

otherwise or for the construction of (a) lines of railroad or branches or extensions of parts thereof or undivided interests therein, (b) lines of motor, air, water or pipe line transportation or parts thereof or undivided interests therein, or (c) units of other property (as distinguished from additions and betterments to existing properties) which the Board of Directors of the Company acquiring the same determines may be advantageously operated as a part of its business.

*Bondable Expenditures for Equipment*

“Bondable Expenditures for Equipment” means Bondable Expenditures for the acquisition or construction of Equipment and for the rebuilding of Equipment so as to constitute the same Rebuilt Equipment.

*Bonded*

“Bonded” means that the Bondable Expenditures or Refundable Bonds, with reference to which such term is used, have been made the basis for or were acquired by (a) the authentication and delivery of Bonds, (b) the release of property theretofore Bonded from the lien hereof or from any Prior Lien, (c) the withdrawal, payment or application of any Deposited Cash or any cash held under any Prior Lien Indenture, other than cash deposited in respect of property not theretofore Bonded, or (d) the application by any Company of cash proceeds of insurance of property theretofore Bonded pursuant to § 5.13 or of sales of property theretofore Bonded pursuant to § 6.07 hereof, or that such Refundable Bonds have been acquired through the surrender or other use under § 7.06 hereof of Refundable Bonds theretofore Bonded; provided, however, that (i) Prior Lien Bonds constituting Bondable Expenditures pursuant to the definition of Bondable Expenditures shall not be deemed to be Bonded as such Bondable Expenditures until Bonds have been issued or Deposited Cash