REEL 21
NO. 21

STATE OF WISCONSIN



SECRETARY OF STATE

RAILROAD MORTGAGES

VOL. 21

414.53

FIRST AND REFUNDING GOLD BOND

MORTGAGE

CHICAGO AND NORTHWESTERN RAILWAY COMPANY

TO

THE FARMERS' LOAN AND TRUST COMPANY,

AND

EDWIN S. MARSTON, TRUSTEES

MAY 1, 1920.--MAY 1, 2037

THIS INDENTURE, Made this first day of May, 1920, by and between the CHICAGO AND NORTH WESTERN RAILWAY COMPANY, (hereinafter called the "Railway Company"), a corporation of the States of Illinois, Wisconsin and Michigan, party of the first part, and THE FARMERS' LOAN AND TRUST COMPANY, (hereinafter called the "Trustee"), a corporation of the State of New York, and EDWIN S. MARSTON (hereinafter called the "Individual Trustee") of the City and State of New York, parties of the second part:

WHEREAS, at a meeting of the Board of Directors of the Railway Company, duly called and held at the office of the Company in the City of New York, State of New York, on the 4th day of December, 1919, a quorum being present, the following resolution among others was duly adopted:

Resolved, that there hereby is authorized the creation by the Chicago and North Western Railway Company of a bonded indebtedness, by the issue, at such times and in such amounts as, from time to time, its Board of Directors or Executive Committee may determine, of bonds payable in gold coin of the United States of America of or equal to the present standard of weight and fineness, and limited so that the amount thereof at any one time outstanding, together with all outstanding prior debt of the Railway Company, after deducting therefrom the amount of all bonds reserved to retire prior debt at or before maturity, shall not exceed three times the par value of the then outstanding capital stock of the Railway Company, or of a successor corporation, maturing May 1, A. D. 2037, and bearing a rate of interest, not exceeding the lawful rate, to be determined by the Board of Directors or Executive Committee at the time of issue, payable semi-annually; and the execution and delivery by the Railway Company of a First and Refunding Gold Bond Mortgage to Trustees to be hereafter designated by the Board of Directors, dated May 1, 1920, conveying in trust the corporate property and franchises described therein, to secure the payment of all such bonds which are to be issued for the purpose of exchanging, redeeming, purchasing, retiring, refunding or paying, before, at or after maturity, the outstanding obligations of the Railway Company, and of other companies whose properties now are or hereafter shall be owned or acquired by the Chicago and North Western Railway Company by consolidation, purchase or otherwise; for the purpose of the future enlargement, improvement, extension and equipment of the properties of the Railway Company and of such other companies; for the construction, purchase or acquisition of other railways and property, or for the purpose of reimbursing the Railway Company for moneys which at any time may be or may have been expended for

any of the purposes aforesaid; and

WHEREAS, the Board of Directors of the Railway Company, at a meeting duly held, has designated The Farmers' Loan and Trust Company, a corporation of the State of New York, and Edwin S. Marston, of the City and State of New York, parties hereto of the second part, as and for the Trustees to be named in such First and Refunding Gold Bond Mortgage; and

WHEREAS, the execution and delivery of this indenture, in this printed form, to be known as the First and Refunding Gold Bond Mortgage of the Railway Company, to secure thebonded indebtedness so authorized and evidenced by the bonds hereinafter described, has been authorized and directed by the Board of Directors and the creation of said bonded indebtedness and said execution and delivery of this indenture has also been authorized and concurred in by the holders of more than two-thirds in amount of the capital stock of the Railway Company, at meetings of said Directors and of said Stockholders, duly called and held for such purpose; and

WHEREAS, the forms of the coupon bonds and of the coupons to be attached thereunto (except that all coupons numbered one, being for the first interest payment accruing, shall call for seven months' interest, payable December 1, 1920, and that all coupons numbered two hundred thirty-four, being for the last interest payment accruing, shall call for five months' interest, payable May 1, 2037), and of the registered bonds which are to be secured by this indenture, and of the certificate for authentication of said bonds are (subject to such appropriate insertions, omissions or variations as may be permitted by the terms hereof) to be severally and respectively substantially as follows, to wit:

(Form of Coupon Bond.)

No._____ $1,000.

UNITED STATES OF AMERICA.

CHICAGO AND NORTH WESTERN RAILWAY COMPANY

First and Refunding MOrtgage ..... Per Cent

GOld Coupon Bond.

Chicago and Northwestern Railway Company, a corporation, hereinafter called "Railway Company," for value received, hereby promises to pay to the bearer hereof, or, if registered holder hereof, the sum of One Thousand Dollars ($1,000) in United States gold coin on the first day of May, A. D. 2037, at the office or agency of the Railway Company in the Borough of Manhattan, City of New York, and to pay interest thereon from May 1, 1920, at the rate of ..... per cent per annum, in like gold coin, on the first day of December, 1920, and thereafter semi-annually on the first day of June and of December in each year, and on the first day of May, 2037, at said office or agency in the City of New York, but only on presentation and surrender as they severally become due of the annexed coupons representing such interest, such United States gold coin in every case to be of or equal to the standard of weight and fineness existing May 1, 1920.

This bond is one of the First and Refunding Mortgage Gold Bonds (coupon and registered

of the Railway Company, issued and to be issued under and pursuant to and all equally secured by an indenture dated May 1, 1920, executed by the Railway Company to The Farmers' Loan and Trust Company and Edwin S. Marston, as Trustees, conveying all the property and franchises of the Railway Company mentioned in said indenture, to which reference is hereby made for a statement of the property and franchises mortgaged and of the rights of the holders of said bonds under the same.

The authorized issue of bonds under said indenture is limited to an amount which, together with all outstanding prior debt of the Railway Company, as defined in said indenture, after deducting therefrom the amount of all bonds reserved to retire prior debt at or before maturity, shall not exceed three times the par value of the then outstanding capital stock of the Railway Company, or of a successor corporation.

In case of certain defaults specified in said indenture, the principal of all the bonds issued thereunder may become or be declared due and payable, in the manner and with the effect provided in said indenture.

This bond shall pass by delivery unless registered in the owner's name at the office or agency of the Railway Company in the Borough of Manhattan, City of New York, such registry being noted on the bond by the Railway Company. After such registration no transfer shall be valid unless made at said office or agency by the registered owner or by his duly authorized attorney, and similarly noted by the Railway Company on the bond; but the same may be discharged from registry by being transferred to bearer, and thereafter transferability by delivery shall be restored; and this bond may again from time to time be registered or transferred to bearer as before. Registration of this bond, however, shall not affect the negotiability of the coupons, which shall continue to be transferable by delivery merely.

The holder hereof may surrender for cancellation this bond, with all unmatured coupons thereof, in exchange for a registered bond without coupons, bearing the same rate of interest, and such registered bond may in turn be exchanged for a coupon bond, in each case in the manner prescribed in said indenture and on payment, if the Railway Company shall require it, of the charge therein provided for.

No recourse shall be had for the payment of the principal or interest of this bond, or for any claim based thereon or otherwise in respect thereof or of said indenture, against any incorporator, stockholder, officer or director, past, present or future, of the Railway Company, or of any successor corporation, either directly or through the Railway Company, or such successor corporation, whether by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise, all such liability being, by the acceptance here of and as part of the consideration for the issue hereof, expressly waived, as provided in said indenture.

This bond shall not become obligatory for any purpose until the certificate endorsed hereon shall have been signed by The Farmers' Loan and Trust Company, Trustee, or its successor as corporate trustee under said indenture.

IN WITNESS WHEREOF, the ChIcagO and NOrth Western Railway COmpany has caused this

bond to be signed by its President or Vice President, and its corporate seal to be hereto arfixed and the same to be attested oy the signature of its Secretary or Assistant Secretary, and coupons for said interest with the engraved signature of its Secretary or Assistant Secretary to be attached hereto, asof the first day of May, 1920.

CHICAGO AND NORTHWESTERN RAILWAY COMPAN

By _____,
President.

Attest:

_____
Secretary.

(Form of Interest Coupon.)

No._____ $_____

ON the first day Of _____, the ChicagO and NOrth Western Railway Company will pay to bearer, at the office or agency of the Chicago and North Western Railway Company in the Borough of Manhattan, City of New York, _____ dollars, in United States gold coin, being six months' interest then due on its First and Refunding Mortgage _____ Per Cent Gold Bond No. _____

_____
Secretary.

(Form of Registered Bond.)

No. _____ $_____

UNITED STATES OF AMERICA.

CHICAGO AND NORTH WESTERN RAILWAY COMPANY

First and Refunding MOrtgage _____ Per Cent

Gold Registered Bond.

Chicago and North Western Railway Company, a corporation, hereinafter called "Railway Company," for value received, hereby promises to pay to _____, or registered assigns, the sum of _____ dollars ($_____) in United States gold coin on the first day of May_ A. D. 2037, at the office or agency of the Railway Company in the Borough of Manhattan, City of New York, and to pay interest thereon from the date of this bond at the rate of _____ per cent per annum, in like gold coin, on the first day of December, 1920, and thereafter semi-annually on the first day of June and of December in each year, and on the first day of May, 2037, at said office or agency in the City of New York, such United States gold coin in every case to be of or equal to the standard of weight and fineness existing May 1, 1920.

This bond is one of the First and Refunding Mortgage Gold Bonds (coupon and registered) of the Railway Company, issued and to be issued under and pursuant to and all equally secured by an indenture dated May 1, 1920, executed by the Railway Company to The Farmers' Loan and Trust Company and Edwin S. Marston, as Trustees, conveying all the propery and franchises of the Railway Company mentioned in said indenture, to which reference is hereby made for a statement of the property and franchises mortgaged

and of the rights of the holders of said bonds under the same.

The authorized issue of bonds under said indenture is limited to an amount which, together with all outstanding prior debt of the Railway Company, as defined in said indenture, after deducting therefrom the amount of all bonds reserved to retire prior debt at or before maturity, shall not exceed three times the par value of the then outstanding capital stock of the Railway Company, or of a successor corporation.

In case of certain defaults specified, in said indenture, the principal of all the bonds issued thereunder may become or be declared due and payable, in the manner and with the effect provided in same indenture.

This bond is transferable by the registered owner hereof, in person, or by his duly authorized attorney, at the office or agency of the Railway Company in the Borough of Manhattan, City of New York, upon surrender and cancellation of this bond, and thereupon a new registered bond or bonds, for a like amount of principal, bearing the same rate of interest, will be issued to the transferee in exchange herefor; or the registered owner of this bond may surrender the same for cancellation in exchange for a like amount of the principal hereof in coupon bonds, bearing the same rate of interest, and with all unmatured coupons attached, which coupon bond or bonds may in turn be exchanged for a registered bond, in each case in the manner prescribed in said indenture and on payment, if the Railway Company shall require it, of the charge therein provided for.

No recourse shall be had for the payment of the principal or interest of this bond, or for any claim based thereon or otherwise in respect thereof or of said indenture, against any incorporator, stockholder, officer or director, past, present or future, of the Railway Company or of any successor corporation, either directly or through the Railway Company, or such successor corporation, whether by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issue hereof, expressly waived, as provided in said indenture.

This bond shall not become obligatory for any purpose until the certificate endorsed hereon shall have beensigned by the Farmers' Loan and Trust Company, Trustee, or its successor as corporate trustee under said indenture.

IN WITNESS WHEREOF, the Chicago and North Western Railway Company has caused this bond to be signed by its President or Vice President, and its corporate seal to be hereto affixed and the same to be attested by the signature of its Secretary or Assistant Secretary, as of the first day of _____.

Chicago and North Western Railway Company,

By _____
President.

Attest:

_____
Secretary.

(Form of Trustee's Certificate.)

This is to certify that this is one of the bonds described in the within mentioned indenture.

THE FARMERS' LOAN AND TRUST COMPANY_

TRUSTEE,

By _____

AND WHEREAS, all acts and things prescribed by law and by the by-laws of the Railway Company have been duly complied with, and the Railway Company, in the exercise of each and every legal right, power and authority in it vested, has executed this indenture, and proposes to make and execute, and, from time to time hereafter, to issue and deliver bonds hereby secured:

Now, therefore, this indenture witnesseth:

That, in order to secure the payment of the principal and interest of all such bonds at any time issued and outstanding under this indenture, according to their tenor and effect, and the performance of all the covenants and conditions herein contained, the Railway Company, party of the first part, in consideration of the premises and of the purchase and acceptance of such bonds by the holders thereof, and of the sum of one dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged and confessed, has executed and delivered these presents, and has granted, bargained, sold, released, conveyed, assigned, transferred, pledged and set over, and by these presents does grant, bargain, sell, release, convey, assign, transfer, pledge and set over, unto the Trustees, parties of the second part, and to their successors and assigns forever, subject, however, to the priority of lien of the several mortgages in so far as they respectively attach ther to upon the separate parts of its property, particularly described in Section 1 and Section 2 of Article Three of this indenture:

All and singular, the railway and the several railways, together with the estates, rights, privileges, franchises and other property, now owned by the Railway Company in the States of Illinois, Michigan, Wisconsin, Iowa, Minnesota, South Dakota, North Dakota, Nebraska and Wyoming, and described as follows, to wit:

FIRST. LINES OF RAILWAY OWNED AND OPERATED BY THE RAILWAY COMPANY, AND PARTICULARLY DESCRIBED AS FOLLOWS:

I. A main line Of railrOad beginning at the Passenger Terminal StatiOn, at the intersection of Canal and Madison Streets, in the City of Chicago, Illinois, and extending in a westerly direction by way of Dixon and Fulton, in the State of Illinois, and thence westerly by way of Clintin, Cedar Rapids and Boone, in the State of Iowa, to the east bank of the Missouri River at Council Bluffs, in the State of Iowa, having a length of about 491.0) Miles.

II. The following described branch lines of railroad crossing the main line last above described, or extending from points thereon, or from points on said branch lines, as follows:

(1) Extending from the junction near Rockwell and Kinzie Streets, In Chicago, Illinois, southerly and easterly to the south branch of the Chicago River, in Cook County, Ill., having a length of about 4.50 miles.

(2) Extending from Proviso Yard, Illinois, northerly via Des Plaines to Valley, Ill having a length of about 20.51 miles.

(3) Extending from St. Charles, Illinois, southerly via Geneva and Batavia to Aurora, Ill., having a length of about 11.80 miles.

(4) Extending from Cortland, Illinois, Northerly to Sycamore, Ill., having a length of about 4.64 miles.

(5) Extending from Belvidere, Illinois, southerly to Spring Valley, Ill., having a length of about 75.78 miles.

(6) Extending from Ladd, Illinois, southerly to Seatonville, Ill., having a length of about 3.25 miles.

(7) Extending from Nelson, Illinois, southerly via Peoria to Staunton, Ill., including a branch from Kickapoo Junction to Peoria Junction, and a branch from Girard Junction to Girard, Ill., having a length of about 201.98 miles.

(8) Extending from Clinton, Iowa, northwesterly to State Quarry beyond Anamosa, Iowa, having a length of about 73.57 miles.

(9) Extending from Stanwood, Iowa, southerly to Tipton, Iowa, having a length of about 8.50 miles.

(10) The cut-off at Cedar Rapids, Iowa, having a length of about 5.96 miles.

(11) Extending from Belle Plaine, Iowa, southerly to end of track beyond Consol, Iowa, having a length of about 96.31 miles.

(12) Extending from Belle Plaine, Iowa, northwesterly via Mason City, Iowa; Blue Earth, Fox Lake and Sanborn, Minnesota, to Vesta, Minn., having a Length of about 267.60 miles.

(13) Extending from Burt, Iowa, northerly to Fox Lake, Minn., having a length of about 45.66 miles.

(14) Extending from Tama, Iowa, northerly via Jewell, Ia., to the Minnesota state line near Elmore, Minn., having a length of about 104.36 miles.

(15) Extending from Eldora Junction, Iowa, northerly to Alden, Iowa, having a length of about 26.40 miles.

(16) Extending from Des Moines, Iowa, northerly to Jewell, Iowa, with a branch from Polk City Junction to Polk City, Iowa, having a length of about 59.09 mile

(17) Extending from Boone, Iowa, northerly to Coal Banks, Iowa, having a length of about 3.25 miles.

(18) Extending from Carroll, Iowa, southerly to Harlan, Iowa, with a branch from Manning, Iowa, to Audubon, Iowa, having a length of about 58.11 miles.

(19) Extending from Jewell, Iowa, westerly to Onawa, IOwa, having a length of about 141.53 miles.

(20) Extending from Maple River, Iowa, northerly to Carnarvon, Iowa, having a length of about 13.00 miles.

(21) Extending from Sacton, Iowa, northwesterly to Sargents Bluffs, Iowa, having a length of about 99.87 miles.

(22) Extending from Wall Lake, Iowa, southerly to Denison, Iowa, having a length of about 24.80 miles.

(23) Extending from California Junction, Iowa, northerly to Sioux City, Iowa, having a length of about 69.81 miles.

(24) Extending from Boyer, Iowa, southwesterly to Mondamin, Iowa, having a length of about 61.30 miles.

(25) Extending from Eagle Grove, Iowa, northwesterly via Hawarden, Iowa, and Salem, S. D., to Iroquois, S. D., having a length of about 270 69 miles.

(26) Extending from Hawarden, Iowa, southeasterly to Wren, Iowa, having a length of about 28.17 miles.

(27) Extending from Centerville, South Dakota, southwesterly to Yankton, S. D., having a length of about 28.46 miles.

III. A main line of railroad beginning at Missouri Valley, in the State of Iowa, and extending westerly via Fremont, South Norfolk, Oakdale and ChadrOn, in the State Of Nebraska; thence via Casper, in the State of Wyoming, to Lander, Wyoming, having a length of about 783.93 miles.

IV. The following described branch lines of railroad crossing the main line last above described, or extending from points thereon, or from points on said branch lines, as follows:

(1) Extending from Arlington, Nebraska, southeasterly to Elkhorn Junction, in the City of Omaha, Neb., with a branch from Irvington, Neb., to South Omaha, Neb., having a length Of abOut 38.14 miles.

(2) Extending from Fremont, Nebraska, southwesterly to Hastings, Neb., having a length of about 127.26 miles.

(3) Extending from Platte River, Nebraska, southerly to Lincoln, Neb., haviNg a length of about 45.11 miles.

(4) Extending from Linwood, Nebraska, southwesterly to Superior, Nebraska; with a branch from Superior to Kansas state line, having a length of about 124.14 miles.

(5) Extending from Scribner, Nebraska, northwesterly via Albion to Oakdale, Neb., haviNg a length Of abOut 113.91 miles.

(6) extending from South Northfolk, Nebraska, northwesterly to Winner, S. D., having a length of about 175.39 miles.

(7) Extending from Dakota Junction, Nebraska, northerly to Deadwood, S. D., having a length of about 144.88 miles.

(8) Extending from Buffalo Gap, South Dakota, westerly to Hot Springs, S. D. having a length of about 14.12 miles.

(9) Extending from Whitewood, South Dakota, northerly to stockyards north of Belle Fourche, S. D., having a length of about 21.19 miles.

(10) Extending from Belle Fourche, South Dakota, easterly to Newell, S. D., having a length of about 23.52 miles.

(11) Narrow gauge lines extending westerly from Deadwood, South Dakota, to Lead and to mines in South Dakota, having a length of about 20.76 miles.

V. A main line of railroad beginning at said Passenger Terminal Station, in the city of Chicago, State of Illinois, and extending therefrom in a westerly and northwesterly direction by way of West Chicago, Elgin and Belvidere, in the State of Illinois; BELOIT_ MadIson, Elroy and Sparta, in the state of Wisconsin; Winona, St. Peter and Tracy, in the State of Minnesota, and thence by way of Huron and Pierre to Rapid City, in the State of South Dakota, having a length of about 958.66 miles.

VI. The following described branch lines of railroad crossing the main line last above described, or extending from points thereon or from points on said branch lines as follows:

(1) Extending from Elgin, Illinois, northerly via Crystal Lake, ILL., to Lake Geneva and Williams Bay, Wis., having a length of about 51.04 miles.

(2) Extending from Belvidere, Illinois, westerly via Rockford to Freeport, Ill., having a length of about 42.80 miles.

(3) Extending from Kenosha, Wisconsin, westerly to Rockford, Ill., having a length of about 72.10 miles.

(4) Extending from Afton, Wisconsin, northerly to Janesville, Wis., having a length of about 6.10 miles.

(5) Extending from Janesville, Wisconsin, northwesterly to Evansville, Wis., having a length of about 15.68 miles.

(6) Extending from Milwaukee, Wisconsin, westerly via Madison to Woodman, Wis., having a length of about 170.82 miles.

(7) Extending from Montfort Junction, Wisconsin, southerly to Galena, Ill., with branches from IpswIch to PlattevIlle, Wis., and from Hazel Green Junction to Hazel Green, Wis., having a length of about 53.60 miles.

(8) Extending from Lancaster Junction, Wisconsin, southwesterly to Lancaster, Wis., having a length of about 12.04 miles.

(9) Extending from Medary, Wisconsin, southerly to La Crosse, Wis., having a length of about 3.96 miles.

(10) Extending from Trempealeau, Wisconsin, northerly to Galesville, Wis., having a length of about 6.71 miles.

(11) Extending from Chatfield Junction, Minnesota, southerly to Chatfield, Minn., having a length of about 11.46 miles.

(12) Extending from Plainview Junction, Minnesota, northerly to Plainview, Minn., having a length of about 15.01 miles.

(13) Extending from Rochester, Minnesota, northerly to Zumbrota, Minn., having a length of about 24.48 miles.

(14) Extending from Burdette, Minnesota, westerly via Mankato, to New Ulm, Minn., having a length of about 29.33 miles.

(15) Extending from Sleepy Eye, Minnesota, northwesterly to Redwood Falls, Minn., having a length of about 24.40 miles.

(16) Extending from Evan, Minnesota, westerly to Marshall, Minn., having a length of about 45.82 miles.

(17) Extending from Tracy, Minnesota, northwesterly and westerly, via Watertown, Redfield and Gettysburg, S. D., and thence southerly to Blunt, S. D., having a length of about 277.90 miles.

(18) Extending from Tyler, Minnesota, northwesterly to Astoria, S. D., having a length of about 32.20 miles.

(19) Extending from Sioux Valley Junction, South Dakota, northerly to Watertown, S. D., having a length of about 43.83 miles.

(20) Extending from Doland, South Dakota, northerly to Groton, S. D., having a length of about 38.84 miles.

(21) Extending from James Valley Junction, South Dakota, northerly to Oakes, N. D., having a length Of abOut 131,95 miles.

VII. A main line of railroad beginning at said Passenger Terminal Station, in the city of Chicago, State of Illinois, and extending therefrom northwesterly and northerly by way of Crystal Lake, ILLinois; Janesville, Watertown, Fond du Lac, OshkOsh, Green Bay, in the State Of WisoOnsin; MenOminee, Escanaba and IshpemIng, in the State Of Michigan, having a Length of about 444.34 miles.

VIII. The following described branch lines of railroad crossing the main line last above described or extending from points thereon or from points on said branch lines, as follows

(1) Extending from Chicago Shops, in Chicago, Illinois, northeasterly to Canal Junction, Evanston, Ill., having a length of about 12.89 miles.

(2) Extending from Sheboygan, Wisconsin, northwesterly via Princeton, to Marshfield, Wis., with branches from Bannerman to Red Granite, Wis., and from Grand Rapids to Nekoosa, Wis., havi g a leNgth of about 178.82 miles.

(3) ExteNdiNg from Near Appleton, Wisconsin, to Water Power, Wis., having a length of about 3.63 miles

(4) Extending from Powers, Michigan, northwesterly to Watersmeet, Mich., having a length of about 104.33 miles.

(5) Extending from Stager, Michigan, northerly to Amasa, Mich., having a length of about 24.10 miles.

(6) Extending from Narenta, Michigan, northwesterly to Metropolitan, Mich., having a length of about 34.86 miles.

(7) Extending from Clowry, Michigan, southerly to Republic and Champion, Mich., having a length of about 12.17 miles.

(8) Other branches and spurs on the Peninsula Division, having a length of about 77.86 miles.

IX. A maIn line of railroad beginning at said Passenger Terminal, in the City of Chicago, Illinois, and extending therefrom northerly by way of Evanston, in the State of Illinois; Kenosha, Racine and MilwauKee, in the State of Wisconsin, to Fond du Lac, in the State of Wisconson, with a branch from St. Francis northwesterly to Chase Yard, Wis having a length of about 150.01 miles.

X. A main line of railroad beginning at Wiscona, near Milwaukee, in the State of Wisconsin, and extending northwesterly, via Clyman Junction and Wyeville to Sparta, Wisconsin with a branch from New Butler to Belton, near West Allis, Wisconsin, having a length of about 178.48 miles.

XI. A main line of railroad beginning at Shoreline, near Milwaukee, in the State of Wisconsin, and extending northerly to Manitowoo, Wisconsin, and thence northwesterly by way of Appleton, New London, Eland Junction, Monico, Wisconsin; Watersmeet, Bessemer, Michigan; and Hurley in the State of Wisconsin, to Ashland, Wisconsin, having a length of about 386.13 miles.

XII. The following described branch lines crossing the main line last above described or extending from points thereon or from points on said branch lines, as follows:

(1) Extending from junction near Lindwerm, Wisconsin, easterly to Easton, Wis., having a length of about 1.02 miles.

(2) Extending from Two Rivers Junction, Wisconsin, northerly to Two Rivers, Wis., having a length of about 6.35 miles.

(3) Extending from Calumet Junction, Wisconsin, northwesterly to Green Bay, Wis., having a length of about 36.25 miles.

(4) Extending from Duck Creek, Wisconsin, westerly via Shawano, Eland and Wausau to Marshfield, Wis., with branches from Eland to Rosholt, and from Rib Falls Junction to Rib Falls, Wis., having a length of about 148.89 miles.

(5) Extending from Pulaski, Wisconsin, northerly to Saunders, Mich., having a length of about 107.44 miles.

(6) Extending from Hortonville, Wisconsin, southeasterly to OshkOsh, Wis., having a length Of abOut 23.10 miles.

(7) Extending from Clintonville, Wisconsin, northeasterly to OcOntO, Wis., having a length of about 56.00 miles.

(8) Extending from Hunting, Wisconsin, westerly to Big Falls, Wis., having a length of about 5.48 miles.

(9) Extending from Aniwa, Wisconsin, easterly to Mattoon, Wis., having a length of about 9.59 miles.

(10) Extending from Antigo, Wisconsin, easterly to White Lake, Wis., with branch to Polar, Wis., having a length of about 24.86 miles.

(11) Extending from Pratt Junction, Wisconsin, westerly to Parrish, Harrison and

Jeffris, Wis., having a length of about 22.07 miles.

(12) Extending from Pelican, Wisconsin, northeasterly to Crandon, Wis., having a length of about 17.84 miles.

(13) Extending from Monico, Wisconsin, northwesterly to Hurley, Wis., with branches from Mercer to Winegar; and from Hurley to end of track beyond Pence, Wis., having a length of about 114.60 miles.

(14) Extending from Conover, Wisconsin, easterly to Phleps, Wis., having a length of about 9.33 miles.

(15) Extending from Watersmeet, Michigan, northerly to Choate, Mich., with branch to Robbins, Mich., having a length of about 25.68 miles.

(16) Other branches and spurs On the Lake ShOre and Ashland DivisiOns, having a length of about 51.56 miles.

Total main and branch line mileage....8,328.86

XIII. All and singular, the main tracks, additional to first main track, now owned by the Railway Company, and used as part of and in connection with, any of the said main or branch lines of railway, the same having at the date hereof, an aggregate length of about 1,112.82

XIV. All and sIngular, the spur tracks, yard tracks, side tracks, turnouts, passing tracks and shop tracks, now owned by the Railway Company, and used, or provided for use in connection with any of the said main lines, branch lines or spurs, the same having, at the date hereof, an aggregate length of about 3,567.64 miles.

XV. All and singular, other lines of railway owned by the Railway Company at the date of the execution and delivery of this indenture.

SECOND. APPURTENANCES OF THE ABOVE DESCRIBED LINES OF RAILWAY, SUBJECT AS TO PARTS THEREOF TO THE MORTGAGES HEREINAFTER DESCRIBED.

All and singular, the telegraph and telephone lines, including all poles, wires and implements, all rights of way, station grounds, railroad yards, terminal grounds and other lands, now held by the Railway Company, not including, however, any lands (other than rights of way and railroad yard, station and terminal grounds) granted to said Railway Company, or to any predecessor or grantor thereof, by the United States, or by any State of the United States, or by any County of any of said States; also all tracks, sidetracks, bridges, viaducts, docks, oulverts, fences, depots, station houses, elevators, warehouses, engine houses, car houses, coal houses, wood houses, machine houses, machine shops and other shops, and all other buildings or structures now held by the Railway Company; also all tools, implements and machinery, all wood, coal, oil, fuel, and other supplies, all engines, locomotives, tenders, cars and other rolling stock, equipment and furniture of every kind and description, now held by the Railway Company; with all and singular the rights, privileges and franchises connected with or relating to any of said railways, or to the construction, maintenance, use or operation thereof,

now held by the Railway Company, and all and singular the tenements, hereditaments and appurtenances to the said premises belonging and all reversion and reversions, remainder and remainders, tools, incomes, rents, issues, and profits thereof, and also all the estate, right, title, interest, property, claim, possession, and demand whatsoever, as well in law as in equity, which the Railway Company, party of the first part, now has in, to or of the same and every part thereof; but, except as may herein otherwise be expressly declared, no grant or pledge of or under this indenture is intended, or shall be construed, to include any bonds or any shares of capital stock.

THIRD. All and sIngular, all trackage rights and privileges, all terminal, union depot, bridge and ferry rights, privileges and franchises, and all leases, leaseholds and leasehold rights, traffic contracts and other contracts and contract rights, and renewals and extensions thereof, whether the same or any thereof be now held by the Railway Company or hereafter acquired by it for use or used upon or in connection with or belonging or appertaining to any of the aforesaid lines of railroad or extensions or branches or other properties now or at any time hereafter subject to the lien of this indenture.

FOURTH. All and singular the lines Of railway, extensiOns, branches, telegraph and telephone lines, and any and all terminal properties, elevators, warehouses, depots, shops, machinery, tools, docks, wharves, rolling stock and other equipment, and any and all other property of every kind which from time to time, in the manner hereinafter provided, shall be purchased, acquired or constructed by the use of any bonds issued under this indenture, or by deposited cash paid out as provided by Section 7 of Article 3 of this indenture or which shall become subject to the lien of the General Gold Bond Mortgage of the Railway Company; together with all and singular the franchises, rights and privileges appurtenant to or used in connection with such lines of railway, extensions, branches, telegraph and telephone lines or other property, and any and all rents, profits, tolls and other income therefrom.

FIFTH. All and singular, the additions, improvements and betterments now or hereafter acquired or constructed upon or in connection with any and all lines of railway, extensions, branches, telegraph and telephone lines now or at any time hereafter subject to this indenture, any and all property, real or personal, acquired for use upon or in connection with such lines of railway, extensions, branches, telegraph and telephone lines, and any and all corporate rights, privileges and franchises which the Railway Company now has or may hereafter acquire, possess or exercise in, to, or upon such lines of railway, extensions, branches, telegraph and telephone lines, or any part thereof necessary for or appertaining to the construction, maintenance or operation of such lines, and any and all rents, profits, tolls and other income arising therefrom, and also any and all the rights, privileges, franchises, properties real or personal, rights and things which the Railway Company may hereafter acquire or possess, for the purposes of or in connection with such lines of railway or any such extensions, branches, telegraph

and telephone lines.

SIXTH. All and sIngular, any and all other property of every kind and description, including railroads, leases of railroads, stocks, bonds or other property of any kind, which at any time hereafter, by indenture or indentures supplemental hereto, may be expressly conveyed, mortgaged or pledged and delivered to the Trustees hereunder by the Railway Company, or by a successor corporation, or, with its consent, by anyone in its behalf, as and for additional security for the bonds issued and to be issued hereunder; the Trustees being hereby authorized, at any and all times to receive such conveyance, mortgage, pledge, delivery, assignment or transfer, and to hold and apply any and all such properties subject to the trusts in this indenture (subject, however, to the provisions of Section 2 of Article One hereof); but any such conveyance, mortgage, pledge, delivery, assignment or transfer, pursuant to the provisions of this clause, as and for additional security, may be made subject to any liens, reservations, limitations, conditions and provisions which shall be specified orset forth in such supplemental indenture.

Subject, however, to the condition that nothing in this indenture contained shall be construed to limit the right or power of the Railway Company, hereby expressly reserved, to own and hold, or in any manner acquire, free from the lien of this indenture, except by the use of bonds, secured by this indenture, or by deposited cash paid out as provided by Section 7 of Article Three hereof, lines of railway, branches, extensions, stocks or bonds, or any other property whatsoever or interests therein not specified or included in the granting clause hereof, excepting only equipment and appurtenances appertaining to the property now or hereafter subject to this indenture. The Railway Company may, however except by the use of bonds secured by this indenture or by deposited cash paid out as provided by Section 7 of Article Three hereof, purchase and acquire equipment free from the lien hereof, by lease or conditional sale, or under any other form of equipment trust or purchase agreement, and issue obligations therefor secured by mortgage or pledge of such equipment, provided, that when and as and to the extent that the title to or any interest in such equipment shall vest in the Railway Company, free in whole or in part from such obligations, then the equipment or interest therein as it becomes vested in the Railway Company, shall become subject to the lien of this indenture.

TO HAVE AND TO HOLD the premises, railroads, properties, real or personal, rights, franchises, estates and appurtenances hereby conveyed and assigned, or intended to be conveyed or assigned, unto the Trustees, their successors and assigns forever:

- SUBJECT, HOWEVER, as to certain portions of said premises hereby mortgaged and conveyed, to the hereinafter mentioned mortgages, so far as they constitute liens thereon, and subject, also, to the reservations contained in any deed of conveyance of any of said premises under which the Railway Company has acquired or hereafter shall acquire title thereto.

BUT IN TRUST, for the equal and proportionate benefit and security of all present and future holders of the bonds and interest obligations issued and to be issued under and secured by this indenture, and for the enforcement of the payment of said bonds and

interest obligations when payable, and the performance of, and compliance with, the covenants and conditions of this indenture; without preference, priority or distinction as to the lien or otherwise of any one bond over any other bond by reason of priority in the issue or negotiation thereof, so that each and every bond issued, and to be issued as aforesaid, shall have the same right, lien and privilege under this indenture, and so that the principal and interest of every such bond shall, subject to the terms hereof, be equally and proportionately secured hereby, as if all had been made, executed, delivered and negotiated simultaneously with the execution and delivery of this indenture; it being intended that the lien and security of this indenture shall take effect from the day of the date hereof, without regard to the date of actual issue, sale or disposition of said bonds, and as though upon the day of such date all of said bonds had been actually issued, sold and delivered to, and were in the hands of innocent holders for value.

AND IT IS HEREBY COVENANTED AND DECLARED that all such bOnds, with the coupons for interest thereon, are to be executed, authenticated and delivered, and that the mortgaged premises are to be held by the Trustees, subject to the further covenants, conditions, uses and trusts hereinafter set forth; and it is covenanted between the parties hereto, and between the Railway Company and the holders of bonds issued hereunder, as follows, viz:

ARTICLE ONE.

LIMITATIONS ON AMOUNT AND ISSUE OF BONDS.

SECTION 1. The authorized issue of bonds under this indenture is limited so that the amount thereof at any one time outstanding, together with all outstanding prior debt of the Railway Company, after deducting therefrom the amount of all bonds reserved under the provisions of this indenture to retire prior debt at or before maturity, shall never exceed three times the par value of the then outstanding capital stock of the Railway Company, or of a successor corporation.

Whenever hereafter the amount of such capital stock outstanding shall be increased, thereupon the limit of the authorized issue of bonds hereunder shall be increased to an amount which, together with all then outstanding prior debt of the Railway Company, after deducting therefrom the amount of all bonds then reserved under the provisions of this indenture to retire prior debt at or before maturity, shall be equal to three times the amount of such outstanding capital stock as increased.

In determining at any time, and from time to time, the limit of the authorized issue of bonds hereunder, the prior debt so to be added shall be the aggregate of the principal amount of the $165,000,000 General Mortgage Gold Bonds specified in Section 1 of Article Three and of the $59,808,000 underlying bonds specified in Section 2 of Article Three and of the indebtedness which shall be included under prior debt by the provisions of Section 3 and Section 4 of Article Three (after subtracting from such aggregate, a, the principal amount thereof that shall have been paid, and b, the principal amount thereof that shall be deposited with and held by the Trustee, and c, the principal amount of such of the ten issues of underlying bonds specified in subdivision (2) of Section 1 of Article

Three as shall be deposited with and held by the Trustee or against the retirement and cancellation of which under their own mortgage bonds shall have been issued hereunder, and d, such part of the $10,355,000 bonds specified in subdivision (3) of Section 1 of Article Three as the Railway Company shall hereafter waive its right to issue under the provisions of said section); and the reserved bonds to be deducted are the bonds issuable under this indenture and then reserved for the purpose of refunding prior debt, as provided in said Article Three. If, however, there is or at any time there shall be any prior debt of the Railway Company which is not specified in Sections 1 and 2 of said Article Three, or which shall not be included under Section 3 and Section 4 of said Article Three, the prior debt not so specified or included shall nevertheless be included in and form a part of the prior debt to be added as aforesaid in determining the limit of the authorized issue of bonds hereunder.

SECTION 2. BOnds shall not be issued hereunder or deposited cash paid out in respect of the acquisition of property subject to a prior mortgage or other lien, nor shall railroads or real property subject to a prior mortgage or other lien be acquired and subjected to the lien of this indenture, unless in either case sufficient bonds hereunder shall be available, within the limitations provided in this article, to be reserved and shall be reserved, to retire such prior debts at maturity.

ARTICLE TWO.

FORM, EXECUTION, DELIVERY, REGISTRY AND EXCHANGE OF BONDS.

SECTION 1. All bonds to be issued under and secured by this indenture shall be known as "First and Refunding mortgage Gold Bonds" (hereinafter sometimes referred to as first and refunding bonds), and, from time to time, shall be executed by the Railway Company and delivered to the Trustee for authentication, substantially in the form and of the purport hereinbefore recited, except as may be hereinafter otherwise permitted or required, and the Trustee shall thereupon authenticate and deliver said bonds to the Railway Company as hereinafter provided and not otherwise. At the option of the Railway Company, any of such bonds may be executed, authenticated and delivered originally either as coupon bonds or as registered bonds without coupons.

The coupon bonds shall be issued in the denomination of $1,000, and may also at the election of the Railway Company, to be expressed by action of its Board of Directors or Executive Committee, be issued in the denomination of $500 or $100. The registered bonds without coupons shall be issued in the denominations of $1,000, $5,000, $10,000 or $50,000, and may also, at the election of the Railway Company, expressed as above provided, be issued in other denominations. If coupon bonds for $500 or $100 are so Issued they may, at the election of the Railway Company, contain an appropriate provision permitting their interchange for a like principal amount of coupon bonds of a higher denomination authorized hereunder.

The bonds shall bear interest at such rate, not exceeding the lawful rate, as shall be determined by the Board of Directors of Executive Committee of the Railway Company

at the time of issue, and as shall be expressed in the bonds. The first instalment of interest shall be payable on December 1, 1920, and thereafter interest shall be payable semi-annually, on the first day of June and of December in each year, and the last instalment (unless the bonds shall not be paid at maturity) shall be payable on the first day of May 2037.

Before authenticating or delivering any coupon bond hereby secured, the coupons appertaining thereto then matured shall be cut off, canceled and delivered by the Trustee to the Railway Company. The registered bonds without coupons shall bear interest from the respective dates thereof, and shall respectively be dated the day of issue, if an interest day, or, if not an interest day, then the last preceding interest day, and if such day of issue be prior to December 1, 1920, the bonds shall be dated May 1, 1920.

Only such bonds as shall bear thereon endorsed the certificate of the Trustee by it duly executed to the effect that the same are part of the bonds described in this indenture, shall be secured by this indenture, or shall be entitled to any lien or benefit hereunder; and every such certificate of the Trustee, upon any bond executed in behalf of the Railway Company, shall be conclusive evidence that the bond so authenticated has been duly issued hereunder, and is entitled to the benefit of the trust hereby created.

All bonds shall be signed by the President or any Vice President of the Railway Company, and the corporate seal shall be thereunto affixed and attested by the Secretary or Assistant SEcretary. In case any of the officers who shall have signed and sealed any such bonds shall cease to be officers of the Railway Company before the bonds so signed and sealed shall have been actually authenticated and delivered by the Trustee, such bonds may nevertheless be adopted and used by the Railway Company, and upon the written request of the Railway Company be authenticated and delivered subject tothe provisions hereof, as though the persons who signed and sealed such bonds had not ceased to be officers of said Railway Company, and also any such bond may be signed and sealed in behalf of the Railway Company by such persons as at the actual date of the execution of such bond shall be the proper officers of the Railway Company, although at the date of such bond any such person shall not have been an officer of the Railway Company. Coupons to be attached to coupon bonds shall be authenticated by the engraved signature of the present Secretary or Assistant Secretary, or any future Secretary or Assistant Secretary of the Railway Company.

