

MORTGAGE RECORD 85

tered Bond or registered Bonds so surrendered.

Whenever any Bond or Bonds exchangeable for Bonds of other denominations, together with all unpaid coupons, if any, thereto appertaining, shall be surrendered for exchange for Bonds of other denominations, the Railroad Company shall execute and the Trustee shall authenticate and deliver, on cancellation of the Bond or Bonds surrendered, a like aggregate principal amount of Bonds of the same series, in such other denominations as may have been authorized, bearing (or if coupon Bonds, with coupons attached representing) interest from the date to which interest shall have been paid on the Bond or Bonds so surrendered.

In every case of exchange, the Trustee forthwith shall cancel the surrendered Bond or Bonds and coupons, and on its written request deliver the same to the Railroad Company or cremate them and deliver to the Railroad Company a certificate or certificates of such cremation.

For any exchange of coupon Bonds for registered Bonds without coupons, or of Registered Bonds without coupons for coupon Bonds, and for any transfer of coupon Bonds registered as to principal and for any registration of coupon Bonds as to principal and for any exchange of Bonds of other denominations, the Railroad Company, at its option, may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge connected therewith, and also of a further sum not exceeding two dollars for each new Bond issued upon any such exchange.

SECTION 10. As to all registered Bonds without coupons and all coupon Bonds registered as to principal, the person in whose name the same shall be registered on the books of the Railroad Company may, for all purposes, 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 of such Bond, 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 or the Bond discharged therefrom as hereinbefore in this Article One provided. All such payments shall be valid and effectual to satisfy and discharge the liability of the Railroad Company upon such Bonds to the extent of the sum or sums so paid. The Railroad Company and the Trustee 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 any coupon Bond, whether such Bond shall be registered as to principal 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 neither the Railroad Company nor the Trustee shall be affected by any notice to the contrary.

SECTION 11. Until the definitive Bonds of any series shall have been prepared and are ready for delivery, the Railroad Company may execute and, upon written request of the Railroad Company, signed by its President, the Trustee shall authenticate and deliver, in lieu of such definitive Bonds and subject to the same provisions, limitations and conditions, temporary Bonds of any denomination, substantially in the form hereinbefore recited, in bearer form with one or more coupons or without coupons, or in registered form without coupons, and with appropriate omissions, insertions and variations, as may be required. Any provision for registration as to principal of Bonds in bearer form, or for the exchange of Bonds in bearer form for Bonds in registered form or of Bonds in registered form for Bonds in bearer form, or for the exchange of Bonds of one denomination for Bonds of another denomination, may be omitted from temporary Bonds of any denomination, or temporary Bonds of any denomination may be made exchangeable for temporary Bonds of any other denomination or denominations, upon such terms and conditions as may be therein expressed.

Upon surrender of any such temporary Bond, the Railroad Company, at its own expense, shall execute and, upon cancellation of such surrendered Bond, the Trustee shall authenticate and deliver in exchange therefor, definitive Bonds, of the same series and for the same aggregate principal amount as the temporary Bond surrendered and otherwise in accordance with the terms of said temporary Bond, bearing interest (or, if coupon Bonds, having coupons attached for interest) from the date to which interest shall have been paid on such surrendered Bond. Until so exchanged, the temporary Bonds shall, in all respects, be entitled to the same lien and security of this Indenture as the definitive Bonds authenticated and delivered hereunder; and interest, when and as payable, shall be paid, if such temporary Bonds shall have been delivered in bearer form without coupons, upon presentation thereof for notation of such payment thereon, or, if such temporary Bonds shall have been delivered in bearer form with coupons, upon presentation and surrender of such coupons as they mature. When definitive Bonds are ready for delivery in exchange for temporary Bonds, the Railroad Company may require that interest thereafter payable shall be paid only upon the surrender of the temporary Bond in exchange for a definitive Bond or Bonds as herein provided.

