

## MORTGAGE RECORD 85

charges and subject to the terms and conditions specified in the Indenture.

No recourse shall be had for the payment of the principal of or interest on this bond or for any claim based on this bond or otherwise in respect hereof or of the Indenture or of any Indenture supplemental thereto, against any incorporator or any past, present or future stockholder, officer or director of the Corporation, or of any predecessor or successor corporation, whether by virtue of any constitutional provision, statute or rule of law or equity, or by the enforcement of any assessment or penalty or otherwise; all such liability being, by the acceptance of this bond and as part of the consideration for the issue of it, expressly waived and released by every registered owner or holder hereof, as more fully provided in the Indenture.

This bond shall not be entitled to any benefit under the Indenture or under any Indenture supplemental thereto, nor shall it become valid or obligatory for any purpose, until Old Colony Trust Company as Trustee under the Indenture, or a successor trustee thereunder, shall have duly signed the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, THE AMERICAN TELEPHONE COMPANY has caused this bond to be signed in its name by its President or a Vice-President, and has caused its corporate seal to be affixed hereto and attested by its Secretary or Assistant Secretary, and has caused this bond to be dated

THE AMERICAN TELEPHONE COMPANY,

Attest:

By

President.

Secretary.

(FORM OF COUPON BOND OF SERIES A)  
THE AMERICAN TELEPHONE COMPANY.  
FIRST MORTGAGE BOND, SERIES A, 3 3/4 %.  
Due April 1, 1966.

No.

THE AMERICAN TELEPHONE COMPANY, a corporation of the State of Kansas (hereinafter called the "Corporation", which term shall include any successor corporation as defined in the Indenture referred to below), for value received, hereby promises to pay to the bearer, or if this bond be registered as to principal to the registered owner hereof, upon surrender hereof, at the principal office of the Trustee in the City of Boston, Massachusetts, on the first day of April, 1966, the sum of \_\_\_\_\_ Dollars (\$) in coin or currency which at the time of payment is legal tender for public and private debts in the United States of America, and to pay interest thereon at the above mentioned office or agency of the Corporation from the first day of April, 1941, at the rate of three and three-quarters per cent. (3 3/4%) each year until maturity, in like coin or currency, semi-annually on the first day of April and the first day of October in each year, payable until maturity only upon surrender of the respective coupons hereto attached as they severally become due.

This bond is one of a duly authorized issue of First Mortgage Bonds unlimited as to aggregate principal amount except as provided in the Indenture hereinafter referred to, all issued and to be issued pursuant to and to be equally secured by an Indenture of Mortgage (herein called the "Indenture") dated as of April 1, 1941, duly executed and delivered by the Corporation to the Trustee. Reference is hereby made to the Indenture and to all Indentures supplemental thereto for a description of the property mortgaged and pledged, and for a statement of the nature and extent of the security, the rights of the holders and registered owners of the bonds and of the Trustee in respect to such security, and the terms and conditions upon which the bonds may be issued under the Indenture. However, neither the foregoing reference to the Indenture nor any provision of this bond or of the Indenture or of any Indenture supplemental thereto shall affect or impair the obligation of the Corporation (which obligation is absolute and unconditional) to pay at the stated or accelerated maturities provided herein or in the Indenture, the principal of this bond and any premium which may be due and payable on this bond and the interest hereon, as provided herein. The bonds are issuable in series, which different series may mature at different times (but no other series shall mature prior to the maturity of the bonds of Series A while such bonds of Series A are outstanding). The bonds of such different series may bear interest at different rates, may be redeemable at different rates and at different times (but no bonds of series other than Series A shall be redeemable prior to the redemption of the bonds of Series A except as provided in the Indenture). The bonds of different series may otherwise vary as provided in the Indenture.

This bond is one of the bonds described in the Indenture and designated therein as "First Mortgage Bonds, Series A, 3 3/4%" (which bonds are herein referred to as the "bonds of Series A").

The Corporation and the Trustee may treat the bearer of this bond, or, if this bond be registered as to principal as herein authorized, the person in whose name this bond is registered, as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and for all other purposes, except to receive payment of interest represented by outstanding coupons, and shall not be affected by any notice to the contrary.

The bonds of Series A are subject to redemption prior to maturity, as a whole, or in part, at any time and from time to time either at the option of the Corporation or pursuant to certain requirements of the Indenture, upon notice published in one daily newspaper printed in the English language which is published in and is of general circulation in the City of Boston, Massachusetts (the first publication to be at least thirty (30) days before the redemption date), or, at the option of the Corporation (if all the bonds of Series A which are to be redeemed are registered bonds without coupons or are coupon bonds registered as to principal, or both), upon notice mailed by registered mail to the registered owners of all such bonds at least twenty-five (25) days before the redemption date; all such provisions as to redemption being on the conditions and in the manner provided in the Indenture.

If the bonds of Series A are redeemed by the application of moneys in the Sinking Fund provided for in Article III of the Indenture, or of moneys in the Maintenance Fund provided for in Article IV of the Indenture, or of moneys received in connection with any release of property upon any acquisition of such property by any governmental body, then the bonds of Series A are subject to such redemption, in coin or currency which at the time of payment is legal tender for public and private debts in the United States of America, at the following redemption prices:

To and including March 31, 1942, at one hundred five per cent. (105%) of the principal amount thereof; Thereafter, to and including March 31, 1943, at one hundred four and 87/100 per cent. (104.87%) of the principal amount thereof;

Thereafter, to and including March 31, 1944, at one hundred four and 74/100 per cent. (104.74%) of the principal amount thereof;

Thereafter, to and including March 31, 1945, at one hundred four and 60/100 per cent. (104.60%) of the principal amount thereof;

Thereafter, to and including March 31, 1946, at one hundred four and 46/100 per cent. (104.46%) of the principal amount thereof;

Thereafter, to and including March 31, 1947, at one hundred four and 31/100 per cent. (104.31%) of the principal amount thereof;

Thereafter, to and including March 31, 1948, at one hundred four and 16/100 per cent. (104.16%) of the principal amount thereof;

Thereafter, to and including March 31, 1949, at one hundred four per cent. (104%) of the principal amount thereof;

Thereafter, to and including March 31, 1950, at one hundred three and 83/100 per cent. (103.83%) of the principal amount thereof;

Thereafter, to and including March 31, 1951, at one hundred three and 67/100 per cent. (103.67%) of the principal amount thereof;