SECTION 2. The Railway Company shall keep at an office or agency to be maintained by it in the Borough of Manhattan, City of New York, or at some bank or trust company in said Borough, a sufficient registry of bonds issued hereunder, which at all reasonable times shall be open for inspection by the Trustee; and the Railway Company, under such reasonable regulations as it may prescribe, will register therein all bonds without coupons and, upon presentation for such purpose, coupon bonds. The holder of any coupon bond secured hereby may have the ownership thereof registered on such register at the said office or agency and such registration noted on the bond by the Railway Company . After such registration no transfer shall be valid unless made on such

register by the registered owner in person or by his duly authorized attorney, and similarly noted on the bond by the Railway Company. Upon presentation to the Railway Company of such registered coupon bond and delivery of a written instrument of transfer thereof in a form approved by the Railway Company, executed by the registered holder, such bond shall be transferred upon such register by the registered holder, in person or by attorney duly authorized, and such transfer shall be noted by the Railway Company on the bond. But the same may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; but such bond may again, from time to time, be registered, or transferred to bearer as before Such registration, however, shall not affect the negotiability of the coupons, but every such coupon shall continue to be transferable by delivery merely, and shall remain payable to bearer.

SECTION 3. Subject to the further provisions of this section, the holder of any coupon bond secured hereby may, at his option, at any time surrender the same for cancellation with all unmatured coupons thereto appertaining and receive in exchange therefor a like amount of the principal thereof in such registered bonds without coupons, bearing the same rate of interest, as herein provided; and, the registered owner of any registered bond without coupons secured hereby, at his option, may at any time surrender the same for cancellation and receive in exchange therefor a like amount of the principal thereof in such coupon bonds, bearing the same rate of interest, as herein provided. The said registered bonds shall be transferable by the registered owner thereof, in person, or by his duly authorized attorney, at the office or agency of the Railway Company in the Borough of Manhattan, City of New York, and upon surrender and cancellation thereof new registered bonds, bearing the same rate of interest, will be issued to the transferee in exchange therefor as hereinafter provided.

Whenever any bond shall be issued as a registered bond there shall be reserved by the Railway Company unissued an aggregate amount of coupon bonds equal to the amount of the registered bond so issued, and an appropriate statement with respect to such reservation and the serial number or numbers of the coupon bonds so reserved unissued shall by the Railway Company be endorsed on the registered bond issued in lieu thereof or in exchange therefor.

Whenever any coupon bond secured by this indenture, together with all unmatured coupons thereto appertaining, shall be surrendered for exchange for a registered bond, the Railway Company shall issue, and the said Trustee shall authenticate and deliver, in exchange for such coupon bond, a like amount of the principal thereof in said registered bonds without coupons, bearing the same rate of interest, which shall have endorsed thereon the serial number or numbers borne by the coupon bond or bonds so surrendered for exchange. Whenever any registered bond without coupons hereby secured, together with a written instrument of transfer in a form approved by the Railway Company, executed by the registered holder, shall be surrendered for exchange for a coupon bond or

bonds, the Railway Company shall issue and the said Trustee shall authenticate and deliver in exchange for such registered bond a like amount of the principal thereof in said coupon bonds, bearing the same rate of interest, each respectively bearing one of the serial numbers endorsed upon the registered bond so surrendered, and with coupons for interest thereto attached, maturing on and after the next ensuing interest due date on such surrendered registered bond. Whenever any such registered bond shall be surrendered for transfer, together with a written instrument of transfer in a form approved by the Railway Company, executed by the registered holder, the Railway Company shall issue, and the said Trustee shall authenticate and deliver to the transferee a like amount of the principal thereof in new registered bonds, without coupons, bearing the same rate of interest, which shall have endorsed thereon the same serial number or numbers of coupon bonds which were endorsed upon the registered bond so surrendered. In every case of any such exchange or transfer the said Trustee forthwith shall cancel the surrendered bond, and, if a coupon bond, the coupons appertaining thereto, and shall deliver the same to the Railway Company.

For any exchange of a coupon bond for a registered bond, or of a registered bond for a coupon bond, and for any transfer of a registered bond, the Railway Company, at its option, may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge connected therewith, and also the further sum of not exceeding two dollars for each new bond issued upon such transfer or exchange.

In case the Railway Company shall determine to issue coupon bonds of the denomination of $500 or $100, the holders thereof shall have no right to exchange the same for registered bonds without coupons unless such right is stated in the bonds, and appropriate omissions may be made in the form of bond hereinabove recited to that end.

SECTION 4. In case any bond issued under this indenture shall become mutilated or be destroyed or lost, the Railway Company in its discretion may execute, and thereupon the Trustee shall authenticate and deliver, a new bond of like tenor and date, bearing in the case of a coupon bond the same serial number and the same coupons as the one mutilated, destroyed or lost, and in the case of a registered bond without coupons, having endorsed thereon the same serial number or numbers of coupon bonds as were endorsed upon the bond so mutilated, destroyed or lost, in exchange and substitution for and upon cancellation of the mutilated bond and its coupons or the mutilated registered bond without coupons, or in lieu or substitution for the bond and its coupons, or the registered bond without coupons, so lost or destroyed. The applicant for such substitute bond shall furnish to the Railway Company and to the Trustee evidence to their satisfaction, respectively, of the destruction or loss of such bond, and said applicant shall also furnish such indemnity to both the Railway Company and the Trustee, respectively, as in their discretion they may require. The Railway Company may require the payment of a sum not exceeding two dollars for each new bond issued under this section.

SECTION 5. Without unreasonable delay, the Railway Company will cause engraved bonds to be prepared and executed. Until the engraved bonds shall be prepared, the

Railway Company may execute, and, upon the request of the Railway Company, the Trustee shall authenticate and deliver, in liew of such engraved bonds and subject to the same provisions, limitations and conditions, temporary printed bonds of any denomination, substantially of the tenor of the bonds hereinbefore recited, with or without coupons, and with appropriate omissions, insertions and variations as may be required. Pending the preparation of the engraved bonds, such temporary bonds shall be exchangeable for other temporary bonds of like aggregate principal amount, whether of the same or differ ent denominations, in accordance with the provisions of this article. Such temporary bonds shall be exchangeable, without expense to the holder, for the engraved bonds in lieu of which they are issued, and upon preparation of such engraved bonds the Railway Company shall prepare and execute, and, upon cancellation of such surrendered bonds, the Trustee shall authenticate and shall deliver, in exchange therefor, engraved bonds for the same aggregate principal amount as the temporary bonds surrendered and otherwise in accordance with said temporary bonds. Until so exchanged, the temporary bonds in all respects shall be entitled to the same lien and security of this indenture as the engraved bonds issued and authenticated hereunder. Interest on such of said temporary bonds as may be registered shall be paid to the registered holder thereof, and on such of said temporary bonds as may not be registered shall be paid to the bearer thereof and such payment noted thereon if such temporary bonds shall have been issued without coupons, or, if such temporary bonds shall have been issued with coupons, shall be paid on presentation and surrender of such coupons as they mature. On request Of the Railway Company, such bonds may be authemticated and delivered hereunder in advance of the recording of this indenture.

SECTION 6. If the Railway Company at any time be consolidated with or merged into another corporation, or if it sell at any time to another corporation the property covered by this indenture and securing the bonds issued hereunder, then any issue of registered or coupon bonds thereafter in lieu of previously issued bonds, whether upon exchange of coupon for registered bonds or registered bonds for coupon bonds or in case of transfer of registered bonds or in exchange for mutilated bonds or in lieu of lost or destroyed bonds, or otherwise as permitted hereunder, may be made in case of such consolidation or merger by the successor corporation, and in case of such sale in the name of the party of the first part and under its seal by the President or Vice President and the Secretary or Assistant Secretary of such purchasing corporation; and in any such case the clauses of such bonds concerning manner of execution may be appropriately changed, and execution thereof may be in accordance here with. Registration of bonds in case of such consolidation or merger may be by the successor corporation upon its books and in case of such sale may be by the proper officers of the purchasing corporation upon its books.

SECTION 7. Whenever requesting the authentication of any bonds hereunder, the Railway Company shall cause to be delivered to the Trustee a certified copy of a resolution, duly adopted by the Board of Directors of the Railway Company or by its Executive Committee, calling for the authentication and delivery of a specified amount of such bonds and specifying the character of registration (if any), the denominations, and the rate of interest, of the bonds the authentication of which is requested, and the bonds authenticated shall conform to such specifications.

Except in exchange for like principal amounts at the time outstanding under this indenture, the Trustee shall not in any case authenticate any bonds hereunder unless there shall have been filed with it (1) an opinion of counsel (who may be of counsel for the Railway Company) to the effect that, except as therein shall be specified, no authorization of the issue of such bonds at the time is required by law to be given by any public service commission, railroad commission or other governmental body, and (2) a copy, authenticated in such manner as may be satisfactory to the Trustee, of any order or certificate specified in such opinion, authorizing such issue of bonds and made or given by any governmental authority so specified.

The Railway Company whenever requesting the authentication of any bonds under Section 7 of Article Three hereof, and whenever taking any action requiring the reservation of any bonds under said article, besides complying with the other requirements of this indenture, shall cause to be delivered to the Trustee a certificate signed by the President or a Vice President and by the Comptroller or some other officer having general supervision of accounts of the Railway Company, setting forth: (a) the aggregate amount of bonds issued hereunder at the time outstanding; (b) the amount of prior debt of the Railway Company as defined in Section 1 of Article One hereof then outstanding; (c) the amount of bonds then reserved under this indenture to retire such prior debt; and (d) the aggregate par amount of the capital stock of the Railway Company then outstanding.

ARTICLE THREE.

ISSUE AND APPROPRIATION OF BONDS.

All bonds to be issued hereunder shall be executed by the Railway Company and authenticated and delivered by the Trustee, as in this indenture provided, to the amount and for one or more of the purposes specified in this article.

SECTION 1. Bonds issuable hereunder in the principal amount of $165,000,000 shall be and hereby are reserved for issue, from time to time, for the purpose of exchanging, redeeming, purchasing, retiring, refunding or paying, before, at or after maturity, prior debt of the Railway Company evidenced by bonds and secured, viz.:

(1) Bonds in the principal amount of $95,079,000, issued and outstanding, or now due from the trustee, under the provisions of the General Gold Bond Mortgage of the Railway Company, maturing November 1, 1987, of a total authorized issue of $165,000,000, secured by mortgage dated November 1, 1897, to the United States Trust Company of New York and John A. Stewart, Trustees, on about 5,034 miles of railroad subject to the lien of this indenture;

(2) Bonds in the principal amount of $59,566,000 which have been reserved and hereafter may be issued under the provisions of said General Gold Bond Mortgage for the purpose of exchanging, retiring, refunding, or paying at or before maturity the following outstanding ten issues of underlying bonds aggregating $59,566,000 in principal amount:

$10,000,000. Chicago and North Western Railway Company Thirty-Year Debenture Bonds, due April 15, 1921, bearing interest at 5 per cent, being Debenture Bonds issued by the Chicago and North Western Railway Company under agreement dated February 28, 1891.

$ 5,000,000. Milwaukee, Lake Shore and Western Railway Company Six per cent Consolidated First Mortgage Bonds, due May 1, 1921, bearing interest at 6 per cent secured by mortgage made by the Milwaukee, Lake Shore and Western Railway company, dated May 2, 1881, and supplemental mortgage dated October 13, 1887, upon that portion of the railway hereby conveyed from Lake Shore Junction near Milwaukee, to Michigan State line, with branches therefrom, aggregating about 413 miles.

$ 4,000,000 Milwaukee, Lake Shore and Western Railway Company Marshfield Extension First mortgage Bonds, due October 1, 1922, bearing interest at 5 per cent secured by mortgage made by the Milwaukee, Lake Shore and Western Railway Company, dated October 1, 1892, upon that portion of the railway hereby conveyed from Wausau, Wisconsin, to Marshfield, Wisconsin, about 40 miles.

$ 1,281,000. Milwaukee, Lake Shore and Western Railway Company First Mortgage Bonds--Michigan Division, due July 1, 1924, bearing interest at 6 per cent, secured by mortgage made by the Milwaukee, Lake Shore and Western Railway Company, dated June 20, 1884, and supplemental mortgage dated December 9, 1884, upon that portion of the railway hereby conveyed from Wisconsin State Line to the Montreal River, with branches therefrom, all in the State of Michigan, aggregating about 82 miles.

$ 1,000,000. Milwaukee, Lake Shore and Western Railway Company First Mortgage Bonds--Ashland Division, due March 1, 1925, bearing interest at 6 per cent, secured by mortgage made by the Milwaukee, Lake Shore and Western Railway Company, dated March 2, 1885, upon that portion of the railway hereby conveyed from Montreal River to Ashland, Wisconsin, about 40 miles.

$18,632,000. Chicago and North Western Railway Company Extension Bonds of 1886, due August 15, 1926, bearing interest at 4%, issued by the Chicago and North Western Railway Company, under agreement of date April 15, 1886, and supplemental agreements, pledging with Union Trust Company of New York, Trustee, bonds secured by mortgages upon portions of the railway hereby conveyed, to wit:

By Toledo and Northwestern Railway Company, dated August 2, 1886;

By Maple Valley Railway CoMpany, dated August 2, 1886;

By Janesville and Evansville Railway Company, dated September 15, 1886;

By Iron RIver Railway Company, dated July 15, 1887;

By Sioux Valley Railway Company, dated July 15, 1887;

By Linn County Railway Company, dated August 15, 1887;

By Iron Range RaIlway Company, dated OctOber 15, 1887;

By Lake Geneva and State Line Railway COmpany, dated February 15, 1888;

By Junction Railway Company, dated May 15, 1889;

By Paint River Railway Company, dated OctOber 15, 1890;

By DakOta Central Railway Company, dated July 15, 1886;

By Dakota Central Railway Company, dated August 16, 1886;

By Dakota Central Railway Company, dated September 15, 1886;

By Dakota Central Railway Company, dated July 15, 1887;

By Fremont, Elkhorn and Missouri Valley Rail Road Company, dated July 2, 1883, with supplements thereto, dated September 27, 1884, September 15, 1885, April 1, 1886, and January 23, 1902;

By Wyoming Central Railway Company, dated April 15, 1886, and also July 15, 1887.

$ 3,897,000. Milwaukee, Lake Shore and Western RaiLway Company Extension and Improvement Five Per Cent Sinking Fund Mortgage Bonds, due February 1, 1929, bearing interest at 5 per cent, secured by mortgage made by the Milwaukee, Lake Shore and Western Railway Company, dated February 1, 1889, upon that portion of the Railway hereby conveyed from Lake Shore Junction near Milwaukee to the Michigan State Line, with branches therefrom, aggregating about 693 miles.

$10,238,000. Chicago and North Western Railway Company Sinking Fund Bonds of 1879, due OctOber 1, 1929, $5,159,000, bearing interest at 5 per cent, and $5,079,000 bearing interest at 6 per cent, issued by the Chicago and North Western Railway Company under agreement dated OctOber 1, 1879, and supplemental agreements, pledging with The Farmers' Loan and Trust Company, of New York, Trustee, bonds, secured by mortgages upon portions of the railway hereby conveyed, to wit:

By Menominee Railway Company, dated April 1, 1880;

By Menominee River Railroad Company, dated July 1, 1881;

By Menominee River Railroad Company, dated June 1, 1882;

By Sheboygan and Western Railway Company, dated May 1, 1880;

By Rock River Railway Company, dated May 2, 1881;

By Galesville and Mississippi River Railway Company, dated December 1, 1882;

By Stanwood and Tipton Railway Company, dated April 1, 1880;

By Iowa South Western Railway Company, dated May 2, 1881;

By Sycamore and Cortland Railway Company, dated November 1, 1883;

By Toledo and North Western Railway Company, dated April 1, 1880;

By Toledo and North Western Railway Company, dated August 1, 1880;

By Toledo and North Western Railway Company, dated May 2, 1881;

By Toledo and North Western Railway Company, dated April 1, 1882;

By Toledo and North Western Railway Company, dated September 30, 1882;

By Dakota Central Railway Company, dated July 30, 1879;

By Dakota Central Railway Company, dated April 1, 1880;

By Dakota Central Railway Company, dated May 2, 1881;

By Dakota Central Railway Company, dated September 30, 1882;

By Dakota Central Railway Company, dated October 1,1885;

By Chicago and Dakota R ailway Company, dated July 30, 1879;

By Chatfield Railroad Company, dated April 1, 1880.

$ 440,000. Wisconsin Northern Railway Company First Mortgage Bonds, due July 15, 1931 bearing interest at 4 per cent, secured by mortgage made by the Wisconsin Northern Railway Company, dated July 15, 1896, upon that portion of the railway hereby conveyed from Big Suamico, Wisconsin, in a northwesterly direction to a point on the boundary line between the States of Wisconsin and Michigan, about 89.63 miles.

$ 8,678,000. Chicago and North Western Railway Company 5 Per Cent Sinking Fund Debentures of 1933, due May 1, 1933, bearing interest at 5 per cent, being debenture bonds issued by the Chicago and north Western Railway Company under agreement dated May 1, 1883.

and

(3) Bonds in the principal amount of $10,355,000, which have been reserved and hereafter may be issued under said General Gold Bond Mortgage for the purpose of reimbursing the Railway Company for moneys expended in the permanent improvement of, or additions to the property, including equipment, subject to the lien of said General Gold Bond Mortgage.

The Railway Company reserves the right to issue bonds under said General Gold Bond Mortgage in the principal sum of $69,921,000, or any part thereof, in accordance with the provisions and limitations of said mortgage and as stated in subdivisions (2) and (3) of this section or, at its election, to reserve and issue first and refunding bonds under this indenture in lieu of any or all the bonds so reserved in and hereafter issuable under said General Gold Bond Mortgage. Whenever the Railway Company shall elect to issue its first and refunding bonds hereunder direct, without issuing bonds under its General Gold Bond Mortgage, for the purpose of exchanging, redeeming, purchasing, retiring, refunding or paying all or a part of one or more of the ten issues of underlying bonds specified in the foregoing subdivision (2) of this section, it may do so, and on delivery to the Trustee of a duly certified copy of a resolution of the Board of Directors or Executive Committee of the Railway Company expressing such election, such underlying bonds, instead of the like amount of bonds issuable

under the General Gold Bond Mortgage, shall constitute the prior debt in respect of which first and refunding mortgage bonds are reserved to be issued by the Railway Company hereunder, and the bonds which would otherwise be issuable under the General Gold Bond Mortgage for that purpose shall no longer be issuable thereunder and no bonds shall be reserved against the same hereunder. Whenever the Railway Company shall lodge with the Trustee (a) a duly certified copy of a resolution of its Board of Directors or Executive Committee whereby the Railway Company shall waive and surrender its right to procure the authentication and issue under said General Gold Bond Mortgage of any of the unissued bonds specified in subdivision (3) of this section, and (b) a certificate of the trustee under the General Gold Bond Mortgage, specifying the principal amount of such bonds then remaining reserved thereunder, thereafter the first and refunding bonds reserved under this section shall be reduced by the principal amount of the bonds issuable under the General Gold Bond Mortgage shown by the said certificate of its trustee to be still reserved thereunder and the right to the authentication of which is so waived by the Railway Company.

SECTION 2. Bonds issuable hereunder in the principal amount of $59,008,000 shall be and hereby are reserved for issue, from time to time, for the purpose of exchanging, redeeming, purchasing, retiring, refunding or paying, before, at or after maturity, prior debt of the Railway Company evidenced by bonds aggregating $59,008,000 in principal amount and secured, viz.:

$ 1,440,000. Boyer Valley Railway Company First Mortgage Bonds, due December 1, 1923, bearing interest at 3½ per cent, secured by a mortgage made by the Boyer Valley Railway Company, dated December 1, 1898, upon that portion of the railway hereby conveyed from Wall Lake to Denison and from Boyer to Mondamin all in the State of Iowa, aggregating about 90 miles.

$ 1,904,000. Minnesota and Iowa Railway Company First Mortgage Bonds, due June 1, 1924, bearing interest at 3½ per cent, secured by a mortgage made by the Minnesota and Iowa Railway Company, dated June 1, 1899, upon that portion of the railway hereby conveyed from Burt, Iowa, to Vesta, Minnesota, about 119 miles.

$ 2,100,000. Princeton and North Western Railway Company First Mortgage Bonds, due January 1, 1926, bearing interest at 3½ per cent, secured by a mortgage made by the Princeton and North Western Railway Company, dated January 1, 1901, upon that portion of the railway hereby conveyed from Princeton to Marshfield, Wisconsin, and branches, aggregating about 105 miles.

$ 2,125,000. Peoria and North Western Railway Company First Mortgage Bonds, due March 1, 1926, bearing interest at 3½ per cent, secured by a mortgage made by the Peoria and North Western Railway Company, dated March 1, 1901, upon that portion of the railway hereby conveyed from Nelson to Peoria, Illinois, about 85 miles.

$ 416,000. Mankato and New Ulm Railway Company First Mortgage Bonds, due October 1,1929, bearing interest at 3½ per cent, secured by a mortgage made by the Mankato and New Ulm Railway Company, dated April 1, 1899, upon that portion of the

railway hereby conveyed from Mankato to New Ulm, Minnesota, about 26 miles.

$ 7,725,000. Fremont, Elkhorn and Missouri Valley Rail Road Company Consolidated Mortgage Bonds, due October 1, 1923, bearing interest at 6 per cent, secured by a mortgage made by the Fremont, Elkhorn and Missouri Valley Rail Road Company, dated July 2, 1883, and mortgages supplemental thereto dated respectively September 27, 1884, September 15, 1885, April 1, 1886 and January 23, 1902, upon certain portions of the railway hereby conveyed in the States of Nebraska and South Dakota, aggregating about 1,241 miles.

$ 528,000. Minnesota and South Dakota Railway Company First Mortgage Bonds, due January 1, 1935, bearing interest at 3½ per cent, secured by a mortgage made by the Minnesota and South Dakota Railway Company, dated January 1, 1900 upon that portion of the railway hereby conveyed from Tyler, Minnesota, to Astoria, South Dakota, about 33 miles.

$ 3,900,000. Iowa, Minnesota and Northwestern Railway Company First Mortgage Bonds, due January 1, 1935, bearing interest at 3½ per cent, secured by a mortgage made by the Iowa, Minnesota and Northwestern Railway Company, dated January 1, 1900, upon that portion of the railway hereby conveyed from Belle Plaine, Iowa, to Fox Lake, Minnesota, about 195 miles.

$ 4,000,000. Sioux City and Pacific Railroad Company First Mortgage Gold Bonds, due August 1, 1936, bearing interest at 3½ per cent, secured by a mortgage made by the Sioux City and Pacific Railroad Company, dated August 1, 1901 upon that portion of the railway hereby conveyed from Sioux City, Iowa, to Fremont, Nebraska, and from Sargent's Bluffs, Iowa, to Moville, Iowa, aggregating about 125 miles.

$2,500,000. Milwaukee and State Line Railway Company First Mortgage Bonds, due January 1, 1941, bearing interest at 3½ per cent, secured by a mortgage made by the Milwaukee and State Line Railway Company, dated January 2, 1906, upon that portion of the railway hereby conveyed from a connection with the Chicago and North Western Railway near Lake Bluff, Illinois, to a connection with the Chicago and North Western Railway at St. Francis, near Milwaukee, Wisconsin, about 51 miles.

$ 3,750,000. Manitowoc, Green Bay and North Western Railway Company First Mortgage Bonds, due January 1, 1941, bearing interest at 3½ per cent, secured by a mortgage made by the Manitowoc, Green Bay and North Western Railway Company, dated January 2, 1906, upon that portion of the railway hereby conveyed from Manitowoc to Green Bay, Duck Creek to Gillett, and Pulaski to Eland Junction, all in the State of Wisconsin, aggregating about 125 miles.

$ 1,120,000. St. Paul Eastern Grand Trunk Railway Company First Mortgage Gold Bonds,

due January 1, 1947, bearing interest at 4½ per cent, secured by a mortgage made by the St. Paul Eastern Grand Trunk Railway Company, dated January 1, 1913, upon that portion of the railway hereby conveyed from Clintonville to Oconto, Wisconsin, and branches, aggregating about 60 miles.

$15,000,000. Milwaukee, Sparta and North Western Railway Company First Mortgage Gold Bonds, due March 1, 1947, bearing interest at 4 per cent, secured by a mortgage made by the Milwaukee, Sparta and North Western Railway Company, dated March 1, 1912, upon that portion of the railway hereby conveyed from Lindwerm, near Milwaukee, to Sparta, and from West Allis to Butler, all in the State of Wisconsin, aggregating about 179 miles.

$ 2,500,000. Des Plaines Valley Railway Company First Mortgage Gold Bonds, due March 1, 1947, bearing interest at 4½ per cent, secured by a mortgage made by the Des Plaines Valley Railway Company, dated March 1, 1912, upon that portion of the railway hereby conveyed from Proviso, Illinois, to Valley, Illinois, about 21 miles.

$10,000,000. St. Louis, Peoria and North Western Railway Company First Mortgage Gold Bonds, due July 1, 1948, bearing interest at 5%, secured by a mortgage made by the St. Louis, Peoria and North Western Railway Company, dated July 1, 1913, upon that portion of the railway hereby conveyed from Peoria to Bendl, Illinois, about 115 miles.

SECTION 3. First and refunding bonds from time to time shall be reserved hereunder for issue, from time to time, as provided in this article, for the purpose of refunding, purchasing, paying or retiring, before, at or after maturity, the bonds secured by mortgage prior to the lien of this indenture upon railroads or real property hereafter conveyed by the Railway Company to the Trustees by indenture or indentures supplemental hereto, executed as provided in Article Eleven hereof. The amount of bonds so to be reserved shall be a principal amount equal to the principal amount remaining unpaid of the prior debt enumerated in such supplemental indenture or indentures. Mortgages which are such liens upon any property which may hereafter be acquired by the Railway Company and be conveyed to the Trustees by indenture or indentures supplemental hereto, as aforesaid, shall be specified and described in such supplemental indenture or indentures, and the principal amount of the bonds secured thereby shall be stated therein and thereafter shall be regarded as forming a part of the prior debt of the Railway Company whenever prior debt is mentioned in this indenture or in any indenture supplemental hereto. Prior debt of the Railway Company shall also include the indebtedness secured by lien prior to the lien hereof against which bonds are required to be reserved by the Trustee under paragraph (2) of Section 7 of this article.

SECTION 4. First and refunding bonds may, subject to the provisions of Section 2 of Article One, at the election of the Railway Company, to be expressed by resolution of its Board of Directors or Executive Committee, a duly certified copy of which shall be delivered to the Trustee, be from time to time reserved hereunder for issue, from time to time, as provided in this article, for the purpose of refunding, purchasing, paying or retiring, before, at or after maturity a like principal amount of the bonded indebtedness of any company, including debenture bonds, and evidenced by an issue of bonds, which hereafter shall be consolidated with or merged into, or whose railroad property hereafter shall be acquired by the Railway Company, although such bonded indebtedness may not be secured by mortgage; provided, however, that the railroad property acquired through consolidation, merger or purchase shall be conveyed by the Railway Company to the Trustees by, and that such bonded indebtedness shall be specified and the amount thereof stated in, an indenture or indentures supplemental to this indenture, executed as provided in Article Eleven hereof, excepting from such conveyance however, any lands (other than right of way and railroad yards, station and terminal grounds) which may have been granted to such other company by the United States, or any State of the United States, or any County of any of said States. The bonded indebtedness against which the Railway Company shall so elect to reserve first and refunding bonds and which shall be so specified and the amount thereof stated in any supplemental indenture shall be regarded as forming a part of the prior debt of the Railway Company whenever prior debt is mentioned in this indenture or in any indenture supplemental hereto.

SECTION 5. Whenever the Railway COmpany shall tender Or shall cause tO be tendered to the Trustee any of the obligations constituting part of the prior debt, to retire which bonds are then reserved under this article, either in bearer form or accompanied by proper instrument of assignment and transfer, with all unmatured coupons thereunto belonging, whether before, at or after maturity thereof, the Trustee, in exchange therefor, shall authenticate and deliver to the Railway Company, or upon its order, first and refunding bonds in an aggregate principal sum equal to the face amount of the obligations so tendered to the Trustee. Unless canceled in accordance with the provisions of this indenture and until so canceled, all such obligations delivered to the Trustee shall be held by it without inpairment of the lien of such obligations and as additional security under this indenture. Bonds so held by the Trustee shall be stamped, "Not negotiable, held in trust for the purposes declared in the First and Refunding Gold Bond Mortgage of the Chicago and North Western Railway Company, dated May 1, 1920."

At any time or times at or after the maturity, or within twelve months before such maturity, of any obligations constituting part of the prior debt, to retire which bonds are then reserved under this article, the Railway Company may sell first and refunding bonds reserved for such purpose, in order to provide the means to purchase such of the obligations constituting part of the prior debt as shall not theretofore have

been delivered to the Trustee under this indenture, and which have matured or are to mature within twelve months; and the Trustee shall authenticate and shall deliver to the Railway Company, on upon its order, first and refunding bonds in an aggregate principal sum equal to the face amount of such obligations constituting part of the prior debt as have matured, or are to mature within twelve months; provided, that an amount of money equal to the face value of the first and refunding bonds so authenticated and delivered simultaneously shall be deposited with the Trustee in exchange therefor. Out of the money so received by the Trustee, it shall, on demand of the Railway Company and upon delivery to the Trustee of the obligations, either in bearer form or accompanied by proper instrument of assignment and transfer, so purchased by the Railway Company, pay to the Railway Company, or upon its order, a sum equal to the face amount of such obligations as purchased.

Neither the principal Nor the interest of any obligations delivered to and held by the Trustee shall be collected or required to be paid, unless or until proceedings shall have been instituted to foreclose the mortgage securing such obligations, by entry or by sale or otherwise; but then and thereupon all of the obligations of such issue then held by the Trustee, and all interest thereon maturing on or subsequent to the date upon which the default was made for which such proceedings shall have been instituted, shall be entitled to payment, and payment thereof shall be enforced ratably and equally with all other obligations of such issue not deposited with the Trustee.

Whenever any bonds constituting part of the prior debt of the Railway Company are redeemed, purchased or acquired pursuant to the provisions of any trust deed or mortgage and are received by the trustee under such trust deed or mortgage, then from time to time, upon the production by the Railway Company of a certificate from such trustee to the effect that such bonds in an amount to be specified in such certificate, have been redeemed, purchased or acquired pursuant to the provisions of such trust deed or mortgage, and that such bonds have been received and duly canceled by such trustee, and that such amount is not covered by any prior certificate issued by such trustee pursuant hereto, or pursuant to the General Gold Bond Mortgage, the Trustee hereunder shall authenticate and deliver to the Railway Company first and refunding bonds under this indenture in the same way and to the same amount as would be done if such underlying bonds had been surrendered to said Trustee under the provisions of this section; and thereupon the Railway Company shall be entitled to receive the bonds so authenticated and delivered to it. In case of such issue, the bonds which would otherwise be issuable against such underlying bonds under the provisions of the General Gold Bond Mortgage shall no longer be issuable thereunder, and no bonds shall be reserved hereunder for their retirement.

Whenever all bonds of a particular issue constituting part of the prior debt, shall have been deposited with the Trustee, or provision shall have been made satisfactory to the Trustee for the payment or retirement of any bonds not so deposited, and there

shall not be outstanding any bonds of any other issue constituting part of the prior debt secured by mortgage or other instrument, the lien of which is junior to the lien securing such deposited bonds and prior to the lien of this indenture upon any part of the property covered by the mortgage or other instrument securing such deposited bonds, then, upon delivery to the Trustee of a certified copy of a resolution of the Board of Directors of the Railway Company or of its Executive Committee requesting such action, all the deposited bonds of such issue constituting part of the prior debt shall be canceled by the Trustee and surrendered to the Railway Company, and the Railway Company shall procure the mortgage or other instrument securing the same to be canceled, released and discharged of record, and all bonds and other obligations or securities mortgaged or pledged thereunder shall thereupon be delivered to the Trustee as further security hereunder.

In any case any of the prior debt, to acquire, retire ore refund which, first and refunding bonds are or shall be reserved pursuant to this article, shall be paid or retired without the issue of the bonds so reserved for that purpose, the amount of the bonds then reserved shall be reduced by an amount equal to the principal of such prior debt so paid or retired.

A certificate signed by the President or any Vice President, and the Secretary or Assistant Secretary of the Railway Company, as to any facts pertinent to the right under Sections 1, 2, 3, 4 and 5 of this article to authenticate and deliver first and refunding bonds, may be received by the Trustee as conclusive evidence of such facts and shall constitute full authority for the action of the Trustee in accordance therewith.

SECTION 6. First and refunding bonds hereunder in the principal amount of $15,000,000 shall, as soon as may be after the execution of this indenture, be authenticated and delivered by the Trustee to the Railway Company for the purpose of reimbursing the Railway Company for moneys expended during the five years next preceding the first day of May, 1920, in the permanent improvement of, and additions to the property of the Railway Company, subject to the lien of this indenture, upon delivery to the Trustee of the instruments required by Section 7 of Article Two, together with a certificate of the President and Chief Engineer of the Railway Company stating that an amount of money, equal to or greater than the amount of bonds to be so authenticated and for which no bonds have been issued or called for under this indenture or any prior mortgage, has been expended in such permanent improvements and additions during the five years next preceding the first day of May, 1920, and is properly chargeable to capital account for the cost of road, property or equipment under the rules and regulations, then in force, of the Interstate Commerce Commission. Said improvements and additions shall not be subject to any lien other than the lien hereof, or of one or more of the prior mortgages specified in Section 1 or Section 2 of this article.

. SECTION 7. From time to time, first and refunding bonds may be executed by the Railway Company, and authenticated and delivered, or deposited cash (as the term "deposited cash" is hereinafter in this section defined) may be paid out by the Trustee, to pay for or in reimbursement of expenditures made after May 1, 1920, for some one or more of the following purposes:

I. The construction or acquisition by the Railway Company of any line or lines of railway, or extensions or branches, connecting with some line of railway then subject to this indenture.

II. The construction or acquisition by the Railway Company of additional main or other tracks, terminal properties, telegraph or telephone lines, elevators, warehouses, depots, shops, machinery, tools, docks, wharves, piers, landings, and other additions, betterments and improvements (except rolling stock and floating equipment for which provision is hereinafter made) upon, along or pertaining to, or for use in connection with, or in extension of, any line of railway or other property of the Railway Company then subject to this indenture.

III. The construction or acquisition by the Railway Company of rolling stock or floating equipment for use upon or in connection with any of the lines of railroad at the time subject to this indenture, provided that no bonds shall be authenticated and delivered or deposited cash paid in respect of rolling stock or equipment which is subject to any equipment trust or other lien or charge.

IV. The payment or refunding of any indebtedness secured by lien prior to this indenture on any lines of railway or other real property that shall at any time become subject to this indenture and for which bonds shall have been reserved under this section as hereinafter required.

For the purpose of this section, a line of railway shall be deemed to be "connecting" with a line of railway subject to this indenture if it shall connect with the same by direct junction of tracks, or by ferry, or by bridge or railroad to which the Railway Company shall have acquired an exclusive or joint right of user; if such right of user, and every renewal or extension thereof, shall be assigned or pledged hereunder.

In case the authentication and delivery of bonds under this section are called for to reimburse the Railway Company for expenditures previously made for purposes specified in this section, such bonds shall be authenticated and delivered to the Railway Company or upon its written order, upon delivery to the Trustee of a certified copy of the resolution of the Board of Directors or Executive Committee of the Railway Company, as the case may be, as provided in Section 7 of Article Two hereof, and certificates, opinions and copies of orders, as in said Section 7 and hereinafter in this section provided.

Unless the authentication and delivery of bonds under this section are called for to reimburse the Railway Company for expenditures as aforesaid, the Railway Company shall, in addition to complying with the requirements of Section 7 of Article Two hereof, deposit with the Trustee a sum in cash equal to the principal amount of the bonds to be

so authenticated and delivered, and thereupon the Trustee shall authenticate and deliver to or upon the order of the Railway Company, an amount of bonds secured by this indentus equal at the par or face value thereof to the amount of cash deposited. The term "deposited cash" as used in this indenture shall be deemed to signify the cash so deposited with the Trustee, together with any moneys which pursuant to any other provision of this indenture are subject to the provisions of this section and any other cash received by the TRustee for the disposition of which no other provision is made under this indenture. The deposited cash shall be held by the Trustee as a part of the trust estate until paid to or upon the written order of the Railway Company calling for the payment of a specified amount, accompanied by certificates and opiniens as hereinafter specified.

The certificate or certificates to be delivered by the Railway Company to the Trustee preliminary to the authentication and delivery of bonds for reimbursement of the Railway Company as aforesaid, or to the payment of deposited cash as aforesaid, in respect of any of the purposes specified in the foregoing paragraphs, I, II, or III, shall be as follows:

(1) A certificate of the President or any Vice President, and the Secretary or Comptroller or Chief Engineer of the Railway Company stating--(a) that expenditures have been made by the Railway Company subsequent to May 1, 1920, for one or more of the purposes specified in this section, with a classified statement of the amounts so expended; (b) that the expenditures so made were not in excess of the reasonable cost or fair value of the work done or the property constructed or acquired; (c) that no part of such expenditures was included in any previous certificate furnished hereunder, and that no bonds have been issued or called for under this indenture or any prior mortgage on account of such expenditures and that no part of such expenditures was made or reimbursed out of any moneys received by the Railway Company from the Trustee under any of the provisions of this indenture or from the trustee of any prior mortgage; and (d) that such expenditures are properly chargeable to capital account for the cost of road, property or equipment, under the rules and regulations, then in force, of the Interstate Commerce Commission or other governmental body having jurisdiction of the subject matter.

(2) In case of the acquisition of additional lines of railway, branches, extensions or other real property, such certificate shall state whether such property is subject to any lien prior to this indenture other than the prior debt specified in this article, for which bonds are then reserved hereunder and other than ordinary charges incident to construction or operation, and, if any such exists, such certificate shall specify the amount and maturity thereof and that such acquisition will not result in a violation of Section 2of Article One, and the Trustee shall set aside and reserve bOnds issuable under this Section 7 to the amount of such lien until such lien shall be refunded hereunder or paid and released.

(3) Any such certificate under this section may state any other facts pertaining to the right to authenticate and deliver bonds hereunder, and the different officers of the Railway Company may respectively certify to different facts.

Whenever the Railway Company shall acquire and shall subject to the lien hereof any property subject to any prior lien specified in such certificate as aforesaid, and thereafter any such lien shall be paid or be satisfied, or shall be acquired and be subjected to the lien hereof, then the expenditure made by the Railway Company for the payment, satisfaction or acquisition of such prior lien not exceeding the principal amount of such prior lien shall be deemed additional expenditures for the acquisition of such property, and bonds issuable under this section s hall be authenticated and delivered to the Railway Company, or deposited cash paid out, on account of such expenditures, under the authority of the foregoing paragraph IV of this section, and upon delivery by the Railway Company to the Trustee of a certificate containing the statements required in the foregoing certificate described in paragraph (1) above so far as applicable and upon compliance by the Railway Company with the other requirements of this section. Liens so acquired and subjected to the lien hereof shall be held by the Trustee on the same terms as prior debt refunded under Section 5 of this article.

Upon receipt of sUch certificate and a certified copy of the resolutions and other instruments as hereinbefore provided and upon compliance with the further requirements of this section, the Trustee shall authenticate and deliver to the Railway Company, or on its written order, an amount of its first and refunding bonds, of the description called for in such resolutions, in the principal amount, or pay to the Railway Company, or on its written order, deposited cash to an amount, equal to the expenditures made by the Railway Company as set forth in such certificate. The certificate and resolutions and other instruments required to be submitted to the Trustee hereunder may be received by it as conclusive evidence of any statements therein contained pertaining to its right to authenticate and deliver bonds or pay out deposited cash under this section and shall be full protection to the Trustee for its action on the faith thereof.

Whenever the expenditures certified as aforesaid shall have been made for the construction or acquisition of property, and bonds hereunder shall have been authenticated and delivered or deposited cash paid out to the Railway Company to reimburse it for such expenditures, the property so constructed or acquired ipso facto shall become and be subject to this indenture. Nevertheless, upon request, the Railway Company will also make, execute and deliver any additional conveyance or assurance for that purpose that may be reasonably required, and shall also furnish to the Trustee the written opinion of counsel (who may be of counsel for the Railway Company) to the effect that such conveyances or other instruments are sufficient for that purpose.

ARTICLE FOUR.

PARTICULAR COVENANTS OF THE RAILWAY COMPANY.

The Railway COmpany cOvenants as follows:

SECTION 1. It will duly and punctually pay, or cause to be paid, to every holder of any bond issued and secured hereunder, the principal and interest accruing thereon, at the dates and place and in the manner promised in such bond, or in the coupons thereto belonging, according to the true intent and meaning thereof. The interest on coupon bonds shall be payable only upon presentation and surrender of the several coupons annexed to said coupon bonds assuch coupons respectively mature; and when and as paid all coupons shall forthwith be canceled by the Railway Company. The interest on registered bonds without coupons shall be payable only to the registered owners thereof. At all times until the payment of the principal of such bonds the Railway Company will maintain an office or agency in the Borough of Manhattan, City and State of New York, where said bonds and coupons may be presented for payment, and where notices or demands in respect of all of said bonds and coupons may be served.

From time to time, the Railway Company will give notice to the Trustee of the location of any such office or agency or agencies and of any change of location thereof, and in case the Railway Company shall fail to maintain any such office or agency or fail to give such notice of any change thereof, presentation and demand may be made and notices may be served at the office of the Trustee, but, except where otherwise expressly provided by this indenture, the Trustee shall not be under any duty to the Railway Company or any other person to take any action in respect of any such demand or notice.

