over, or intended so to be, or which may in any manner become subject to the lien of the Mortgage by indentures supplemental hereto or otherwise (all of which property at any given time subject to the lien of the Mortgage, whether by the terms of the Mortgage, including the after-acquired property clauses thereof, or by subsequent conveyance, delivery or pledge to the Trustees, or either of them, or otherwise, is herein sometimes referred to as the "mortgaged property");

SUBJECT, HOWEVER, to the following:

(1) The prior rights, charges, lien and title under the following Equipment Obligations of the Company:

(a) Conditional Sale Agreement, dated June 1, 1944, between the Trustees of the Estate of The Chicago, Rock Island and Pacific Railway Company and The First National Bank of Chicago, owner by assignment from Rock Island Improvement Company, vendor and prior owner, final monthly installment of principal due July 1, 1954;

(b) Conditional Sale Agreement, dated September 1, 1945, between the Trustees of the Estate of The Chicago, Rock Island and Pacific Railway Company and The First National Bank of Chicago, owner by assignment from Rock Island Improvement Company, vendor and prior owner, final monthly installment of principal due September 1, 1955;

(c) Conditional Sale Agreement, dated March 1, 1948, between Chicago, Rock Island and Pacific Railroad Company and Mercantile-Commerce Bank and Trust Company, owner by assignment from Rock Island Improvement Company, vendor and prior owner, final monthly installment of principal due March 1, 1956;

(d) Equipment Trust Agreement and Lease, Series "A", dated July 1, 1948, between Chicago, Rock Island and Pacific Railroad Company and The First National Bank of Chicago, Trustee, final semi-annual installment of principal due July 1, 1963;

(e) Equipment Trust Agreement and Lease, Series "B", dated September 15, 1948, between Chicago, Rock Island and Pacific Railroad Company and Harris Trust and Savings Bank, Trustee, final semi-annual installment of principal due September 15, 1958;

(f) Equipment Trust Agreement and Lease, Series "C", dated April 1, 1949, between Chicago, Rock Island and Pacific Railroad Company and The Northern Trust Company, Trustee, final semi-annual installment of principal due April 1, 1961;

(g) Equipment Trust Agreement and Lease, Series "D", dated May 15, 1949, between Chicago, Rock Island and Pacific Railroad Company and The First National Bank of Chicago, Trustee, final semi-annual installment of principal due May 15, 1961;

(h) Equipment Trust Agreement and Lease, Series "E", dated June 20, 1949, effective July 1, 1949, between Chicago, Rock Island and Pacific Railroad Company and Continental Illinois National Bank and Trust Company of Chicago, Trustee, final semi-annual installment of principal due July 1, 1961;

(i) Equipment Trust Agreement and Lease, Series "F", dated October 1, 1949, between Chicago, Rock Island and Pacific Railroad Company and Harris Trust and Savings Bank, Trustee, final semi-annual installment of principal due October 1, 1961;

under which Equipment Obligations the unpaid balance of outstanding obligations as of the close of business on December 31, 1949, aggregated $27,281,382 in principal amount; and

(2) All and singular the other matters hereinabove set forth in the granting clauses hereof and to Permitted Encumbrances (as defined in Article I) but only to the extent that the same shall constitute a prior lien or charge of record against any part of the mortgaged property;