(Form of Registered Bond without Coupons of Series C)

No. .... $..........

CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD COMPANY

First Mortgage 5½% Bond, Series C,
Due February 1, 1983

Chicago, Rock Island and Pacific Railroad Company, a corporation existing under the laws of the State of Delaware, and having its principal office in the City of Chicago, State of Illinois (herein referred to as the "Company"), for value received, hereby promises to pay to .... or registered assigns, the principal sum of .... Dollars ($..........) on February 1, 1983, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts; and to pay interest on said principal sum in like coin or currency at the rate of 5½% per annum, semi-annually on the first days of February and August of each year, from the date hereof, until said principal sum becomes due and payable as herein provided and thereafter at the highest rate of interest borne by any of the Bonds outstanding under the Mortgage hereinafter referred to until payment of said principal sum.

The principal of and interest on this Bond are payable at the office or agency of the Company in the City of Chicago, State of Illinois, or, at the option of the registered holder hereof, at the office or agency of the Company in the Borough of Manhattan, City and State of New York.

This Bond is one of the First Mortgage Bonds of the Company (herein referred to as the "Bonds"), not limited in aggregate principal amount except as provided in the Mortgage, issued and to be issued under, and all equally and ratably secured by, a mortgage and deed of trust dated as of January 1, 1950 (herein referred to as the "Mortgage"), duly executed and delivered by the Company to The First National Bank of Chicago and Joseph C. Williams, as Trustees, and their successors in trust (which Trustees and their successors in trust are hereinafter referred to as the "Trustees"), to which Mortgage and all indentures sup-

plemental thereto reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of and restrictions upon the Company and the holders of the Bonds and coupons in respect of such security, the rights, duties and immunities of the Trustees and the terms and conditions under which the Bonds are, and may be, issued and secured. By the terms of the Mortgage, the Bonds may be for various principal sums and are issuable in series, and the Bonds of any series may differ from the Bonds of any other series as to denomination, date, maturity, interest rate, redemption, sinking fund provisions and otherwise, all as in the Mortgage provided. Bonds of Series C, of which this is one, are designated as the "First Mortgage 5½% Bonds, Series C, Due February 1, 1983," and the aggregate principal amount thereof is limited to $16,000,000.

If an Event of Default as defined in the Mortgage shall occur, the principal of this Bond may be declared or may become due and payable prior to the stated date of maturity hereof in the manner, with the effect and subject to the conditions provided in the Mortgage.

The Mortgage contains provisions permitting the Company and the Trustees at any time or times, with the consent of the holders of not less than 66⅔% in aggregate principal amount of all of the Bonds then outstanding and to be directly affected thereby, evidenced as in the Mortgage provided, and with the approval of all public regulatory bodies having jurisdiction in the premises, to modify or alter in any manner any of the provisions of the Mortgage or of any indenture supplemental thereto or the rights of the holders of the Bonds and coupons to be directly affected thereby or the rights and obligations of the Company; provided, however, that without the consent of the holder of this Bond, as evidenced by an appropriate legend endorsed hereon (such consent to be conclusive and binding upon such holder and upon all future holders of this Bond), no such modification or alteration shall (i) permit the creation by the Company of any mortgage or other lien in the nature of a mortgage ranking prior to or on a parity with the lien of the Mortgage or of any indenture supplemental thereto, with respect to any property covered thereby, otherwise than as expressly permitted by the Mortgage, or (ii) effect a reduction of the percentage required for any action authorized