SECTION 2. Whenever required by the Trustees, the Railway COmpany will grant, cOnvey confirm, assign, transfer and set over unto the Trustees the estate, right, title and interest of the Railway Company in or to all real and personal estate, corporate rights and franchises which in any way or manner it shall acquire as appurtenant to the railroads hereby mortgaged, or for the construction or acquisition of which any bonds hereunder shall have been issued or deposited cash paid out, and also it will do, execut acknowledge and deliver or it will cause to be done, executed, acknowledged and delivered all and every such further acts, deeds, transfers and assurances for the better assuring, conveying and confirming unto the Trustees all and singular the premises, estates and property hereby conveyed, or intended so to be, as reasonably they shall require for better accomplishing the provisions and purposes of this indenture, and for securing payment of the principal and interest of the bonds intended to be hereby secured.

SECTION 3. The Railway Company, from time to time, will pay and discharge all taxes assessments and governmental charges lawfully imposed upon the railway and other premise hereby mortgaged, or upon any part thereof, or upon the income and profits thereof, or upon the interest of the Trustees therein, the lien of which would be prior to the lien hereof, so that the priority of this indenture shall be fully preserved in respect of such properties and premises; provided, however, that nothing contained in this section shall require the Railway Company to pay any such tax, assessment or charge, so long as

the Railway Company in good faith and by appropriate legal proceedings shall contest the validity thereof, and that nothing in said bonds or in this in indenture contained shall obligate or be deemed to obligate the Railway Company to pay and tax, assessment, or other governmental charge, the agreement to pay which or the payment of which would be contrary to law or would result in the forfeiture of any rights or interest secured to any of said bondholders by the terms of said bonds or of this indenture.

SECTION 4. The Railway COmpany covenants that the premises hereby conveyed are subject to no mortgage or trust deed except those securing the bonds described in Section 1 and Section 2 of Article Three hereof, and that it will not create or suffer to be created any lien or charge having priority to, or preference over, the lien of this indenture upon the mortgaged premises, or any part thereof, or upon the income thereof, except that it reserves the right subject to the provisions of Section 5 of this article to issue the residue of the bonds, unissued at the date hereof, and issuable under the provisions of its General Gold Bond Mortgage and, within six months after the same shall accrue, it will pay, or cause to be discharged, or will make adequate provision for the satisfaction or discharge of, all lawful claims and demands of mechanics, laborers and others, which, if unpaid, might by law be given precedence to this indenture as a lien or charge upon the mortgaged premises or any part thereof, or the income thereof; provided, however, that nothing contained in this section shall require the Railway Company to pay any such claim or demand so long as the Railway Company in good faith shall contest the validity thereof or its enforcement as a lien or charge superior to this indenture.

SECTION 5. The Railway COmpany covenants that bonds shall not hereafter be issued under any of the several mortgages or trust agreements described in Section 1 and Section 2 of Article Three hereof in addition to the principal of the bonds therein specified as outstanding under such mortgages and trust agreements, respectively; except, however, that the residue of the bonds in the principal sum of $69,921,000 unissued at the date hereof and issuable under the provisions of the General Gold Bond Mortgage of the Railway Company as stated insubdivisions (2) and (3) of Section 1 of Article Three hereof may be issued pursuant to the provisions of said mortgage. In case any of the underlying bonds described in subdivision (2) of Section 1 of Article Three be paid or refunded without the issue of bonds reserved for that purpose in the General Gold Bond Mortgage, the amount of bonds so reserved in said mortgage for that purpose, and which may thereafter be issued thereunder in accordance with the provision of this section, shall be reduced by an amount equal to the principal of the bonds so paid or retired. In case the Railway Company, as provided in Section 1 of Article Three, shall file with the Trustee a waiver of its right to issue part or all of the principal amount of General Mortgage Gold Bonds issuable under the provisions of subdivision (3) of Section 1 of Article Three, the amount of said bonds which may thereafter be issued under said General Gold Bond Mortgage, in accordance with the provi-

sions of this section, shall be reduced by the amount included in said waiver. None of the bonds specified in said subdivision (3) shall be issued in respect of any expenditures for which first and refunding bonds shall be issued under said Article Three. The $1,737,000 principal amount of bonds now due from the trustee under said General Gold Bond Mortgage and included in the aggregate figure of $95,079,000 specified in subdivision (1) of Section Three are considered as now outstanding for the purposes of this section.

SECTION 6. Exclusively for the benefit of the holders of bonds issued hereunder, the Railway Company will pay or cause to be paid the interest on the bonds described in Section 1 and Section 2 of Article Three hereof, as well as on all other obligations that shall or may be secured by liens upon any part of the mortgaged property prior in lien hereto, and not pledged with and held by the Trustee hereunder, as and when such interest shall become payable, and will pay the principal of every such bond or obligation when due, and will not extend or renew the same, or will cause the same to be taken up and pledged under this indenture or exchanged for General Mortgage Gold Bonds of the Railway Company and pledged under the mortgage securing said bonds.

Whenever the Railway Company shall obtain from the trustee of any of the mortgages or other trust agreements, securing part of the prior debt of the Railway Company, the release of any bonds or other securities pledged thereunder, for the refunding of which no provision is made hereunder, it shall, unless required to cancel the same by the terms of some mortgage or trust agreement securing part of the prior debt of the Railway Company, or unless such action is otherwise contrary to its obligations under the terms of some such mortgage or trust agreement, pledge and deliver the same to the Trustee to be held by it as further security for the first and refunding bonds.

SECTION 7. The Railway Company will not voluntarily suffer or permit to be terminated or revoked the franchises to it granted and upon it conferred and subject to the lien hereof, and will at all times maintain, preserve and keep the mortgaged property, including all extensions thereof and additions thereto, and every part thereof, in thorough repair, working order and condition, and supplied with rolling stock, equipment, apparatus, appliances, tools and motive power of capacity adequate to the proper conduct and the natural increase of its business. The Railway Company will also diligently observe all of the conditions, so as to prevent the forfeiture thereof, by reason of any act or omission of the Railway Company, of all and every of the franchises and other rights to it granted and upon it conferred that shall be necessary or desirable for the maintenance, operation or enjoyment of the property of the Railway Company or any part thereof.

SECTION 8. The Railway Company, from time to time, will punctually observe and

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perform all of its obligations, and will pay and discharge all amounts payable, under and by virtue of any lease of property or trackage contract held by it at any time subject to the lien of this indenture, and will not suffer or permit any default for which any such lease or trackage contract might be terminated, so that the interest of the Railway Company in such leasehold estates or trackage contracts may be at all times preserved unimpaired as security for the bonds hereby secured; provided, however, that nothing contained in this section shall require the Railway Company to make any such payments or to observe any such obligations, so long as it shall in good faith contest its liability therefor.

In case and whenever default shall be made in paying any sum stipulated to be paid in any lease or trackage contract subject to the lien of this indenture, or any sum which in Section 3 or Section 4 of this article the Railway Company has covenanted to pay or discharge, or cause to be discharged, or to provide for satisfying and discharging, the Trustee, without affecting any of its rights hereunder, from time to time in its discretion, may itself pay any sum so in default, and thereupon shall have, and forthwith may assert a lien for such advances upon the trust estate and the proceeds thereof, which lien shall be entitled to priority in rank and to priority in payment from the income and profits of the trust estate over the bonds issued hereunder.

SECTION 9. The railway company will not issue, negotiate, sell or dispose of any bonds hereby secured, in any manner other than in accordance with the provisions of this indenture, and the agreements in that behalf herein contained, and in issuing, selling, negotiating or otherwise disposing of such bonds, from time to time, it will well and truly apply or cause to be applied, the same or the proceeds thereof to and for the purposes herein prescribed, and to and for no other or different purpose.

SECTION 10. The Railway Company, in every indenture supplemental hereto which hereafter may be executed, will enumerate all mortgages which are liens upon the railroads or parts thereof thereby conveyed under which bonds constituting prior debt shall have been issued, and will describe such mortgages and state the principal amount and date of maturity of, and the interest borne by, all bonds outstanding thereunder.

SECTION 11. The Railway Company will duly record this indenture and every indenture supplemental hereto which hereafter may be executed, and will pay any mortgage recording tax legally due upon the recording of this indenture or any indenture supplemental hereto, and will pay and tax or fee legally due at any time upon the issuing of bonds secured hereby as and when such bonds shall be issued, and also will make such statements and do such acts now and hereafter as are or shall be required by it to be made or done under any law affecting the recording hereof or of any supplemental indenture or the payment of any such tax or fee.

SECTION 12. In case the Railway Company shall hereafter create any mortgage upon the railroads and property subject to the lien of this indenture or any part thereof, such mortgage shall be and shall be expressed to be subject to the prior lien of this inden-

ture for the security of all bonds then issued or thereafter to be issued hereunder within any limitation of amount then or thereafter to be fixed as in this indenture provided.

ARTICLE FIVE.

REMEDIES OF TRUSTEES AND BONDHOLDERS.

SECTION 1. The Railway Company will not, directly or indirectly, extend or assent to the extension of the time for payment of any coupon or claim for interest on any of the bonds hereby secured, and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding such coupons or claims for interest or in any other manner. If the time for payment of any such coupon or claim for interest shall be so extended, whether or not by or with the consent of the Railway Company, such coupon or claim for interest shall not be entitled, in case of default hereunder, to the benefit of the security of this indenture, except subject to the prior payment in full of the principal of all bonds hereby secured and then outstanding and all coupons and interest on such bonds the payment of which shall not have been extended.

Neither any coupon belonging to any bond hereby secured, nor any claim for interest on any registered bond, which in any way at or after maturity shall have been transferred or pledged separate and apart from the bond to which it relates, shall, unless accompanied by such bond, be entitled, in case of default hereunder, to any benefit of or from this indenture, except after the prior payment in full of the principal of the bonds hereby secured, and of all coupons and interest obligations not so transferred or pledged.

SECTION 2. In case one or more of the following events, herein called the "events of default," shall happen, that is to say (1) default shall be made in the payment of any interest on any bond or bonds secured by this indenture, and any such default shall have continued for a period of six months; or (2) default shall be made in the due and punctual payment of the principal of any bond hereby secured; or (3) default shall be made in the due observance or performance of any other covenant or condition herein required to be kept or performed by the Railway Company, and any such default shall have continued for a period of six months after written notice thereof from the Trustees, or from the holders of ten per cent in amount of the bonds hereby secured; or (4) an order shall be made for the appointment of a receiver of the Railway Company or of the trust estate or of any part thereof; or (5) the Railway Company shall fail, on the maturity of any bonds or obligations secured by any lien prior to that of this indenture on the mortgaged premises, or any part thereof and on presentation thereof in accordance with the terms thereof, either to pay said bonds or obligations or to cause said bonds and obligations to be taken up and delivered to the Trustee to be held under this indenture; or (6) default shall be made in the payment of the interest on any bond or obligation secured by any lien prior to that of this indenture on the mortgaged premises, or any part thereof, or default shall be made in the performance of any covenant contained in any mortgage or deed or other instrument of trust constituting a lien on any part of the mortgaged premises in priority to this indenture and, by reason of any such default, any right of entry or right of action for the enforcement of the security afforded thereby shall accrue; then, and in each and every such case, the Trustees personally, or by their agents or attorneys, may enter into and upon all or any part of the railways, rolling stock, property and premises, lands, rights, interests and franchises hereby conveyed, and each and every part thereof, and may exclude the Railway Company, its agents and servants, wholly therefrom, and having and holding the same may use, operate, manage and control said railways and other premises, regulate the tolls for the transportation of passengers and freight thereon, and conduct the business thereon, either personally or by their superintendents, managers, receivers, agents, servants or attorneys, to the best advantage of the holders of the bonds hereby secured; and upon every such entry the Trustees at the expense of the trust estate, from time to time, either by purchase, repairs or construction, may maintain and restore and insure or keep insured the rolling stock, tools, and machinery and other property, buildings, bridges and structures erected, or provided for use, in connection with said railways and other premises, and whereof they shall become possessed, as aforesaid, in the same manner and to the same extent as is usual with railway companies, and likewise from time to time, at the expense of the trust estate, may make all necessary or proper repairs, renewals and replacements and useful alterations, additions, betterments and improvements thereto and thereon, as to them may seem judicious; and, in such case, the Trustees shall have the right to manage the mortgaged premises, and to carry on the business and exercise all rights and powers of the R ailway Company, either in the name of the Railway Company or otherwise, as the Trustees shall deem best; and they shall be entitled to collect and to receive all tolls, earnings, incomes, rents, issued and profits of the same and every part thereof; and to collect and receive all dividends and interest moneys maturing and payable upon any shares of stock, bonds and other obligations which may be pledged hereunder. After deducting the expense of operating said railways and other premises, and of conducting the business thereof, and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements, and all payments which may be made for taxes, assessments, insurance, and prior or other proper charges, upon the said premises and property, or any part thereof, as well as just and reasonable compensation for their own services and for all agents, clerks, ser-

vants and other employees by them properly engaged and employed, they shall apply the moneys arising as aforesaid as follows:

In case the principal of the bonds hereby secured shall not have become due, to the payment of the interest in default, in the order of the maturity of the instalments of such interest, with interest thereon at the same rate of interest as was borne by the bond on which such interest shall be in default; such payments to be made ratably to the persons entitled thereto, without discrimination or preference;

In case the principal of the bonds hereby secured shall have become due, by declaration or otherwise, first tothe payment of the accrued interest (with interest on the overdue instalments thereof at the same rate of interest as was borne by the bond on which such interest shall be in default) in the order of the maturity of the instalments, and then to the payment of the principal of all bonds hereby secured; in every instance such payments to be made ratably to the persons entitled to such payment, without any discrimination or preference.

These provisions, however, are not intended in anywise to modify the provisions of Section 1 of this article, but are subject thereto.

Upon complying with all the provisions of this indenture as to which the Railway Company shall be in default and the payment in full of whatever may be due for such principal and interest or payable for other purposes, the premises shall be returned to the Railway Company, its successors or assigns, or to whosoever shall be lawfully entitled thereto.

SECTION 3. If one or more of the events of default shall happen, the Trustee shall be entitled to vote on all shares of stock then subject to the lien of this indenture, and, for the benefit of the holders of the first and refunding bonds, shall be entitled to collect and receive all dividends on all such shares of stock, and all sums payable for principal, interest or otherwise upon any bonds or obligations or otherwise upon any bonds or obligations or other indebtedness that shall then be subject to this indenture, and to apply, as hereinbefore provided, the net moneys received; and, as holder of any such shares of stock and of any such bonds or other obligations and such indebtedness, to perform any and all acts, or to make or execute any and all transfers, requests, requisitions or other instruments, for the purpose of carrying out the provisions of this section; but in the event that a receiver of the railways embraced in the trust estate shall have been appointed and shall be in possession thereof, in the enforcement of this indenture or pursuant to the provision hereof, the Trustee from time to time in its discretion may, and if requested by the holders of a majority in amount of the first and refunding bonds shall, turn over any part or all of the interest moneys and dividends so collected by it to such re

ceiver, and the Trustees may cooperate with such receiver in managing and operating the system of the Railway Company in such manner as the Trustees shall deem for the best interest of the holders of the first and refunding bonds.

SECTION 4. In case one or more of the events of default described in Section 2 of this article shall happen then during the continuance of such default and unless the principal of all the bonds issued hereunder already shall have become due and payable, the Trustee may, and upon the written request of the holders of a majority in amount of the bonds hereby secured then outstanding shall, by notice in writing delivered to the Railway Company, declare the principal of all bonds hereby secured then outstanding to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable, anything in this indenture or in said bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that if, at any time after the principal of said bonds shall have been so declared due and payable, all arrears of interest upon all such bonds, with interest on overdue instalments of interest at the same rate as was borne by the bond which shall be in default, and the expenses of the Trustees, either shall be paid by the Railway Company or be collected out of the mortgaged premises before any sale of the mortgaged premises shall have been made, and all other defaults shall have been made good or secured to the satisfaction of the Trustee, then and in every such case the holders of a majority in amount of the bonds hereby secured then outstanding, by written notice to the Railway Company and to the Trustees, may waive such default and its consequences; but no such waiver shall extend to or affect any subsequent default, or impair any right consequent thereon.

SECTION 5. In case one or more of the events of default described in Section 2 of this article shall have occurred and be continuing, the Trustees, with or without entry, personally or by attorney, in their discretion (a) may, to the extent authorized by law, sell to the highest and best bidder all and singular the mortgaged property and premises, rights, franchises, and interests, and appurtenances, stocks, bonds, and other real and personal property of every kind, and all right, title and interest, claim and demand therein, and right of redemption thereof, in one lot and as an entirety, unless a sale in parcels shall be required under the provisions of Section 6 of this article, in which case such sale may be made in parcels as in said section provided; which sale or sales shall be made at public auction at such place in the City of Chicago, in the State of Illinois, at such other place, and at such time and upon such terms, as the Trustees may fix and briefly specify in the notice of sale to be given as herein provided, unless otherwise required by law; or (b) may proceed to protect and enforce their rights and the rights of bondholders under this indenture by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the foreclosure of this indenture, or for the enforcement of any other appropriate legal or equitable remedy, as the Trustees, being advised by counsel

learned in the law, shall deem most effectual to protect and enforce any of their rights or duties hereunder.

Upon the written request of the holders of a majority in amount of the bonds hereby secured, in case of any such continuing default, it shall be the duty of the Trustees, upon being indemnified as hereinafter provided, to take all needful steps for the protection and enforcement of their rights and the rights of the holders of the bonds hereby secured, and to exercise the powers of entry or sale herein conferred, or both, or to take the appropriate judicial proceedings by action, suit or otherwise, as the Trustees, being advised by counsel learned in the law, shall deem most expedient in the interest of the holders of the bonds hereby secured.

Anything in this indenture contained to the contrary notwithstanding, the holders of seventy-five per cent in amount of the bonds hereby secured, and then outstanding, from time to time shall have the right, if they so elect and manifest such election by an instrument in writing executed and delivered to the Trustees, to direct and control the method and place of conducting any and all proceedings for any sale of the premises hereby conveyed, mortgaged or pledged, or for the foreclosure of this indenture, or for the appointment of a receiver, or any other proceedings hereunder.

SECTION 6. In the event of any sale, whether made under the power of sale hereby granted and conferred, or under or by virtue of judicial proceedings, or of some judgment or decree of foreclosure and sale, the whole of the property hereby mortgaged shall be sold in one parcel and as an entirety, including all the rights, titles, estates, railroads, equipment, franchises, leases, leasehold interests, contracts, stocks, bonds and other real and personal property of every name and nature, unless the holders of a majority in amount of the bonds hereby secured then outstanding shall in writing request the Trustees to cause said premises to be sold in parcels, in which case the sales shall be made (so far as the law may allow) in such parcels as may be specified in such request or petition, or unless such sale as an entirety is impracticable by reason of some statute or other cause; and this provision shall bind the parties hereto and each and every of the holders of the bonds and coupons hereby secured or intended so to be.

The Railway Company, for itself and all persons and corporations hereafter claiming through or under it or who may at any time hereafter become holders of liens junior to the lien of this ~~indebtyrem~~ indenture hereby expressly waives and releases all right to have the properties and estate comprised in the security intended to be created by this indenture marshalled upon any foreclosure or other enforcement hereof, and the Trustees, or any court in which the foreclosure of this mortgage or administration of the trusts hereby created is sought, shall have the right to sell the entire property of every description comprised in or subject to the trusts created by this indenture as a whole in a single lot, or in such parcels as may be specified as aforesaid.

SECTION 7. Notice of any such sale pursuant to any provision of this indenture shall state the time and place when and where the same is to be made, and shall contain a brief general description of the property to be sold, and shall be sufficiently given if published once in each week for four consecutive weeks prior to such sale in a newspaper published in New York, N. Y. and in a newspaper published in Chicago, Illinois, unless otherwise required by law.

SECTION 8. The Trustees from time to time may adjourn any sale to be made by them under the provisions of this indenture, by announcement at the time and place appointed for such sale, or for such adjourned sale or sales; and without further notice or publication, they may make such sale at the time and place to which the same shall be so adjourned.

SECTION 9. Upon the completion of any sale or sales under this indenture, the Trustees shall execute and deliver to the accepted purchaser or purchasers a good and sufficient deed, or good and sufficient deeds, of conveyance and transfer of the property and franchises sold, or shall execute and deliver the conjunction with the deed or deeds of the court officer conducting such sale a proper release of such property and franchises. And the Trustees and their successors hereby are appointed the true and lawful attorneys, irrevocable, of the Railway Company, in its name and stead to make all necessary deeds and conveyances of property and all necessary transfers of shares of stock, bonds and other obligations, thus sold, and for that purpose they may execute all necessary acts of assignment and transfer, the Railway Company hereby ratifying and confirming all that its said attorneys shall lawfully do by virtue hereof. Nevertheless, the Railway Company shall, if so requested by the Trustees, ratify and confirm such sale or sales by executing and delivering to the Trustees or to such purchaser or purchasers all proper deeds, conveyances and releases, as may be designated in such request.

Any such sale or sales made under, or by virtue of, this indenture, whether under the power of sale hereby granted and conferred, or under, or by virtue of, judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Railway Company in and to the premises sold, and shall be a perpetual bar, both at law and in equity, against the Railway Company, its successors and assigns, and against any and all persons claiming or to claim the premises sold, or any part thereof, from, through or under the Railway Company, its successors or assigns.

For all the purposes of this indenture, the personal property and chattels conveyed, or intended to be conveyed, by or pursuant to this indenture, shall be real estate and shall be held and taken to be fixtures and appurtenances of the said railroads and part thereof, and are to be used and sold therewith and not separately therefrom, except as herein otherwise provided.

SECTION 10. The receipt of the Trustees shall be a sufficient discharge to any

purchaser of the property, or any part thereof, sold as aforesaid, for the purchase money, and no such purchaser, or his representatives, grantees or assigns, after paying such purchase money and receiving such receipt, shall be bound to see to the application of such purchase money upon or for any trust or purpose of this indenture, or, in any manner whatsoever, shall be answerable for any loss, misapplication or nonapplication of any such purchase money, or any part thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale

SECTION 11. In case of any such sale hereunder, whether under the power of sale hereby granted or pursuant to judicial proceedings, the principal of all the bonds hereby secured, if not previously due, immediately thereupon at the option of the Trustees shall become and be due and payable, anything in said bonds or in this indenture contained to the contrary notwithstanding.

SECTION 12. The purchase money, proceeds and avails of any such sale hereunder, whether under the power of sale hereby granted or pursuant to judicial proceedings, together with any other sums which then may be held by the Trustees under any of the provisions of this indenture, as part of the trust estate or of the proceeds thereof, shall be applied as follows:

First. To the payment of the costs and expenses of such sale, including a reasonable compensation to the Trustee, its agents, attorneys and counsel, and of all expenses, liabilities, and advances made or incurred by the Trustees, in managing and maintaining the property hereby conveyed, and to the payment of all taxes, assessments or liens prior to the lien of these presents, except any taxes, assessments or other superior liens to which such sale shall have been made subject.

Second. To the payment of the whole amount then owing and unpaid upon the bonds hereby secured for principal and interest, with interest on the overdue instalments of interest at the same rates as were borne by the respective bonds on which such instalments of interest are overdue; and in ~~such~~ case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the said bonds, then to the payment of such principal and interest, without preference or priority of principal over interest, or of interest over principal, or of any instalment of interest over any other instalment of interest ratably to the aggregate of such principal and the accrued and unpaid interest, subject, however, to the provisions of Section 1 of this article.

Third. To the payment of the surplus, if any, to the Railway Company, its successors or assigns, or to whosoever may be lawfully entitled to receive the same.

SECTION 13. In case of any sale hereunder, any purchaser, for the purpose of making settlement or payment for the property purchased, shall be entitled to turn

in any bonds, and any matured and unpaid coupons hereby secured, in order that there may be credited, as paid thereon, the sums payable out of the net proceeds of such sale to the holder of such bonds and coupons, as his ratable share of such net proceeds, after allowing for the proportion of the total purchase price required to pay the various expenses, charges and other items, which, as provided in the last preceding section, are to be deducted from the gross proceeds of sale before applying any of such proceeds upon the bonds hereby secured; and such purchaser shall be credited, on account of the purchase price of the property purchased, with the sums payable out of such net proceeds on the bonds and coupons so turned in; and, at any such sale, any bondholders or their agents may bid for, and purchase, such property, and may make payment therefor as aforesaid, and, upon compliance with the terms of sale, may hold, retain and dispose of such property without further accountability therefor.

SECTION 14. The Railway Company covenants that (1) in case default shall be made in the payment of any interest on any bonds at any time outstanding and secured by this indenture, and such default shall have continued for a period of six months, or (2) in case default shall be made in the payment of the principal of any such bonds when the same shall become payable, whether at the maturity of said bonds or by declaration as authorized by this indenture, or by a sale of the mortgaged premises as hereinbefore provided, then upom demand of the Trustees the Railway Company will pay to the Trustees for the benefit of the holders of the bonds and coupons hereby secured, then outstanding, the whole amount due and payable, on all such bonds and coupons then outstanding, for interest or principal, or both, as the case may be, with interest upon the overdue instalments of interest at the same rate as on the respective bonds on which such instalments of interest shall be overdue; and in case the Railway Company shall fail to pay the same forthwith upon such demand, the Trustees, in their own name and as trustees of an express trust, shall be entitled to recover judgment for the whole amount so due and Unpaid.

The Trustees shall be entitled to recover judgmant as aforesaid, either before , or after, or during the pendency of, any proceedings for the enforcement of the lien of this indenture upon the mortgaged and pledged premises , and the right of the Trustees to recover such judgment shall not be affected by any entry or sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this indenture or the foreclosure of the lien thereof; and in case of the mortgaged premises, and of the application of the proceeds of sale to the payment of the mortgage debt, the Trustees in their own name and as trustees of an express trust shall be entitled to enforce payment of, and to receive, all amounts then remaining due and unpaid upon any and all of the bonds issued hereunder, and then outstanding, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the mortgage debt remaining unpaid, with interest. No recovery of any such judgment by the Trustees, and no levy of any execution upon any such judgment on property subject to the lien of this indenture, or upon any other property, shall in any manner, or to

any extent, affect the lien of the Trustees upon the mortgaged premises or any part thereof, or any rights powers or remedies of the Trustees hereunder or any rights, powers, or remedies of the holders of the bonds hereby secured; but such lien, rights, powers and remedies shall continue unimpaired as before.

Any moneys collected by the Trustees under this section shall be applied by the Trustees, first to the payment, at the option of the Trustees, of the cost and expenses of the proceedings resulting in the collection of such moneys, and of the expenses paid or incurred by the Trustees in theretofore managing and maintaining the property hereby conveyed, and then to the payment of the amounts then due and unpaid upon such bonds and coupons, respectively, without any prefer ence or priority of any kind, subject to the provisions of Section 1 of this article, and ratably according to the amounts due and payable upon such bonds and coupons respectively, at the date fixed by the Trustees for the distribution of such moneys.

SECTION 15. The Railway Company will not at any time insist upon or plead, or in any manner whatever claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force in any locality where the mor tgaged premises, or any part thereof, may or shall be situated, nor will it ~~o~~ claim, take or insist on, any benefit or advantage from any law now or hereafter in force, providing for the valuation, or appraisement, of the mortgaged premises or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained, or to the decree of any court of competent jurisdiction; nor after any such sale or sales will it claim or exercise any right under any statute enacted by any state to redeem the property so sold or any part thereof; and it hereby expressly waives all benefit and advantage of any such law or laws; and it covenants that it will not hinder, delay or impede the execution of any power herein granted and delegated to the Trustees, but that it will suffer and permit the execution of every such power, as if no such law or laws had been made or enacted.

SECTION 16. If an event Of default shall have Occurred and the Trustees shall cOmmence any judicial proceedings to enforce any of their rights, or any rights of the bondholders under this indenture, then the Trustees shall be entitled, as matter of right, to the appointment of a receiver of the premises hereby mortgaged, and of the earnings, income, revenue, rents, issues or profits thereof with such powers as the courtmaking such appointment shall confer; provided, howe ever, that notwithstanding the appointment of any such receiver, the Trustee shall be entitled to retain possession and control of any bonds, cash and other proper- ty deposited with the Trustee hereunder.

SECTION 17. The Railway Company, at any time before full payment of the bonds hereby secured, and whenever it shall deem expedient for the better protection and security of such bonds, although there be then no default entitling the Trustees to enter into possession, may surrender and deliver to the Trustees, with their consent, full possession of the whole or any part of the property,

premises and interests hereby conveyed, or intended so to be for any period, fixed or indefinite. Upon sUch surrender and delivery to the Trustees, with their consent, the Trustees shall enter into and upon the premises so surrendered and delivered, and shall take and receive possession thereof, for such period fixed or indefinite, as aforesaid without prejudice, however, to their right at any time subsequently, when entitled thereto by any provisions hereof, to insist upon, and to maintain, such possession, though beyond the expiration of any prescribed period. Upon any such voluntary surr- ender and delivery of said property and premises, or of any part thereof, the Trustees, from the time of their entry, shall work, maintain, use manage, control and employ the same in accordance with the provisions of this indenture, and shall receive and apply the income and revenues thereof as provided in Section 2 of this article. Upon application of the Trustees and with the consent of the Railway Company, or without such consent if an event of default shall have occurred and be continuing, a receiver may be appointed to take possession of and to operate, maintain and manage, the whole or any part of said property, wheresoever the same may be situated, and the Railway Company shall transfer and deliver to such receiver all such property wheresoever the same may be situated; and in every case when a receiver of the whole or any part of said property shall be appointed under this section, or otherwise, the net income and profits of such property shall be paid over to and be received by the Trustee for the benefit of the holders of the bonds hereby secured; provided, however, that notwith- standing the appointment of such receiver, the Trustee shall be entitled to retain possession and control of any bonds, cash and other property deposited with the Trustee hereunder.

SECTION 18. NO holder of any bond or coupon hereby secured shall have any right to institute any suit, action or proceeding in equity or at law for the foreclosure of this indenture, or for the execution of any trust thereof, or for the appointment of a receiver, or for any other remedy hereunder, unless the holders of a majority in amount of the bonds hereby secured then outstanding shall have made written requests upon the Trustees, and shall have afforded to them reasonable opportunity, either to proceed to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in their own name, nor unless, also, the Trustees shall have been tend- ered adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby; and such requests and offer of indemnity are hereby declar ed, in every such case, at the option of the Trustees to be conditions precedent to any action for foreclosure, or for the appointment of a receiver, or for any other remedy hereunder, on the part of the holders of bonds or coupons hereby secured; it being understood and intended that no one or more holders of bonds or coupons shall have any right in any manner whatever to affect, disturb or prejudice the lien of this indenture by his or their action, or to enforce any right hereunder, except in the manner herein provided, and that all proceedings at law or in equity shall be institu- ted, had and maintained in the manner herein provided, and for the equal benefit of all holders of such outstanding bonds and coupons.

SECTION 19. Except as herein expressly provided to the contrary, no remedy herein conferred upon, or reserved to, the TRustees or the holders of bonds hereby secured, is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative, and shallbe in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

SECTION 20. NO delay or ommission of the Trustees or of any holder of bonds here by secured, to exercise any right or power accruing upon any default continuing as a foresaif shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this indenture to the Trustees or to the bondholders may be exercised from time to time, and as often as may be deemed expedient, by the Trustees or by the bondholders severally and respectively.

No waiver of any default hereunder shall extend to or shall affect any subsequent default, or shall impair any rights or remedies consequent thereon.

In case the Trustees shall have proceeded to enforce any right under this indenture, by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustees, then and in every such case the Railway Company and the Trustees shall be restored to their former position and rights hereunder in respect of the mortgaged premises; and all rights, remedies and powers of the Trustees shall continue as if no such proceedings had been taken.

ARTICLE SIX

IMMUNITY OF OFFICERS, DIRECTORS AND STOCKHOLDERS.

No recourse under or upon any obligation, covenant or agreement of this indenture or of any bond or coupon hereby secured, shall be had against any incorporator, ~~stock~~ stockholder, officer or director of the Railway Company, or of any successor corporation, either directly or through the Railway Company, by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise; it being expressly agreed and understood that this indenture and the obligations hereby secured are solely corporate obligations, and that no personal liability whatever shall attach to, or be incurred by, the incorporators, stockholders, officers or directors of the Railway Company, or of any successor corporation, or by any of them, under or by reason of any of the obligations, covenants or agreements contained in, or implied from, this indenture or any of the bonds or coupons hereby secured, and that any and all personal liability of every name and nature, either at common law or in equity, or by statute or constitution, of every such incorporator stockholder, officer or director, is hereby expressly waived as a condition of, and consideration for, the execution and issue of this indenture and such bonds and coupons.

ARTICLE SEVEN.

BONDHOLDERS' ACTS, HOLDINGS AND APPARENT AUTHORITY.

SECTION 1. Any request or other instrument required by this indenture to be signed and executed by bondholders may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such bondholders in person or by agent appointed in writing. Proof of the execution of any such request or other instrument, or of a writing appointed any such agent, and of the holding by any person of coupons bonds transferable by delivery, shall be sufficient for any purpose of this indenture, if made in the following manner:

(1) The fact and date of the execution by any person of any such request or other instrument or writing may be proved by the certificate of any notary public, or of any officer authorized to take acknowledgments of deeds to be recorded in New York, that the person signing such request or other instrument or writing acknowledged to him the execution thereof, or by an affadavit of a witness of such execution.

(2) The amount of coupon bonds transferable by delivery, held by any person executing any such request or other instrument or writing as a bondholder, and the amounts and issue numbers of the bonds held by such person, and the date of his holding the same, may be proved by a certificate executed by any trust company, bank, bankers or other depository (wherever situated), if such certificate shall be deemed by the Trustees to be satisfactory, showing that at the date therein mentioned such person had on deposit with such depository, or had exhibited to it, the bonds therein described.

The ownership of registered coupon bonds, or of registered bonds without coupons, shall be proved by the registers of such bonds.

Such proof shall be conclusive in favor of the Trustees with regard to any action by them taken under such request or other instrument or writing.

SECTION 2. The bearer of any coupon bond hereby secured, which at the time shall not be registered as hereinbefore authorized, and the bearer of any coupon for interest on any such bond, whether the same shall be registered or not, may be deemed and treated by the Railway Company and by the Trustees as the absolute owner of such bond or coupon, as the case may be, for the purpose of receiving payment thereof, and for all other purposes, and no notice to the contrary shall affect the Railway Company or the Trustees.

SECTION 3. The Railway Company and the Trustees may deem and treat the person in whose name any registered bond without coupons, hereby secured, shall be registered upon the bond registry of the Railway Company as hereinbefore provided, as the absolute owner of such bond for the purpose of receiving payment of, or on account of, the principal and interest of such bond, and for all other purposes, and may deem and treat the person in whose name any coupon bond shall be so registered as the absolute owner thereof for the purpose of receiving payment of, or on account of, the principal thereof, and for all other purposes, except to receive payment of interest represented by outstanding coupons; and all such payments so made to such registered holder, for the time

being, or upon his order, shall be valid and effectual to satisfy and discharge the liability of the Railway Company upon such bond to the extent of the sum or sums so paid.

ARTICLE EIGHT.

RELEASE OF MORTGAGED PROPERTY.

SECTION 1. UpOn the written request Of the Railway Company, approved by resolution of its Board of Directors or Executive Committee, from time to time, while the Railway Company is in possession of the mortgaged premises, but subject to the conditions and limitations in this section prescribed, and not otherwise, the Trustees shall release from the lien and operation of this indenture any part of the mortgaged premises then subject thereto; provided (1) that no part of the lines of track or of the rights of way shall be released, unless the same shall no longer be of use in the operation of any of the mortgaged lines of railway, and no part of such lines of track or rights of way shall be so released if thereby the continuity of the lines of any railway of the Railway Company shall be broken; and (2) that no part of the mortgaged railways or other property shall be released hereunder, unless at the time of such release it shall no longer be necessary or expedient to retain the same for the operation, maintenance, or use, of such lines of railway, or for use in the business of the Railway Company.

No such release shall be made unless the Railway Company shall have sold or exchanged, ~~or shall have sold or exchanged~~, or shall have contracted to sell or exchange, the property so to be released. The Railway Company, when requesting any release hereunder, shall file with the Trustee a certificate executed as provided in Section 6 of this article, which shall set forth:

(a) a description of the property, a release of which is requested;

(b) such facts as it shall be necessary to establish in order to show that the release thereof is authorized under the provisions and restrictions of this article;

(c) the selling price of the property, a release of which is requested, and a description of the property, if any, to be received in exchange thereof; and

(d) that the fair value of the property, a release of which is requested, is not greater than the price at which the same is to be sold or the fair value of the property to be received in exchange.

Unless some other disposition thereof be required by some prior encumbrance, the proceeds of any and all such sales, and all moneys received as compensation for the any property subject to this indenture taken by exercise of the power of eminent demain, shall be deposited with the Trustee. In case of the sale of a line of railroad, on account of which bonds shall have been authenticated and delivered or deposited cash paid out as provided in Section 7 of Article Three of this indenture there shall be deposited with the Trustee an amount in cash at least equal to the principal amount of bonds hereunder or the amount of deposited cash, which shall

have been so authenticated and delivered or paid out. Any moneys received as aforesaid by the Trustee shall be held by the Trustee as part of the deposited cash mentioned in Section 7 of Article Three hereof, and shall, at the request of the Railway Company, be paid out from time to time by the Trustee to or upon the written order of the Railway Company for any of the purposes specified in said Section 7, subject to the restrictions and conditions in said section contained. Any new property acquired by the Railway Company in exchange for, or to take the place of, any property released hereunder, ipso facto shall become and be subject to the lien of this indenture, as fully as if specifically mortgaged hereby; but, if requested by the Trustee, the Railway Company will convey the same to the Trustees, by appropriate deeds, upon the trusts and for the purposes of this indenture.

SECTION 2. While in possession of the mortgaged premises, the Railway Company shall also have full power, in its discretion, from time to time, to dispose, free from the lien of this indenture, of any portion of the implements, machinery, rolling stock, or equipment embraced within this indenture, which may have become unfit for such use replacing the same by, or substituting for the same, new implements, machinery, rolling stock, or equipment, of at least equal value, which shall become subject to this indenture.

SECTION 3. In no event shall any purchaser or purchasers of any property sold or disposed of under any provision of this article be required to see to the application of the purchase money.

SECTION 4. In case the mortgaged premises shall be in the possession of a receiver lawfully appointed, the powers in and by this article conferred upon the Railway Company may be exercised by such receiver, with the approval of the Trustees; and if the Trustees shall be in possession of the mortgaged premises under any provision of this indenture, then all the powers by this article conferred upon the Railway Company may be exercised by the Trustees in their discretion.

SECTION 5. The Railway Company, from time to time, may make changes or alterations in, or substitutions for, any leases or trackage rights subject to this indenture; but in any such event any modified, altered or substituted leases or trackage rights forthwith shall become bound by, and be subject to, the terms of this indenture, in the same manner as those previously existing.

SECTION 6. A certificate signed by the President or Vice President of the Railway Company may be received by the Trustees as conclusive evidence of any of the facts mentioned in this article, and shall be full warrant to the Trustees for any action on the faith thereof: but in their discretion the Trustees may require such further and additional evidence as to them may seem reasonable.

ARTICLE NINE.

CONCERNING THE TRUSTEES.

SECTION 1. Neither of the Trustees shall be answerable for the default or misconduct of the other, or of any agent or attorney appointed by them or either of them in pursuance hereof, if such agent or attorney shall have been selected with reasonable care; nor for the exercise of any discretion or power hereunder, nor for anything whatever in connection with this trust, except wilful misconduct or gross negligence; nor shall either of the Trustees be accountable for the use of any bonds authenticated or delivered by theTrustee hereunder or of any of the proceeds of such bonds. The Trustees shall not be under any obligation to take any action towards the execution or enforcement of the trusts hereby created, which, in their opinion, or in the opinion of the Trustee, shall be likely to involve them or either of them in expense or liability, unless one or more of the holders of the bonds hereby secured shall, as often as required by the Trustees, furnish indemnity satisfactory to them against such expense or liability. The Trustees shall not be required to take notice of any default under this indenture, and for all purposes they conclusively may assume that there has been no default under this indenture, unless and until notified in writing of such default by the holders of at least ten per cent in amount of the bonds hereby secured then outstanding; and until so notified, may in all cases, act as if no default existed; nor shall the Trustees be required to take any action in respect of any default, unless requested to take such action in respect thereof by a writing signed by the holders of not less than an majority in amount of the bonds hereby secured, and tendered indemnity satisfactory to them as aforesaid. The foregoing provisions of this section are intended only for the protection of the Trustees and shall not affect any discretion or power by any provision of this indenture given to the Trustees or to the Trustee to determine whether or not they or it shall take action in respect of any default, or any other discretion or power given to the Trustees or to the Trustee, without such notice or request from bondholders.

The Trustee shall be entitled to reasonable compensation for all services rendered by it in the execution of the trusts hereby created (which compensation shall be limited by any provision of law with respect to the compensation of a trustee of an express trust), and the Railway Company agrees to pay such compensation, as well as a all expenses necessarily incurred or disbursed by the Trustees hereunder, and to indemnify the Trustees against any liability or damages incurred or sustained by them under this indenture; and the Trustee shall have a lien for such compensation and the Trustees shall have a lien for such expenses and indemnity on the property hereby mortgaged or conveyed prior to the lien of the bonds hereby secured. The Trustees shall incur no liability to anybody in acting upon any notice, request affidavit, supplemental indenture, waiver, consent, certificate, authentication, opinion, note bond, debenture, document or paper believed by them or by anyone acting for them to be genuine and to have been signed, executed, verified or certified, as the case may be, by the proper person or corporation. The Individual Trustee shall be under no

responsibility for any act, default, failure or neglect of the Trustee, its agents or attorneys, with regard to moneys held by it and shall be under no obligation to use or apply moneys so held. The Trustees may, when reasonably necessary, advise with legal counsel to be selected and employed by the Trustee and the reasonable expenses therefor shall be paid by the Railway Company, and the Trustee shall not be liable for, but shall be fully protected in respect of, anything done or suffered in good faith by them, or either of them, in accordance with the opinion of counsel.

