

MORTGAGE RECORD 85

Thereafter, to and including March 31, 1952, at one hundred three and 49/100 per cent. (103.49%) of the principal amount thereof;

Thereafter, to and including March 31, 1953, at one hundred three and 31/100 per cent. (103.31%) of the principal amount thereof;

Thereafter, to and including March 31, 1954, at one hundred three and 12/100 per cent. (103.12%) of the principal amount thereof;

Thereafter, to and including March 31, 1955, at one hundred two and 93/100 per cent. (102.93%) of the principal amount thereof;

Thereafter, to and including March 31, 1956, at one hundred two and 73/100 per cent. (102.73%) of the principal amount thereof;

Thereafter, to and including March 31, 1957, at one hundred two and 52/100 per cent. (102.52%) of the principal amount thereof;

Thereafter, to and including March 31, 1958, at one hundred two and 30/100 per cent. (102.30%) of the principal amount thereof;

Thereafter, to and including March 31, 1959, at one hundred two and 8/100 per cent. (102.08%) of the principal amount thereof;

Thereafter, to and including March 31, 1960, at one hundred one and 85/100 per cent. (101.85%) of the principal amount thereof;

Thereafter, to and including March 31, 1961, at one hundred one and 61/100 per cent. (101.61%) of the principal amount thereof;

Thereafter, to and including March 31, 1962, at one hundred one and 37/100 per cent. (101.37%) of the principal amount thereof;

Thereafter, to and including March 31, 1963, at one hundred one and 11/100 per cent. (101.11%) of the principal amount thereof;

Thereafter, to and including March 31, 1964, at one hundred and 85/100 per cent. (100.85%) of the principal amount thereof;

Thereafter, to and including March 31, 1965, at one hundred and 57/100 per cent. (100.57%) of the principal amount thereof;

Thereafter until maturity at one hundred per cent. (100%) of the principal amount thereof; in each case together with interest accrued to the date fixed for redemption.

If the bonds of Series A are redeemed otherwise than by the application of such moneys as are referred to in the next preceding paragraph, then such bonds of Series A are subject to redemption in like coin or currency at the following redemption prices:

To and including March 31, 1946, at one hundred eight and 3/4 per cent. (108 3/4%) of the principal amount thereof;

Thereafter, to and including March 31, 1949, at one hundred seven per cent. (107%) of the principal amount thereof;

Thereafter, to and including March 31, 1952, at one hundred six per cent. (106%) of the principal amount thereof;

Thereafter, to and including March 31, 1955, at one hundred five per cent. (105%) of the principal amount thereof;

Thereafter, to and including March 31, 1958, at one hundred four per cent. (104%) of the principal amount thereof;

Thereafter, to and including March 31, 1961, at one hundred three per cent. (103%) of the principal amount thereof;

Thereafter, to and including March 31, 1964, at one hundred two per cent. (102%) of the principal amount thereof;

Thereafter, to and including March 31, 1965, at one hundred one per cent. (101%) of the principal amount thereof;

Thereafter, to and including October 1, 1965, at one hundred 1/2 per cent. (100 1/2%) of the principal amount thereof;

Thereafter until maturity at one hundred per cent. (100%) of the principal amount thereof; in each case together with interest accrued to the date fixed for such redemption.

If this bond is called for redemption and if payment hereof is duly provided for as specified in the Indenture interest shall cease to accrue on this bond from the date so fixed for redemption.

Upon the happening of a default, as provided in the Indenture, the principal of this bond may be declared or may become due prior to its maturity date, on the conditions and in the manner and with the effect and subject to the conditions provided in the Indenture; subject, however, to the right, under certain circumstances, of the holders or registered owners of a majority in principal amount of the bonds outstanding to annul such declaration.

This bond is transferable by delivery except while registered as to principal. This bond may be registered as to principal in the name of the holder on books of the Corporation to be kept for that purpose at the office of the Trustee in the City of Boston, Massachusetts, such registration to be noted hereon. After such registration, no valid transfer hereof can be made, except on such books, by the registered owner in person or by his duly authorized attorney, and such transfer shall be similarly noted hereon. This bond, however, may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; and this bond may again, from time to time be registered or discharged from registration in the same manner and with the same effect. Such registration, however, shall not affect the negotiability of the coupons for interest attached hereto, which shall always continue to be payable to bearer and to be transferable by delivery merely, and payment to the bearer of any such coupons shall fully discharge the Corporation in respect to the interest mentioned in such coupon whether or not this bond be registered.

The holder or registered owner of any coupon bond or bonds or Series A may, at his option, surrender such bond or bonds at the office of the Trustee above mentioned, with all unmaturing coupons attached, in exchange for a registered bond or registered bonds without coupons of Series A, of any authorized denomination and of equal aggregate principal amount, or for another coupon bond or other coupon bonds of Series A of the other authorized denomination (if another denomination at the time be authorized), with all unmaturing coupons attached, of equal aggregate principal amount; all upon payment of the charges and subject to 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.

Neither this bond nor any coupon hereto attached shall be entitled to any benefit under the Indenture or under any indenture supplemental thereto, or shall 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 by a Vice-President, and has caused its corporate seal to be affixed hereto and attested by its Secretary or an Assistant Secretary, and interest coupons bearing the facsimile signature of its Treasurer to be attached hereto, and has caused this bond to be dated April 1, 1941.

THE AMERICAN TELEPHONE COMPANY,

Attest:

By

President.

Secretary.