

held such office at the date hereof or his successor.

Article II.

Any holder of five, or any multiple of five, bonds of the denomination of \$100.00 each may at his option present and surrender such bonds to the Corporate Trustee and receive in exchange therefor, at the Company's expense, a like face amount of bonds of the denomination of \$500.00 each; any holder of one or more bonds of the denomination of \$500.00 each may surrender the same to the Corporate Trustee and receive in exchange therefor, at the Company's expense, a like face amount of bonds of the denomination of \$100.00 each, and in like manner a holder of bonds of any of the denominations herein provided may exchange the same, at the Company's expense, for bonds of other denominations upon the presentation of the proper multiple thereof to the Corporate Trustee. Bonds so issued in exchange shall be numbered successively, beginning with the number next higher than that of the highest numbered certified bond of the denomination to be so issued. In case of such surrender and exchange there shall be surrendered with the bond or bonds so surrendered or exchanged all coupons belonging thereto then in the future to become due, and all bonds so certified and delivered in exchange shall have attached thereto all coupons belonging thereto then in the future to become due. In computing the total amount of bonds authorized to be issued under this indenture, bonds cancelled by way of such exchange shall not be counted. All such bonds and coupons so surrendered to the Corporate Trustee in exchange shall immediately be cancelled by it and shall be delivered to the Company or on its order.

Article III.

It is further covenanted and agreed that any of the bonds issued hereunder may be registered, at the option of the holders, on the books of the Company, such registration to be noted also on the bonds themselves. If registered, they shall pass only by transfer on the books of the Company, noted also on the bonds, but they may be discharged from registration by being so transferred to bearer, after which they shall pass by delivery until again registered. The coupons shall, in all cases, be negotiable by delivery, whether the respective bonds themselves be registered or not.

The Company agrees that it will at all times, so long as the bonds issued hereunder, or any of them, remain outstanding and unpaid, cause to be kept at the office of the First Trust and Savings Bank, Chicago, Illinois, suitable books for the registration and transfer of such bonds as may be presented for that purpose, and the Company hereby constitutes and appoints the First Trust and Savings Bank its bond registrar and transfer agent, with all the powers usual and proper in such cases.

Article IV.

The Company covenants and agrees that it will pay or cause to be paid the bonds herein mentioned and the interest thereon at the time and place and in the manner herein and in said bonds provided, or in the coupons thereto belonging, according to the true intent and meaning thereof; and, in so far as may be permitted by any present or future law, without deduction from either principal or interest, for any tax, assessment, or other governmental charge which the Company or the Trustees, or either of them, may be required to pay thereon or to retain therefrom; under or by reason of any present or future law of the United States of America, or any State, county, municipality or other taxing authority therein, the Company hereby agreeing to pay, so far as may be permitted by law, all such taxes, assessments, or governmental charges or to reimburse the holder the amount thereof.

The interest on the coupons shall be payable only on presentation and surrender of the several coupons for such interest as they respectively mature, and when paid such coupons shall forthwith be cancelled, and delivered to the Company or on its order.

The Company further covenants that it will pay and discharge from time to time all taxes, assessments, imposts and government charges lawfully imposed upon the Company or the trust estate, or any part thereof, or upon the income or profits thereof, or upon the lien or interest of the said Trustees, or either of them, in respect to the trust estate, the liens whereof might or could be prior to the lien of these presents, and that in fault of payment thereof by the Company the Trustees or the holder of any bond secured hereby may pay the same without prejudice, however, to any rights of the Trustees hereunder by reason of such default in payment by the Company, and when so paid the amount thereof with six per cent. interest thereon shall become a lien prior to the said bonds upon the premises hereby conveyed, and shall be protected as such by this instrument.

The Company also covenants that it is well seized and possessed of the trust estate as a good and indefeasible estate in fee simple or possession absolute, as the case may be; that it has good right and lawful authority to mortgage and convey the same as herein written; that the same is free and clear of all incumbrances and that it will warrant and defend the title to said trust estate against all lawful claims and demands whatsoever.

The Company also covenants and agrees to diligently preserve the rights and franchises now or hereafter granted or conferred upon it by the laws of the state of Kansas, or by the ordinances or laws of any city, village, county, township, or other governmental subdivision wherein its railroad or any part thereof shall be constructed, owned or operated, and that in using and operating its railroad and all parts thereof as the same are now or may hereafter be constructed or extended, it will at all times maintain and preserve the same and every part thereof, together with the fixtures and appurtenances, in thorough repair, working order and condition, and adequately supplied with motive power, rolling stock and equipment, and make from time to time all needful and proper repairs, renewals, replacements, betterments and improvements so that the traffic and business thereof, and of every part thereof,