The recitals and statements in this indenture and in said bonds and coupons contained shall be taken as statements by the Railway Company alone and shall be considered as made by or as imposing any obligation or liability upon the Trustees, nor shall the Trustees, or either of them, be held responsible for the legality or validity of this indenture or ofsaid bonds or coupons or of any supplemental indenture or any instrument of further assurance. In executing this indenture the Trustees make no covenant or representation respecting the rights of the holders of any of the bonds secured hereby or the title or interest of the Railway Company in or to the Property described herein or respecting the validity of any assignment under which any securities held by or delivered to the Trustee hereunder were acquired by the Railway Company or assigned to the Trustees or the Trustee, or the sufficiency of the security afforded by the property embraced herein. The Trustees shall not be responsible for and they make no representation in respect of the recording, registration, filing or refiling of this indenture or of any supplemental indenture or of any instrument of further assurance or of any deed mortgage which they may hereafter receive as hereinabove provided, as a mortgage of real estate or as a chattel mortgage, or for the renewing of the lien hereof or thereof or for the affixing or cancellation of any revenue stamps, nor shall the Trustees, or either of them, be under any duty to give notice to anybody of this or of any such other indenture or instrument, or of any instrument of assignment or pledge supplementing this indenture, and the Trustee may authenticate and deliver the bonds in accordance with the provisions hereof notwithstanding that this indenture shall not have been recorded or filed.

It is expressly understood that the Trustees shall be under no duty or liability in respect to any tax which may be assessed against either the Railway Company or the Trustees or against the owners of the bonds hereby secured in respect to their interest in the property mortgaged hereunder or under any future mortgage or supplemental indenture which may be executed to the Trustees under the provisions of this indenture, or against the property mortgaged hereunder or under any such future mortgage or supplemental indenture, nor shall the Trustees be under any duty to pay or see to the payment of such tax, or take any notice of the assessment therefor or give any notice thereof to the holders of the bonds secured hereby or to any other person; nor shall the Trustees be under any duty to accept any mortgage or assignment or pledge to be given under any of the provisions of this indenture or to do any act which shall necessitate the acceptance by them of such mortgage or assignment or pledge if the acceptance there-

of shall impose any liability upon them to see to the payment of any such tax; and for any expense or liability which either of the Trustees may incur or to which it or he may be subject by reason of or growing out of any such tax the Railway Company shall reimburse it or him and such Trustee shall have a lien therefor on the property hereby mortgaged prior to the lien of the bonds hereby secured. It shall be no part of th the duty of the Trustees to see to the insurance if any part if the property hereby mortgaged, or of any property on which the Trustees may hereafter acquire a lien as above provided, or to effect such insurance.

The trust estate, property and funds shall be primarily liable to third persons for all debts contracted by the Trustees and for all damages to persons or property injured and for salaries and for nonperformance of contract, and for all other torts, obligations and liabilities arising during any period wherein the Trustees shall manage the trust property or any of it, upon entry or voluntary surrender as aforesaid or otherwise; and the Trustees shall not be personally liable in respect of any such matters, and the trust estate is charged with a lien paramount to the bonds secured hereby, for their security and indemnity in respect of any such liability. The duties of the Trustees to the Railway Company and to the holders of bonds and coupons secured hereby shall be determined solely by the provisions of this instrument and by the laws of the State of New York. Any action taken by the Trustees, or either of them, pursuant to this indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any bond secured hereby shall be conclusive and binding upon all future owners of the same bond and of bonds issued in exchange therefor or in place thereof.

Any moneys received by the Trustee under any provision of this indenture may be treated by it, until it is required to pay out the same comformably herewith, as a deposit, without any liability for interest save such as during that time it shall allow to its general depositors or shall agree with the Railway Company to pay thereon So long as there shall exist none of the events of default enumerated in Section 2 of Article Five of this indenture, all such interest may be paid from time to time to the Railway Company or upon its order signed by its President or any Vice President or its Treasurer,

The Trustees, or either of them, may acquire, hold and dispose of any of the bonds and coupons secured hereby with the same rights which they would have if they were not Trustees hereunder. Whenever in this indenture the existance of any situation, matter conclusion of fact of any character, or the sufficiency or validity of any instrument, paper or proceeding or of any proof or evidence of any fact shall be prescribed as a condition of or in any manner with respect to any action or proceeding on the part of the Trustees, or either of them, or shall be deemed necessary or convenient to be ascertained by them, or either of them, unless otherwise provided herein, a certificat signed by the President or any Vice President and also by the Secretary, Comptroller or chief Engineer of the Railway Company shall, in the discretion of such Trustee, be sufficient evidence of any such fact, situation, matter or conclusion; and the fact

of the adoption of a resolution by the Board of Directors of the Railway Company or by its Executive Committee shall, for the purposes of this indenture, be sufficiently evidenced to the Trustees, or either of them, by the certificate of the Secretary or an Assistant Secretary of the Railway Company under its corporate seal. Any such certificate shall be complete protection to the Trustees for any act done or suffered by them, or either of them, upon the faith the reof except where other evidence is hereinabove specifically prescribed, but the Trustees, or the Trustee, ~~may~~, in their or its reasonable discretion, require other evidence.

SECTION 2. The Trustee, Or any successor or successors hereafter appointed, may resign and be discharged of the trusts hereby created by written notice served on the Railway Company, and by publication of such notice at least once in each of six consecutive calendar weeks in a daily newspaper published in the Borough of Manhattan, City of New York, and in the City of Chicago, Illinois. The notice of such resignation shall specify the date, not less than six weeks from the service thereof on the Railway Company, upon which such resignation shall become effective, and upon publication ~~being~~ being made as in this section provided such resignation shall become effective upon the date so specified. The Individual Trustee, or any successor hereafter appointed may at any time resign by giving written notice thereof to the Trustee, or its successor, and to the Railway Company, specifying the date on which such resignation shall take effect. Any Trustee may be removed at any time by an instrument or concurrent instruments in writing signed by the holders of three-fourths in amount of the bonds secured hereby and then outstanding, and filed with the Railway Company. Notice of the signing and filing of such instrument or instruments as aforesaid shall be given to the Trustees and such removal shall become effective upon the giving of the said notice.

SECTION 3. In case at any time the Trustee, or any successor hereafter appointed as the Trustee, shall resign or be removed, or otherwise become incapable of acting a successor or successors may be appointed by the holders of a majority in amount of said bonds then outstanding, by an instrument or concurrent instruments signed by such holders or their attorneys in fact duly authorized; provided, nevertheless, and it is hereby agreed and declared that, in case at any time there shall be a vacancy in the office of the Trustee hereunder, the Railway Company, by an instrument executed by order of its board of Directors, may appoint a trustee to fill such vacancy until a new trustee shall be appointed by the bondholders as herein authorized. As soon as the Railway Company receives a written notice of resignation from the Trustee hereunder it may make such appointment of a successor, and such appointment shall become effective at the same time that the resignation becomes effective. The Railway Company shall publish notice of any such appointment of a corporate trustee by it made at least once in each of four consecutive calendar weeks in one or more newspapers published in the Borough of Manhattan, City of New York, and in the City of Chicago, Illinois. Any new Corporate trustee so appointed by the Railway Company shall immediately and without further act be superseded by a corporate trustee appointed by the bondholders in the m

manner above provided, if such an appointment by such holders be made prior to the expiration of one year after the last publication of such notice by the Railway Company. Every such corporate trustee appointed by the Railway Company or by the bondholders in the place of the Trustee, or a successor corporate trustee, shall be a trust company in good standing, having an office in the Borough of Manhattan, City of New York, and having a capital and surplus aggregating at least $2,000,000, if there be such a trust company, qualified, able and willing to accept the trusts upon reasonable customary terms.

Any new trustee appointed under this indenture shall execute, acknowledge and deliver to the Railway Company an instrument accepting such appointment hereunder, and thereupon such new trustee, without any further act, deed or conveyance, shall become vested with all the estates, properties, rights, powers and trusts of its or his predecessor in the trust hereunder with like effect as if originally named as trustee herein; but, nevertheless, on the written request of the Railway Company or the successor trustee, the trustee ceasing to act, upon payment to it or him by the Railway Company of its or his disbursements and, in the case of a corporate trustee, its compensation hereunder then unpaid, shall execute and deliver an instrument transferring to such successor trustee, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of the trustees so resigning removed or ceasing to act, and shall duly assign, transfer and deliver any other property and moneys held by such trustee to the successor trustee so appointed in its or his place Should any deed, conveyance or instrument in writing from the Railway Company be required by any successor trustee for more fully and certainly vesting in and comfirming to such new trustee such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, be made, executed, acknowledged and delivered by the Railway Company.

SECTION 4. If at any time or times, in order to conform to any law of any locality in which the Railway Company may hold property, the Railway Company shall so request, the Trustees shall unite with the Railway Company in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint another trust company or one or more persons approved by the Trustees, to act either as co-trustee or as co-trustees, for any purpose of this indenture, of all or any of the property subject to this indenture jointly with the Trustees originally named herein or their successors, or to act as separate trustee or trustees of any of such property; and the trust company-and its successors through consolidation, merger or otherwise- or the person or persons so appointed, shall be such co-trustee or co-trustees, or separate trustee or separate trustees, with such powers and duties as shall be specified in such instruments and agreements to be executed as aforesaid.

SECTION 5. Any company Into which the Trustee, or any successor to it in the

trusts created by this indenture, may be merged or with which it or any successor to it may be consolidated, or any company resulting from any merger or consolidation, to which the Trustee, or any successor to it, shall be a party, provided such company shall be a corporation organized under the laws of the State of New York and shall do business in the Borough of Manhattan, City of New York, shall be the successor trustee under this indenture without the execution or filing of any paper or any further act on the part of either of the parties hereto, anything herein to the contrary notwithstanding. In case any of the bonds issuable under this indenture shall have been authenticated, but not delivered, any such successor trustee may adopt the certificate of authentication of The Farmers' Loan and Trust Company of New York, or of any successor to it, as trustee hereunder, and deliver the same so authenticated; and in case any of the bonds issuable hereunder shall not have been authenticated, any successor corporate trustee may authenticate such bonds either in the name of any predecessor corporate trustee or in the name of such successor trustee, and in all such cases such authentication shall have the full force and effect which anywhere in said bonds or in this indenture it is provided that the authentication of the Trustee shall have.

SECTION 6. The grant in this indenture to the Trustees is subject to the following terms and conditions in respect of the rights and powers of the Trustees and the Individual Trustee, respectively, and every successor trustee and every additional trustee hereunder shall be appointed subject to such terms and conditions, viz.:

(1) That the bonds issued hereunder shall be authenticated and delivered, and all powers conferred upon the Trustee under this indenture shall be exercised, solely by The Farmers' Loan and Trust Company of New York, or a trust company constituted and acting as its successor in the trust hereunder;

(2) That the custody of cash held by the Trustee under this indenture, and all rights, powers and duties with respect to the disposition thereof, shall not vest in the Individual Trustee or his successor or in any such additional trustee, but shall remain vested solely in the Trustee or any trust company which may have been constituted and be acting as its successor in the trust hereunder;

(3) That the custody of all stock certificates, bonds, obligations, contracts and documents at any time held by the Trustees under this indenture shall be vested solely in the Trustee or any trust company which may have been appointed and be acting as its successor in the trust;

(4) That the Railway Company and the Trustee or its successor in the trust at any time, by an instrument in writing executed by them jointly, may remove the Individual Trustee or any other trustee or trustees, and in such case, or in case of the death or resignation of any such trustee, by an instrument in writing executed by them jointly a successor or successors to such Individual Trustee or any such other trustees;

(5) That in case of the happening of any of the events of default enumerated in Section 2 of Article Five hereof, the Trustee, or its successor in trust, by an instrument in writing executed by it without the concurrence of the Railway Company, may remove any such Individual Trustee or any such other trustees and in such case, or in case of the death or resignation of any such trustee, by an instrument in writing may appoint a successor or successors;

(6) That any notice, request or other writing by or in behalf of the bondholders delivered solely to the Trustee or its successor in the trust shall be deemed delivered to any and all the trustees hereunder as effectually as if delivered to each of them;

(7) That in case the Individual Trustee herein named, or a successor to him, shall die, resign, or be removed, all the estates, properties, rights powers, trusts duties and obligations of the Trustees hereunder, so far as permitted by law, shall vest in and be exercised by the Trustee or its successors in the trust, without the appointment of any trustee as successor to the Individual Trustee, or his successor; and that no successor to the Individual Trustee shall be appointed unless such appointment shall be deemed necessary or expedient by the Railway Company, or by the Trustee, or its successor in the trust, or by the holders of a majority in amount of the bonds hereby secured;

(8) That any request in writing by the trustee, or by any trust Company appointed as its successor, to the Individual Trustee hereunder or to his successor, or to any additional trustee, shall be sufficient warrant to such Individual Trustee or his successor, or any additional trustee, to take such action as may be so requested;

(9) That, except as hereinafter stated, no powers shall be exercised hereunder by the Individual Trustee, or his successor, except jointly with, or with the consent in writing of the Trustee or of such trust company as may have been appointed and be acting as its successor; but anything herein contained to the contrary notwithstanding, in case the Trustee shall resign, or be dissolved, or be liquidated, or a vacancy in the office of the Trustee hereunder shall otherwise occur, or in case by law, or by reason of some statute or judicial decision or other cause, the Trustee shall become incapable of exercising, or shall be prevented by some legal disability from exercising, the powers of the trust, either in respect to the whole or in respect to a particular part of the trust estate, then and in such case the Individual Trustee, and his successors, shall have and may exercise and perform all the functions of the Trustee, except the right to authenticate bonds issuable hereunder, during the continuance of any such vacancy in the office of Trustee or in so far, and so long, as the incapacity or disability of the Trustee

shall extend or continue.

(10) The Individual Trustee and any of his successors in the trust and any additional trustee at any time by an instrument in writing may constitute the Trustee and its successors in the trust hereunder, his or its agent and attorney in fact, with full authority and power to do all acts and things and exercise all discretions hereunder for and in behalf and in the name of the trustee or trustees executing such instrument.

SECTION 7. The word "Trustees" as used in this indenture shall be held and construed to mean both of the Trustees for the time being, whether original, additional or successor. The word "Trustee" shall be held and construed to mean The Farmers' Loan and Trust Company or a successor to it in the trust for the time being, and provisions herein referring in terms to the Trustees hereunder shall be construed and held to apply equally to a single trustee hereunder when there is but one existing trustee.

ARTICLE TEN.

POSSESSION UNTIL DEFAULT, DEFEASANCE CLAUSE.

SECTION 1. Until some default shall have been made in the due and punctual payment of the interest or of the principal of the bonds hereby secured, or of some part of such interest or principal, or in the due and punctual performance and observance of some covenant or condition hereof obligatory upon the Railway Company, and until such default shall have continued beyond the period of grace, if any, herein provided in respect thereof, or until the Railway Company voluntarily shall have surrendered possession to the Trustees as herein permitted, the Railway Company, its successors and assigns, shall be suffered and permitted to retain actual possession of all the premises hereby mortgaged, and to manage, operate and use the same and every part thereof with the rights and franchises appertaining thereto, and to collect, receive, take use and enjoy the tolls, earnings, income, rents, issues and profits thereof.

SECTION 2. If, when the bonds hereby secured shall have become due and payable, the Railway Company shall well and truly pay, or shall cause to be paid, the whole amount of the principal moneys and the interest due upon all of the bonds and the coupons for interest thereon, hereby secured and then outstanding, or shall provide for such payment by depositing with the Trustee hereunder for the payment of such bonds and coupons the entire amount due thereon for principal and interest, and also shall pay or cause to be paid all other sums payable hereunder by the Railway Company, and shall well and truly keep and perform all the things herein required to be kept and performed by it, according to the true intent and meaning of this indenture, then and in that case all property, rights and interest hereby conveyed shall revert to the Railway Company, and the estate, right, title and interest of the Trustees shall thereupon cease, determine and become void, and the Trustees in such case, on demand of the Railway Company and at its cost and expense, shall enter satisfaction of this indenture upon the records; otherwise the same shall be, continue and remain in full force and virtue.

ARTICLE ELEVEN,

SUPPLEMENTAL INDENTURES.

SECTION 1. The Railway Company, when authorized by resolution of its Board of Directors, or Executive Committee, and the Trustees, from time to time and at any time, may enter into an indenture or indentures supplemental hereto and which thereafter shall form a part hereof, for any one or more of the following purposes:

(1) To convey, transfer and assign to the Trustees and to subject to the lien of this indenture, with the same force and effect as though included in the granting clause hereof, additional railroads or leases thereof, bonds, shares of capital stock, equipment and any other property then owned by the Railway Company, acquired by it through consolidation, merger, purchase, or otherwise; provided, that if any railroads so to be conveyed shall be subject to prior debt against which first and refunding bonds are required to be reserved by Article Three hereof, said railroads shall be connecting in some manner specified in Section 7 of Article Three with a line of railroad then subject to this indenture. The prior debt secured by mortgage to which any railroad or other real property so conveyed shall be subject, shall be specified and described and the amount thereof stated in such supplemental indenture; and the prior debt so specified and described shall thereupon and thereafter be added to and become a part of the prior debt of the Railway Company, as defined in Article One of this indenture. The foregoing provisions are subject to the provisions of section 2 of Article One.

(2) To specify and state the bonded indebtedness, and the amount thereof, of any company which hereafter shall be consolidated with or merged into, or whose railroad property hereafter shall be acquired by, the Railway Company, although such bonded indebtedness may not be secured by mortgage, which bonded indebtedness is to be regarded as forming a part of the prior debt of the Railway Company, and to retire which, at or before maturity, bonds are to be reserved as provided in Section 4 of Article Three hereof.

(3) To add to the limitations on the authorized amount, issue and purposes of issue of bonds specified in Article One and Article Three hereof, other limitations to be thereafter observed.

(4) To provide for the issue under this indenture of particular series of bonds payable in foreign countries, and to prescribe the form of such bonds and to define the right and method of registration and transfer thereof and other regulations relating thereto, not inconsistent with the provisions of this indenture. For the purpose of determining at any time the amount of bonds which the Railway Company is authorized to issue under this indenture, any bonds issued payable in a foreign currency shall be taken in dollars at the gold equivalent of such currency,

(5) To provide for the issue under this indenture of particular series of bonds convertible, at the option of the holders hereof, into the capital stock of the Railway Company, at such times and upon such terms and conditions as in such supplemental indenture and in the bonds of such particular series shall be stated.

(6) To evidence the succession of another corporation to the Railway Company or successive successions, and the assumption by a successor corporation of the covenants and obligations of the Railway Company under this indenture.

(7) To make such provision in regard to matters or questions arising under this indenture as may be necessary or desirable and not inconsistent with this indenture.

SECTION 2. The Trustees are hereby authorized to join with the Railway Company in the execution of any such supplemental indenture, to make the further agreements and stipulations which may be therein contained, and to accept the conveyance, transfer and assignment of any such property thereunder.

ARTICLE TWELVE

SUNDRY PROVISIONS.

SECTION 1. All the covenants, stipulations, promises and agreements in this indenture contained, by or in behalf of the Railway Company, shall bind its successors and assigns, whether so expressed or not.

SECTION 2. So far, but only in so far, as the Railway Company is required so to do by the terms of the trust agreement of February 28, 1891, securing the debentures of the Railway Company maturing April 15, 1921, and by the terms of the trust agreement of May 1, 1883, securing the debentures of the Railway Company maturing May 1, 1933, the debentures from time to time outstanding under said agreements shall, so long as any of the bonds issued under this indenture shall be outstanding and unpaid and secured by this indenture, be deemed secured by this indenture and also be included in and entitled to the lien, benefit and security of this indenture to the same extent as said bonds from time to time so outstanding and unpaid and so secured.

SECTION 3. Subject to the provisions of the preceding Section 2, nothing in this indenture expressed or implied is intended or shall be construed to enlarge the security of the holders of any bonds constituting a part of the prior debt of the Railway Company, or to create any trust in their favor, or to give any person or corporation other than the parties hereto and the holders of bonds issued under and secured by this indenture, any legal or equitable right, remedy or claim, under or in respect of this indenture, or any covenant, condition or provision herein contained; all the covenants, conditions and provisions of this indenture being intended to be, and being, for the sole and exclusive benefit of the parties hereto and of the holders of the bonds hereby secured.

SECTION 4. Nothing contained in this indenture, or in any bond hereby secured, shall prevent any consolidation or merger of the Railway Company with any other corporation, or any conveyance and transfer, subject to the continuing lien of this indenture and to all the provisions thereof, of all the mortgaged premises as an entirety to a railroad corporation at that time existing under and by virtue of the laws of the United States or of any State or States, and entitled to acquire the same; provided, however, that such consolidation, merger or sale shall not impair the lien and security of this indenture, or any of the rights or powers of the Trustees or of the bondholders hereunder, and that, upon any such consolidation, merger or sale, the due and punctual payment of the principal and interest of all of said bonds according to their tenor, and the due and punctual performance and observance of all the covenants and conditions of this indenture, shall be assumed by the corporation formed by such consolidation or merger, or purchase as aforesaid.

SECTION 5. In case the Railway Company, pursuant to Section 4 of this article, shall be consolidated or merged with any other corporation, or shall sell, convey and transfer, subject to this indenture, all the mortgages premises as an entirety as aforesaid, the successor corporation formed by such consolidation or into which the Railway Company shall have been merged, or such corporation which shall have purchased and received a conveyance and transfer as aforesaid, upon executing, and causing to be recorded, an indenture with the Trustees, satisfactory to the Trustees, whereby such successor or purchasing corporation shall assume the due and punctual payment of the principal and interest of said bonds and the performance of all the covenants and conditions of this indenture, shall succeed to, and be substituted for, the Railway Company, party of the first part hereto, with the same effect as if it had been named herein as such party of thefirst part, and such successor or purchasing corporation thereupon may execute, either in its own name or in the name of the Chicago and North Western Railway Company, any or all of such bonds which shall not theretofore have been executed by the Railway Company and authenticated in accordance with herewith; and, upon the order of said successor or purchasing corporation in lieu of the Railway Company, and subject to all the terms, conditions and restrictions herein prescribed, the Trustee shall authenticate and deliver any of such bonds which shall have been previously executed and delivered by the officers of the Railway Company for authentication, and any of such bonds which such successor or purchasing corporation shall thereafter cause to be executed for that purpose. All the bonds so issued shall in all respects have the same legal rank and security as the bonds theretofore or thereafter issued in accordance with the terms of this indenture, as if all of said bonds had been issued at the date of the execution hereof.

SECTION 6. FOr every purpose of this indenture, including the execution, issue and use of any and all bonds hereby secured, the terms "Railway Company" and "Chicago and North Western Railway Company" and equivalent terms include and mean not only the first part hereto, but also any such successor corporation, by consolidation, merger or

otherwise, or purchasing corporation. Every such successor or purchasing corporation shall possess and from time to time may exercise each and every right and power hereunder of the Chicago and North Western Railway Company, in its name or otherwise.

SECTION 7. Any act or proceeding by any provision of this indenture permitted or required to be done or performed by any board or officer of the Railway Company may and shall be done and performed with like force and effect by the like board or officer of any railroad corporation that at the time shall be such lawful sole successor of the Railway Company, or purchaser of the entire property described herein.

SECTION 8. Nevertheless, before the exercise of the powers conferred by this article, the Railway Company, by instrument in writing executed by authority of two-thirds of its Board of Directors and delivered to the Trustees, may surrender any of the powers reserved to the Railway Company or to such successor purchasing corporation under this article and thereupon such power so surrendered shall terminate.

This indenture shall become operative and effectual for all purposes immediately upon its execution by the Railway Company, party of the first part, without more; and, either or both of the designated parties of the second part shall fail to execute this indenture and accept the trusts hereunder, a new trustee or trustees may be appointed instead of the party or parties of the second part so failing to execute and accept this indenture and the trusts hereunder; and in all respects the effect of such failure of execution and acceptance shall be only the same as if such party or parties of the second part had resigned or been removed from trusteeship hereunder.

In order to facilitate the record of this indenture, the same may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original; and such counterparts shall together constitute but one and the same instrument.

The Farmers' Loan and Trust Company and Edwin S. Marston, parties hereto of the second part, hereby severally accept the trusts in this indenture declared and provided, and agree to perform the same upon the terms and conditions hereinbefore set forth.

The post office address of The Farmers' Loan and Trust Company is 22 William Street, New York, N. Y., and the post office address of Edwin S. Marston is 22 William street, New York, N. Y.

In WITNESS WHEREOF, the Chicago and North Western Railway Company, the party hereto of the first part, has caused these presents to be signed in its name and b ehalf by its President, and its corporate seal to be hereunto affixed, and the same to be attested by the signature of its Secretary; and The Farmers Loan and Trust Company, one of the parties of the second part, has caused these presents to be signed in its name and behalf by its Vice President and its corporate seal to be hereunto affixed

and attested by its Secretary, and Edwin S. Marston, the other of the parties of the second part, has hereunto set his hand and seal, all as of the day and year first above written.

CHICAGO AND NORTH WESTERN RAILWAY COMPANY,

BY WILLIAM H. FINLEY,

Its President.

Attested and Countersigned:
By John D. Caldwell,
Secretary.

Signed, sealed and delivered in behalf of the Chicago and Northwestern Railway Company in the presence of
Geo. H. Corey,
S. A. Lynde.

(Corporate Seal)

THE FARMERS' LOAN AND TRUST COMPANY
BY SAM SLOAN,
Vice President.

Attested and countersigned:
By A. V. Heely,
Secretary.

Signed sealed and delivered in behalf of The Farmers' Loan and Trust Company, in the presence of
Geo. H. Corey
H. B. Smith.

(Corporate Seal)

EDWIN S. MARSTON (L.S)

Signed, sealed and delivered by
Edwin S. Marston in the presence of
Geo. H. Corey,
H. B. Smith.

STATE OF NEW YORK, }
County of New York. } ss.

I, George H. Corey, a notary public in and for the County of New York in the state of New York, and a commissioner of deeds in and for the State of New York duly appointed and commissioned as such by the respective governors of and for the State of Illinois, Wisconsin, Michigan, Iowa, Minnesota, North Dakota, South Dakota, Nebraska and Wyoming, being a resident in the City, County and State of New York, and duly qualified to act as such commissioner for each of said States of Illinois, Wisconsin, Michigan, Iowa, Minnesota, North Dakota, South Dakota, Nebraska and Wyoming and duly authorized as such commissioner to take and certify in the State of New York acknowledgments of deeds of lands in each of said states of Illinois, Wisconsin, Michigan, Iowa, Minnesota, North Dakota, South Dakota, Nebraska and Wyoming do hereby certify that on this third day of May, in the year 1920, before me, the subscriber, personally appeared William H. Finley and John D. Caldwell, President and Secretary respectively, of the Chicago and North Western Railway Company, a corporation, and on said same day also appeared before me by its said officers the said Chicago and North Western Railway Company, being known to me to be the corporation whose name is

subscribed to the foregoing instrument and which executed the same as the party of the first part; that William H. Finley and John D. Caldwell are personally known to me and are known to me to be the President and Secretary, respectively, of said Chicago and Northwestern Railway Company and the identical persons whose names are subscribed to the foregoing instrument as President and Secretary of said corporation; that said William H. Finley and John D. Caldwell then and there severally acknowledged that they signed, sealed and delivered the foregoing instrument as the President and Secretary, respectively, of the said Chicago and North Western Railway Company and in behalf of said corporation and by order of its Board of Directors, and that they were President and Secretary, respectively, of said corporation at the time of the execution of said foregoing instrument, and that the seal attached to said instrument is the corporate seal of the Chicago and North Western Railway Company and was affixed to said instrument on behalf of said corporation and by order of its Board of Directors; and I further certify that said William H. Finley and John D. Caldwell then and there further severally acknowledged that they executed said instrument as their free and voluntary act and deed as such President and Secretary, respectively, and as the free and voluntary act and deed of said Chicago and North Western Railway Company, and for the uses and purposes in said instrument set forth.

And at the same time said William H. Finley and John D. Caldwell, being by me severally and duly sworn, did severally depose and say that said William H. Finley resides in the City of Batavia, State of Illinois, and that said John D. Caldwell resides in the village of Oak Park, State of Illinois; that said Chicago and North Western Railway Company is a corporation; that they are and at the time of the execution of the foregoing instrument, were the President and Secretary, respectively, of said Chicago and North Western Railway Company, the corporation described in and which executed the foregoing instrument; that they knew the seal of said corporation; that they signed the foregoing instrument as President and Secretary respectively, of said corporation and in its behalf and by order of its Board of Directors; and that the seal affixed to the said instrument is the seal of said Chicago and North Western Railway Company, and was so affixed by them by order of the Board of Directors of said corporation, and I further certify that I know the seal affixed to the foregoing instrument to be the corporate seal of the Chicago and North Western Railway Company.

I do hereby further certify that on this fourth day of May, in the year 1920, before me, the subscriber personally appeared Samuel Sloan and Augustus V. Heely, Vice President and Secretary, respectively, of The Farmers' Loan and Trust Company, a corporation, and on said same day also appeared before me by its said officers The Farmers' Loan and Trust Company being known to me to be the corporation whose name is subscribed to the foregoing instrument and which executed the same as one of the parties of the second part; that Samuel Sloan and Augustus V. Heely are personally known to me and are known to me to be the Vice President and Secretary, respectively, of The Farmers'

Loan and Trust Company and the identical persons whose names are subscribed to the foregoing instrument as vice President and Secretary of said corporation; that said Samuel Sloan and Augustus V. Heely then and there severally acknowledged that they signed, sealed and delivered the foregoing instrument as the Vice President and Secretary, respectively, of The Farmers' Loan and Trust Company and in behalf of said corporation and by order of its Board of Trustees, and that they were Vice President and Secretary, respectively, of said corporation at the time of the execution of said foregoing instrument, and that the seal attached to said inatrument is the corporate seal of The Farmers' Loan and Trust Company and was affixed to said instrument on behalf of said corporation and by order of its Board of Trustees; and I further certify that said Samuel Sloan and Augustus V. Heely then and there further severally acknowledged that they executed said instrument as their free and voluntary act and deed as such Vice President and Secretary, respectively, and as the free and voluntary act and deed of The Farmers' Loan and Trust Company, and for the uses and purposes in said instrument set forth. And at the same time said Samuel Sloan and Augustus V. Heely, being by me severally and duly sworn, did severally depose and say that they resided respectively, at Garrison, State of New York, and Plainfield, New Jersey; that The Farmers' Loan and Trust Company is a corporation; that they are and at the time of the execution of the foregoing instrument were the Vice President and Secretary, respectively, of The Farmers' Loan and Trust Company, the corporation described in and which executed the foregoing instrument; that they knew the seal of said corporation; that they signed the foregoing instrument as Vice President and Secretary, respectively, of said corporation and in its behalf and by order of its Board of Trustees; and that the seal affixed to said 107 instrument is the seal of The Farmers' Loan and Trust Company, and was so affixed by them by order of the Board of Trustees of said corporation, and I further certify that I know the seal affixed to the foregoing instrument to be the corporate seal of The Farmers' Loan and Trust Company.

I do hereby further certify that on this fourth day of May, in the year 1920, before me, the subscriber, personally appeared Edwin S. Marston, personally known to me and known to me to be the identical person whose name is subscribed to the foregoing instrument, and who is described in said instrument and executed the same as one of the parties of the second part; and that said Edwin S. Marston then and there acknowledged and he signed, sealed, delivered and executed the foregoing instrument as his free and voluntary act and deed, and for the uses and purposes therein set forth. And I further certify that said foregoing instrument is executed and acknowledged according to and in comformity with the laws of the State of New York and that said instrument was subscribed and sworn to before me by the said William H.

Finley, John D. Caldwell, Samuel Sloan, Aigistis V. Heely, and Edwin S. Marston, the day and year below written.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seals as notary public for the County of New York, in the State of New York, and also as commissioner within the State of New York of and for the several States of Illinois, Wisconsin, Michigan, Iowa, Minnesota, North Dakota, South Dakota, Nebraska and Wyoming, on said fourth day of May, 1920.

My commission will expire March 30, 1921.

(Seal) SEAL

GEO. H. COREY,

Notary Public in and for the county of New York,

State of New York, No. 183.

(Seal) SEAL

GEO. H. COREY,

Commissioner of the State of Illinois in the State of New York, appointed by the Governor of the State of Illinois to take acknowledgments of deeds and other instruments to be recorded and used in Illinois.

(Seal) SEAL

GEO. H. COREY,

Commissioner of the State of Wisconsin in the State of New York, appointed by the Governor of the State of Wisconsin to take acknowledgments of deeds and other instruments to be recorded and used in Wisconsin.

SEAL (Seal)

GEO. H. COREY,

Commissioner of the State of Michigan in the State of New York, appointed by the Governor of the State of Michigan to take acknowledgments of deeds and other instruments to be recorded and used in Michigan.

(Seal)

GEO. H. COREY,

Commissioner of the State of Iowa in the State of New York, appointed by the Governor of the State of Iowa to take acknowledgments of deeds and other instruments to be recorded and used in Iowa.

(Seal) SEAL

GEO. H. COREY,

Commissioner of the State of Minnesota in the State of New York, appointed by the Governor of the State of Minnesota to take acknowledgments of deeds abd other instruments to be recorded and used in Minnesota.

GEO. H. COREY,

Commissioner of the State of North Dakota in the State of New York, appointed by the Governor of the State of North Dakota to take acknowledgments of deeds and other instruments to be recorded and used in North Dakota.

(Seal)

Geo. H. COREY,

Commissioner of the State of South Dakota in the State of New York, appointed by the Governor of the State of South Dakota to take acknowledgments of deeds and other instruments to be recorded and used in South Dakota.

(Seal)

Geo, H. Corey,

Commissioner of the State of Nebraska in the State of New York, appointed by the Governor of the State of Nebraska to take acknowledgments of deeds and other instruments to be recorded and used in Nebraska.

(Seal)

GEO. H. COREY,

Commissioner of the State of Wyoming in the State of New York, appointed by the Governor of the State of Wyoming to take acknowledgments of deeds and other instruments to be recorded and used in Wyoming.

(Seal)

No. 25925 Series B.

STATE OF NEW YORK,)
COUNTY OF NEW YORK,) ss.

I, William F. Schneider, Clerk of the County of New York, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, do hereby certify that Geo. H. Corey, whose name is subscribed to the deposition or certificate of the proof of acknowledgment of the annexed instrument, and thereon written, was, at the time of taking such deposition, or proof and acknowledgment, a notary public in and for such County, duly commissioned and sworn, and authorized by the laws of said State, to take depositions and to administer oaths to be used in any court of said State and for general purposes; and also to take acknowledgments and proofs of deeds, of conveyances for land, tenements or hereditaments in said State of New York. And further, that I am well acquainted with the handwriting of such Notary Public, and verily believe that the signature to said deposition or certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said Court and County the 5 day of May, 1920.

WM. F. SCHNEIDER, Clerk.

(Seal)
County Clerk Seal.

STATE OF WISCONSIN)SS.
Department of State)

Received this 17th day of June A. D. 1920 at 4 o'clock P. M. and recorded in Vol. 21 of R. R. Mortgages, etc. on page 1 et. seq.

W. B. Naylor,
Assistant Secretary of State.

INDENTURE

Between

NORTHERN PACIFIC RAILWAY COMPANY

And

GUARANTY TRUST COMPANY OF NEW YORK

An INDENTURE dated the twentieth day of January, one thousand nine hundred and twenty, between

NORTHERN PACIFIC RAILWAY COMPANY, a corporation organized and existing under the laws of the State of Wisconsin, hereinafter termed the "Railway Company", party of the first part, and

GUARANTY TRUST COMPANY OF NEW YORK, a corporation organized and existing under the laws of the State of New York, and WILLIAM S. TOD, of the City of New York State of New York, hereinafter termed the "Trustees," parties of the second part.

WHEREAS, pursuant to the terms of the Refunding and Improvement Mortgage dated July 1, 1914, executed by the "Railway Company" to the "Trustees," the Trustees have requested for further assurance that the Railway Company execute and deliver to them an instrument of mortgage supplementary to the said Refunding and Improvement Mortgage, conveying to the Trustees the property subject, or which ought to be subject to the said Refunding and Improvement Mortgage and which has been acquired by the Railway Company since delivery of the said Refunding and Improvement Mortgage; and

WHEREAS, the execution of this instrument has been duly authorized by the Board of Directors of the Railway Company at a meeting duly held on the nineteenth day of May, 1920;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That in order to subject said after-acquired property fully and completely to the lien of said Refunding and Improvement Mortgage, the Railway Company has executed and delivered these presents, and has granted, bargained, sold, aliened, remised, released, conveyed, confirmed, assigned, transferred and set over, and by these presents does grant, bargain, sell, alien, remise, release, convey, confirm, assign, transfer and set over, unto

THE TRUSTEES, parties of the second part, their successors and assigns, forever:

ALL THE ESTATE, RIGHT, TITLE, INTEREST AND PROPERTY of the Railway Company acquired since the delivery of said Refunding and Improvement Mortgage in rights of way, lands, roadbeds, superstructures, rails, tracks, second, third and fourth and other additional main tracks, side-tracks, switches, turntables, bridges, viaducts, embankments, terminal, depot and yard properties and facilities, stations, depots,

warehouses, offices, engine houses, car houses, machine and other shops, elevators, coal bunkers, coal houses, wood houses, water stations, water tanks, water powers, fences, telegraph, telephone and electric power transmission lines, power plants, turbines, flumes, pipes, generators, motors, switch-boards, cables, poles, wires, locomotives, cars and other rolling stock and equipment, wharves, docks, piers and landings, steamers and steamships (other than steamships engaged in ocean commerce), ferries, boats, barges and tugs, engines, boilers, machinery, apparatus, appliances, instruments, tools, materials, furniture and other property of the Railway Company howsoever acquired or held and wheresoever situate, constituting any part of or pertaining to, or acquired or held for use or enjoyment in connection with the lines of railway, extensions, branches and terminals, described in said Refunding and Improvement Mortgage or in this instrument; also all leases, leasehold rights, trackage rights, trackage agreements and other agreements, and all easements, hereditaments, powers, privileges, ordinances, licenses, franchises and other rights of the Railway Company acquired since the delivery of said Refunding and Improvement Mortgage relating to the ownership, use or operation of any of the lines of railway, extensions, branches, terminals, union stations, or any part thereof, or to any railway or property described in said Refunding and Improvement Mortgage or in this instrument, including in the foregoing the premises, properties and property rights particularly described in the ordinances, resolutions, deeds and other documents recorded in various public record offices in the counties and in the books and on the pages hereafter in this instrument stated, every book hereinafter referred to being a book of the record of deeds except as otherwise specifically stated.

1.

PROPERTIES DESCRIBED IN THE FOLLOWING RECORDS WHICH ARE NOT SUBJECT TO ANY MORTGAGE SUPERIOR TO THE LIEN OF SAID REFUNDING AND IMPROVEMENT MORTGAGE.

STATE OF MINNESOTA

Office Register of Deeds, Crow Wing County: Book 28 page 400.

STATE OF NORTH DAKOTA

Office Register of Deeds, Kidder County: Book 54 page 465; Book 54 page 641

Office Register of Deeds, Mercer County: Book 12 page 254 and 273; Book 8 Miscellaneous page 176.

Office Register of Deeds, Morton County: Book 54 page 469.

Office Register of Deeds, Stutsman County: Book 58 page 414.

STATE OF IDAHO

Office County Recorder, Clearwater County: Book 1 of Leases page 152; Book 1 of leases page 159.

Office County Recorder, Idaho County: Book 42 page 539; Book 42 page 540; Book 42 page 541; Book 42 page 571; Book 43 page 518; Book 5 of Judgments page 283.

Office County Recorder, Lewis County: Book 13 page 331.

STATE OF WASHINGTON

Office County Auditor, Grant County: Book 26 page 196.

Office County Auditor, Pierce County: Book 413 page 626; Book 426 page394; Book 431 page 335.

Office County Auditor, Yakima County: Book 176 page 633; Book 176 page 230; Book 176 page 377.

Office Town Clerk, Town of Zillah: Ordinance No. 72

11.

PROPERTIES DESCRIBED IN THE FOLLOWING INSTRUMENTS WHICH ARE SUBJECT TO THE PRIOR LIEN MORTGAGE AND THE GENERAL LIEN MORTGAGE AS LIENS SUPERIOR TO THE LIEN OF SAID REFUNDING AND IMPROVEMENT MORTGAGE.

STATE OF WISCONSIN

Office Register of Deeds, Douglas County: Book 143 page 566; Book 146 page 564; Book 143 page 1; Book 138 page 441.

Office City Clerk: Resolution dated January 11, 1917, City of Superior.

STATE OF MINNESOTA

Office Register of Deeds, Becker County: Book U. Miscellaneous page 620.

Office Register of Deeds, Clay County: Book 74 page 397.

Office Register of Deeds, Ottertail County: Book 132 page 6.

Office Register of Deeds, Pope County: Book 17 page 409; Book 22 page 537; Bo Book 29 page 216.

