

Whenever any registered bond shall be surrendered for transfer the Railway Company shall issue and the Trust Company shall authenticate and deliver, upon surrender and cancellation of the bond or bonds transferred, a like principal amount of new registered bonds, which shall have endorsed thereon the same serial number or numbers of coupon bonds which were endorsed upon the registered bond or bonds so surrendered and canceled. The holder of any registered bond may also exchange such bond, upon surrender and cancellation thereof, for coupon bonds of a like principal amount, bearing all unmatured coupons, and bearing the serial number or numbers endorsed upon the registered bond so surrendered and canceled. Whenever any coupon bond or bonds, together with all unmatured coupons thereto belonging, shall be surrendered for exchange for registered bonds, the Railway Company shall issue and the Trust Company shall authenticate and deliver in exchange for such coupon bonds a like amount of registered bonds, which shall have endorsed thereon the serial number or numbers borne by the coupon bond or bonds so surrendered for exchange. In every case of such exchange the Trust Company forthwith shall cancel the surrendered bond or bonds and coupons, and upon demand shall deliver the same to the Railway Company. Every registered bond shall bear thereon an endorsement in the following form: "This bond is issued in lieu of, or in exchange for, coupon bonds bearing the serial numbers-----, and coupon bonds bearing the same serial numbers will be issued in exchange for this bond, upon surrender and cancellation hereof. Coupon bonds bearing said serial numbers are not contemporaneously issued and outstanding." For any exchange of coupon bonds for registered bonds or of registered bonds for coupon bonds, and for any transfer of registered bonds without coupons, the Railway Company at its option may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge,

or other expense connected therewith, and also of the further sum of one dollar for each new bond issued upon such transfer or exchange.

SEC. 3. As to all registered bonds and all coupon bonds registered as to principal the person in whose name the same shall be registered shall for all purposes of this indenture be deemed and regarded as the owner thereof, and thereafter payment of or on account of the principal of such bond, if it be a registered coupon bond, and of the principal and interest if it be a registered bond without coupons, shall be made only to or upon the order of such registered holder thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bonds to the extent of the sum or sums so paid. The Railway Company and the Trustees may deem and treat the bearer of any coupon bond which shall not at the time be registered as to principal and the bearer of any coupon for interest on such bond, whether such bond shall be registered or not, as the absolute owner of such bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and the Railway Company and the Trustees shall not be affected by any notice to the contrary.

SEC. 4. In case any coupon bond issued hereunder with the coupons thereto appertaining, or any registered bond without coupons, shall become mutilated or be destroyed or lost, the Railway Company, in its discretion, may issue, and thereupon the Trust Company shall authenticate and deliver, a new bond of like tenor and date (including coupons in case of a coupon bond) bearing the same serial number, in exchange and substitution for, and upon cancellation of, the mutilated coupon bond and its coupons or the mutilated registered bond without coupons, or in lieu of or substitution for the coupon

bond and its coupons or the registered bond without coupons so destroyed or lost. The applicant for such substituted bond or coupons shall furnish to the Railway Company and the Trust Company evidence of the destruction or loss of such bond and its coupons so destroyed or lost, which evidence shall be satisfactory to the Railway Company and the Trust Company in their discretion, and said applicant shall also furnish indemnity satisfactory to both of them in their discretion.

SEC. 5. Until the bonds to be issued hereunder can be engraved and printed, the Railway Company may execute and deliver temporary bonds which may be printed or lithographed, registered or negotiable by delivery, and substantially of the tenor of the bonds hereinbefore recited, except that no coupons shall be attached to said bonds, and such temporary bonds may be for the payment of one thousand dollars, or of any multiple thereof, as the Railway Company shall determine. Such temporary bonds issued and authenticated hereunder shall be exchangeable for engraved bonds to be issued hereunder, and upon such exchange said temporary bonds shall be forthwith canceled by the Trust Company and upon demand delivered to the Railway Company. Until so exchanged the temporary bonds shall in all respects be entitled to the lien and security of this indenture as bonds issued and authenticated hereunder; and interest, when and as paid, shall be endorsed thereon.

SEC. 6. Nothing in this indenture, or in the bonds issued hereunder, expressed or implied, is intended, or shall be construed, to give to any person or corporation other than the parties hereto and the holders of bonds issued under and secured by this indenture, any legal or equitable right, remedy or claim under or in respect of this indenture, or under any covenant, condition or provision herein contained; all its

covenants, conditions and provisions being intended to be, and being, for the sole and exclusive benefit of the parties hereto, and of the holders of the first and refunding mortgage bonds.

ARTICLE THREE.

REDEMPTION OF BONDS ON OR PRIOR TO APRIL 1, 1911.

SECTION 1. The entire issue of first and refunding mortgage bonds at the time outstanding may be redeemed, at the option of the Railway Company, on or at any time prior to April 1, 1911, at five per centum premium and accrued interest, provided that notice of such election of the Railway Company shall have been given in two daily newspapers of general circulation in the City of New York, three times a week for nine successive weeks commencing not more than ninety days prior to the day on which such redemption is to be made, stating such election on the part of the Railway Company and that the interest on the first and refunding mortgage bonds then outstanding will cease on said day, and requiring that said bonds be then presented for redemption. Notice having been so given, all the first and refunding mortgage bonds then outstanding shall, on the day designated in such notice, become due and payable at the office or agency of the Railway Company in the City of New York, with a premium of five per centum and the accrued interest thereon to such date of redemption, and from and after such date (unless the Railway Company shall make default in the payment of said bonds) interest on all the first and refunding mortgage bonds then outstanding shall cease, and, on presentation thereof, in accordance with such notice, the principal of said bonds, together with a premium of five per centum and the accrued interest to such date of redemption, shall be paid by the Railway Company.

SEC. 2. On the deposit with the Trust Company of the amount necessary so to redeem all said outstanding bonds,