shall be required or permitted by the Uniform System of Accounts to be charged to Road and Equipment Account at the original cost thereof when first devoted to railroad purposes, the excess of such original cost over the cost or investment of the Company therein, and (b) the aggregate principal amount of any indebtedness secured by Prior Liens thereon, whether or not assumed or guaranteed by the Company; and, when used with reference to Railroad Subsidiary Bonds and Railroad Subsidiary Stocks, shall mean the amount properly charged to investment accounts in accordance with the Uniform System of Accounts as the cost or investment of the Company therein.

"Cost of Additions and Betterments" shall mean the amount properly charged to Road and Equipment Account as the cost or investment of the Company therein.

"Daily Newspaper" shall mean, with respect to any City or Borough, a newspaper printed in the English language and customarily published on each business day and of general circulation in such City or Borough.

"Debt Securities" shall mean Prior Lien Bonds, Railroad Subsidiary Bonds, and the bonds, notes, certificates of indebtedness and other obligations and claims for the payment of money of any corporation or analogous legal entity other than the Company.

"Equipment" shall mean locomotives, however propelled or operated, passenger, freight, mail, express, baggage or other railway cars.

"Equipment Obligation" shall mean with respect to the Company any obligation or guaranty of the Company, and with respect to a Railroad Subsidiary any obligation or guaranty of such Railroad Subsidiary, issued under and secured by a right, charge, lien or title with respect to Equipment evidenced by an equipment trust agreement, conditional sale

agreement, rental agreement, lease, chattel mortgage or other such instrument.

"Event of Default" shall mean any event defined as such in Section 2 of Article XIV.

"Fixed Interest" shall mean, with respect to the Bonds or other obligations of the Company, the interest thereon to the extent that such interest is payable unconditionally.

"Independent Engineer" shall mean any individual, partnership or corporation engaged in the engineering business and satisfactory to the Corporate Trustee, provided such individual, partnership or corporation has no financial interest in the transaction to which his, their or its certificate or opinion relates and neither such individual nor any partner of such partnership nor any officer or director of such corporation is an officer, director or employee of the Company or of any Railroad Subsidiary.

"Independent Engineer's Certificate" shall mean a certificate signed and verified by an Independent Engineer and dated not more than 60 days prior to the delivery thereof to the Corporate Trustee.

"Individual Trustee" shall mean Joseph C. Williams or any individual who shall be his successor as a Trustee under the Mortgage.

"Mortgage" shall mean this indenture as originally executed or as the same may be supplemented, modified or amended from time to time.

"Net Cost," when used in connection with any Application with respect to Additions and Betterments, shall mean the Cost of such Additions and Betterments minus:

(a) The aggregate amounts credited to Road and Equipment Account prior to the date of such Application, in accordance with the requirements of the Uniform