Office Register of Deeds, Ramsey County: Book 684 page 392.

STATE OF NORTH DAKOTA

Office of Register of Deeds, Barnes County: Book 43 page 638; Book 47 page 13 Book 41 pages 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82.

Office City Auditor: Ordinance of City of Valley City dated December 4, 1917

Office Village Clerk: Ordinance dated February 5, 1918, Village of Minnewaukan - Benson County.

Office Register of Deeds, Burleigh County: Book 152 page 248.

Office Register of Deeds, Cass County: Book X Miscellaneous page 508; Book 112 page 369; Book 112 page 567; Book 112 page 573.

Office Register of Deeds, Morton County: Book 54 page 318.

Office Register of Deeds, Pembina County: Book 23 page 441.

Office Register of Deeds, Ransom County: Book J. Miscellaneous page 286.

Office Register of Deeds, Stutsman County County: Book 61 page 374.

STATE OF MONTANA

Office County Clerk and Recorder, Gallatin County: Book 57 page 294; Book 57 page 295; Book 59 page 10; Book 59 page 11; Book59 page 27; Book 59 page 637.

Office County Clerk and Recorder, Granite County: Book 20 page 452.

Office County Clerk and Recorder, Lewis and Clark County: Book 86 page 394.

Office County Clerk and Recorder, Jefferson County: Book 47 page 148.

Office County Clerk and Recorder, Mineral County: Book 2 page 385.

Office County Clerk and Recorder, Missoula County: Book 2 of Orders & Decrees page 687.

Office County Clerk and Recorder, Park County: Book 13 of Miscellaneous page 125; Book 53 page 224.

Office County Clerk and Recorder, Powell County: Book 16 page 581.

Office County Clerk and Recorder, Ravalli County: Book 59 page 340.

Office County Clerk and Recorder, Silver Bow County: Book 138 page 385.

Office City Clerk: Ordinance No. 1527 of City of Butte.

Office County Clerk and Recorder, Yellowstone County: Book 65 page 452.

STATE OF IDAHO

Office County Recorder, Bonner County: Book 6 Miscellaneous page 145; Book 6 Miscellaneous page 218.

Office City Clerk: Ordinance No. 504 of City of Coeur d'Alene - Kootenai County.

Office County Recorder, Latah County: Book 74 page 36.

Office County Recorder, Shoshone County: Book 52 page 499; Book 53 page 383.

STATE OF OREGON

Office County Clerk and Recorder, Columbia County: Book 26 page 375.

Office Board of County Commissioners, Columbia County: Resolution dated January 3, 1918.

Office County Clerk and Recorder Multnomah: Book 744 page 278.

STATE OF WASHINGTON

Office City Clerk, Benton County: Ordinance No. 207, City of Kennewick.

Office County Auditor, Clarke County: Book 126 page 566; Book 130 page 259.

Office County Auditor, Cowlitz County: Book 76 page 178; Book 76 page 282; Book 74 Miscellaneous page 230; Book 76 pages 456, 457, 539, 580, 540.

Office County Auditor, Grays Harbor County: Book 138 pages 416 and 282; Book 139 pages 98 and 471; Book 140 page 106.

Office County Auditor, King County: Book 1013 page 108; Book 1030 page 512; Book 1030 page 594; Book 973 page 372; Book 1033 page 130; Book 988 page 516; Book 993 page 555; Book 973 page 492; Book 1023 page 563.

Office City Clerk: Ordinances Nos. 31791 and 38753, City of Seattle.

Office County Auditor: Lewis County: Book 146 page 158.

Office County Auditor, Pacific County: Book 78 page 493; Book 82 page 97.

Office County Auditor, Pierce County: Book 410 page 643; Book 416 page 36; Book 414 page 559; Book 424 page 199; Book 431 page 358.

Office County Auditor, Skagit County: Book 114 page 350.

Office County Auditor, Snohomish County: Book 179 page 172; Book 180 pages 401, 451, 610.

Office County Auditor, Spokane County: Book 255 page 305; Book 361 page 209.

Office County Auditor, Thurston County: Book 95 page 385; Book 95 page 446; Book 98 page 311.

Office County Auditor, Yakima County: Book 178 page 332.

III.

PROPERTIES DESCRIBED IN THE FOLLOWING RECORDS WHICH ARE SUBJECT TO THE MORTGAGE OF THE ST. PAUL & NORTHERN PACIFIC RAILWAY COMPANY DATED JUNE 1, 1883, AS A LIEN SUPERIOR TO THE LIENS OF SAID PRIOR LIEN MORTGAGE AND THE GENERAL LIEN MORTGAGE AND TO THE LIEN OF SAID REFUNDING AND IMPROVEMENT MORTGAGE.

STATE OF MINNESOTA

Office Register of Deeds, Hennepin County: Book 857 page 196; Book 857 page 195; Book 833 page 476; Book 835 page 568; Book 862 page 553.

Office Register of Deeds, Morrison County: Book 70 page 446; Book 66 pages 477 and 478.

Office Register of Deeds, Ramsey County: Book 666 page 416; Book 682 page 411.

Office City Clerk: Resolution City Council, City of St Paul, dated April 23, 1918.

IV.

PROPERTIES DESCRIBED IN THE FOLLOWING RECORDS WHICH ARE SUBJECT TO THE ST. PAUL AND DULUTH DIVISION MORTGAGE AND TO THE SEVERAL MORTGAGES UNDERLYING SAID MORTGAGE AS LIENS SUPERIOR TO THE LIEN OF SAID REFUNDING AND IMPROVEMENT MORTGAGE.

STATE OF MINNESOTA

Office Register of Deeds, Chisago County: Book "D" of Contracts page 334.

Office Register of Deeds, Hennepin County: Book 858 page 502; Book 835 page 617; Book 834 page 636.

Office City Clerk: City of Minneapolis, Ordinance dated September 10, 1919.

Office Register of Deeds, Ramsey County: Book 77 Miscellaneous page 493.

Office Register of Deeds, St. Louis County: Book 463 page 78; Book 427 page 459.

Office City Clerk: Resolution City Counsil, City of Duluth, dated April 10, 1918; Resolution City Counsil, City of Duluth, dated December 25, 1918.

V.

PROPERTIES DESCRIBED IN THE FOLLOWING RECORDS WHICH ARE SUBJECT TO THE FIRST MORTGAGE OF THE WASHINGTON & COLUMBIA RIVER RAILWAY COMPANY DATED MARCH 1, 1895, AS A LIEN SUPERIOR TO THE LIEN OF SAID REFUNDING AND IMPROVEMENT MORTGAGE.

STATE OF WASHINGTON

Office County Auditor, Walla Walla County: Book 7 of Ordinances page 671; Book 144 page 378.

STATE OF OREGON

Office County Clerk and Recorder, Umatilla County: Book 102 page 628.

TO HAVE AND TO HOLD unto the Trustees, their successor or successors and assigns forever.

BUT IN TRUST, NEVERTHELESS, for the equal and proportionate benefit and security of all and every the present and future holders of any and every bond and interest obligation issued under and secured by, or to be issued under and to be secured by the said Refunding and Improvement Mortgage according to the terms and provisions thereof.

IN WITNESS WHEREOF, Northern Pacific Railway Company, the party hereto of the first part, has caused this indenture to be signed and acknowledged or proved by its President, and its corporate seal to be hereunto affixed, and the same to be attested by the signature of its Assistant Secretary; and Guaranty Trust Company of New York, the party of the second part, has caused its corporate seal to be hereunto affixed and attested by its Secretary, and these presents to be signed and acknowledged or proved by its President, in token of its acceptance of the trusts hereby created, the day and year first above written.

Witnesses as to Northern Pacific Railway Company:

W. J. Barron.

C. J. Mraz

NORTHERN PACIFIC RAILWAY COMPANY,

By Jule M. Hannaford, President.

Attest:

R. H. Relf, Assistant Secretary.

Corporate Seal

Witnesses as to Guaranty Trust Company of New York:

J. H. Hahn.

John A. Lyon.

GUARANTY TRUST COMPANY OF NEW YORK

By F. J. H. Sutton, Vice President.

Attest:

C. M. Schmidt, Asst. Secretary.

Corporate Seal

STATE OF MINNESOTA)
)SS
County of Ramsey)

On this 2nd day of June in the year 1920, before me, L. R. Fellows, a notary public, personally appeared Jule M. Hannaford, to me known to be the President of the Northern Pacific Railway Company, the corporation which executed the foregoing instrument, and who being duly sworn did say, that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said Jule M. Hannaford acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office, in the City of St. Paul, the day and year last aforesaid.

Notarial Seal

L. R. Fellows.
Notary Public, Ramsey County, Minnesota.
My commission Expires April 2, 1925

STATE OF NEW YORK)
) SS
County of New York)

On this 11th day of June in the year 1920, before me, John A. Lyon a notary public, personally appeared F. J. H. Sutton, to me known to be the Vice President of the Guaranty Trust Company of New York, the corporation which executed the foregoing instrument, and who being duly sworn did say, that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said F. J. H. Sutton, acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office, in the City of New York, the day and year last aforesaid.

Notarial Seal

John A. Lyon.
Notary Public, New York
My Commission Expires, March 30, 1921

Notary Public, Bronx Co. Clk's No. 64, Reg. N. 2157
N. Y. Co. Clk's No. 341, Reg. No. 1391
Commission expires March 30, 1921.

Exempt from Registration Tax
July 2nd, 1920
John Johnston
Treas'r Chisago County, Minn.

Countersigned;
Archie E. L. Stromgren
County Auditor of
Chisago County, Minnesota

43501

Office of Register of Deeds)
) SS
Chisago, County, Minn.)

I, hereby certify that the within instrument was filed in this office for record on the 2nd day of July A. D. 1920 at 5:30 o'clock P. M. and was duly recorded in Book thirteen of Mortgages page 601 et seq.

David Bloom
Register of Deeds

100615

Office of Register of Deeds)
) SS
County of Morrison, Minn)

I hereby, certify that the within instrument was filed in this office for record on the 8th day of July A. D. 1920 at 4:00 o'clock P. M. and was duly recorded in book 50 of Mortgages on page 327

Frank X Bastian
Register of Deeds.

988374

Office of Register of Deeds,)
) SS
State of Minnesota
County of Hennepin.)

I hereby certify that the within instrument was filed for record in this office on the 20th day of July A. D. 1920, at 2:30 o'clock P. M. and was duly recorded in book 1094 of Mortgages page 392 etc

August W. Skog
Register of Deeds

By J. H. Bliss
Deputy Register of Deeds

70786

State of Minnesota)
) SS
County of Crow Wing)

I hereby certify that the within instrument was filed in this office for record on the 31st day of July A. D. 1920 at 4:00 o'clock P. M. and was duly recorded in Book 4 of Mortgages on page 368.

A. G. Trommald
Register of Deeds.

322405

Office of Register of Deeds)
) SS
State of Minnesota)
County of St. Louis

I, Hereby certify that the within instrument was filed in this office for record August 3rd. 1920 at 11:00 A. M. and was duly recorded in Book 421 of Mortgages. P. 58

Charles Calligan
Register of Deeds

by- C. L. Lofgren
Deputy Register of Deeds

98800

Office of Register of Deeds) SS
)
County of Becker, Minn

I, hereby certify that the within instrument was filed in this office for record on the 16th day of August A. D. 1920 at 2:00 o'clock P. M. and was duly recorded in book 65 of Mortgages page 223

Ole C. Nelson
Register of Deeds

By- Lena Nelson
Deputy Register of Deeds

104469

State of Minnesota)
) SS
Clay County)

I, hereby certify that the within instrument was filed in this office for record on the 21st day of August A. D. 1920 at 2:00 o'clock P. M. and was duly recorded in book 111 of Mortgages page 18.

Fred Stalley
Register of Deeds

By H. A. Stalley
Deputy Register of Deeds

189180

Office of Register of Deeds) SS
Otterail County Minn)

I hereby certify that the within instrument was filed in this office for record on the 1st day of Sept. 1920 at 4:00 o'clock P. M. and was duly recorded in book 85 of Mortgages on page 260

P. A. Anderson
Register of Deeds

55324

Register's Office)
) SS
Pope County Minn)

Filed for record the 8th day of September, A. D. 1920 at 9:00 A. M. and recorded in Vol. 4 of Mortgages Page 506.

W. H. Engebretson
Register of Deeds.

576757

State of Minnesota)
County of Ramsey) Ss
Office of Register)
of Deeds

This is to certify that the within instrument was filed for record in this office at St. Paul on the 13th day of September, A. D. 1920 at 10:20 o'clock A. M. and that the same was duly recorded in book 90 of Miscellaneous page 127

J. J. Fitzgerald
Register of Deeds

By T. A. Goswurtz
Deputy

Compared by B. O.

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 22nd day of September A. D. 1920 at 2 o'clock P. M. and recorded in Vol. 21 of R. R. Mtgs. etc. on page 72 thereof.
H. B. Taylor
Assistant Secretary of State.

Indexed

JOHN D. CALDWELL, LEWIS A. ROBINSON,
ARTHUR B. JONES AND THEODORE H. GOODNOW
Vendors

THE FARMERS' LOAN AND TRUST COMPANY
AND EDWIN S. MARSTON
Trustees

AND

CHICAGO AND NORTH WESTERN RAILWAY COMPANY

AGREEMENT

Chicago and North Western Railway Company
Equipment Trust of 1920

THIS AGREEMENT, made this fifteenth day of November, in the year 1920, by and between JOHN D. CALDWELL, LEWIS A. ROBINSON, ARTHUR B. JONES and THEODORE H. GOODNOW, hereinafter called "the Vendors," of the first part, THE FARMERS' LOAN AND TRUST COMPANY, and EDWIN S. MARSTON, hereinafter called "the Trustees," of the second part, and the CHICAGO AND NORTH WESTERN RAILWAY COMPANY, hereinafter called the "Railway Company," of the third part,

WITNESSETH:

WHEREAS, the Railway Company desires that additions to its equipment be provided, to enable it to transport and care for the traffic, which it handles as common carrier, and it has been deemed expedient to make provision therefor through the medium of an equipment trust;

NOW, THEREFORE, in oRder to carry that purpose into effect, and in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

FIRST.

Upon request of the President of said Railway Company, the Vendors will, from time to time, cause to be built or acquired and delivered to the Trustees such equipment as may be specified in such requests. Such delivery may be made to any one or more officers or agents of said Railway Company as may be from time to time designated by the Trustees as their agent or agents to receive such delivery, and the certificates of any and every agent so designated shall be conclusive evidence of such delivery.

The Trust Company, Trustee, will from time to time upon so receiving such equipment and upon the execution of leases thereof as herein provided, issue certificates, to be known as "Chicago and North Western Railway Company Equipment Trust of 1920, Certificate No....., Series....., dated....," to an amount not to exceed the cost of the equipment so delivered to it; such cost to be conclusively established by the certificate in writing of the Vendors, which certificate shall state that the Trustees' title to such equipment is perfect and unencumbered, and shall be accompanied by bills of sale to the Trustees. The total of such trust certificates shall not exceed ten million dollars ($10,000,000); they shall be entitled to interest at a rate not exceeding seven per cent (7%) per annum, payable semi-annually, and shall be for the amount of one thousand dollars each, except as hereinafter provided. Said certificates may be issued in series, as such equipment shall be acquired, and each series shall be classified and designated by the year of its issue and a serial number or letter; they shall be separately numbered, and certificates to the amount of one-fifteenth of each series shall be due and payable at the expiration of each year succeeding the date of such series, so that each series of said certificates shall be fully paid in fifteen years after its issue. The due date of each certificate shall appear on its face. They shall be issued in substantially the following form, the number of the series to which such certificate belongs, the number of the certificate, and the date of payment, to be filled in as aforesaid:

Chicago and North Western Railway Company
equipment Trust of 1920.
Certificate No.....Series.....Dated.....
Total Authorized under Trust, $10,000,000.
Total Issue of said Series.....
Certificate for $1,000.

The Farmers' Loan and Trust Company, Trustee.

THIS IS TO CERTIFY that the Bearer hereof, unless this certificate be registered as hereinafter provided for, and if so registered, then the registered holder hereof, is entitled to a share to the amount of $1,000 in the Chicago and North Western Railway Company Equipment Trust of 1920, of said Series....., payable in gold coin on the..... day of....., 19....; also to the interest thereon, payable semi-annually on the first days of..... and..... in each year, in gold coin at the rate of.....per cent. per annum from the first day of....., as evidenced by the interest warrants, attached hereto, payment to be made at the office of The Farmers' Loan and Trust Company, in the City of New York, only from and out of rentals received from a lease of railway equipment by the said The Farmers' Loan and Trust Company, and Edwin S. Marston, Trustees, to the Chicago and North Western Railway Company, in and by which lease said Railway Company agrees to maintain said equipment and pay as rental therefor an amount sufficient to meet taxes, expenses, interest warrants, and the principal of said certificates of this series as they mature, according to their terms. The said railway equipment and the lease thereof are held by the said Trust Company and Edwin S. Marston in trust for the proportionate benefit of the holders of the share represented hereby and other shares of similar tenor and belonging to this same series, without preference or priority of any one share over any other share by reason of priority of issue or negotiation thereof . The series of certificates of which this is one, is issued under and held subject to the provisions of an agreement dated.....,entered into by and between John D. Caldwell, Lewis A. Robinson, Arthur B. Jones and Theodore H. Goodnow, of the first part, The Farmers' Loan and Trust Company and Edwin S. Marston, of the second part, and the Chicago and North Western Railway Company, of the third part, for the establishment of the Chicago and North Western Railway Company Equipment Trust of 1920. Said agreement and the lease of equipment therein provided for are on file with The Farmers' Loan and Trust Company, and reference is hereby made to them for a further statement of the rights of the holders of said certificates and of said Trust Company, Trustee.

This certificate may be registered on the books of said The Farmers' Loan and Trust Company in the name of the holder hereof, and such registration shall be noted hereon. Thereafter title hereto shall pass only by transfer registered on the books of the said The Farmers' Loan and Trust Company, unless and until a transfer to bearer shall have been so noted and registered thereon. Such registration shall apply only to the principal of this certificate and not to its interest warrants.

Neither this certificate nor the interest warrants pertaining thereto shall be deemed in anywise the obligation, or the promise to pay of the said Trust Company, Trustee.

THE FARMERS' LOAN AND TRUST COMPANY,
Trustee.

By.....
President.

The interest warrants attached to said trust certificates shall read as follows:

Due to Bearer under the Chicago and North Western Railway Company Equipment Trust of 1920, series....., on the 1st day of....., at the office of The Farmers' Loan and Trust Company, in the City of New York, payable only out of rentals on lease of railway equipment,..... .....dollars, being semi-annual interest on one share of Series..... ....., Chicago and North Western Railway Company Equipment Trust of 1920, evidenced by certificate No....., subject to all the conditions stated in the agreement of....., 1920, and the

certificates issued thereunder pertaining hereto.

THE FARMERS' LOAN AND TRUST COMPANY,
Trustee.

By.....

The signature of the President or other officer of the Trustee may be engraved or printed on said warrants. Temporary certificates may be issued by the Trust Company, Trustee, to be exchanged upon surrender for permanent certificates when they shall have been engraved.

Upon the surrender of any certificate or certificates, with all unmatured interest warrants attached, the Trust Company, Trustee, will issue, in exchange therefor, registered certificates without interest warrants, payable, both as to principal and interest, to the registered holder thereof only. Such certificates shall be in substantially the form of the certificates bearing interest warrants, above described, and shall be in denominations of one thousand, five thousand, ten thousand or fifty thousand dollars, respectively, and the registered holders shall be entitled to the benefits of this agreement to the same effect as if such certificates bore interest warrants, except that interest payable thereon shall be paid to the registered holders only and without the surrender of interest warrants. Any reference herein and in the leases herein provided for to interest warrants shall be construed as including the provisions contained in such registered certificates with reference to interest thereon.

The said trust certificates with interest warrants attached, or any of them, may be registered in the name of the owner on the books of the Trust Company, Trustee, in the City of New York, which said registration shall be noted thereon, after which every transfer thereof shall be valid only when made on said books until so transferred again to bearer, but may again and from time to time be registered as before. The interest warrants shall always be transferable by delivery.

Anything to the contrary herein notwithstanding, the parties hereto may deem and treat the bearer of any unregistered certificate issued hereunder, and the bearer of any interest warrant, as the absolute owner of such certificate or interest warrant, as the case may be, for the purpose of receiving payment thereof, and for all other purposes, and shall be affected in nowise by any notice to the contrary. The parties hereto may deem and treat the person in whose name any registered certificate issued hereunder shall be registered, as hereinbefore provided, as the absolute owner of such trust certificate for the purpose of receiving payment of or on account of the share or shares represented by such certificate, and for all other purposes, and all such payments so made to any such registered holder, or upon his order, shall be valid and effectual to satisfy and discharge the liability upon such trust certificate to the extent of the sum or sums so paid.

Each series of said certificates shall be accompanied by a lease to said Railway Company from the Trustees of the specific equipment that shall have been acquired by the Vendors and delivered to the Trustees, as hereinbefore provided, at the time of the issuance of such series. The amount of each series of said certificates to be thus issued shall not exceed the cost of the specific equipment, that shall have been thus acquired, and upon the transfer and delivery to it from time to time, in the manner above provided, of such railway equipment, accompanied by a certificate signed by the Vendors, that the title of said Trustees thereto, is perfect and unencumbered the Trust Company, Trustee, shall deliver to the Vendors or to such persons or corporations as they may designate, the series of said certificates applicable to the acquiring of such equipment.

SECOND

The Railway Company agrees that it will from time to time, as such equipment shall be acquired and transferred and delivered to the Trustees, lease from the Trustees the said equipment so conveyed or caused to be conveyed to the Trustees by the Vendors. Each lease shall be for a term of fifteen (15) years, and shall be of the specific equipment represented by a single series of said certificates, and shall be designated by the series of said certificates representing the equipment covered thereby. In and by every

such lease the Railway Company shall agree that said lease is in all things subject hereto, and that it will pay to the Trust Company, Trustee, a rent which shall be sufficient to pay and discharge the following items:

(1) The necessary expenses of the trust connected with the said series, including a reasonable compensation to the Trustees;

(2) All taxes, assessments, licenses and dues, federal, state and municipal, which may be levied upon or assessed against the equipment covered by the lease or against the Trustees on account thereof;

(3) Interest on all outstanding and unmatured certificates of the series, which shall be issued as aforesaid at the time of the conveyance to the Trustees of the rolling stock or equipment thereby let, at a rate not exceeding seven per cent per annum, payable semi-annually, as hereinabove provided, as such interest payments severally fall due; and

(4) An annual sum equal to one-fifteenth of the principal of the series of said certificates issued on account of the equipment covered by said lease.

The Trust Company, Trustee, shall apply the rentals by it received to the payment of said expenses, taxes, interest warrants, interest payments and certificates as they shall respectively become due.

Every such lease shall provide that the Railway Company shall maintain the equipment covered thereby in proper repair during the term of the lease, and shall replace any of it which may be destroyed from any cause whatever during the continuance of the lease with other equipment of equal value, and shall cause to be fixed and retained upon each side of each of the cars, engines, and other structures forming a part of said equipment, during the continuance of said lease, a plate, mark or insignia of ownership having thereon the words "The Farmers' Loan and Trust Company of New York, and Edwin S. Marston, Trustees, Owners and Lessors, C.&N.W. Ry. Co. Equipment Trust of 1926, Series....."

The Railway Company, lessee as aforesaid, shall further covenant properly to indemnify and protect the Trustees in the use of any and all patented inventions employed in and about the said equipment, and to comply with all lawful requirements as to the use of air brakes and other appliances with respect to the leased equipment, and to furnish to the Trustees, the lessors, in every year during the continuance of the lease, an accurate statement of the equipment covered by the lease in actual service, the number and description of such as may have been destroyed and substituted and then undergoing repair, and to allow the Trustees, by their duly authorized agent, to inspect said equipment at any time during the continuance of said lease.

Every such lease shall provide that the Trustees shall retain the full legal title to the equipment covered thereby and to all of it, until the Railway Company shall have fully complied with all of the agreements therein contained, and shall have made all of the payments therein provided for, and that upon the termination of the lease and the performance by the Railway Company of its covenants and obligations under such lease and hereunder as herein provided, the Trustees shall convey and transfer to the Railway Company all of the equipment covered thereby, which shall thereafter be owned and enjoyed by the Railway Company free from any right or interest therein of the Trustees or of the holders of said certificates.

As and when the said interest warrants or certificates are paid in full according to the provisions hereof, the same shall be canceled by the Trust Company, Trustee hereunder, and when canceled, delivered to or upon the order of the Railway Company.

Every such lease shall contain a provision that in case the Railway Company shall make default in the payment of any part of said rental reserved therein for more than ninety days after the same shall have become due and payable, or shall fail to perform any agreements therein on its part to be performed for more than ninety days after the Trust Company, Trustee, shall have demanded performance thereof, the Trustees may, at their option, and on the request of the holders of a majority in amount of the series of trust certificates issued on account of the equipment covered by such lease then outstanding, and upon being properly indemnified, shall, declare the principal of all said outstanding certificates of said series to be due and payable immediately, and in the same manner may or shall terminate said lease, and shall by their agents take possession of all of the equipment covered thereby and sell the same or such part thereof as may be necessary to perform the trusts hereby created, at public or private sale, for cash or upon credit in their discretion, and shall otherwise proceed to exercise and enforce their rights and the rights of the holders of the said series of said certificates herein and under such lease in the manner herein and therein provided. Instead of or in addition to the exercise of the powers in case of default herein above specified, the Trustees may invoke any legal or equitable remedy. In the distribution of funds by the Trust Company, Trustee, in the performance upon default of the trusts

hereby created, the payment of the principal of outstanding trust certificates shall be postponed to the payment in full of outstanding matured interest warrants and interest payments provided for in the registered certificates issued without interest warrants. Any part of the funds remaining undisposed of upon the performance of the trusts hereby created shall be delivered and paid to the Railway company.

The Equipment so to be held by theTruestees may be leased to said Railway Company, by one lease, or by several leases covering separate portions thereof, made as and when such portions are acquired and delivered to the Trustees.

THIRD.

In case of the death, resignation or inability to serve of any of the Vendors, the other Vendors shall have and discharge all the powers of the Vendors. Any action taken by a majority of the Vendors shall have the same force and effect as though taken by all of them. Any vacancy in the Vendors may be filled by the Railway Company upon a written designation and a written acceptance filed with the Trustees, and thereupon the person so designated shall be one of the Vendors with the same force and effect as though he had been originally named one.

The Vendors shall be responsible only for the exercise of good faith in the discharge of their duties hereunder, and the Railway Company hereby agrees to indemnify and save them and each of them harmless of and from all expense or liability which they may in any manner inour or become subject to because of or in connection with anything done or omitted to be done under or in connection with this agreement.

FOURTH.

The Trustees shall not be liable to any of the parties hereto or to any of the holders of said certificates or said interest warrants for any defect in any of said equipment, or in its title thereto, nor shall anything herein be construed as a warranty on the part of the said Trustees in respect thereof nor as a representation in respect of the value thereof.

The Trustees may exercise their powers and perform their duties by or through such attorneys, agents and servants as they shall appoint, and shall be entitled to the advice of counsel, and shall be answerable only for their own acts, neglects and defaults and not for the default or misconduct of any attorney, agent or servant appointed by them with reasonable care in pursuance hereof; nor shall they be liable in any event for any cause except for their own negligence or default.

The Trustees shall be under no duty or obligation to see to the recording, registration or filing of this agreement or of any such lease, or of any agreement, statement or other instrument hereafter executed in respect of said equipment or parts thereof, which may be used to replace any of the same. Neither shall they be responsible in any way for the recitals herein contained, or in the certificates or interest warrants issued hereunder, or in any such lease, such recitals being recitals binding only upon the Railway Company; or for the execution or validity hereof, or for the certificates or interest warrants issued hereunder, or for any mistakes of fact or law. (as in original)

The Trustees shall be under no obligation to take any action for the execution or enforcement of the trusts hereby created, as to any equipment that shall have been so leased to said Railway Company unless requested thereunto in writing by the holders of not less than a majority in amount of the outstanding certificates of the series issued with respect to such equipment, and only upon being satisfactorily indemnified against expense and liability with respect thereto, and also furnished with proof satisfactory to them as to the ownership of the certificates and interest warrants in respect of which any notice or request may be made; but neither any such request nor this provision therefor shall affect any discretion elsewhere specifically given to the Trustees to determine whether or not they shall take action in respect of such default, or take action without request.

No holder of any certificates or interest warrants issued hereunder shall have a right to institute any suit, action or proceeding for the execution or enforcement of the trusts hereby created, unless after the aforesaid request in writing of the holders of not less than a majority in amount of the then outstanding certificates of the series held by him shall have been made upon the Trust Company, Trustee, satisfactory indemnity provided, and a reasonable time elapsed for action by the Trust Company, Trustee, upon such request, it declines to institute any proceedings pursuant thereto.

The Trustees may, for all purposes, conclusively assume that the Railway Company is not in default under the terms hereof until notified in writing to the contrary by the holders of at least one-quarter in amount of the certificates secured hereby and then outstanding, which notice shall distinctly specify the default desired to be brought to the attention of the Trustees.

The Trustees shall not incur any liability to anybody in acting upon any notice, request, consent, order, certificate, warrant or other paper or instrument believed by it to be genuine or authentic, and to be signed by the proper party or parties.

The Railway Company agrees to pay the expenses incident to the preparation, execution and certification of the trust certificates and interest warrants to be issued hereunder, and also connected with the preparation, execution, recording, registration and filing hereof and of any instruments hereafter executed under the provisions hereof in respect to said equipment or lease or leases, or any of the same, or any equipment or parts used to replace any of the same.

Said Trustees shall, at least once in each year, render to the Railway Company a statement of its said trust and of the accounts relating thereto, and covering such matters as the Railway Company may properly require; and the Vendors and Railway Company, or either of them, may, from time to time, examine the books and accounts of the Trustees relating to said certificates and lease or leases, to this agreement and to the acts of the Trustees hereunder.

FIFTH.

The term "Trust Company, Trustee," as used herein shall be held and construed to mean The Farmers' Loan and Trust Company, or its successor trust company hereunder; the work "Trustees" shall be held and construed to mean all trustees hereunder; the words "Railway Company" to mean and include the party of the third part, its successors and assigns; and the words "certificate holder" and "holder" shall include the plural as well as the singular number.

If at any time there shall happen to be no Trust Company among the existing trustees under this indenture, or if at any time the Trust Company, Trustee hereunder, shall be unable to act or shall decline to act, any and all the powers to be exercised and acts to be done, according to any provision hereof, by the Trust Company, Trustee, may and shall be exercised and performed by such other Trust Company as may be designated for that purpose by written appointment by the Railway Company; and the exercise of any such powers or the performance of any such acts by the proper Trust Company, whether performed by it as Trustee or by it in its individual character, -shall at all times and for all purposes be deemed sufficient as the act of such Trust Company individually, whether or not it be also the act of such Trust Company as Trustee; and if at any time there happen to be neither a Trust Company that is trustee hereunder and is able to act, nor a Trust Company that has been designated in accordance herewith to exercise the powers and perform the acts prescribed to be exercised or performed by a Trust Company, and is able and willing to act, then in such event, and until there shall be a Trust Company able and willing to exercise such powers and perform such acts, the existing Trustee hereunder may and shall exercise the powers and perform the acts otherwise to be exercised and performed by a Trust Company.

In case at any time the said The Farmers' Loan and Trust Company or said Edwin S. Marston or any Trustee hereafter appointed shall resign or be removed or otherwise be or become incapable of acting, a new Trustee or Trustees may be appointed by the Railway Company, instead of the company or person so resigning, removed or incapable of acting, by an instrument executed by order of the Board of Directors or Executive Committee of said Railway Company. One of the Trustees hereunder shall always be a Trust Company in good standing doing business in the City of New York, if there be such a Trust Company willing and able to accept the trust upon reasonable and customary terms.

Any new Trustee or Trustees appointed hereunder shall execute, acknowledge and deliver to the Railway Company, an instrument accepting such appointment hereunder, and thereupon such new Trustee or Trustees without any further act, deed or conveyance shall become vested with all properties, powers and trusts hereunder, jointly with any other then existing Trustee or Trustess, with like effect as if originally named as Trustee or Trustees herein; but any retiring Trustee shall, nevertheless, on the written request of the remaining or the new Trustee or Trustees, execute and deliver an instrument transferring to the then existing Trustee or Trustees, upon the trusts herein expressed, all the properties, rights, powers and trusts of the Trustee so retiring, and

shall duly assign, transfer and deliver any property and moneys held by such Trustee to the then existing Trustee or Trustees. Whenever, under the provisions hereof, it is necessary or proper for any notice or demand to be made to or upon the Railway Company, or if at any time it is desired to give any such notice or make any such demand, such notice or demand may be given or made to the Railway Company by depositing a written statement thereof, securely enclosed in a postpaid wrapper, in the United States mail directed to the said Railway Company, at Chicago, Illinois, and an affidavit by any person representing or acting on behalf of the Trustees as to such mailing shall be conclusive evidence of the giving of such notice and the making of such demand.

In order to facilitate the record of this indenture, the same may be simultaneously executed in ten counterparts, each of which so executed shall be deemed to be an original; and such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties hereto of the first part have hereunto set their hands and seals, and THE FARMERS' LOAN AND TRUST COMPANY, one of the parties of the second part, has caused its corporate seal to be hereunto affixed and attested by its Secretary, and these presents to be signed in its name and behalf by its President, and EDWIN S. MARSTON, the other of the parties of the second part, has hereunto set his hand and seal, and the CHICAGO AND NORTH WESTERN RAILWAY COMPANY, the party hereto of the thIrd part, has caused this indenture to be signed in its name and behalf byy its President and its corporate seal to be hereunto affixed and the same to be attested by the signature of its Secretary; all upon the day and year first above written.

..JOHN..D...CALDWELL....(seal)

In presence of:
.....BARRET..CONWAY....
.....HARLOW..J...DUNHAM..

In presence of:
Barret Conway
Harlow J Dunham

..LEWIS..A...ROBINSON...(seal)
Arthur B. Jones (seal)

In presence of:
.....BARRET CONWAY.....
.....HARLOW..J...DUNHAM.

..THEODORE..H...GOODWIN.(seal)

In presence of :
.....BARRET..CONWAY.....
.....HARLOW..J...DUNHAM..

Corporate SEAL

THE FARMERS' LOAN AND TRUST COMPANY,
By... E. S. MARSTON
Its President.

Attest:
A. V. HEELY....
Secretary.

In presence of :
GEO.H. COREY...
A. B. SMITH....

EDWIN S. MARSTON..)seal)

In presence of:
GEO. H. COREY...
A. B. SMITH.....

Corporate SEAL

CHICAGO AND NORTH WESTERN RAILWAY COMPANY,
By....W. H. FINLEY
Its President.

Attest:
JOHN D. CALDWELL....
Secretary.

In presence of:
BARRET CONWAY....
HARLOW J. DUNHAM..

STATE OF ILLINOIS,) ss.
COUNTY OF COOk,)

I, MARGARET C. CARMODY, a NOtary Public in and for the County of Cook, in the State of Illinois, do hereby certify that John D. Caldwell, Lewis A. Robinson, Arthur B. Jones and Theodore H. Goodnow, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal this 15th day of November, 1920.

Notarial 1738

MARGARET C. CARMODY
Notary Public in and for Cook County, Illinois.

My commission expires April 7, 1921.

STATE OF ILLINOIS,) ss.
COOK COUNTY,)

I, ROBERT M. SWEITZER, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County and as such officer am duly authorized to issue certificates of magistracy, that Margaret C. Carmody, whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 20 day of Nov, 1920.

Official SEAL

ROBERT M. SWEITZER
County Clerk.

STATE OF NEW YORK,) ss.
CITY AND COUNTY OF NEW YORK.)

I, GEORGE H. COREY, a Notary Public in and for the City and County of New York, in the State of New York, and a Commissioner of Deeds in and for the State of New York, duly appointed and commissioned as such by the respective Governors of and for the States of Illinois, Wisconsin and Michigan, being a resident in the City, County and State of New York, and duly qualified to act as such Commissioner for each of said States of Illinois, Wisconsin and Michigan, and duly authorized as such Commissioner to take and certify in the State of New York acknowledgments of deeds of lands in each of said States of Illinois, Wisconsin and Michigan, do hereby certify that on this 17th day of March in the year 1921, before me, the subscriber, personally appeared Edwin S. Marston and Augustus V. Heely, President and Secretary, respectively, of The Farmers' Loan and Trust Company, a corporation, and on said same day also appeared before me by its said officers the said The Farmers' Loan and Trust Company, being known to me to be the corporation whose name is subscribed to the foregoing instrument, and which executed the same as one of the parties of the second part; that Edwin S. Marston and Augustus V. Heely are personally known to me and are known to me to be the President and Secretary, respectively, of said The Farmers' Loan and Trust Company, and the identical persons whose names are subscribed to the foregoing instrument as President and Secretary of said corporation; and said Edwin S. Marston and Augustus V. Heely then and there severally acknowledged that they signed, sealed and delivered the foregoing instrument as the President and Secretary, respectively, of said The Farmers' Loan and Trust Company, and in behalf of said corporation and by order of its Board of Directors, and that they were President and Secretary, respectively, of said corporation at the time of the execution of said foregoing instrument, and that the seal attached to said instrument is the corporate seal of said The Farmers' Loan and Trust Company, and was affixed to said instrument on behalf of said corporation and by order of its Board of Directors; and I further certify that said Edwin S. Marston and Augustus V. Heely then and there further severally acknowledged that they executed said instrument as their free and voluntary act and deed as such

President and Secretary, respectively, and as the free and voluntary act and deed of said The Farmers' Loan and Trust Company and for the uses and purposes in said instrument set forth.

And at the same time said Edwin S. Marston and Augustus V. Heely, being by me severally and duly sworn did severally depose and say that they resided, the said Edwin S. Marston in the City and State of New York, and the said Augustus V. Heely in Plainfield, New Jersey, that said The Farmers' Loan and Trust Company is a corporation; that they are and at the time of the execution of the foregoing instrument were the President and Secretary, respectively, of said The Farmers' Loan and Trust Company, the corporation described in and which executed the foregoing instrument; that they knew the seal of said corporation; that they signed the foregoing insturment as President and Secretary, respectively, of said corporation and in its behalf, and by order of its Board of Directors; and that the seal affixed to said instrument is the seal of said The Farmers' Loan and Trust Company and was so affixed by them by order of the Board of Directors of said corporation.

And I further certify that I know the seal affixed to the foregoing instrument to be the corporate seal of said The Farmers' Loan and Trust Company, and that said instrument is executed and acknowledged according to and in conformity with the laws of the State of New York.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seals as Notary Public for the City and County of New York, in the State of New York, and also as Commissioner within the State of New York of and for the several States of Illinois, Wisconsin and Michigan, on said 17th day of March, 1921.

Notarial SEAL

GEO. H. COREY
Notary Public in and for the City and County of New York, in the State of New York. No. 183

Commissioner SEAL

GEO. H. COREY
Commissioner of the State of Illinois, in the State of New York, appointed by the Governor of the State of Illinois to take acknowledgments of deeds and other instruments to be recorded and used in Illinois.

Commissioner SEAL

GEO. H. COREY
CommissioneR of the State of Wisconsin, in the State of New York, appointed by the Governor of the State of Wisconsin to take acknowledgments of deeds and other instruments to be recorded and used in Wisconsin.

Commissioner SEAL

GEO. H. COREY
Commissioner of the State of Michigan, in the State of New York, appointed by the Governor of the State of Michigan to take acknowledgments of deeds and other instruments to be recorded and used in Michigan.

STATE OF NEW YORK,)
COUNTY OF NEW YORK.) ss.

I, WM. F. SCHNEIDER, Clerk of the County of New York, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, DO HEREBY CERTIFY, that Geo. H. Corey, whose name is subscribed to the certificate of the proof or acknowledgment of the annexed instrument, and thereon written, was, at the time of taking proof or acknowledgment, a Notary Public in and for the County of New York dwelling in the said County, commissioned and sworn, and duly authorized to take the same. And further that I am well acquainted with the handwriting of such Notary, and verily believe that the signature to the said certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said Court and County, the 18 day of Mar. 1921.

WM. F. SCHNEIDER
Clerk.

WILLIAM F. SCHNEIDER
CLERK OF THE COUNTY OF NEW YORK
AND CLERK OF THE SUPREME COURT.

Official SEAL

STATE OF NEW YORK,)
CITY AND COUNTY OF NEW YORK,) ss.

I, GEORGE H. COREY, a Notary Public in and for the City and County of New York, in the State of New York, and a Commissioner of Deeds in and for the State of New York, duly appointed and commissioned as such by the respective Governors of and for the States of Illinois, Wisconsin and Michigan, being a resident in the City, County and State of New York, and duly qualified to act as such Commissioner for each of said States of Illinois, Wisconsin and Michigan, and duly authorized as such Commissioner to take and certify in the State of New York, acknowledgments of deeds of lands in each of said States of Illinois, Wisconsin and Michigan, do hereby certify that on this 17th day of March in the year 1921, before me, the subscriber, personally appeared Edwin S. Marston, personally known to me and known to me to be the identical person whose name is subscribed to the foregoing instrument and who is described in the said instrument, and executed the same as one of the parties of the second part; and that said Edwin S. Marston then and there acknowledged that he signed, sealed and delivered and executed the foregoing instrument as his free and voluntary act and deed, and for the uses and purposes therein set forth.