SECTION 12. In case any Bond, definitive or temporary, shall become mutilated or be destroyed or lost or stolen, the Railroad Company, in its discretion, may execute and thereupon the Trustee shall authenticate and deliver, a new Bond of like tenor and date, in exchange and substitution for, and upon cancellation of, the mutilated Bond and its coupons, or in lieu of, and substitution for, the Bond and its coupons so destroyed or lost or stolen, bearing interest (or, if a coupon Bond, having coupons attached for interest) from the date to which interest shall have been paid on such mutilated, lost, destroyed or stolen Bond. In the case of destruction, loss or theft, the applicant for such substituted Bond shall furnish the Railroad Company and the Trustee such evidence of the destruction, loss or theft of such Bond and its coupons so destroyed, lost or stolen, as shall be satisfactory to the Railroad Company and the Trustee, respectively, in their discretion. Every applicant for a substitute Bond shall furnish indemnity satisfactory to the Railroad Company and the Trustee, in their discretion, and shall comply with such other reasonable regulations as the Railroad Company or the Trustee may prescribe.

SECTION 13. Definitive Bonds of Series A shall be issuable as coupon Bonds, registerable as to principal, and as registered Bonds without coupons. All coupon Bonds of Series A shall be dated June 1, 1940. All Bonds of Series A shall be payable on June 1, 1980 and shall bear interest at the rate of three and one-half per cent. ($3\frac{1}{2}\%$) per annum, payable semi-annually on June 1 and December 1 in each year. The definitive coupon Bonds of Series A shall be issued in the denomination of \$1000 each, and the definitive registered Bonds without coupons of Series A shall be issued in denominations of \$1000 and such multiples thereof as the Board of Directors of the Railroad Company may from time to time authorize. Coupon Bonds of Series A and registered Bonds of Series A without coupons shall be interchangeable in like aggregate principal amounts. The aggregate principal amount of the Bonds of Series A which may be authenticated and delivered by the Trustee is limited to \$81,602,000 except as provided in Sections 8, 9, 11 and 12 of this Article One.

The Bonds of Series A may be redeemed prior to maturity at the option of the Railroad Company as a whole on any date, or in part in amounts of Five Million Dollars (\$5,000,000) or any multiple thereof on any interest payment date, at the principal amount thereof and unpaid interest accrued thereon to the date fixed for redemption, together with premiums equal to the following respective percentages of the principal amount, namely, $\frac{1}{2}\%$ if redeemed on or before June 1, 1950; $\frac{3}{4}\%$ if redeemed thereafter and on or before June 1, 1955; 1% if redeemed thereafter and on or before June 1, 1960; $1\frac{1}{4}\%$ if redeemed thereafter and on or before June 1, 1965; $1\frac{1}{2}\%$ if redeemed thereafter and on or before June 1, 1970; $1\frac{3}{4}\%$ if redeemed thereafter and on or before June 1, 1975; and 2% if redeemed thereafter and on or before June 1, 1978.

The Bonds of Series A are subject to redemption by operation of the sinking fund, provided for by Article Five hereof, on June 1, 1951, or any interest date thereafter at the principal amount thereof and unpaid interest accrued thereon to the date fixed for redemption, together with premiums equal to the following respective percentages of the principal amount, namely, $\frac{1}{2}\%$ if redeemed on or before June 1, 1955; $\frac{3}{4}\%$ if redeemed thereafter and on or before June 1, 1960; 1% if redeemed thereafter and on or before June 1, 1965; $1\frac{1}{4}\%$ if redeemed thereafter and on or before June 1, 1970; $1\frac{3}{4}\%$ if redeemed thereafter and on or before June 1, 1975; and 2% if redeemed thereafter and on or before June 1, 1978.

ARTICLE TWO.

ISSUE AND APPROPRIATION OF BONDS.

SECTION 1. Upon or at any time after the execution of this Indenture, the Railroad Company shall execute and deliver to the Trustee Eighty-one Million Six Hundred Two Thousand Dollars (\$81,602,000)