bonds or stock for the amount which the said Richmond and Danville Railroad Company shall have expended in betterments on the property of the said Air Line Company, as hereinbefore provided, in such sums and in such form, the bonds bearing such rate of interest, and payable at such time as the Richmond and Danville Railroad Company may from time to time require, provided, the said Air Line Company has the legal right so to do; and if it has not that right, then it will endeavor to obtain, whenever requested by the Richmond and Danville Railroad Company, the legislation conferring such authority, and when necessary legislative authority shall have been obtained, it will then issue and deliver to the Richmond and Danville Railroad Company such bonds and stock. And it is further agreed, that if at any time hereafter the Richmond and Danville Railroad Company or any Trustee acting for said Company, should become owner of any of the said Mortgage or Income Bonds, or any bonds executed in renewal or extension thereof, or should it or such Trustee pay off and cancel any of said bonds, or if it or such Trustee should become the holder of any of the Capital stock of the said Air Line Company, then said Richmond and Danville Railroad Company shall not be bound under this contract to pay to the Air Line Company the sum of money necessary to pay the interest on said bonds so held or cancelled as aforesaid by the Richmond and Danville Railroad Company, nor to pay the dividends.