And I further certify that said foregoing instrument is executed and acknowledged according to and in conformity with the laws of the State of New York.

IN TESTIMONY WHEREOF, I have heReunto set my hand and affixed my official seals as Notary Public for the City and County of New York, in the State of New York, and also as Commissioner within the State of New York of and for the several States of Illinois, Wisconsin and Michigan, on said 17th day of March, 1921.

Notarial SEAL

GEO. H. COREY
Notary Public in and for the City and County of New York, in the State of New York. No. 183

Official SEAL of Commissioner

GEO. H. COREY
Commissioner of the State of Illinois, in the State of New York, appointed by the Governor of the State of Illinois to take acknowledgements of deeds and other instruments to be recorded and used in Illinois,

Official SEAL of Commissioner

GEO. H. COREY
CommissioneR of the State of Wisconsin, in the State of New York, appointed by the Governorof the State of Wisconsin to take acknowledgments of deeds and other instruments to be recorded and used in Wisconsin.

Official SEAL of Commissioner

GEO. H. COREY
Commissioner of the State of Michigan, in the State of New York, appointed by the Governor of the State of Michigan to take acknowledgments of deeds and other instruments to be recorded and used in Michigan.

STATE OF NEW YORK,) ss.
COUNTY OF NEW YORK,)

I, WM. F. SCHNEIDER, Clerk of the County of New York, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, DO HEREBY CERTIFY that Geo. H. Corey, whose name is subscribed to the certificate of the proof or acknowledgment of the annexed instrument, and thereon written, was, at the time of taking such proof or acknowledgment, a Notary Public in and for the County of New York, dwelling in the said County, commissioned and sworn, and duly authorized to take the same. And further that I am well acquainted with the handwriting of such Notary, and verily believe that the signature to the said certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have heReunto set my hand and affixed the seal of the said Court and County, the 18 day of Mar., 1921.

WM. F. SCHNEIDER Clerk.

Official SEAL

WILLIAM F. SCHNEIDER
CLERK OF THE COUNTY OF NEW YORK AND CLERK OF
THE SUPREME COURT.

STATE OF ILLINOIS,)
COUNTY OF COOK.) ss.

I, MARGARET C. CARMODY, a Notary Public in and for said County, in said State of Illinois, do hereby certify that on this 15th day of November, 1920, before me, the subscriber, personally appeared William H. Finley and John D. Caldwell to me personally known to be the President and Secretary, respectively, of the Chicago and North Western Railway Company, a corporation, and to be the same persons whose names are subscribed to the foregoing instrument as President and Secretary, respectively, of said corporation; and they then and there severally acknowledged that as such President and Secretary respectively they signed, sealed, executed and delivered the foregoing instrument pursuant to authority given by the Board of Directors of said Chicago and North Western Railway Company, and further acknowledged that the seal attached to said foregoing instrument is the corporate seal of said Chicago and North Western Railway Company and was affixed to said instrument by authority of said Board of Directors, and further acknowledged said instrument to be the free and voluntary act of said Chicago and North Western Railway Company for the uses and purposes therein set forth; and I further certify that I know the seal affixed to said instrument to be the corporate seal of said Chicago and North Western Railway Company.

IN WITNESS WHEREOF, I have heReunto set my hand and my official seal as Notary Public aforesaid on this 15th day of November, 1920.

Notarial SEAL

MARGARET C. CARMODY
NotaRy Public in and for Cook County, Illinois.

My commission expires April 7-1921.

STATE OF ILLINOIS,)
COOK COUNTY.) ss.

I, ROBERT M. SWEITZER, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that Margaret C. Carmody, whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds' or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 3rd day of Feb., 1921.

Official SEAL

ROBERT M. SWEITZER
County Clerk.

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 30th day of March A. D. 1921 at 9 o'clock A.M. and recorded in Vol. 21 of R.R. Mortgages on page 52-92 incl.
Elmer L. Hall
Assistant Secretary of State.

Indexed RR Equip p. 2

Great Northern Gold Bond Mortgage Issue

GENERAL GOLD BOND MORTGAGE

GREAT NORTHERN RAILWAY COMPANY

TO

THE FIRST NATIONAL BANK OF THE CITY
OF NEW YORK,

TRUSTEE

I N D E N T U R E

DATED JANUARY 1, 1921.

INDENTURE dated the first day of January, 1921, by and between GREAT NORTHERN RAILWAY COMPANY, a corporation of the State of Minnesota (hereinafter called the "Railway Company"), party of the first part, and THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, a corporation duly organized and existing under the laws of the United States of America, and having its principal office and place of business in the Borough of Manhattan, in the City, County and State of New York (hereinafter called the "Trustee"), party of the second part:

WHEREAS, at a meeting of the Board of Directors of the Railway Company, duly called and held at the office of the Railway Company in the City of New York, State of New York, on the 22nd day of March, 1921, a quorum being present, the following resolution, among others, was duly adopted:

"RESOLVED, that there hereby is autorized the creation by this Company of a bonded indebtedness by the issue, at such times, in such amounts, and of such series, as, from time to time, the Board of Directors, or the Executive Committee of the Board of Directors, may determine, of bonds payable in gold coin of the United States of America, of or equal to the standard of weight and fineness existing July 1, 1921, and limited so that the amount thereof at any one time outstanding, together with all prior debt of this Company, after deducting therefrom the amount of all bonds reserved to retire prior debt at or before maturity, shall not exceed three times the par value of the then outstanding, fully paid capital stock of this Company, or of a successor corporation, maturing on such date or dates subsequent to June 30, 1936, and on or prior to July 1, 2121, bearing a rate of interest, payable semi-annually, subject or not subject to redemption, exempt or not exempt from taxes, convertible or not convertible into shares of the capital stock of the Company, and subject or not subject to sinking fund provisions, all as may be determined by the Board of Directors, or the Executive Committee of the Board of Directors at the time of issue; and the execution and delivery by this Company of a General Gold Bond Mortgage or deed of trust to The First National Bank of the City of New York, as Trustee, to be dated January 1, 1921, to secure all such bonds which are to be issued for the purpose of exchanging, redeeming, purchasing, retiring, refunding, or paying before, at or after maturity, outstanding obligations of this Company and of other companies whose properties now or hereafter shall be owned, acquired or controlled by the Great Northern Railway Company by consolidation, purchase, ownership of shares of capital stock, or otherwise; for the purpose of the future enlargement, improvement, extension and equipment of the properties of this Company and of such other companies, and for the creation of additions and betterments on and in connection with said properties; for the construction, purchase, or acquisition of other railways and properties; for the purchase or acquisition of bonds or shares of capital stock of other companies; for the purpose of reimbursing this Company for moneys at any other time which may be or may have been expended for any of the purposes aforesaid, and for all other lawful purposes"; and

WHEREAS, at the same meeting of the Board of Directors of the Railway Company the execution and delivery of this indenture in substantially this printed form, to be known as the General Gold Bond Mortgage of the Railway Company to secure the bonded indebtedness so authorized and evidenced by the bonds hereinafter described, was authorized and directed; and

WHEREAS, the forms of the coupon bonds and of the coupons to be attached

thereunto, and of the registered bonds which are to be secured by this indenture and of the certificates for the authentication of said bonds (subject to such appropriate insertions, omissions or variations as may be permitted by the terms hereof and as may be necessary and/ or convenient with respect to bonds of different series) are to be severally and respectively substantially as follows, to wit:

(Form of Coupon Bond.)

No..... $.....

UNITED STATES OF AMERICA.

GREAT NORTHERN RAILWAY COMPANY.
General Mortgage.....% Gold Bond, Series.....

GREAT NORTHERN RAILWAY COMPANY, a Minnesota corporation (hereinafter called the "Railway Company"), for value received, hereby promises to pay to bearer (orif registered, to the registered holder hereof) on the first day of....., at the offic e or agency of the Railway Company in the Borough of Manhattan, City of New York, State of New York,.....Dollars in gold coin of the United States of America of or equal to the standard of weight and fineness as it existed on the first day of July, 1921, and to pay interest thereon from....., at the rate of.....per centum per annum, payble at its said office or agency in like gold coin semi-annually on the first day of January and the first day of July in each year, until the payent of such principal sum, but only upon presentation and surrender of the coupons therefor hereto annexed, as they severally mature.

This bond is one of the General Mortgage Gold Bonds (coupon or registered) of the Railway Company issued and to be issued in one or more series under and pursuant to and equally secured by an indenture dated JanuAry 1, 1921, executed by the Railway Company to The First National Bank of the City of New York, Trustee, conveying all the property and franchises of the Railway Company mentioned in the said indenture, to which reference is hereby made for a statement of the property and franchises mortgaged, conveyed, pledged or assigned, the nature and extent of the security and the rights of the holders of said bonds and of the said Trustee in respect to suh security.

The authorized issue of bonds under said indenture is limited to an amount which, together with all then outstanding prior debt of the Railway Company or of a successor corporation as defined in said indenture, after deducting therefrom the amount of all bonds then reserved under the provisions of said indenture to retire prior debt at or before maturity, shall not exceed three times the par value of the the outstanding, fully paid capital stock of the Railway Company or of a successor corporation.

In case of certain defaults specified in said indenture the principal of such bonds may be declared and may become due and payable in the manner and with the effect provided in said indenture.

This bond shall pass by delivery, unless registered in the owner's name either at the office of the Railway Company in the City of St. Paul, State of Minnesota, or at its office or agency in the Borough of Manhattan, City of New York, such registry being noted on the bond by the Railway Company. After such registry no transfer shall be valid unless made by the registered owner in person or by attorney and similarly noted on the bond, but the same may be discharged from registry by like transfer to bearer noted on the bond, whereupon ability to transfer by delivery shall be restored; but this bond may again from time to time be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the coupons for the interest on the bond, which shall continue to be payable to bearer and transferable by delivery, and payment thereof to the bearer shall fully discharge the Railway Company in respect to the interest therein mentioned whether or not the bond be registered.

The coupon bonds are issuable in denominations of $1,000, $500 and $100 each, as provided in said indenture. The holder of any coupon bond for $1,000 at his option may surrender the same for cancellation, with all unmatured coupons thereunto appertaining, in exchange for a registered bond without coupons of the same series, and registered bonds of the denomination of $1,000, or any multiple thereof, may be exchanged for coupon bonds of the same series as provided in said indenture. For such transfer or exchange a charge may be made as provided in said indenture.

No recourse shall be had for the payment of the principal of or the interest

upon this bond, or for any claim based hereon, or otherwise in respect hereof or of said indenture under which this bond is issued, against any incorporator, stockholder, officer or director, past present or future, of the Railway Company or of any successor corporation, whether by virture of any constitution, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration of the issue hereof, expressly released, as provided in said indenture.

This bond shall not become obligatory for any purpose until it shall have been authenticated by the execution of the certificate hereon endorsed by The First National Bank of the City of New York, as Trustee, or its successor in trust under said indenture.

IN WITNESS WHEREOF Great Northern Railway Company has caused this bond to be signed by its President, or a Vice-President, and its corporate seal to be hereunto affixed and to be attested by its Secretary, or an Assistant Secretary, and coupons for said interest bearing the engraved fac-simile signature of its Treasurer, or an Assistant Treasurer, to be attached hereto, as of the first day of.....

GREAT NORTHERN RAILWAY COMPANY,
By.....
Vice-President.

Attest:
.....
Assistant Secretary.

(FORM OF COUPON.)

No..... $.....

On the first day of....., Great Northern Railway Company will pay to bearer at its office or agency in the Borough of Manhattan, City of New York, on surrender of this coupon,.....Dollars in gold coin of the United States, being six months' interest then due on its General Mortgage.....% Gold Bond, Series....., No....., unless said bond (if redeemable) shall have been called for previous redemption.

.....
Treasurer.

(FORM OF REGISTERED BOND.)

No..... $.....

UNITED STATES OF AMERICA.
GREAT NORTHERN RAILWAY COMPANY.
GENERAL MORTGAGE.....% GOLD BOND, SERIES.....

GREAT NORTHERN RAILWAY COMPANY, a Minnesota corporation (hereinafter called the "Railway Company"), for value received, hereby promises to pay to..... or registered assigns, on the first day of....., at the office or agency of the Railway Company in the Borough of Manhattan, City of New York, State of New York, ...Dollars in gold coin of the United States of America of or equal to the standard of weight and fineness as it existed on the first day of July, 1921, and to pay interest thereon from July 1 or January 1, as the case may be, next preceding the date hereof (unless this bond be dated July 1 or January 1, and in that event from the date of this bond), at the rate of.....per centum per annum, until said principal sum shall be paid, at said office or agency, in like gold coin, semi-annually on the first day of January and the first day of July in each year.

This bond is one of the General Mortgage Gold Bonds (coupon or registered) of the Railway Company issued and to be issued in one or more series under and pursuant to and equally secured by an indenture dated January 1, 1921, executed by the Railway Company to The First National Bank of the City of New York, Trustee, conveying all the property and franchises of the Railway Company mentioned in said indenture, to which reference is hereby made for a statement of the property and franchises mortgaged, conveyed, pledged or assigned, the nature and extent of the security and the rights of the holders of said bonds and of the said Trustee in respect to such security.

The authorized issue of bonds under said indenture is limited to an amount which, together with all then outstanding prior debt of the Railway Company or of a successor corporation as defined in said indenture, after deducting therefrom the amount of all bonds then reserved under the provisions of said indenture to retire prior debt at or before maturity, shall not exceed three times the par value of the then outstanding, fully paid capital stock of the Railway Company or of a successor corporation.

In cAsE of certain defaults specified in said indenture the principal of such bonds may be declared and may become due and payable in the manner and with the effect provided in said indenture.

This bond is transferable by the registered holder thereof in person or by attorney duly authorized in writing either at the office of the Railway Company in the City of St.Paul, State of Minnesota, or at its office or agency in the Borough of Manhattan, City of New York, upoN surrender and cancellation of this bond, and thereupon a new registered bond, without coupons, of the same series, will be issued to the transferee in exchange therefor, as provided in said indenture. This bond also in the manner prescribed in said indenture is exchangeable for coupon bonds of the same series for the same aggregate principal amount and bearing all unmatured coupons. For such transfer or exchange a charge may be made as provided in said indenture.

No recourse shall be had for the payment of the principal of or the interest upon this bond, or for any claim based hereon, or otherwise in respect hereof or of said indenture under which this bond is issued, against any incorporator, stockholder, officer or director, past, present or future, of the Railway Company oR of any successor corporation, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration of the issue hereof, expressly released, as provided in said indenture.

This bond shall not become obligatory for any purpose unless and until it shall have been authenticated by the execution of the certificate hereon endorsed by The First NatioNal BaNk of the City of New YOrk, as Trustee, or its successor iN trust under this indenture.

IN WITNESS WHEREOF, Great Northern Railway Company has caused this bond to be signed by its President, or a Vice-President, and its corporate seal to be hereunto affixed and to be attested by its Secretary, or an Assistant Secretary, this. . . . . day of . . . . . .

GREAT NORTHERN RAILWAY COMPANY,

By . . . . . .

Vice-President.

Attest:

. . . . . .

Assistant Secretary.

(FORM OF TRUSTEE'S CERTIFICATE.)

This bond is one of the bonds described in the within mentioned indenture.

THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, Trustee,

By . . . . . .

Assistant Cashier.

and

WHEREAS, the Interstate Commerce Commission by its order entered April 21, 1921, in "Finance Docket No. 1374", has authorized the execution of this indenture and has duly authorized the issue of the bonds forthwith, and from time to time hereafter, issuable under the provisions of paragraph (a) of Section 5 of Article Three of this indenture; and all other acts and things prescribed by law and by the by-laws of the Railway Company have been duly performed and compiled with the Railway Company has executed this indenture and from time to time purposes to issue the bonds hereby secured inthe exercise of each and every legal right, power and authority in it vested;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That, in order to secure the payment of the principal and interest of all such bonds at any time issued and outstanding under this indenture, according to their tenor and effect, and the performance of all the covenants and conditions herein contained, and to declare the terms and conditions upon which such bonds are issued and received, the Railway Company, party of the first part, in consideration of the premises and of the purchase and acceptance of such bonds by the holders thereof, and of the sum of one hundred dollars, to it duly paid by the Trustee at or before the ensealing and delivery of these presents, the receipt whereof hereby is acknowledged, has executed and delivered these presents, and has granted, bargained, sold, released, conveyed, assigned, transferred, pledged and set over, and by these presents does grant, bargain, sell, release, convey, assign, transfer, pledge and set over unto the Trustee, party of the second part, and to its successors in the trust and assigns forever:

FIRST. The following described lines of railroad owned by the Railway Company:

I. Railways on which this indenture is a first lien extending:

(a) From the junction of the Railway Company's lines at Niobe, Ward County, North Dakota, to International Boundary Line between the State of North Dakota and the Province of Saskatchewan, Dominion of Canada, at Northgate, Burke County North Dakota. . . . . .21.69 miles.

(b) From the junction of the Railway Company's lines at Moccassin, Fergus County, Montana, to Lewistown, Fergus County, Montana. . . . . 3051 miles.

(c) From the junction of the Railway Company's lines at Wenatchee, Chelan County, Washington, to Pateros, OkanOgan COunty, Washington. 57.59 miles.

(d) From Wildrose, Williams County, North Dakota, to end of track at Grenora, Williams County, North Dakota . . . . . .36.33 miles.

(e) From the junction of the Railway Company's lines at Windham, Fergus County, Montana, to end of track at Lehigh, Fergus County, Montana, also from junction at Lehigh, Fergus County, Montana, southwesterly to end of track at Lehigh Mine NO. 2 . . . . . .7.08 miles.

(f) From the junction of the Railway Company's lines at Vaughn, Cascade County, Montana, to end of track at Gilman, Lewis & Clark County, Montana . . . . . .40.28 miles.

(g) From Plentywood, Sheridan County, MOntana, to end of track at Scobey, Daniels County, Montana. . . . . .44.63 miles.

Total mileage . . . . . 238.11 miles.

II. Railways subject only to the lien of the First and Refunding Gold Bond Mortgage of the Railway Company to Bankers Trust Company, of New York, as Trustee, dated May 1, 1911, securing $72,000,000 of bonds ($35,668,000 of which are outstanding in the hands of the public, $24,200,000 of which are pledged to the Secretary of the Treasury of the United States to secure a loan of $17,910,000 to the Railway Company under Section 210 of the Transportation Act of 1920, and $12,132,000 of which are owned by the Railway Company and, together with the $24,200,000 of said bonds last above mentioned and subject to the prior pledge thereof to the Secretary of the Treasury of the United States, by sub-paragraph 4 of paragraph EIGHTH of this granting clause are assigned, transferred and pledged to the Trustee), maturing July 1, 1961, of a total authorized issue of $600,000,000, of which the remainder, or any thereof, hereafter may not be issued, the Railway Company having expressly covenanted against the issuance of any such bonds in Section 2 of Article Five of this indenture:

1. Main lines of railway extending:

(a) From Coon Creek, Anoka County, Minnesota, to Brook Park, Pine County, Minnesota. . . . . .56.51 miles.

(b) From Saunders, Douglas County, Wisconsin, to Allouez, in said County . . . . . .6.20 miles.

(c) From Brookston, St.Louis County, Minnesota, to Olcott, in said County . . . . . 46.51 miles.

(d) From Gunn Junction, Itasca County, Minnesota, via Kelly Lake, St.LOuis County, Minnesota, to Flanders, St.Louis County, Minnesota. . . . . .41.94 miles.

(e) From Virginia, St.Louis County, Minnesota, to Flanders, in said County . . . . . .15.06 miles.

(f) From Park Rapids, Hubbard County, Minnesota, viaLeech Lake, Cass County, Minnesota, to Cass Lake, Cass County, Minnesota . . . . . 49.04 miLes.

(g) From Thief River Falls, Pennington County, Minnesota, to Warroad, Roseau County, Minnesota. . . . . .84.24 miles.

(h) From Watertown, Codington County, South Dakota, to Huron, Beadle County, South Dakota . . . . . 69.44 miles.

(i) From Fargo, Cass County, North Dakota, to Surrey, Ward County, North Dakota, ...226.01 miles.

(j) From Aneta, NelsoN County, North Dakota, to Devils Lake, Ramsey County, North Dakota. . . . . .57.72 miles.

(k) From Armington, Cascade County, Montana, to Mossmain, Yellowstone County, Montana. . . . . .194.53 miles.

(l) From Shelby Junction, Toole County, MOntana, to Great Falls, Cascade County, Montana. . . . . 98.41 miles.

(m) From North Switch at Rexford, Lincoln County, Montana, to the International Boundary Line between the State of Montana and the Province of British Columbia, Dominion of Canada. . . . . 8.58 miles.

(n) From Marcus, Stevens County, Washington, to the International Boundary Line between the State of Washington and the Province of British Columbia, Dominion of Canada, at Laurier, Ferry County, Washington. . . . . 27.66 miles.

(o) From the International Boundary Line between the State of Washington and the Province of British Columbia, Dominion of Canada, at Danville, Ferry County, Washington, to said International Boundary Line at Ferry, in said County, ... 25.13 miles.

(p) From the International Boundary LIne between the State of WashIngton and the Province of British Columbia, Dominion of Canada, at Molson, OkanOgan COunty, Washington, to said Internatonal Boundary LIne at Chopaka, in said County. . . . . .48.46 miles.

(q) From Seattle, King County, Washington, to the International Boundary Line between the State of Washington and the Province of British ColumBia, Dominion of Canada, at Blaine, Whatcom County, Washington. . . . 122.89 miles.

(r) From Anacortes, Skagit County, Washington, to RockpoRt, in said County . . . . . 57.31 miles.

(s) Tracks and facilities formerly owned by The Union Terminal Railway Company aT Sioux City, Woodbury County, Iowa. . . . . 1.28 miles.

2. Branch lines of railway extending:

(a) Frém Mississippi, Aitkin County, Minnesota, to Kelly Lake, St. Louis County, Minnesota. . . . . 31.68 miles.

(b) From Fermoy, St. Louis County, Minnesota, to Kelly Lake, St. Louis County, Minnesota . . . . . 23.29 miles.

(c) From Kelly Lake, St. Louis County, Minnesota, to end of track on old Hibbing Line, in said County . . . . . 1.56 miles.

(d) From Emmert, St. Louis County, Minnesota, to Chisholm, in said County . . . . . 3.86 miles.

(e) Sundry Mine Spurs on Messabe Range, Minnesota . . . . . 23.95 miles.

(f) From Ellendale, Dickey County, North Dakota, to Forbes, in said County . . . . . 13.36 miles.

(g) From Walhalla, Pembina County, North Dakota, to the International Boundary Line between the State of North Dakota and the Province of Manitoba, Dominion of Canada . . . . . 5.34 miles.

(h) From Lakota, Nelson County, North Dakota, to Sarles, Cavalier County, North Dakota . . . . . 73.13 miles.

(i) From St. John, Rolette County, North Dakota, to the International Boundary Line between the State of North Dakota and the Province of Manitoba, Dominion of Canada. . . . . 3.77 miles.

(j) From York, Benson County, North Dakota, to Dunseith, Rolette County, North Dakota. . . . . 42.27 miles.

(k) From Bottineau, BottineauCounty, North Dakota, to Antler, in said County . . . . . 41.89 miles.

(l) From Towner, McHenry County, North Dakota, to Maxbass, Bottineau County, North Dakota . . . . . 46.10 miles.

(m) From Granville, McHenry County, North Dakota, to Sherwood, ReNville County, North Dakota . . . . . 61.82 miles.

(n) From Berthold, Ward County, North Dakota, to Crosby, Divide County, North Dakota . . . . . 88.93 miles.

(o) From Stanley, Mountrail Caunty, North Dakota, to Wildrose, Williams County, North Dakota . . . . . 50.76 miles.

(p) From Bainville, Roosevelt County, Montana, to Plentywood, Sheridan County, Montana . . . . . 53.65 miles.

(q) From Virden, Toole County, Montana, to the International Boundary Line between the State of Montana and the Province of Alberta, Dominion of Canada, at Sweet Grass, Toole County, Montana . . . . . 36.58 miles.

(r) From Power, Teton County, Montana, to Bynum, in said County . . . . . 42.98 miles.

(s) From Kalispell, Flathead County, Montana, to Marion, in said County . . . . . 25.57 miles.

(t) From Kalispell, Flathead County, Montana, to Somers, in said County . . . . . 10.45 miles.

(u) Spur from Albany Falls, Bonner County, Idaho, to FIdelIty Lumber Company's mill . . . . . 1.99 miles.

(v) From Bonners Ferry, Boundary County, Idaho, to the International Boundary Line between the State of Idaho and the ProvInce of British Columbia, Dominion of Canada, at Port Hill, in said County . . . . . 25.97 miles.

(w) From Curlew, Ferry County, Washington, to Republic, in said County . . . . . 21.28 miles.

(x) From Republic, Ferry County, Washington, to Eureka Gulch, in said County . . . . . 5.97 miles.

(y) From OrOville, Okanagan COunty, Washington, to Pateros, in said County . . . . . .78.29 miles.

(z) From Columbia River, Douglas County, Washington, to Mansfield, in said County . . . . . .60.58 miles.

(aa) General Office Building, situated in the City of St. Paul, Ramsey County, Minnesota.

Total mileage main and branch lines. . . . . 2,111.94 miles.

III. Railways subject only (A) to the lien of the Consolidated Mortgage of The Saint Paul, Minneapolis and Manitoba Railway Company to Central Trust Company of New York (now Central Union Trust Company of New York), as Trustee, dated May 1, 1883, securing $42,193,000 bonds outstanding in the hands of the public, maturing July 1, 1933, of a total authorized issue of $50,000,000, of which the remainder, or any thereof, hereafter may not be issued, the Railway Company having expressly covenanted against the issue of any such bonds in Section 2 of Article Five of this indenture; $13,344,000 of the said outstanding bonds bearing interest at the rate of six per centum per annum, $20,856,000 at the rate of four and one-half per centum per annum and $7,993,000 at the rate of four per centum per annum; and (B) to the lien of the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company;

1. Main lines of railway extending:

(a) From St. Paul, Ramsey County, Minnesota, (via Minneapolis, Junction, Coon Creek Junction, Elk River, East St. Cloud, Barnesville, Redland, Crookston and St. Vincent, all in the State of Minnesota) to the International Boundary Line between the State of Minnesota and the Province of Manitoba, Dominion of Canada, north of Noyes, Kittson County, Minnesota. . . . . .392.70 miles.

(b) From East St. Cloud, Benton County, Minnesota, to HinoRley, Pine County, Minnesota . . . . . 66.50 miles.

(c) From St. Cloud, Stearns County, Minnesota, to Willmar, Kandiyohi County, Minnesota . . . . . 55.68 miles.

(d) From Sauk Center, Stearns County, Minnesota, to Park Rapids, Hubbard County, Minnesota . . . . . 80.96 miles.

(e) From Barnesville, Clay County, Minnesota, to Grand Forks, Grand Forks County, NorthDakota . . . . . .100.02 miles.

(f) From Grand Forks, Grand Forks, County, North Dakota, to the International Boundary LIne between the State of North Dakota and the Province of Manitoba, Dominion of Canada, north of Neche, PembiNe CouNty, North Dakota . . . . . 81.35 miles.

(g) From Minneapolis, Hennepin County, Minnesota, (via Willmar, Kandiyohi County, and Breckenridge, Wilkin County, both in the State of Minnesota) to Aneta, Nelson County, North Dakota . . . . . .328.71 miles.

(h) From Clearwater Junction, Hennepin County, Minnesota, to St. Cloud, Stearns County, Minnesota . . . . . 63.10 miles.

(i) From Casselton, Cass County, North Dakota, to Larimore, Grand Forks County, North Dakota . . . . . 74.87 miles.

(j) From Fosston, Polk County, Minnesota, to Redland, in said County . . . . . 46.05 miles.

(k) From Crookston, Polk County, Minnesota, to Red River at East Grand Forks, in said County . . . . . 24.64 miles.

(l) From the boundary line between the States of Minnesota and North Dakota at Grand Forks, Grand Forks County, North Dakota, on the Red River, in a generally westerly direction across the State of North Dakota to the boundary line between the States of North Dakota and Montana . . . . . 350.64 miles.

(m) Connecting track at Fargo, Cass County, North Dakota, with the line to Surrey, Ward County, North Dakota . . . . . .91 mile.

2. Branch lines of railway extending:

(a) From Elk River, Sherburne County, Minnesota, to Milaca, Mille Lacs County, Minnesota . . . . . 31.79 miles.

(b) From a connection with the main line of the Railway Company which extends from Clearwater Junction, Hennepin County, Minnesota, to St. Cloud, Stearns County, Minnesota, to dam at St. Cloud . . . . . 2.57 miles.

(c) From East St. Cloud, Benton County, Minnesota, to Sauk Rapids, in said County . . . . . 2.43 miles.

(d) From Evansville, Douglas County, Minnesota, to Tintah, Traverse County, Minnesota . . . . . 32.01 miles.

(e) From Fergus Falls, Otter Tail COunty, Minnesota, to Pelican Rapids, in said County . . . . . 21.58 miles.

(f) From Red Lake Falls, Red Lake County, Minnesota, to Thief River Falls, Pennington County, Minnesota . . . . . 20.14 miles.

(g) Connecting track with the Northern Pacific Railway at Tilden Junction, Polk County, Minnesota . . . . . 18 mile.

(h) From St. Hilaire, Pennington County, Minnesota, to Wylie, Red Lake County, Minnesota. . . . . 7.49 miles.

(i) From Hopkins Junction, Hennepin County, Minnesota, to Hopkins, in said County . . . . . 3.57 miles.

(j) From Hutchinson Junction, Hennepin County, Minnesota, to Hutchinson, McLeod County, Minnesota. . . . . 43.90 miles.

(k) From Benson, Swift County, Minnesota, to Watertown, Codington County, South Dakota . . . . . 91.92 miles.

(l) From Morris, Stevens County, Minnesota, to Lake Traverse, Traverse County, Minnesota . . . . . 48.60 miles.

(m) From Yarmouth, Wilkin County, Minnesota, to Ellendale, Dickey County, North Dakota . . . . . 105.07 miles.

(n) From Rutland, Sargent County, North Dakota, to Aberdeen, Brown County, South Dakota . . . . . 63.91 miles.

(o) From Wahpeton, Richland County, North Dakota, to Moorhead, Clay County, Minnesota . . . . . 43.48 miles.

(p) From Moorhead, Clay County, Minnesota, to Redland, Polk County, Minnesota . . . . . 66.05 miles.

(q) From Addison, Cass County, North Dakota, to Chaffee, Cass County, North Dakota, ... 11.78 miles.

(r) From Erie Junction, Cass County, North Dakota, to Portland Junction, Traill County, North Dakota . . . . . 32.61 miles.

(s) From Grafton, Walsh County, North Dakota, to Walhalla, Pembina County, North Dakota . . . . . .48.10 miles.

(t) From Larimore, Grand Forks County, North Dakota, to Hannah, Cavalier County, North Dakota . . . . . 94.95 miles.

(u) From Church's Ferry, Ramsey County, North Dakota, to St. John, Rolette County, North Dakota . . . . . 55.31 miles.

(v) From Rugby Junction, Pierce County, North Dakota, to Bottineau, Bottineau County, North Dakota . . . . . 38.95 miles.

Total mileage main and branch lines . . . . . 2,542.53 miles.

IV. Railways subject only (A) to the lien of the Montana Extension Mortgage of The Saint Paul, Minneapolis and Manitoba Railway Company to Central Trust Company of New York (now Central Union Trust Company of New York), as Trustee, dated June 1, 1887, securing $21,687,000 four per cent. bonds outstanding, maturing June 1, 1937, $10,185,000 thereof being in the hands of the public and $11,502,000 thereof being owned by the Railway Company, out of a total authorized issue of $25,000,000; the said $11,502,000 bonds are owned by the Railway Company subject (1) to the pledge of the same under the trust indenture securing L6,000,000 Pacific Extension Bonds more particularly described under heading V of the granting clause of this indenture, (2) to the pledge of the same under the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company, and (3) to the pledge of the same hereinafter made to the Trustee under and subject to the lien of this indenture, and the remainder of such total authorized issue, or any thereof, hereafter may not be issued, the Railway Company having expressly covenanted against the issue of any such bonds in Section 2 of Article Five of this indenture; and (B) to the lien of the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company:

1. Main lines of railway extending:

(a) From the boundary line between the States of North Dakota and Montana, running in a generally westerly direction (and via Pacific Junction, Hill County, Montana) to the south side of the Sun River near Great Falls, Cascade County, Montana . . . . . 411.15 miles.

(b) From Great Falls, Cascade County, Montana, to Old Sand Coulee Junction, in said County . . . . . 1.18 miles.

2. Branch lines of railway extending:

(a) From B. and M. Smelter to Great Falls, Cascade County, Montana . . . . . 5.01 miles.

Total mileage main and branch lines . . . . . 417.34 miles.

V. Railways subject only (A) to the lien of the aforesaid Montana Extension Mortgage of the The Saint Paul, Minneapolis and Manitoba Railway Company; (B) to the lien of the Pacific Extension Mortgage of The Saint Paul, Minneapolis and Manitoba Railway Company to Central Trust Company of New York (now Central Union Trust Company of New York), as Trustee, dated July 1, 1890, securing L6,000,000 four per cent. bonds outstanding, maturing July 1, 1940, of a total authorized issue of L6,000,000; L5,854,100 of said bonds being in the hands of the public and L 145,900 thereof being owned by the Railway Company subject to the pledge of the same under the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company; and (C) to the lien of the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company:

1. Main lines of railway extending:

(a) From Pacific Junction, Hill County, Montana, running in a generally westerly direction (via Shelby and Virden, Toole County, Montana, Columbia Falls, Flathead County, Montana, and Rexford, Lincoln County, Montana) to the boundary line between the States of Montana and Idaho . . . . . 401.28 miles.

2. Branch lines of railway extending:

(a) From Columbia Falls, Flathead County, Montana, to Kalispell, in said County . . . . . 14.90 miles.

(b) From Rexford, Lincoln County, Montana, to North Switch at Rexford, in said County . . . . . .28 mile.

Total mileage main and branch lines 416.46 miles.

VI. Railways subject only (A) to the lien of the aforesaid Pacific Extension Mortgage of The Saint Paul, Minneapolis and Manitoba Railway Company; and (B) to the lien of the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company:

1. Main lines of railway extending:

(a) From the boundary line between the States of Montana and Idaho, running thence in a generally southwesterly direction to the boundary line between the States of Idaho and Washington, thence in a generally southwesterly direction to Spokane, Spokane County, Washington, and thence in a generally westerly direction

(via Columbia River, Douglas County, Washington, and Leavenworth, Chelan County, Washington) to Everett, Snohomish County, Washington . . . . . 432.84 miles.

VII. Railways subject only (A) to the lien of the Northern Division Mortgage of the Eastern Railway Company of Minnesota to Mwrcantile Trust Company, of New York, as Trustee (Bankers Trust Company, of New York, now successor Trustee), dated April 1, 1898, securing $9,700,000 four per cent. bonds outstanding in the hands of the public, maturing April 1, 1948, of a total authorized issue of $15,000,000, of which the raminder, or any thereof, hereafter may not be issued, the Railway Company having expressly covenanted against the issue of any such bonds in Section 2 of Article Five of this indenture; and (B) to the lien of the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company:

1. Main lines of railway extending:

(a) From Hinckley, Pine County, Minnesota, to Duluth, St. Louis County, Minnesota . . . . . 69.25 miles.

(b) From Boylston, Douglas County, Wisconsin, to Fosston, Polk County, Minnesota . . . . . 212.31 miles.

2. Branch lines of railway extending:

(a) From a connection with the main line of the Railway Company which extends from Hinckley, Pine County, Minnesota, to Duluth, St. Louis County, Minnesota, to Quarries at Sandstone, Pine County, Minnesota..... 2.61 miles.

(b) Connecting track at Saunders, Douglas County, Wisconsin, with the line to Allouez, Wisconsin, formerly of the Eastern Railway Company of Minnesota . . . . . .05 mile.

Total mileage main and branch lines 284.22 miles.

VIII. Railways subject only (A) to the lien of the First Mortgage of the Minneapolis Union Railway Company to Central Trust Company of New York (now Central Union Trust Company of New York), as Trustee, dated March 1, 1882, securing $2,800,000 bonds outstanding in the hands of the public, maturing July 1, 1922, of a total authorized issue of $3,000,000, of which the remainder, or any thereof, hereafter may not be issued, the Railway Company having expressly covenanted against the issue of any such bonds in Section 2 of Article Five of this indenture; $2,150,000 of the said outstanding bonds bearing interest at the rate of six per centum per annum and $650,000 at the rate of five per centum per annum; (B) to the lien of the aforesaid Consolidated Mortgage of The Saint Paul, MinneaPolis and Manitoba Railway Company; and (C) to the lien of the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company:

1. Main lines of railway extending:

(a) From connection with the tracks of the Railway Company at University Switch, so-called, located in the S. W. ¼ of the S. W. ¼ of Section 19, in Township, 29, of Range No. 23, in a generally westerly direction to the eastern bank of the Mississippi River at a point in the City of Minneapolis, Hennepin County, State of Minnesota, opposite the lower end of Hennepin Island, In the Mississippi RiveR; thence across said river by means of a stone arch bridge; and thence on the westerly side of said river in a northwesterly direction to a connection with the tracks of the Railway Company on the west line of Block 9 of Minneapolis proper, in said City of Minneapolis . . . . . 2.52 miles.

IX. Railways subject only(A) to the lien of the First Mortgage of The Willmar and Sioux Falls Railway Company to Central Trust Company of New York (now Central Union Trust Cinpany of New York), as Trustee, dated June 1, 1888, securing $3,646,000 five per cent. bonds outstanding, maturing June 1, 1938, of a total authorized issue of $2,625,000, and an additional amount not exceeding $17,500 for each mile of main track completed and equipped; $3,625,000 of said bonds being in the hands of the public, and $21,000 thereof being owned by the Railway Company subject (1) to the pledge of the same under the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company; and (2) to the pledge of the same hereinafter made to the Trustee under and subject to the lien of this indenture, and the remainder, or any thereof, hereafter may not be issued, the Railway Company having expressly covenanted against the issue of any such bonds in Section 2 of Article Five of this indenture; and (B) to the

lien of the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company:

1. Main lines of railway extending:

(a) From Willmar, Kandiyohi County, Minnesota, (via Jasper, Pipestone County, Minnesota, Garretson, Minnehaha County, South Dakota, Booge, Minnehaha County, South Dakota, and Manley, Rock County, Minnesota) to Sioux City, Woodbury County, Iowa ... . 223.15 miles.

2. Branch lines of railway extending:

(a) From Garretson, Minnehaha County, South Dakota, to Yankton, Yankton County, South Dakota . . . . . 80.94 miles.

Total mileage main and branch lines 304.09 miles.

X. Railways subject only (A) to the lien of the First Mortgage of The Montana Central Railway Company to Central Trust Company of New York (now Central Union Trust Company of New York), as Trustee, dated July 1, 1887, securi g $10,000,000 bo ds outstaNdiNg in the hands of the public, maturing July 1, 1937, of a total authorized issue of $10,000,000, $6,000,000 of said outstanding bonds bearing interest at the rate of six per centum per annum and $4,000,000 at the rate of five per centum per annum; (B) to the lien of the aforesaid Montana Extension Mortgage of The Saint Paul, Minneapolis and Manitoba Railway Company; and (C) to the lien of the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company:

1. Main lines of railway extending:

(a) From Great Falls, Cascade County, Montana, (via Helena, Lewis & Clark County, Montana) to Butte, Silver Bow County, Montana . . . . . 169.29 miles.

(b) From Great Falls, Cascade County, Montana, to Armington, in said County . . . . . 27.66 miles.

2. Branch lines of railway extending:

(a) From Lewis Junction, Cascade County, Montana, to Sand Coulee, in said County . . . . . 2.39 miles.

(b) From Gerber, Cascade County, Montana, to Stockett, in said County .... 8.42 miles.

(c) From Armington, Cascade County, Montana, to Neihart, iN said County ... . .38.21 miles.

(d) From Helena, Lewis & Clark County, Montana, to Fair Grounds in said County, known as the Fair Grounds Spur . . . . . .67 mile.

(e) From Mountain View Mine, Silver Bow County, Montana, to Butte, Silver Bow County, Montana, ... 3.32 miles

Total mileage main and branch lines . . . . . .249.96 miles.

XI. Railways subject only (A) to the lien of the First Mortgage of The Spokane Falls and Northern Railway Company to Manhattan Trust Company, of New York, as Trustee (Bankers Trust Company, of New York, now successor Trustee),- dated July 1, 1889, securing $2,812,000 six per cent. bonds outstanding, maturing July 1, 1939, of a total authorized issue limited at the rate of $20,000 per mile of completed road; $229,000 of said bonds being in the hands of the public, and $2, 583,000 being owned by the Railway Company subject (1) to the pledge of the same under the aforesaid First and Refunding Gold Bond Mortgage of the Railway Company; and (2)to the pledge of the same hereinafter made to the Trustee under and subject to the lien of this indenture, and the remainder, or any thereof, hereafter may not be issued, the Railway Companyhaving expressly covenanted against the issue of any such bonds in Section 2 of Article Five of this indenture; and (B) to the lien of the aforesaid First and Refunding Gold BOnd Mortgage of the Railway Company:

1. Main lines of railway extending:

(a) From Dean, Spokane County, Washington, to the International Boundary Line betweenthe State of Washington and the Province of British Columbia, Dominion of Canada . . . . . 125.87 miles.

(b) From Hillyard, Spokane County, Washington, to Spokane, in said County . . . . . 4.16 miles.

