

the principal lines of railways and other properties and franchises heretofore owned by the Debtor and by Joseph B. Fleming and Aaron Cohen, as trustees of the Debtor's property, by virtue of appropriate assignments from said trustees and has accepted by appropriate assignments and now owns the several lines of railway and other property and franchises heretofore owned by The Chicago, Rock Island and Gulf Railway Company, a corporation of the State of Texas, Chicago, Oklahoma and Gulf Railroad Company, a corporation organized under an Act of Congress approved August 24, 1894, as amended by an act approved March 25, 1904, Rock Island, Arkansas and Louisiana Railroad Company, a corporation of the States of Arkansas and Louisiana, Rock Island Memphis Terminal Railroad Company, a corporation of the State of Tennessee, Rock Island Omaha Terminal Railway Company, a corporation of the State of Nebraska, Rock Island, Stuttgart and Southern Railway Company, a corporation of the State of Arkansas, and St. Paul and Kansas City Short Line Railroad Company, a corporation of the State of Iowa, and by Joseph B. Fleming and Aaron Cohen, as trustees of their several properties, and by Morris Terminal Railway Company, a corporation of the State of Illinois, and certain properties heretofore owned by Rock Island Improvement Company, a corporation of the State of New Jersey; and

Whereas, in order to comply with the provisions of the Plan and orders of the Court and to provide funds for its lawful corporate purposes, the Company has duly determined to issue its First Mortgage Bonds, not limited in aggregate principal amount except as hereinafter provided, to be secured by the Mortgage on the real and personal property of the Company hereinafter described or referred to as being or to become subject to the lien hereof, such Bonds to be issued in one or more series from time to time, the Bonds of each series to be issued originally either as coupon Bonds registerable

as to principal or as registered Bonds without coupons, or both, and all such Bonds to be authenticated by the certificate of the Corporate Trustee, all as hereinafter provided; and

Whereas, in accordance with the Plan, the Reorganization Managers designated pursuant thereto have duly determined the form and provisions of the Mortgage and of the Bonds of Series A to be issued hereunder and of the coupons appertaining thereto; and

Whereas, the Bonds of Series A, the interest coupons to be attached to the coupon Bonds of Series A, and the Corporate Trustee's certificate of authentication to be endorsed on the Bonds of all series, are to be substantially in the following form, respectively:

#### (Form of Coupon Bond of Series A)

NO. \_\_\_\_\_  
CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD COMPANY  
First Mortgage 4½% Bonds, Series A.  
Dated January 1, 1924.

**CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD COMPANY**, a corporation existing under the laws of the State of Delaware, and having its principal office in the City of Chicago, State of Illinois, hereon referred to as the "Company," for value received, hereby promises to pay to bearer or, if this Bond be registered as to principal, then to the registered holder hereof, on January 1, 1924, the principal sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts; and to pay interest on said principal sum in like coin or currency at the rate of 4½% per annum, semi-annually on the first days of January and July of each year, from January 1, 1928, until said principal sum becomes due and payable as herein provided; and, if default be made in the payment of said principal sum when so due and payable, thereafter (to the extent permitted by law) at the highest

rate of interest borne by any of the Bonds outstanding under the Mortgage hereinafter referred to until the Company's obligation with respect to the payment of said principal sum shall be discharged as provided in the Mortgage, but only, in the case of interest due on or before the date said principal sum becomes due and payable, upon presentation and surrender of the respective interest coupons hereto appertaining as they shall mature.

The principal of, premium if any, and interest on this Bond are payable at the office or agency of the Company in the City of Chicago, State of Illinois, or, at the option of the holder hereof, at the office or agency of the Company in the Borough of Manhattan, City and State of New York.

This Bond is one of the First Mortgage Bonds of the Company (herein referred to as the "Bonds"), not limited in aggregate principal amount except as provided in the Mortgage, issued and to be issued under, and all validly and ratably secured by, a mortgage and deed of trust dated as of January 1, 1928, herein referred to as the "Mortgage," duly executed and delivered by the Company to The First National Bank of Chicago and Joseph C. Williams, as Trustee, and their successors in trust (which Trustee and their successors in trust are hereinafter referred to as the "Trustee"), to which Mortgage and all indentures supplemental thereto, reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of and restrictions upon the Company and the holders of the Bonds and coupons in respect of such security, the rights, duties and immunities of the Trustee and the terms and conditions under which the Bonds are, and may be, issued and secured. By the terms of the Mortgage, the Bonds may be for various principal sums and are issuable in series, and the Bonds of any series may differ from the Bonds of any other series as to denomination, rate of interest, interest rate, redemption, sinking fund provisions and otherwise all as in the Mortgage provided. Bonds of Series A, of which this is one, are designated as the "First Mortgage 4½% Bonds, Series A, due January 1, 1924," and the aggregate principal amount thereof is limited to \$3,917,000.

If an event of default as defined in the Mortgage shall occur, the principal of this Bond may be declared or may become due and payable prior to the stated date of maturity hereof in the manner, with the effect and subject to the conditions provided in the Mortgage.

The Mortgage contains provisions permitting the Company and the Trustee at any time or times, with the consent of the holders of not less than 66⅔% in aggregate principal amount of the Bonds then outstanding and to be directly affected thereby, evidenced as in the Mortgage provided, and with the approval of the Interstate Commerce Commission, or other public regulatory body having jurisdiction in the premises, to modify or alter in any manner any of the provisions of the Mortgage or of any indenture supplemental thereto or the rights of the holders of the Bonds and coupons to be directly affected thereby or the rights and obligations of the Company, provided, however, that without the consent of the holder of this Bond, as evidenced by an appropriate legend endorsed hereon (such consent to be conclusive and binding upon such holder and upon all future holders of the Bond), no such modification or alteration shall (i) permit the creation by the Company of any mortgage or other lien in the nature of a mortgage ranking prior to or on a parity with the lien of the Mortgage or of any indenture supplemental thereto, with respect to any property covered thereby, otherwise than as permitted by the Mortgage, or (ii) effect a reduction of the percentage required for any action authorized to be taken by the holders of the Bonds, or (iii) alter or impair the obligation of the Company to pay the principal amount or the interest specified in this Bond at the places and in the manner specified in this Bond or in any interest coupon appertaining hereto, or (iv) alter or impair the obligation of the Company to pay the principal or the interest specified in this Bond at the place specified in this Bond or in any interest coupon appertaining hereto, unless the holders of at least 75% in aggregate principal amount of all of the Bonds at the time outstanding, as defined as in the Mortgage provided, and with the approval of the Interstate Commerce Commission or other public regulatory body having jurisdiction in the premises, shall have consented to extend to any fixed or de-