Total mileage main lines . . . . . 130.03 miles.

The railways herein conveyed to the Trustee and made subject to the lien of this indenture, including railways of those companies all of whose shares of capital stock are pledged to the Trustee under paragraph NINTH of the granting clause hereof, for convenience are classified and recapitulated in respect of the

mileage thereof and the amount of mortgage liens thereon, excepting only the lien of this indenture, as follows:

Railways free from mortgage lien . . . . . 238.11 miles.

Railways subject only to the lien of the First and Refunding Gold Bond Mortgage of the Railway Company . . . . . 2,657.12 miles.

Railways subject to the lien of the First and Refunding Gold Bond Mortgage of the Railway Company and other mortgages hereinbefore described 4,779.99 miles.

Total . . . . . 7,675.22 miles.

SECOND. Appurtenances of the above described lines of railroad, subject, as to the portions thereof embraced therein respectively, to the above mentioned mortgages:

All telegraph and telephone lines, including all poles, wires and instruments, all rights of way, station and depot grounds, all tunnels, roadbeds, spurs, double tracks, turnouts, switches, sidings and turntables, all superstructures, bridges, stringers, ties, rails, frogs, chairs, bolts, splices and other railroad appurtenances, all terminals and terminal properties, docks, wharves, ferries and landings, all station houses, warehouses, freight houses, engine houses, car houses, water stations, water tanks, water supply, machine shops and other structures, all furniture, machinery, tools, implements, materials and supplies now or hereafter owned by the Railway Company, appurtenant to any of said lines of railway and branches above described, and all tolls, revenues, earnings, income, rents, issues and profits of the Railway Company, and also all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the Railway Company of, in and to the said railways, branches, premises and property, and every part and parcel thereof, with the appurtenances and the franchises appertaining or hereafter to appertain thereto.

THIRD. Any and all lines of railway, extensions and branches, telegraph and telephone lines and lines of water transportation, including the franchises appurtenant thereto, and any and all terminal properties, depots, shops, machinery, tools, docks, wharves, ferries, landings, boats, rolling stock and other equipment, and all bonds, stocks and other property of every kind or description (notwithstanding that the same are not now particularly set forth in this indenture) which, from time to time, in the manner hereinafter provided, shall be purchased, acquired or constructed by the use of bonds secured by this Indenture, except bonds (1) issued or to be issued under the provisions of subparagraph (1) of paragraph (a) of Section 5 of Article Three of this indenture, (2) issued or to be issued under the provisions of Section 6 of Article Three of this indenture and (3) issued or to be issued under the provisions of Section 7 of Article Three of this indenture, to reimburse the Railway Company for and on account of moneys expended for the acquisition of property that shall have been subjected to the lien of this indenture or upon property that shall be subject thereto; together with all and singular the franchises, rights and privileges appurtenant to or used in connection with such lines of railway, extensions, branches, telegraph and telephone lines and lines of water transportation, and any and all the rents, issues, profits, tolls and other income thereof.

FOURTH. Subject to the right of the Railway Company to be reimbursed for, and on account of, the cost or value thereof, as provided in Section 7 of Article Three of this indenture, any and all additions, improvements and betterments now or hereafter acquired or constructed to our upon or in connection with any and all lines of railway, extensions, branches, telegraph and telephone lines and lines of water transportation now or at any time hereafter subject to this indenture; any and all real property, of every kind and description, acquired for use in connection with, or for the purpose of, such lines of railway, extensions or branches, telegraph and telephone lines and lines of water transportation; and any and all corporate rights, privileges and franchises which the Railway Company now has, or hereafter may or shall acquire, possess or exercise or be entitled to exercise, in, to, upon or in respect of such lines of railway, extensions or branches, telegraph and telephone lines and lines of water transportation or any part thereof, necessary for, or appertaining to, the construction, maintenance or operation of such lines of railway or any such extensions or branch, telegraph and telephone lines and lines of water transportation or any part thereof; subject only to the liens thereof, in so far as the same attach, of the aforesaid mortgages in this granting clause described.

FIFTH. (a) Rolling stock and equipment, subject only to the liens thereof, in so far as the same attach, of the aforesaid mortgages in this granting clause described, owned by the Railway Company, as follows:

1,380 locomotives (including 4 electric locomotives); 92 sleeping cars; 24 parlor cars; 35 observation compartment cars; 42 dining cars; 399 coaches; 56 tourist cars; 49 passenger and baggage cars; 474 baggage, mail and express cars; 1 open observation car; 28 business cars; 31,620 box cars; 50 transfer freight cars; 4,603 refrigerator cars; 1,723 stock cars; 5,457 flat and coal cars; 2,460 ore cars (wood); 5,710 ore cars (steel); 115 oil tank cars (steel); 30 ballast cars; 997 ballast cars (convertible); 1,107 sand cars; 658 caboose cars; 133 cinder cars; 1,872 boarding cars; 90 derrick and tool cars; 19 steam shovels; 21 Lidgerwood unloaders; 15 pile drivers; 10 rotary snow plows; 60 snow dozers; 135 other work equpment.

(b) Rolling stock and equipment (subject only to the liens thereof, in so far as the same attach, of the aforesaid mortgages in this granting clause described) hereafter acquired and owned by the Railway Company for the purpose of replacing, restoring or retiring (as required by Section 8 of Article Five of this indenture) any of the said rolling stock and equipment in the last foregoing clause (a) described; and

(c) Rolling stock and equipment which from time to time in the manner herein provided shall be purchased, acquired or constructed by the use of any bonds secured by this indenture, except bonds (1) issued or to be issued under the provisions of subparagraph (1) of paragraph (a) of Section 5 of Article Three of this indenture, (2) issued or to be issued under the provisions of Section 6 of Article Three of this indenture, and (3) issued or to be issued under the provisions of Section 7 of Article Three of this indenture, to reimburse the Railway Company for and on account of moneys expended for the acquisition of property that shall have been subjected to the lien of this indenture or upon property that shall be subject thereto.

SIXTH. The right, title and interest of the Railway Company (subject only to the liens thereof, in so far as the same attach, of the aforesaid mortgages in this granting clause described) under, in and to the following trackage contracts:

1. Contract between Northern Pacific Railway Company and the Railway Company, dated December 1, 1909, for a period of 999 years from June 19, 1910, for the use by the Railway Company of the railway and facilities of the Northern Pacific Railway Company from Seattle, Washington, to South Tacoma, Washington, including the use of the passenger station and appurtenances of the Northern Pacific Railway Company in Tacoma, Washington.

2. Contract between Northern Pacific Railway Company and the Railway Company, dated July 1, 1909, for a period of 999 years from June 19, 1910, for the use by the Railway Company of the railway and facilities of the Northern Pacific Railway Company from Vancouver, Washington, to South Tacoma, Washington.

3. Contract between Northern Pacific Railway Company and the Railway Company, dated August 11, 1913, and contract supplemental thereto dated February 23, 1914, for the use by the Railway Company, for a period of 999 years, of the railway and facilities of the Northern Pacific Railway Company from Sidney, Montana, to Newton, Montana.

SEVENTH. All leases, joint facility and other trackage contracts, rights and privileges, and amendments, renewals and extensions thereof, whether the same or any thereof be held by the Railway Company or hereafter acquired by it for use upon or in connection with or belonging or appertaining to any of the aforesaid lines of railroad or extensions or branches or other properties now or at any time hereafter subject to the lien of this indenture; subject only to the liens thereof, in so far as the same attach, of the aforesaid mortgages in this granting clause described.

EIGHTH. The following bonds, which hereby are pledged and (except as hereinafter specified) delivered to the Trustee hereunder:

1. $11,502,000, face amount, of the Montana Extensions Four Per Cent. Bonds of The Saint Paul, Minneapolis and Manitoba Railway Company, maturing June 1, 1937, secured by mortgage to the Central Trust Company of New York (now Central Union Trust Company of New York), as Trustee, dated June 1, 1887, constituting a first lien on the railways above described under headings IV. and V. paragraph FIRST, of the granting clause of this indenture, and constituting a second lien on the railways above described under heading X, paragraph FIRST, of the granting clause or this indenture;

subject, however, (A) to the pledge and delivery thereof under the Pacific Extension Mortgage of The Saint Paul, Minneapolis and Manitoba Railway Company to Central Trust Company of New York (now Central Union Trust Company of New York) as Trustee, dated July 1, 1890, securing L6,000,)) 0 four per cent. bonds maturing July 1, 1940; and (B) to the pledge thereof under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

2. $21,000, face amount, of the First Mortgage Five Per Cent. Bonds of The Willmar and Sioux Falls Railway Company, maturing June 1, 1938, secured by mortgage to Central Trust Company of New York (now Central Union Trust Company of New York), as Trustee, dated June 1, 1888, constituting a first lien on the railways above described under heading IX, paragraph FIRST, of the granting clause of this indenture, subject, however, to the pledge and delivery thereof under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

3. $2,583,000, face amount, of the First Mortgage Six Per Cent. Bonds of The Spokane Falls and Northern Railway Company, maturing July 1, 1939, secured by mortgage to Manhattan Trust Company of New York, as Trustee (Bankers Trust Company of New York, now successor Trustee), dated July 1, 1889, constituting a first lien on the railways above described under heading XI, paragraph FIRST, of the granting clause of this indenture, subject, however, to the pledge and delivery thereof under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

4. $36,332,000, face amount, of the First and Refunding Four and One-Quarter Per Cent. Gold Bonds of the Railway Company, maturing July 1, 1961, secured by the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company, constituting a first lien on the railways above described under heading II of paragraph FIRST of the granting clause of this indenture, subject (1) as to $24,200,000, face amount, of said bonds to the pledge and delivery thereof as to the Secretary of the Treasury of the United States to secure a loan of $17,910,000 to the Railway Company under Section 210 of the Transportation Act of 1920, and (2) to the right of the Railway Company to receive, under and pursuant to Section 4 of Article Three of this indenture, a like principal amount of General Mortgage bonds in exchange for the $24,200,000 face amount, of said First and Refunding Gold Bonds now pledged to the Secretary of the Treasury of the United States, upon depositing the same, uncancelled, with the Trustee.

5. L145,900, face amount, of the Pacific Extension Four Per Cent. Bonds of The Saint Paul, Minneapolis and Manitoba Railway Company, maturing July 1, 1940, secured by mortgage to Central Trust Company of New York (now Central Union Trust Company of New York), as Trustee, dated July 1, 1890, constituting a first lien on the railways above described under heading VI of paragraph FIRST of the granting clause of this indenture, subject, however, to the pledge and delivery thereof under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

NINTH. The following shares of capital stock, which hereby are pledged and (except as hereinafter specified) delivered to the Trustee hereunder:

1. 7,495 shares of the capital stock of the Minneapolis Western Railway Company, being all the issued and outstanding shares of the said company, except five shares held by directors: said company owning railways free from any mortgage or outstanding bonds, having a total mileage of 1.69 miles; subject, however; to the pledge and delivery of said shares of capital stock under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

2. 1,036 shares of the capital stock of the St. Paul Union Depot Company, being part of the present total issue of 9,324 shares of the capital stock of said company; subject, however, (A) to the pledge and delivery of the said shares of capital stock under the trust indenture between The Saint Paul, Minneapolis and Manitoba Railway Company and Central Trust Company of New York (now Central Union Trust Company of New York), dated May 1, 1883, securing the Consolidated Gold Bonds of 1883 of The Saint Paul, Minneapolis and Manitoba Railway Company, and (B) to the pledge of said shares of capital stock under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

3. 70 shares of the capital stock of The Minnesota Transfer Railway Company, being part of the present total issue of 700 shares of the capital stock of said

company; subject, however, (A) to the pledge and delivery of the said shares of capital stock under the trust indenture between The Saint Paul, Minneapolis and Manitoba Railway Company and Central Trust Company of New York (now Central Union Trust Company of New York), dated May 1, 1883, securing the Consolidated Gold Bonds of 1883 of The Saint Paul, Minneapolis and Manitoba Railway Company, and (B) to the pledge of said shares of capital stock under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

4. 20,535 shares of the capital stock of the Manitoba Great Northern Railway Company, being all the issued and outstanding shares of said company, except 125 shares held by directors; the said company owning railways, free from any mortgage or outstanding bonds, having a total mileage of 91.92 miles; subject, however, to the pledge and delivery of said shares of capital stock under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

5. 21,360 shares of the capital stock of The Brandon, Saskatchewan & Hudson's Bay Railway Company, being all the issued and outstanding shares of said company, except 140 shares held by directors; the said company owning railways, free from any mortgage or outstanding bonds, having a total mileage of 69.45 miles; subject, however, to the pledge and delivery of said shares of capital stock under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

6. 42,698 shares of the capital stock of the Crow 's Nest Southern Railway Company, being all the issued and outstanding shares of said company, except 252 shares held by directors and auditors; the said company owning railways, free from any mortgage or outstanding bonds, having a total mileage of 74.18 miles; subject, however, to the pledge and delivery of said shares of capital stock under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

7. 28,368 shares of the capital stock of The Nelson and Fort Sheppard Railway Company, being all the issued and outstanding shares of said company, except 100 shares held by directors; the said company owning railways, free from any mortgage or outstanding bonds, having a total mileage of 54.84 miles; subject, however, to the pledge and delivery of said shares of capital stock under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

8. 234,650 shares of the capital stock of Vancouver, Victoria and Eastern Railway and Navigation Company, being all the issued and outstanding shares of said company, except 350 shares held by directors; the said company owning railways, free from any mortgage or outstanding bonds, having a total mileage of 240.05 miles; subject, however, to the pledge and delivery of said shares of capital stock under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

9. 6,500 shares of the capital stock of the Brandon, Devils Lake & Southern Railway Company, being all the issued and outstanding shares of said company, except 5 shares held by directors; the said company owning railways, free from any mortgage or outstanding bonds, having a total mileage of 13.05 miles; subject, however, to the pledge and delivery of said shares of capital stock under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

10. 1,678 shares of the capital stock of The Lake Superior Terminal and Transfer Railway Company of the State of Wisconsin, being one-third, less 20 shares held by directors, of the present total issue of 5,094 shares of capital stock of the said company; subject, however, to the pledge and delivery of said shares of capital stock under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company.

TENTH. Subject to the pledge and delivery (subject, however, to the pledge and delivery of the shares of capital stock of the St. Paul Union Depot Company and The Minnesota Transfer Railway Company under the mortgage of The Saint Paul, Minneapolis and Manitoba Railway Company described in heading III of paragraph FIRST of this granting clause), under the hereinbefore described First and Refunding Gold Bond Mortgage of the Railway Company, as thereby required, all shares of the capital stock of the aforesaid last-named ten companies, and of any companies successors thereto, which the Railway

Company now owns, except qualifying shares held by directors, or to which it is now entitled or (subject to Section 7 of Article Three of this indenture) which hereafter it may acquire or to which hereafter it may become entitled.

ELEVENTH. Any and all property of every name and nature, including stocks and bonds, from time to time, hereafter by delivery or by indenture supplemental hereto for the purposes hereof conveyed, mortgaged, pledged, assigned or transferred by the Railway Company, or by any one in its behalf, to the Trustee, who hereby is authorized to receive any property at any and all times, as and for additional security, and, also, when and as hereinafter provided, as substituted security, for the payment of the bonds issued or to be issued hereunder, and to hold and apply any and all such property subject to the terms hereof.

TO HAVE AND TO HOLD the premises, railways, properties, real or personal, rights, franchises, estates, appurtenances, stocks and bonds hereby pledged, conveyed and assigned, or intended to be pledged, conveyed or assigned, unto the Trustee, its successor or successors and assigns forever;

SUBJECT, HOWEVER, as to the properties severally embraced therein, or subject thereto, to the several indentures hereinbefore mentioned, and to all other existing rights, liens, charges and claims of record upon and against the railways, properties and franchises hereby pledged, conveyed and assigned, or not intended to be;

SUBJECT, ALSO, to the condition that nothing in this indenture is intended or shall be construed to limit the right or power of the Railway Company, which hereby is expressly reserved, to own and hold or in any manner acquire free from the lien of this indenture lines of railway, branches, extensions, rolling stock and equipment, stocks or bonds or any other property whatsoever or interest therein not specified or included in the granting clause hereof;

BUT IN TRUST, NEVERTHELESS, for the equal, proper and proportionate benefit and security, severally and respectively, of all and every the present and future holders of any and every bond issued under and secured by this indenture, as well all those presently issued as all hereafter issued in addition thereto or by way of substitution or exchange, in accordance with the terms of this indenture, and for enforcing the payment thereof when payable, in accordance with the true intent and meaning of the stipulations of this indenture and of the said bonds and interest obligations respectively, without preference, priority or distinction, as to lien or otherwise, of any one bond over any other bond, by reason of priority in the execution, delivery or negotiation thereof, and so that each and every bond, issued and to be issued as aforesaid, shall have under and by this indenture, the same right, lien and privilege as every other bond of the issue; and so that the principal and interest of every such bond shall, subject to the terms hereof, be secured hereby equally and proportionately with every other such bond, as though all had been made, executed, delivered and negotiated simultaneously with the execution and delivery of this indenture; it being intended that the lien and security of all such bonds shall take effect from the day of the date of this indenture, without regard to the date of actual issue, sale or disposition thereof; and so that the lien and security of this indenture, and of all bonds issued hereunder, shall take effect from the day of the date hereof, as though upon such day all such bonds actually had been issued, sold, and delivered to, and were then in the hands of, innocent holders for value.

And hereby it is expressly covenanted that all such bonds, and the coupons for interest thereon, are to be issued, authenticated, delivered, received and negotiated, and that the mortgaged and pledged properties and franchises are to be held by the Trustee, subject to the following further covenants, conditions and provisions, viz:

ARTICLE ONE.

LIMITATIONS ON THE AMOUNT AND ISSUANCE OF BONDS.

SECTION 1. The authorized issue of bonds under this indenture is limited so that the amount thereof at any one time outstanding, together with all other then outstanding prior debt of the Railway Company, after deducting therefrom the amount of

all bonds reserved under the provisions of this indenture to retire prior debt at or before maturity, shall never exceed three times the par value of the then outstanding, fully paid capital stock of the Railway Company or of a successor corporation.

Whenever hereafter the amount of such fully paid capital stock outstanding shall be increased, whereupon the limit of the authorized issue of bonds hereunder shall be increased to an amount which, together with all then outstanding prior debt of the Railway Company, after deducting therefrom the amount of all bonds then reserved under the provisions of this indenture to retire prior debt at or before maturity, shall be equal to three times the amount of such outstanding, fully paid capital stock as increased.

In determining at any time and from time to time the limit of the authorized issue of bonds hereunder, the prior debt so to be added is that which at the time may remain unpaid on the principal of the bonds specified in Section 1 of Article Three of this indenture, and of the bonds which hereafter shall be included in prior debt under Sections 2 and 3 of said Article Three (but not including any of either class of said bonds deposited with and held by the Trustee as provided in Section 4 of said Article Three), and the reserved bonds to be deducted are the bonds issuable under this indenture and then reserved for the purpose of refunding prior debt as provided in said Article Three. The term "prior debt", wherever used in this indenture, means the aggregate bonded indebtedness ascertained and determined in accordance with this paragraph of this Section 1 of Article One of this indenture.

SEC. 2. Bonds shall not be issued hereunder or deposited cash (as hereinafter in Section 7 of Article Three defined) paid out in the acquisition of property subject to a prior mortgage or other lien, nor shall railways or real property subject to a prior mortgage or other lien be acquired and subjected to the lien of this indenture, unless in either case sufficient bonds hereunder shall be available within the limitations provided in this Article to be reserved and shall be reserved to retire such prior debt at maturity.

SEC. 3. Bonds shall not be issued hereunder in respect of the acquisition of the shares of the capital stock of any company or companies, or unsecured bonds or obligations of any company or companies, under the provisions of paragraphs (e) and/or (g) of Section 7 of Article Three of this indenture to a face amount which, when added to the total amount, if any, of "deposited cash" (as hereinafter defined) paid by the Trustee in respect of such acquisition, shall exceed one-third of the total face amount of bonds outstanding hereunder following such acquisition.

ARTICLE TWO.

FORM, EXECUTION, DELIVERY, REGISTRY AND EXCHANGE OF BONDS.

SECTION 1. From time to time, the General Mortgage Gold bonds (which hereinafter are sometimes termed General Mortgage bonds) shall be executed in the name and on behalf of the Railway Company, and under its corporate seal, by the President or any Vice-President and the Secretary or any Assistant Secretary, of the Railway Company, and shall be delivered to the Trustee for authentication by it, and, thereupon, as provided in Article Three hereof and not otherwise, the Trustee shall authenticate and deliver the same. At the option of the Railway Company, from time to time, any such bonds may be executed, authenticated and delivered originally either as coupon bonds or as registered bonds.

The General Mortgage bonds shall be issued in series, and the bonds of each series shall be distinctively designated as prescribed by resolution of the Board of Directors, or the Executive Committee of the Board of Directors, of the Railway Company. In authorizing the issue of any series the Board of Directors, or the Executive Committee of the Board of Directors, of the Railway Company shall determine (1) the date of maturity of such series, which date shall be not earlier than July 1, 1936, nor later than July 1, 2121, (2) the rate of interest (which shall be the same for all bonds of the same series and shall be payable semi-annually on the first day of January and the first day of July in each year) to be borne by the bonds of such series, (3) whether or not the bonds of such series at the election of the Railway Company shall be redeemable, in whole or in part, before maturity, and if redeemable,

the time within which, and the terms and conditions upon which, such series, or any part thereof, may be redeemed, (4) whether (and if so to what extent) or not the bonds of such series and the interest payable thereon shall be payable without deduction for any tax or taxes which the Railway Company may be required to pay thereon, or to retain therefrom, under any law of the United States of America, or of any state, or of any county or municipality therein, (5) whether or not the bonds of such series shall be convertible into shares of the capital stock of the Railway Company, and if convertible, to extent to, the terms and conditions upon, and the character of the stock into, which the same are convertible, and (6) whether or not the Railway Company shall provide a sinking fund for the redemption or payment of said series of bonds, or any part thereof; all and singular of which time, terms and conditions shall be appropriately expressed in or, as the case may be, omitted from the bonds of such series.

In case the officers who shall have signed and sealed any such bonds shall cease to be such officers of the Railway Company before the bonds so signed and sealed shall have been actually authenticated and delivered by the Trustee, such bonds nevertheless may be adopted by the Railway Company and be issued, authenticated and delivered as though the persons who signed and sealed such bonds had not ceased to be officers of the Railway Company. The coupons to be attached to such bonds shall be authenticated by the facsimile signature of the present Treasurer, or an Assistant Treasurer, or of any future Treasurer, or Assistant Treasurer, of the Railway Company, and the Railway Company may adopt and use for such purpose the facsimile signature of any person who shall have been such Treasurer, or Assistant Treasurer, notwithstanding the fact, that he may have ceased to be such Treasurer, or Assistant Treasurer, at the time when such bonds shall be actually authenticated and delivered. Only such bonds as shall bear thereon endorsed an authentication substantially in the form hereinbefore recited, executed by the Trustee, shall be secured by this Indenture or entitled to any lien, right or benefit hereunder; and such authentication by the Trustee upon any such bond shall be conclusive and the only evidence that the bond so authenticated has been duly issued hereunder and that the holder is entitled to the benefit of the trust hereby created. Before authenticating or delivering any coupon bond, all coupons thereof then matured, including coupon No. 1 and all others numbered consecutively upwards, shall be cut off and cancelled by the Trustee and delivered to the Railway Company.

SEC. 2. The Railway Company will keep at an office or agency to be maintained by it in the Borough of Manhattan in the City of New York, or at some bank or trust company in said Borough, a sufficient register or registers of the General Mortgage bonds, which, at all reasonable times, shall be open for inspection by the Trustee; and, upon presentation for such purpose, the Railway Company, under such reasonable regulations as it may prescribe, will register therein any General Mortgage bonds. The holder of any General Mortgage coupon bond may have the ownership thereof registered on said books, such registry being noted on the bond, after which no transfer shall be valid unless made on said books by the registered holder in person or by his attorney, duly authorized in writing, and noted on the bond; but the same may be discharged from registry by being transferred in like manner to bearer, after which it shall be transferable by delivery; but such bond, from time to time, again may be registered or transferred to bearer as before. Such registration shall not affect the negotiability of the coupons belonging to any coupon bond; but every such coupon shall continue to pass by delivery and shall remain payable to bearer.

SEC. 3. Coupon bonds shall be issued in denominations of $1,000, $500 and $100 each. The serial numbers of all bonds shall, in the case of $1,000 denomination be immediately preceded by the prefix letter M, in the case of $500 denomination, be immediately preceded by the prefix letter D, and in the case of $100 denomination, be immediately preceded by the prefix letter C. Coupon bonds of the smaller denominations, and all of the same series, may be exchanged for a coupon bond or bonds of the denomination of $1,000 of a like principal amount and of the same said series. Whenever any such coupon bonds of the smaller denominations, and all of the same series, having thereto attached all unmatured coupons, shall be surrendered for exchange for a coupon bond or bonds of the denomination of $1,000, the Railway Company shall issue and the Trustee shall authenticate and deliver in

exchange for the same, in like principal amount, a coupon bond or bonds of the denomination of $1,000, which shall have thereto attached all unmatured coupons and shall be of the same said series.

Whenever bonds shall be issued hereunder as registered bonds without coupons, there shall be reserved by the Railway Company unissued, and aggregate principal amount of coupon bonds equal to the aggregate principal amount of the registered bonds without coupons so issued, and the serial numbers of such coupon bonds so reserved, together with an appropriate statement with respect to such reservations, shall be endorsed upon the issued registered bonds without coupons.

The registered bonds may be of the denomination of $1,000 or of such multiples thereof as the Board of Directors, or Executive Committee of the Board of Directors, of the Railway Company, by resolution from time to time, may authorize, and the bonds of each such separate denomination, as issued, shall be numbered in such manner as the Railway Company, with the approval of the Trustee, may prescribe. The registered bonds shall respectively be dated the day of issue, and shall bear interest from the date thereof if the same be an interest date, and if the date thereof be not an interest date, said registered bond shall bear interest from the last preceding interest date. A registered bond of a denomination larger than $1,000 may be subdivided into registered bonds of a denomination not less than $1,000. Whenever a registered bond shall be surrendered for transfer or subdivision, the Railway Company shall issue and the Trustee shall authenticate and deliver, upon surrender and cancellation of the bond or bonds transferred or subdivided, a like principal amount of new registered bonds of a denomination not less than $1,000, of the same series as the bonds so surrendered and cancelled. The holder of any registered bond may also exchange such bond, upon surrender and cancellation thereof, for coupon bonds of the denomination of $1,000 of a like principal amount, having thereto attached all unmatured coupons, of the same series as the registered bond so surrendered and cancelled. Whenever any coupon bond or bonds of the denomination of $1,000, together with all unmatured coupons thereto belonging, shall be surrendered for exchange for registered bonds, the Railway Company shall issue and the Trustee shall authenticate and deliver, in exchange for such coupon bond or bonds, a like principal amount of registered bonds of the same series as the coupon bond or bonds exchanged. For any exchange of coupon bonds for coupon bonds of another denomination, or of coupon bonds for registered bonds, or of registered bonds for coupon bonds, and for any transfer, consolidation or subdivision of registered bonds without coupons, the Railway Company, at its option, may require the payment of a sum sufficient to reimburse itself for any stamp tax or other governmental charge or other expense connected therewith, and also of the further sum of $1.00 for each new bond issued upon such exchange or transfer.

SEC. 4 As to all registered bonds and all coupon bonds registered as to principal, the person in whose name the same shall be registered shall be deemed and regarded as the owner thereof, for all purposes of this indenture, and thereafter, when so registered, payment of or on account of the principal of such bond, if it be a registered coupon bond, and of the principal and interest, if it be a registered bond without coupons, shall be made only to or upon the order in writing of such registered holder thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bonds to the extent of the sum or sums so paid. The Railway Company and the Trustee may deem and treat the bearer of any coupon bond, which shall not at the time be registered as to principal, and the bearer of any coupon for interest on such bond, whether such bond shall be registered or not, as the absolute owner of such bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and the Railway Company and the Trustee shall not be affected by any notice to the contrary.

SEC. 5. Until the General Mortgage bonds can be engraved and printed, the Railway Company may execute and deliver temporary bonds, coupon or registered, of any denomination or denominations, which may be printed or lithographed and substantially of the tenor (subject to appropriate variations, insertions and omissions as to different series and otherwise) of the bonds hereinbefore recited. Temporary bonds may be with or without coupons. All such temporary bonds shall bear upon their face the words : "Temporary General Mortgage.....% Gold Bond, Series....., Exchangeable for a like face amount of Engraved Bonds", and shall be duly authenticated by the Trustee in the same manner as the bonds hereinbefore described, and such authentication shall be conclusive

and the only evidence that the bond so authenticated has been duly issued hereunder and that the holder is entitled to the benefit of the trust hereby created. Such temporary bonds, duly issued and authenticated hereunder, upon surrender and cancellation thereof, shall be exchangeable for engraved bonds of the same series to be issued hereunder. Until so exchanged, such temporary bonds, in all respects, shall be entitled to the lien and security of this indenture as bonds issued and authenticated hereunder; and interest, when and as payable, shall be paid and the payment thereof (except in the case of coupon bonds) noted thereon. On request of the Railway Company such bonds may be authenticated and delivered in advance of the recording or filing of this indenture, and prior to the delivery to the Trustee of any bonds or shares of the capital stock of any company pledged under this indenture.

SEC. 6. In case any coupon bond issued under this indenture or the coupons thereto appertaining, or any registered bond without coupons, shall become mutilated or be destroyed or lost, the Railway Company, in its discretion, may issue, and thereupon the Trustee shall authenticate and deliver, a new bond of like tenor and date, bearing the same serial number, in exchange and substitution for and upon cancellation of the mutilated coupon bond and its coupons, or the mutilated registered bond, or in lieu of and substitution for the coupon bond and its coupons or the registered bond so destroyed or lost. The applicant for such substituted bond shall furnish to the Railway Company and the Trustee evidence of the destruction or loss of such coupon bonds and its coupons, or of such registered bond so destroyed or lost, which evidence shall be satisfactory to the Railway Company and the Trustee respectively in their discretion; and said applicant also shall furnish indemnity satisfactory to both of them in their discretion.

SEC. 7. In every case of the surrender of a General Mortgage bond, or bonds, for the purpose of exchange, transfer or subdivision, the Trustee, forthwith, shall cancel such surrendered bond or bonds and coupons, and deliver the same to the Railway Company or upon its written order.

SEC. 8 Nothing in this indenture, or in the bonds issued hereunder, expressed or implied, is intended or shall be construed to give to any person or corporation, other than the parties hereto and the holders of bonds issued under or secured by this indenture, any legal or equitable right, remedy or claim under or in respect of this indenture or under any covenant, condition or provision herein contained; all the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and of the holders of such bonds.

SEC. 9. Whenever requesting the authentication of any bonds hereunder the Railway Company (besides complying with other requirements of this indenture) shall cause to be delivered to the Trustee certified copy of a resolution duly adopted by the Board of Directors, or the Executive Committee of the Board of Directors, of the Railway Company, (1) setting forth (a) the aggregate amount of bonds issued hereunder at the time outstanding, (b) the then amount of prior debt of the Railway Company as defined in Section 1 of Article One hereof, (c) the amount of bonds then reserved to retire such prior debt, and (d) the amount of fully paid capital stock of the Railway Company then outstanding; and (2) calling for the authentication and delivery of a certain amount of bonds, specifying the issue, the section or sections of Article Three of this indenture under which the same are to be issued, the series, date of maturity, denominations, rate of interest, tax exemption, if any, conversion privilege and terms thereof, if convertible, terms and date of optional redemption, if redeemable, and, if a new series, the form of the bonds the authentication of which is requested, and the bonds authenticated shall conform to such specifications.

Except in exchange for like principal amounts at the time outstanding under this indenture, the Trustee shall not in any case authenticate any bond hereunder unless there shall have been filed with it (1) an opinion of counsel (who may be of counsel for the Railway Company) to the effect that except as therein shall be specified no authorization of the issue of such bonds at the time is required by law to be given by any public service commission, railroad commission or other governmental body, and (2) copy, authenticated in such manner as may be satisfactory

to the Trustee, of any order or certificate specified in such opinion authorizing such issue of bonds and made or given by any governmental body so specified.

ARTICLE THREE.

ISSUE OF BONDS.

All bonds to be issued hereunder shall be issued by the Railway Company and authenticated and delivered by the Trustee as in this indenture provided to the amount and for one or more of the purposes specified in this Article.

SECTION 1. $166,984,000 face amount of bonds issuable hereunder shall be and hereby are reserved for issue from time to time for the purpose of exchanging, redeeming, purchasing, retiring, refunding or paying before, at or after maturity the following bonds (constituting prior debt) of the Railway Company, the Railway Company having assumed and agreed to pay the bonds in paragraphs (b) to (i) inclusive:

(a) $59,869,000 First and Refunding Mortgage Gold bonds of the Railway Company, being the same outstanding bonds more particularly described under heading II of the granting clause of this indenture:

(b) $42,193,000 The Saint Paul, Minneapolis and Manitoba Railway Company Consolidated Mortgage bonds, being the same outstanding bonds more particularly described under heading III of the granting clause of this indenture;

(c) $10,185,000 The Saint Paul, Minneapolis and Manitoba Railway Company Montana Extension bonds, being the same outstanding bonds more particularly described under heading IV of the granting clause of this indenture;

(d) $28,384,000 (L5,854,100) on the basis of 49.5 pence per dollar) The Saint Paul, Minneapolis and Manitoba Railway Company Pacific Extension bonds, being the same outstanding bonds more particularly described under heading V of the granting clause of this indenture;

(e) $9,700,000 Eastern Railway Company of Minnesota Northern Division bonds, being the same outstanding bonds more particularly described under heading VII of the granting clause of this indenture;

(f) $2,800,000 Minneapolis Union Railway Company First Mortgage bonds, being the same outstanding bonds more particularly described under heading VIII of the granting clause of this indenture;

(g) $3,625,000 The Willmar and Sioux Falls Railway Company First Mortgage bonds, being the same outstanding bonds more particularly described under heading IX of the granting clause of this indenture;

(h) $10,000,000 The Montana Central Railway Company First Mortgage bonds, being the same outstanding bonds more particularly described under heading X of the granting clause of this indenture;

(i) $229,000 The Spokane Falls and Northern Railway Company First Mortgage bonds, being the same outstanding bonds more particularly described under heading XI of the granting clause of this indenture.

SEC. 2. General Mortgage bonds from time to time shall be reserved hereunder for issue from time to time as provided in this Article for the purpose of exchanging, redeeming, purchasing, retiring, refunding or paying before, at or after maturity the bonds secured by mortgages prior to the lien of this indenture upon railroads or real property hereafter conveyed by the Railway Company to the Trustee by indenture or indentures supplemental hereto executed as provided in Article Eleven hereof. The amount of bonds so to be reserved shall be a principal amount equal to the principal amount remaining unpaid of the prior debt enumerated in such indenture or indentures. Mortgages which are such liens upon any property which may hereafter be acquired by the Railway Company and be conveyed to the Trustee by indenture or indentures supplemental hereto, as aforesaid, shall be specified and described in such supplemental indenture or indentures, and the principal amount of the bonds secured thereby shall be stated therein, and thereafter shall be regarded as forming a part of the prior debt of the Railway Company whenever prior debt is mentioned in this indenture or any indenture supplemental hereto.

SEC. 3. General Mortgage bonds, at the election of the Railway Company, to be expressed by resolution of its Board of Directors, or Executive Committee of its Board of Directors, a duly certified copy of which shall be delivered to the Trustee, may be reserved hereunder for issue, from time to time, as in this Article provided,

for the purpose of exchanging, redeeming, purchasing, retiring, refunding or paying before, at or after maturity the bonded indebtedness of any company which hereafter may be consolidated with or merged into, or whose railroad property shall hereafter be acquired by, the Railway Company, although such bonded indebtedness may not be secured by mortgage; provided, however, that the railroad property acquired through consolidation, merger or purchase shall be conveyed by the Railway Company to the Trustee by, and such bonded indebtedness shall be specified and the amount thereof stated in, an indenture or indenture supplemental to this indenture, executed as provided in Article Eleven hereof. The bonded indebtedness against which the Railway Company shall so elect to reserved General Mortgage bonds, and which shall be so specified, and the amount thereof stated in any supplemental indenture, shall be regarded as forming a portion of the prior debt of the Railway Company, whenever prior debt is mentioned in this indenture or any indenture or indentures supplemental hereto.

SEC. 4. Whenever, from time to time, the Railway Company shall tender or cause to be tendered to, and shall deposit, or cause to be deposited with, the Trustee, either in bearer from or accompanied by proper instruments of assignment and transfer, and whether before, at or after maturity thereof, and whether cancelled or uncancelled, any of the bonds (together with all unmatured coupons thereto belonging) forming part of the prior debt to retire which bonds are then reserved as provided in this Article Three, the Trustee, in exchange for bonds received by the Trustee upon such tender, shall authenticate and deliver to the Railway Company, or upon its written order, bonds reserved as provided in this Article Three for a principal amount equal to the principal amount of such bonds so received by the Trustee.

At any time or times at or after the maturity, or within twelve months before such maturity, of any bonds constituting part of the prior debt to retire which bonds are then reserved under this Article Three, the Railway Company may sell or otherwise dispose of the bonds reserved under this Article Three in respect of such matured or maturing bonds. The Trustee shall authenticate and deliver to the Railway Company or upon its written order, bonds reserved under this Article Three for a principal amount not exceeding the principal amount of the matured or maturing bonds to be paid or purchased, as aforesaid, upon the deposit with the Trustee of cash in exchange for such bonds equal to the principal amount of the bonds so authenticated and delivered. Upon delivery to the Trustee of a duly certified copy of a resolution of the Board of Directors, or the Executive Committee of the Board of Directors, of the Railway Company, requesting the Trustee to authenticate and deliver to the Railway Company such reserved bonds to be sold or disposed of for and in respect of the payment or purchase of such matured or maturing bonds, and specifying such bonds to be paid or purchased, and specifying the amount of General Mortgage bonds to be authenticated, the Trustee shall authenticate and deliver to the Railway Company, or upon its written order, bonds reserved under this Article Three for a principal amount so specified not exceeding the principal amount of the matured or maturing bonds to be paid or purchased as aforesaid; provided, that cash equal to the principal amount of the bonds so authenticated and delivered shall simultaneously be deposited with the Trustee in exchange therefor. On the written order of the Railway Company, and upon delivery to the Trustee from time to time of maturing or matured bonds specified in the resolution aforesaid (other than bonds in exchange for which the Trustee shall have authenticated and delivered bonds under the first paragraph of this Section 4), either in bearer from or accompanied by proper instruments of assignment and transfer, either cancelled or uncancelled (together with all unmatured coupons, if any, thereto belonging,) the Trustee out of the cash so deposited with it, or out of any cash held by the Trustee pursuant to the provisions of Section 7 of Article Three of this indenture and directed by the Railway Company to be applied to such purpose, shall pay to the Railway Company, or upon its written order, a sum equal to the principal amount of such bonds so delivered to the Trustee.

Every bonds constituting part of the prior debt which shall be deposited with the Trustee, whether or not cancelled when delivered to the Trustee, shall be held by the Trustee without extinguishment or impairment of lien, as additional security for the payment of the bonds issued and to be issued hereunder, until otherwise disposed of as in this Article Three authorized and directed.

Whenever any General Mortgage bonds reserved under Sections 1, 2 and 3 of this Article Three shall be found to be unnecessary for use for the purposes specified in said sections, all such General Mortgage bonds, if any, remaining unissued under Sections 1, 2 and 3, or any of them, of this Article Three, shall become and be subject to issue, and shall be authenticated by the Trustee and delivered to the Railway Company, for the purposes and subject to the restrictions specified in Section 7 of this Article, in addition to the bonds otherwise issuable under said section.

SEC. 5. $230,000,000, face amount, of bonds issuable hereunder shall be, and hereby are, reserved for issue from time to time as in this Section 5 of Article Three provided, and not otherwise.

(a) $140,000,000, face amount, of the bonds reserved by this Section 5 of Article Three, to be designated "General Mortgage 7% Gold Bonds, Series A", to be dated July 1, 1921, to mature July 1, 1936, bearing interest at the rate of seven per centum per annum, payable semi-annually, not redeemable before maturity, shall be and hereby are reserved for issue as follows:

(1) $33,000,000, face amount, of said General Mortgage 7% Gold Bonds, Series A, as soon as may be after the execution of this indenture, may be executed by the Railway Company, and thereupon without any further action on the part of the Railway Company other than compliance with the requirements of Section 9 of Article Two of this indenture, shall be authenticated by the Trustee and by it shall be delivered to the Railway Company, or upon its written order.

(2) $107,000,000, face amount, of said General Mortgage 7% Gold Bonds, Series A, shall be, and hereby are, reserved for issue, from time to time, for the purpose of exchanging, redeeming, or retiring upon the surrender for conversion, in accordance with the provisions of the proposed joint indenture securing the same, $107,000,000, face amount, of Northern Pacific-Great Northern Joint 15-Year 6½% Convertible Gold Bonds, to be dated July 1, 1921 to mature July 1, 1936, and to be secured by proposed joint indenture, to be dated July 1, 1921, between Northern Pacific Railway Company and Great Northern Railway Company, parties of the first part, and The First National Bank of the City of New York, Trustee, part of the second part.

Whenever, from time to time, said Northern Pacific-Great Northern Joint 15-Year 6½% Convertible Gold Bonds, in accordance with the provisions of the proposed joint indenture securing the same, shall be surrendered to the Trustee under said joint indenture, for conversion into General Mortgage 7% Gold Bonds, Series A, of the Railway Company, and the Railway Company shall tender, or cause to be tendered, and shall pledge, or cause to be pledged, to the Trustee, shares of the capital stock of the Chicago, Burlington & Quincy Railroad Company, or, prior to July 1, 1921, as an equivalent for and in lieu of such shares, cash, as hereinafter provided, and shall have complied with the requirements of Section 9 of Article Two of this indenture, the Trustee, in exchange for such shares of capital stock or cash received by the Trustee, upon such tender, shall authenticate and deliver to the Railway Company, or upon its written order, bonds reserved as provided in this subparagraph (2) of this paragraph (a) of this Section 5, for $100, principal amount, for each $77, par value, of stock of the Chicago, Burlington &Quincy Railroad Company (plus a pro rata proportion of any increase in the capital stock of said Company by way of stock dividend subsequent to July 1, 1921), or $100 cash, so tendered and pledged to the Trustee. Any cash deposited with the Trustee as in this subparagraph (2) of this paragraph (a) of this Section 5 provided, shall be released, upon the written order of the Railway Company, upon the tender and pledge to the Trustee of the shares of capital stock of the Chicago, Burlington & Quincy Railroad Company in lieu of which it was originally deposited.

To the extent that said General Mortgage 7% Gold Bonds, Series A, described in subparagraph (2) of this paragraph (a) of this Section 5 of this Article Three, shall be found to be unnecessary for the purpose of exchanging the same for the proposed Northern Pacific-Great Northern Joint 15-Year 6½% Convertible Gold Bonds upon the surrender thereof for conversion under said proposed indenture securing the same, all

such General Mortgage 7% Gold Bonds, Series A, so remaining unissued under said subparagraph (2) of this paragraph (a) of this Section 5, shall become and be subject to issue, from time to time, as of such other series as may be designated by a resolution of the Board of Directors, or of the Railway Company, and shall be authenticated by the Trustee and shall be delivered to the Railway Company for (1) the purposes and subject to the restrictions specified in paragraph (b) next following of this Section of this Article Three, in addition to the bonds reserved for issue thereunder, or (2) the purposes and subject to the restrictions specified in Section 7 of this Article Three.

(b) The remainder of the bonds issuable under this Section 5 of this Article Three shall be, and hereby are, reserved for issue, from time to time, for the purpose of exchanging, redeeming, purchasing, retiring, refunding or paying before, at or after maturity, the said Northern Pacific-Great Northern Joint 15-Year 6½% Convertible Gold Bonds; provided, however, that until after a date not earlier than twelve months prior to the maturity (by lapse of time or otherwise) of said last mentioned bonds, not more than $115,000,000 principal amount of said bonds shall be so exchanged, redeemed, purchased, retired, refunded or paid by the use of bonds issued under this indenture or the proceeds thereof.

Whenever from time to time the Railway Company shall tender or cause to be tendered to, and shall deposit or cause to be deposited with, the Trustee, either in bearer form, or accompanied by proper instruments of assignment and transfer, and whether before, at or after the maturity thereof, and whether cancelled or uncancelled, any of said Northern Pacific-Great Northern Joint 15-Year 6½% Convertible Gold Bonds (together with all unmatured coupons, if any, thereto belonging), and shall have complied with the requirements of Section 9 of Article Two of this indenture, the Trustee, in exchange for bonds received by the Trustee upon such tender, shall authenticate and deliver to the Railway Company, or upon its written order, bonds reserved as provided in this paragraph (b) of this Section 5 of this Article Three, for a principal amount equal to the principal amount of such bonds so received by the Trustee.

At any time or times at or after the maturity, or within twelve months before such maturity, of said Northern Pacific-Great Northern Joint 15-Year 6½% Convertible Gold Bonds, the Railway Company may sell or otherwise dispose of the bonds reserved under this paragraph (b) of this Section 5 of this Article Three in respect of such matured or maturing bonds. The Trustee shall authenticate and deliver to the Railway Company, or upon its written order, bonds reserved under this paragraph (b) of this Section 5 of this Article Three, for a principal amount not exceeding the principal amount of the matured or maturing bonds to be paid or purchased, as aforesaid, upon the deposit with the Trustee of cash in exchange for such bonds equal to the principal amount of the bonds so authenticated and delivered. Upon delivery to the Trustee of a duly certified copy of a resolution of the Board of Directors, or the Executive Committee of the Board of Directors, of the Railway Company, requesting the Trustee to authenticate and deliver to the Railway Company such reserved bonds to be sold or disposed of for and in respect of the payment or purchase of such matured or maturing bonds, and specifying such bonds to be paid or purchased, and specifying the amount of General Mortgage bonds to be authenticated (the Railway Company having otherwise complied in all respects with Section 9 of Article Two of this indenture), the Trustee shall authenticate and deliver to the Railway Company, or upon its written order, bonds reserved under this paragraph (b) of this Section 5 of this Article Three, for a principal amount so specified not exceeding the principal amount of the matured or maturing bonds to be paid or purchased as aforesaid; provided, that cash equal to the principal amount of the bonds so authenticated and delivered shall simultaneously be deposited with the Trustee in exchange therefor. Upon the written order of the Railway Company, and upon delivery to the Trustee from time to time of maturing or matured bonds specified in the resolution aforesaid (other than bonds in exchange for which the Trustee shall have authenticated and delivered bonds under the last above preceding paragraph of this paragraph (b) of this Section 5 of Article Three), either in bearer form or accompanied by proper instruments of assignment and transfer, either cancelled or uncancelled (together with all unmatured coupons, if any, thereto belonging), the Trustee out of the cash so deposited with it, or out of any cash held by the Trustee pursuant to the provisions of Section 7 of Article Three of this indenture, and directed by the Railway Company to be applied to such purpose, shall

pay to the Railway Company, or upon its written order, a sum equal to the principal amount of such bonds so delivered to the Trustee; provided, however, that, anything in this paragraph (b) of this Section 5 of this Article Three to the contrary notwithstanding, no bond or cash shall be delivered or paid by the Trustee as provided in this paragraph (b) of this Section 5 of this Article Three, upon tender to it of any Northern Pacific-Great Northern Joint 15-Year 6½% Convertible Gold Bonds which shall have been paid, or otherwise shall have ceased to be entitled to the security of the indenture under which such bonds shall have been issued, unless and until the Trustee shall have made arrangements sufficient in its discretion to enable it to receive in exchange for each $100, principal amount, of such General Mortgage bonds or deposited cash delivered in respect of such Northern Pacific-Great Northern Joint 15-Year 6½% Convertible Gold Bonds so tendered, certificates (with proper instruments of assignment and transfer) of shares, of the aggregate par valueof $77, of the capital stock of the Chicago, Burlington & Quincy Railroad Company, plus a pro rata proportion of any increase in the capital stock of said Company by way of stock dividend subsequent to July 1, 1921.

Whenever any General Mortgage bonds reserved under this paragraph (b) of this Section 5 of this Article Three, shall be found to be unnecessary for the purposes specified herein, all such bonds, if any, remaining unissued under this paragraph (b), shall become and be subject to issue as bonds of such other series as may be designated by a resolution of the Board of Directors, or the Executive Committee of the Board of Directors, of the Railway Company, and shall be authenticated by the Trustee, and delivered to the Railway Company, for the purposes and subject to the restrictions specified in Section 7 of this Article Three, in addition to the bonds otherwise issuable under said Section 7.

SEC. 6. $25,000,000, face amount, of General Mortgage bonds, at any time and from time to time after the execution of this indenture, may be executed by the Railway Company, and thereupon, without any further action on the part of the Railway Company other than compliance with the requirements of Section 9 of Article Two of this indenture, shall be authenticated by the Trustee and by it shall be delivered to the Railway Company, or upon its written order.

The bonds forthwith issuable under this Section 6 of this Article Three, and the bonds forthwith issuable under subparagraph (1) of paragraph (a) of Section 5 of this Article Three, are for the purpose of reimbursing in part the Railway Company for moneys secured from sources othern than from the issuance and sale of bonds (1) expended in the acquisition and construction of properties upon which this indenture is a first lien, or (2) expended since the date of the Railway Company's First and Refunding Gold Bond Mortgage in the construction and acquisition of additions and betterments upon, in connection with, and as incident to, and in the acquisition of equipment for use upon, the Railway Company's lines of railway subject to said last named mortgage.

SEC. 7. General Mortgage bonds may be executed by the Railway Company, and authenticated and delivered, or deposited cash (as the term "deposited cash" is hereafter in this Section defined) may be paid out, by the Trustee to the Railway Company to pay for, or in reimbursement of, expenditures (1) made, or to be made, after July 1, 1921, for some one or more of the purposes enumerated in paragraphs (a) to (f), inclusive, and in paragraph (i) of this Section 7 of this Article Three, and (2) at any time made, whether made prior to the date of this indenture, or made, or to be made, subsequent to the date of this indenture, for some one or moreof the purposes enumerated in paragraphs (g) and (h) of this Section 7 of this Article Three:

(a) The construction, completion or acquisition by the Railway Company of (1) any line or lines of railroad, or any part thereof, or any interest or right therein, now or at any time hereafter subject to the lien of this indenture, or (2)any extensions or branches, or any part thereof, or any interest or right therein, of any line of railroad, extension or branch, now or at any time hereafter subject to the lien of this indenture.

(b) The construction or acquisition of additions and betterments upon or in connection with (1) any line of railroad, extension or branch thereof, now or at any time hereafter subject to the lien of this indenture; (2) any

line of railroad, extension or branch thereof, owned by any company not less than ninety per centum of the outstanding shares of the capital stock of which is, at the time of construction or acquisition of such addition or betterment, subject to the lien of this indenture; and (3) any line of railroad, or branch thereof, now or at any time hereafter leased to the Railway Company for a term which is to continue to a date later than July 1, 2121, and the leasehold interest of the Railway Company therein is subject to the lien of this indenture.

(c) The construction or acquisition of rolling stock, power plants, vessels, ferries, tugs, lighters or other equipment for use upon or in connection with any of the lines of railroad, extensions, and branches thereof referred to in paragraphs (a) and (b) of this Section 7; provided, however, that no bonds shall be issued under this indenture in respect of rolling stock or equipment acquired subject to any car or equipment trust or other lien securing the purchase price thereof either pending or after the payment of such purchase price.

(d) The acquisition by the Railway Company of lands or property or interest or rights therein (and/or the creation of additions and betterments thereon) from which coal, ties, lumber or other supplies needed or useful in the operation of its railroad may be secured, or of property (and/or the construction or completion of additions and betterments thereon) required for the development or transmission of power for use on or in connection with such railroad, including the acquisition, installation, con-struction and equipment of water power sites, generating stations and other machinery, structures and appliances necessary for or useful in the operation of the railroads of the Railway Company by electoric or other power.

(e) The acquisition of

(1) bonds and shares of the capital stock of any connecting railroad company or companies, a majority of the capital stock of which shall be owned by the Railway Company;

(2) bonds of any equipment, warehouse, hotel, elevator, mineral, timber, power, or other company or companies furnishing, or necessary to furnish, facilities or supplies to the Railway Company, and a majority of the capital stock of which shall be owned by the Railway Company;

(3) shares of the capital stock, or voting trust certificates representing the same, of any company or companies of the character in (2) last above described, in an amount constituting at least a majority of all shares, therein, outstanding and having voting power;

(4) shares of the capital stock, or voting trust certificates representing the same, of any company or companies, the majorty of whose shares, having voting power, previously shall have been pledged under this indenture;

(5) bonds or shares of the capital stock, or voting trust certificates representing the same, of any depot, terminal or transfer company, or other company, having the right to furnish to railway companies station, terminal or transfer facilities, the facilities of which, or any part whereof, shall be useful in the operation of the railroads subject to this indenture.

(f) The refundment of any indebtedness secured by lien prior to this indenture on any lines of railway, or other real property, that shall at any time become subject to this indenture and for which bonds shall have been reserved under this Section 7 as hereinafter required.

(g) The acquisition of

(1) shares of the capital stock or bonds of the Spokane, Portland and Seattle Railway Company, Great Northern Terminal Railway Company, Montana Eastern Railway Company, Great Falls & Teton County Railway Company, Watertown and Sioux Falls Railway Company, Duluth Terminal Railway Company, Minneapolis Belt Line Company, The Midland Railway Company to Manitoba, and Chelan Electric Company, or any of them; or

(2) the properties, or any part thereof, or interest or rights therein, of said last above enumerated companies, or any of them.

(h) The acquisiton of shares of the capital stock of the Chicago, Burlington & Quincy RailRoad Company.

(i) The acquisition (at a cost not in excess of the face amount thereof) of General Mortgage bonds of any series issued and to be issued under this indenture.

In case the authentication and delivery of bonds under this Section are called for to reimburse the Railway Company for expenditures previously made for any of the purposes specified in this Section, such bonds shall be authenticated and delivered to the Railway Company, or upon its written order, upon delivery to the Trustee of (1) a certified copy of a resolution, opinion of counsel, and authenticated certificate or order of authorization, as provided in Section 9 of Article Two hereof, and (2) certificate or certificates as hereinafter in this Section 7 provided.

Unless the authentication and delivery of bonds under this indenture are called for to reimburse the Railway Company under this Section 7 of this Article Three for expenditures as aforesaid, the Railway Company shall, in addition to complying with the requirements last above stated, deposit with the Trustee a sum in cash equal to the principal amount of the bonds to be so authenticated and delivered, and thereupon the Trustee shall authenticate and deliver to, or upon the written order of, the Railway Company an amount of bonds secured by this indenture equal in par or face value thereof to the amount of cash deposited. The term "deposited cahs" as used in this indenture shall be deemed to signify the cash so deposited with the Trustee together with any Moneys which, pursuant to any other provisions of this indenture, are subject to the provisions of this Section, and any other cash, received by the Trustee for the disposition of which no other provision is made under this indenture. The deposited cash shall be held by the Trustee as part of the trust estate until paid to, or upon the written order of, the Railway Company, calling for the payment of a specified amount, accompanied by certificate or certificates and opinions as hereinafter specified. In case authentication and delivery of such bonds are called for to reimburse the Railway Company for expenditures theretofore made, or in case payment of deposited cash be called for for such reimbursement or fore expenditures incurred and forthwith payable, for any of the purposes for which bonds may be issued or deposited cash paid out under the provisions of this Section 7 of Article Three, then, from time to time, such bonds shall be authenticated and delivered, or deposited cash paid, to, or upon the written order of, the Railway Company, accompanied in each case by certificate or certificates stating as follows:

(1) That moneys to an amount specified have been actu ally expended-or in case payment of deposited cash be ordered for expenditures incurred but not yet paid, that money liability to an amount specified is payable or forthwith to become payable-for one or more of the purposes in this Section 7 hereinabove set forth, and describing briefly each particular purpose and specifying the amount of money actually expended and/or specific liability actually incurred for each of said stated purposes.

(2) That the amount of money paid, or the liability incurred, for construction or acquisition of railroads, equipment, additions, betterments, improvements or other property, or other purposes indicated in such certificate, is not in excess of the cost or the fair value of the property construcoted, or acquired, or the work done.

(3) That no part of such certified expenditures or liabilities was included in any previous certificate furnished hereunder, or was made, or reimbursed, or provided out of any bonds or moneys received by the Railway Company on account of any such certified expenditures or liabilities under

any other provision of this indenture, or under any provision of any prior mortgage, or out of the proceeds of any prior debt specified in, or pursuant to, this Article Three.

(4) In case such certificate or certificates shall show the acquisition of, or any contract for, any property, then such certificate or certificates also shall state whether it is known or believed that such property is, and that upon its acquisition will be, subject to any lien or charge prior or equal to the lien of this indenture other than the prior debt specified in, or pursuant to, this Article Three, and such certificate shall specify the amount of any such prior lien or charge, and shall state that no part of the certified cost of such property was or will be reimbursed to the Railway Company out of the proceeds of any such lien or charge.

(5) That no part of such certified expenditures was or will be properly chargeable to the operating expenses of the Railway Company.

(6) Any such certificate under this Section may state any other facts appertaining to the right to pay moneys or the requisition, authentication and delivery of bonds hereunder.

Whenever the Railway Company shall acquire and shall subject to the lien of this indenture any property subject to any prior lien or charge specified in such certificate as aforesaid, and thereafter any such prior lien or charge shall be paid or satisfied or shall be acquired and be subjected to the lien hereof, then the expenditure made by the Railway Company for the payment, satisfaction or acquisition of such prior lien or charge (but not exceeding the principal amount of such prior lien or charge) shall be deemed additional expenditures for the acquisition of such property, and on account of such expenditures when certified to the Trustee deposited moneys shall be paid by the Trustee, or bonds issuable under this Section shall be authenticated by the Trustee and delivered to the Railway Company or upon its written order.

Every certificate furnished under this Section shall be signed by the President, or a Vice-President, or the Chief Engineer, and also by the Treasurer, or Comptroller, or other chief accounting officer of the Railway Company. Upon receipt of such certificate or certificates, and, if required by the Trustee, of a certified copy of resolution and other writings as in this Section 7 of this Article Three provided, the Trustee either shall pay to the Railway Company, or upon its written order, an amount of deposited cash equal to the expenditures or liabilities stated and set forth in such certificate or certificates, or shall authenticate and deliver to the Railway Company, or upon its written order, bonds for a principal amount equal to the expenditures stated and set forth in such certificate or certificates; provided (1) that the payment to the Railway Company of deposited cash received by the Trustee upon the authentication and delivery of bonds, or the authentication and delivery to the Railway Company of bonds, for and on account of the construction or acquisition of properties described in paragraph (c) of this Section 7 of this Article Three, shall be limited to an amount of such deposited cash or to a principal amount of such bonds, as the case may be, not exceeding eighty per centum (80%) of the expenditures or liabilities, as the case may be, certified to the Trustee, as aforesaid, as having been made or incurred under said paragraph (c) of this Section 7 of Article Three; provided (2) that if at any time the aggregate amount of bonds then outstanding and hereby secured, when added to the aggregate amount of bonds then reserved to refund the prior debt specified in Sections 1, 2 and 3 of Article Three of this indenture, shall be five hundred million dollars ($500,000,000) or more, then the payment to the Railway Company of deposited cash received by the Trustee upon the authentication and delivery of bonds in excess of said amount ($500,000,000), and the authentication and delivery to the Railway Company of any bonds in excess of said amount $(500,000,000), on account of the construction or acquisition of properties of the character and nature described in paragraph (b), or paragraph (d), or paragraph (e) other than shares of capital stock, or voting trust certificates representing the same, and bonds of connecting railway companies issued on account of the construction or acquisition of railroad mileage, the cost of which is not less than the cost of such shares of capital stock, or voting trust certificates representing the same, and bonds, and other then shares of capital stock, or voting trust certificates representing the same, and bonds of companies specified in subparagraph (5) of said paragraph (e), of this Section 7 of this Article Three, shall belimited to an amount of such deposited cash or to a principal amount of such bonds, as the case may be, not exceeding eighty per centum (80%) of the expenditures or liabilities, as the case may be, certified to the Trustee as aforesaid as having been made or incurred under said paragraphs, or any of them, above in this proviso enumerated; and provided (3) that the aggregate amount of bonds at any one time issued and outstanding under this indenture for and on account of the construction or acquisition of properties of the character and nature described in paragraph (d) and subparagraphs (2), (3) and (4) (in so far as said subparagraph (4) relates to shares of the capital stock or bonds of companies of the character and nature described in said subparagraphs (2) and (3)) of paragraph (e) of this Section 7 of this Article Three, shall never exceed twenty-five per centum (25%) of the aggregate amount of all bonds at the time then issued and outstanding under this indenture, including the bonds then proposed to be issued.

All property, indebtedness and rights, and all additions, betterments and improvements, in respect to which deposited cash shall be paid, or bonds shall be issued hereunder, or the proceeds of the bonds shall be used, shall be included without further conveyance or transfer in the granting clause of this indenture and shall be subject to the lien hereof; but the lien of this indenture thereon, however, shall be subordinate to the liens securing prior debt specified and to be specified in and pursuant to the provisions of this Article Three to the extent that such liens attach, and to liens securing bonds to be specified in indentures supplemental hereto so far as the same shall be subject to such prior liens; provided, however, that any General Mortgage bonds acquired by the Railway Company and delivered to the Trustee under the provisions of this Section 7 of this Article Three, unless previously cancelled, shall be cancelled by the Trustee upon such delivery, and, after theTrustee shall have stamped on such bonds a notation that the same have been cancelled under this Section 7 ofArticle Three and are not available for any further purposes under this indenture, shall be returned to the Railway Company.

When any certificate for shares of stock, or voting trust certificates representing the same, or any bonds or other indebtedness, shall have been acquired under the provisions of this Section 7 of this Article Three, there shall be delivered to the Trustee the written opinion of counsel for the Railway Company is authorized by law to acquire and to hold such stocks, or voting trust certificates representing the same, bonds, or indebtedness; and such certificates of stock, and such voting trust certificates representing the same, endorsed in blank for transfer, and such bonds, and the assignments of such other indebtedness, shall be delivered to the Trustee hereunder, or to a trustee having prior right to the pledge thereof under some indenture securing prior debt specified in or pursuant to this Article Three of this indenture; and in case there shall be such another trustee having such prior right, then the right of the Trustee in and to such stock, or voting trust certiviicates representing the same, bonds, and indebtedness, shall be subordinate to that of such other trustee.

The Railway Company shall execute and acknowledge, or shall cause to be executed and acknowledged, any conveyances or instruments of further assurance that may be necessary for the purpose of subjecting to the lien and operation of this indenture any property so acquired by the Railway Company, and, unless satisfied and discharged, any indebtedness, liens or charges so taken up or acquired; and, also, shall furnish to the Trustee the written opinion of counsel for the Railway Company to the effect that such conveyances or other instruments are sufficient for that purpose, or, in lieu of such instruments of further assurance, the Railway Company shall furnish a written opinion of such counsel that no conveyance or instrument of further assurance is necessary for the purpose aforesaid.

Sec. 8. Whenever and as often as the Railway Company shall have called for redemption any particular series of bonds, or any part thereof, issued hereunder subject to such redemption, it may tender or cause to be tendered to the Trustee, before, at or after redemption or payment, either in bearer form or accompanied by proper instruments of assignment and transfer, and whether cancelled or uncancelled, any of such bonds with all unmatured coupons, if any, thereto belonging; and, in exchange for such bonds received by the Trustee upon such tender,

upon receipt of a copy of the resolution calling for redemption the said series of bonds and copies of resolutions, opinion of counsel, and authenticated certificate or order, as specified in and required by Section 9 of Article Two of this indenture, the Trustee shall authenticate and deliver to the Railway Company, or upon its written order, bonds of another series hereunder for a principal amount equal to the principal amount of such bonds so received by the Trustee.

At any time or times, upon delivery to the Trustee of a copy of the resolution calling for redemption any particular series of bonds, or any part thereof, issued hereunder and subject to redemption, and of copies of resolutions, opinion of counsel, and authenticated certificate or order, as specified in and required by Section 9 of Article Two of this indenture, the Trustee shall authenticate and deliver to the Railway Company, or upon its wirtten order, bonds of another series hereunder for a principal amount not exceeding the principal amount of the bonds called for redemption, provided, that cash (other than cash receivable by the Trustee pursuant to the provisions of Section 7 of this Article Three of this indenture) equal to the principal amount of the bonds so authenticated and delivered shall simultaneously be deposited with the Trustee in exchange therefor; provided, however, that no bonds shall be authenticated by the Trustee and delivered to the Railway Company on account of bonds redeemed through the use of deposited cash. On the written order of the Railway Company, and upon delivery to the Trustee from time to time, before, at or after redemption and payment, in bearer form or accompanied by proper instruments of assignment and transfer, and whether cancelled or uncancelled, of the bonds called for redemption (other than bonds in exchange for which the Trustee shall have authenticated and delivered bonds under the first paragraph of this Section), together with all unmatured coupons, if any, appertaining to such bonds, the Trustee, out of the cash so deposited with it, or out of any cash held by the Trustee pursuant to the provisions of Section 7 of this Article Three of this indenture and directed by the Railway Company to be applied to such purpose, shall pay to the Railway Company a sum equal to the principal amount of such bonds so delivered to the Trustee.

Whenever and as often as the Railway Company may tender, or cause to be tendered, to the Trustee, before, at or after maturity, bonds of any series issued hereunder and maturing on or prior to January 1, 2100, either in bearer form or accompanied by proper instruments of assignment and transfer, with all unmatured coupons, if any, thereto belonging, and whether cancelled or uncancelled, the Trustee in exchange for such bonds received by the Trustee upon such tender, upon receipt of copies of resolutions, opinion of counsel, and authenticated certificate or order, as specified in and required by Section 9 of Article Two of this indenture, shall authenticate and deliver to the Railway Company, or upon its written order, bonds of another series hereunder for a principal amount equal to the principal amount of such bonds so received by the Trustee.

At any time or times, at or after the maturity, or within twelve months before such maturity, of any series of bonds issued hereunder and maturing on or prior to January 1, 2100, and upon receipt of copies of resolutions, opinion of counsel, and authenticated certificate or order, as specified in and required by Section 9 of Article Two of this indenture, the Trustee shall authenticate and deliver to the Railway Company, or upon its written order, bonds of another series hereunder for a principal amount not exceeding the principal amount of said maturing series of bonds; provided, that cash (other than cash receivabel by the Trustee pursuant to the provisions of Section 7 of this Article Three of this indenture) equal to the principal amount of the bonds so authenticated and delivered, shall simultaneously be deposited with the Trustee in exchange therefor; provided, however, that no bonds shall be authenticated by the Trustee and delivered to the Railway Company on account of said maturing series of bonds which shall have been acquired by the Railway Company through the use of deposited cash. Upon the written order of the Railway Company, and upon delivery to the Trustee, from time to time, before, at or after maturity and payment, in bearer from, or accompanied by proper instruments of assignment and transfer, and whether cancelled or uncancelled, of bonds of the series maturing (other than bonds in exchange for which the Trustee shall have authenticated and delivered bonds under the last above preceding paragraph of this Section), together with all unmatured coupons, if any, appertaining to such bonds, the Trustee, out of the cash deposited with it, or out of any cash held by the Trustee pursuant to the provisions of Section 7 of this Article Three of this indenture, and directed by the Railway Company to be applied to such purpose, shall pay to the Railway Company a sum equal to the principal amount of such series so maturing so delivered to the Trustee.

In case any such bond shall have been cancelled before tender thereof to the Trustee under the provisions of this Section 8, the Trustee shall not accept the same if any bond in lieu thereof or in exchange therefor has been issued and is outstanding, other than a bond issued hereunder against the deposit of cash as provided in this Section 8.

All bonds and coupons delivered to the Trustee under the provisions of this Section 8 unless previously cancelled, shall be cancelled by the Trustee upon such delivery, and after the Trustee shall have stamped on such bonds a notation that the same have been refunded under this indenture, shall be returned to the Railway Company.

SEC. 9. The Trustee shall be entitled to receive the resolutions, certificates, orders, opinions of counsel, and other writings, in Section 9 of Article Two, and in this Article Three provided for, as conclusive evidence of the truth of the statements therein contained, respectively, and as full authority for the taking of any action in accordance therewith under this Article Three, and they shall constitute full authority and protection to the Trustee for its authentication and delivery of bonds and the payment of deposited cash under the provisions of this Article Three.

The same officer or officers of the Railway Company need not certify to all the facts required to be certified under the provisions of this Article Three, but different officers may certify to separate facts respectively.

SEC.10. Anything in this indenture to the contrary notwithstanding, the Trustee may, but shall not be required to, authenticate bonds or pay deposited cash to the Railway Company, or upon order of a court of competent jurisdiction, to a receiver of the Railway Company, if an event of default as hereinafter defined in Section 2 of Article Seven shall have happened and be continuing.

ARTICLE FOUR

Redemption of Bonds before Maturity.

SECTION 1. In the ussue of any particular series of bonds hereunder the Railway Company may reserve the right to redeem before maturity all or any part of the bonds of that series, at such time or times, and on such terms, as the Board of Directors, or the Executive Committee of the Board of Directors, of the Railway Company may determine and as shall be appropriately expressed in each of the bonds of that series, the date of redemption being in every case either the first day of January of the first day of July. In the event the Railway Company shall desire to exercise such right to redeem and pay off all or any part of the bonds of a particular series on any first day of January, or first day of July, in accordance with the right reserved so to do, it shall advertise in two newspapers of general circulation in the Borough of Manhattan, City of New York, at least twice a week for nine successive weeks next preceding such first day of January, or first day of July, a notice that the Railway Company has elected to redeem and pay off all or part (and if a part, the serial numbers thereof shall be given) of the bonds of such particular series on such first day of January, or first day of July, and that on such first day of January, or first day of July, there will become and be due and payable on each of the bonds so to be redeemed at the office or agency of the Railway Company in the Borough of Manhattan, City of New York, the principal thereof with such premium, if any, as specified in such bonds, together with the accrued interest to such first day of January, or first day of July. The Railway Company will cause a copy of said published notice to be mailed, postage prepaid, at least fifty days prior to such redemption date to each registered holder of bonds, designated for redemption, whose address shall appear on the bond register. Upon advertisement of such notice by the Railway Company the bonds so called for redemption shall become and shall be due and payable on the first day of January, or

first day of July, specified in such notice, at par or with the premium, if any specified in such bonds, together with the interest accrued from the last matured interest installment. All coupons for interest which shall have matured on or prior to the date of redemption designated in such notice shall continue to be payable to the respective bearers of such coupons.

From and after the date of redemption designated in such notice so advertised (unless the Railway Company shall make default in the payment as herein provided upon demand) no further interest shall accrue upon any of the ~~upon any of the bonds so called for redemption and anything in such bonds~~ bonds, or in such coupons or in this indenture to the contrary notwithstanding, any coupon for interest appertaining to any such bond and maturing after such date shall become and be null and void.

SEC. 2. If the Railway Company shall elect to redeem a part only of any series of General Mortgage bonds then outstanding, the bonds of said series so to be redeemed shall be selected by lot by the Trustee in such manner as it shall deem proper, and, if the Railway Company shall so desire and shall seasonably designate a representative for that purpose, in the presence of the representative so designated.

Whenever exercising the right of redemption as provided for in this Article Four, the Railway Company, if requested by the Trustee so to do, shall furnish the Trustee with a duly certified copy of a resolution of its Board of Directors, or of the Executive Committee of its Board of Directors, electing to redeem, and properly designating, the bonds called for redemption.

SEC. 3. On the deposit with the Trustee of the amount necessary so to redeem all the outstanding bonds issued under this indenture (if they shall be redeemable and shall all have been called for redemption) together with proof satisfactory to the Trustee of the giving of such notice or notices of redemption of all of said bonds as hereinbefore provided, and on payment to the Trustee of all its cost, charges and expenses in relation thereto, the Trustee, upon the written order of the Railway Company, shall cancel and satisfy this indenture and assign and deliver to the Railway Company all securities, indebtedness and other properties then held by the Trustee under the provisions hereof. The Trustee shall apply the money so deposited with it to the payment of the bonds issued under this indenture at the rate aforesaid with accrued interest to the said date designated for redemption.

SEC. 4. All bonds redeemed and paid under this Article Four shall be cancelled and shall not be reissued, but bonds of other series may be issued in substitution therefor as provided in Article Three.

ARTICLE FIVE

Particular Covenants of the Railway Company.

The Railway Company covenants as hereinafter in this Article set forth:

SECTION 1. The Railway Company duly and punctually will pay the principal and interest of every bond issued under this indenture, at the dates and the place and in the manner mentioned in such bonds, or in the coupons thereto belonging, according to the true intent and meaning thereof. The interest upon the coupon bonds shall be payable only upon presentation and surrender of the several coupons for such interest as they respectively mature, and when paid, such coupons forthwith shall be cancelled. The interest on the registered bonds without coupons shall be payable only to the registered holders thereof.

In order to prevent any accumulation of coupons and claims for interest after maturity, the Railway Company will not, directly or indirectly, extend or assent to the extension of the time for the payment of any coupon or claim for interest on any of the General Mortgage bonds; and the Railway Company will not, directly or indirectly, be a party to or approve of any such arrangement by purchasing or funding said coupons or claims for interest or in any other manner.

SEC. 2. The Railway Company shall not and will not issue, or permit to

be issued, any additional bonds under ~~or to any other company of whose capital stock~~ the mortgages or trust indentures, or any of them, securing the bonds constituting the prior debt mentioned in Section 1 of Article Three of this indenture, which shall have the effect to increase the amount of the principal of the bonds at any time issued or outstanding under any of the said mortgages or trust indentures; provided, however, that the Railway Company reserves and shall have the right to issue or cause to be issued, under its First and Refunding Gold Bond Mortgage, additional bonds to the principal amount of $12,132,000 (now in the treasury of the Railway Company) and to pledge the same with the Trustee.

SEC. 3. The Railway Company at any and all times will do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered by any other corporation or person obligated to the Railway Company so to do, all and every such further acts, deeds, conveyances, mortgages and transfers and assurances in the law as the Trustee shall reasonably require for the better assuring, conveying, mortgaging, assigning and confirming unto the Trustee all and singular the hereditaments and premises, estates and property hereby conveyed or assigned, or intended so to be, or which the Railway Company hereafter may become bound to convey or assign to the Trustee.

SEC. 4. The Railway Company shall not and will not suffer or permit any default wherefor any lessor may terminate any lease of any railways, franchises or property now existing or hereafter made to the Railway Company, or to any other company of whose capital stock the greator part of the amount at that time outstanding shall then be subject to the lien of this indenture. In case and whenever default shall be made in paying any sum stipulated to be paid in any such present or future lease, the Trustee, without affecting any of its rights hereunder, from time to time in its discretion, may itself pay any sum so in default, and thereupon shall have, and forthwith may assert, a lien for such advances upon the trust estate and the proceeds thereof, which lien shall be entitled to priority in rank and to priority in payment from the income and profits of the trust estate over the General Mortgage bonds.

~~to be paid and discharged, the several indentures described in Section 1 of Article~~ all taxes, assessments and governmental charges (the lien whereof would be prior to the lien hereof) lawfully imposed upon the trust estate, or upon any part thereof or upon the income or profits thereof, all taxes, assessments and governmental charges lawfully imposed upon the lien or interest of the Trustee in respect of such premises or income, and all stock and bond transfer taxes and disbursements, which the Trustee may be obliged to pay or incur in the performance of its duties hereunder so that the lien and priority of this indenture shall be fully preserved at the cost of the Railway Company, without expense to the Trustee or the bondholders; provided, however, that the Railway Company shall have the right to contest any such tax, assessment or charge, and, pending such contest, may delay or defer the payment thereof.

SEC. 6. The Railway Company will pay, or cause to be paid, the interest on all bonds constituting prior debt and secured by the several indentures described in Section 1, Article Three, and not held by the Trustee hereunder, as and when such interest shall become payable; and, when due, it will pay, or cause to be paid, the principal of said bonds or cause the same to be acquired and pledged under this indenture or with the trustee under any prior indenture, if and when such trustee shall be entitled to receive the same; but the Railway Company hereby expressly reserves the right at its option to extend, by one or more extensions or renewals, the time of payment of the principal of any or all of the bonds constituting prior debt and secured by any of the several indentures described in Section 1 of Article Three of this indenture, to a date not later than January 1, 2000.

~~[illegible] from time to time, shall and will~~ thereto make all needful and proper repairs, renewals and replacements, useful and proper alterations, additions, betterments, and improvements.

SEC. 9. Except as expressly authorized in this indenture the Railway Company will not do or suffer to be done any act whereby a proportionate part subject to this indenture of the entire issued and outstanding capital stock of any company shall be diminished.

Except as herein otherwise expressly provided, the Railway Company, unless with the consent of the Trustee, will not sanction or permit any company, of whose capital stock the greater part shall be pledged or assigned hereunder, to sell or otherwise dispose of its railroad or property or any part thereof, except to the Railway Company or to some other company of whose capital stock not less than the same proportionate part then shall be owned by the Railway Company and be pledged hereunder, Aby such railroad or property so acquired by the Railway Company forth with and ipso facto shall become subject to the lien of this indenture, and, if requested, by proper instruments shall be conveyed to the Trustee, subject to any liens then existing thereon or, upon such conveyance, to attach thereto; provided, however, that any company, of whose capital stock the greater part shall be pledged hereunder, from time to time, may sell any of its property, which, at the time of such sale, by resolution of its Board of Directors, or Executive Committee of its Board of Directors, shall be found no longer to be necessary or advantageous to be retained for the purposed of its business and the sale of which shall be authorized by a resolution of its Board of Directors, or Executive Committee of its Board of Directors, directing that the proceeds thereof shall be held apart from all other

first day of July, specified in such notice, at par or with the premium, if any specified in such bonds, together with the interest accrued from the last matured interest installment. All coupons for interest which shall have matured on or prior to the date of redemption designated in such notice shall continue to be payable to the respective bearers of such coupons.

From and after the date of redemption designated in such notice so advertised (unless the Railway Company shall make default in the payment as herein provided upon demand) no further interest shall accrue upon any of the bonds or in such coupons or in this indenture to the contrary notwithstanding, any coupon for interest appertaining to any such bond and maturing after such date shall become and be null and void.

SEC. 2. If the Railway Company shall elect to redeem a part only of any series of General Mortgage bonds then outstanding, the bonds of said series so to be redeemed shall be selected by lot by the Trustee in such manner as it shall deem proper, and, if the Railway Company shall so desire and shall seasonably designate a representative for that purpose, in the presence of the representative so designated.

Whenever exercising the right of redemption as provided for in this Article Four, the Railway Company, if requested by the Trustee so to do, shall furnish the Trustee with a duly certified copy of a resolution of its Board of Directors, or of the Executive Committee of its Board of Directors, electing to redeem, and properly designating, the bonds called for redemption.

SEC. 3. On the deposit with the Trustee of the amount necessary so to redeem all the outstanding bonds issued under this indenture (if they shall be redeemable and shall all have been called for redemption) together with proof satisfactory to the Trustee of the giving of such notice or notices of redemption of all of said bonds as hereinbefore provided, and on payment to the Trustee of all its cost, charges and expenses in relation thereto, the Trustee, upon the written order of the Railway Company, shall cancel and satisfy this indenture and assign and deliver to the Railway Company all securities, indebtedness and other properties then held by the Trustee under the provisions hereof. The Trustee shall apply the money so deposited with it to the payment of the bonds issued under this indenture at the rate aforesaid with accrued interest to the said date designated for redemption.

SEC. 4. All bonds redeemed and paid under this Article Four shall be cancelled and shall not be reissued, but bonds of other series may be issued in substitution therefor as provided in Article Three.

ARTICLE FIVE

Particular Covenants of the Railway Company.

The Railway Company covenants as hereinafter in this Article set forth:

SECTION 1. The Railway Company duly and punctually will pay the principal and interest of every bond issued under this indenture, at the dates and the place and in the manner mentioned in such bonds, or in the coupons thereto belonging, according to the true intent and meaning thereof. The interest upon the coupon bonds shall be payable only upon presentation and surrender of the several coupons for such interest as they respectively mature, and when paid, such coupons forthwith shall be cancelled. The interest on the registered bonds without coupons shall be payable only to the registered holders thereof.

In order to prevent any accumulation of coupons and claims for interest after maturity, the Railway Company will not, directly or indirectly, extend or assent to the extension of the time for the payment of any coupon or claim for interest on any of the General Mortgage bonds; and the Railway Company will not, directly or indirectly, be a party to or approve of any such arrangement by purchasing or funding said coupons or claims for interest or in any other manner.

SEC. 2. The Railway Company shall not and will not issue, or permit to

The Railway Company will not voluntarily create, or suffer to be created, any

SEC. 7. Upon the discharge of any indenture or indentures, or other instrument or instruments, under which they may be pledged, assigned or held and to which they may be subject, the shares of stock and bonds assigned to the Trustee by the granting clauses of this indenture, or by the terms hereof becoming subject to the lien of this indenture, forthwith shall be assigned and delivered to the Trustee, to be held and disposed of by it, subject, in all respects, to the lien and operation of this indenture, as security for the payment of the General Mortgage bonds.

SEC. 8. The Railway Company, at all times, shall and will diligently preserve all the rights and franchises to it granted and upon it conferred, and maintain, preserve and keep the rolling stock, fixtures and appurtenances and every part and parcel thereof, in good repair, working order and condition, and will keep the railways, premises and estate subject to this indenture supplied with all necessary motive power, rolling stock and equipment, and, from time to time, shall and will thereto make all needful and proper repairs, renewals and replacements, useful and proper alterations, additions, betterments, and improvements.

SEC. 9. Except as expressly authorized in this indenture the Railway Company will not do or suffer to be done any act whereby a proportionate part subject to this indenture of the entire issued and outstanding capital stock of any company shall be diminished.

Except as herein otherwise expressly provided, the Railway Company, unless with the consent of the Trustee, will not sanction or permit any company, of whose capital stock the greater part shall be pledged or assigned hereunder, to sell or otherwise dispose of its railroad or property or any part thereof, except to the Railway Company or to some other company of whose capital stock not less than the same proportionate part then shall be owned by the Railway Company and be pledged hereunder, Aby such railroad or property so acquired by the Railway Company forth with and ipso facto shall become subject to the lien of this indenture, and, if requested, by proper instruments shall be conveyed to the Trustee, subject to any liens then existing thereon or, upon such conveyance, to attach thereto; provided, however, that any company, of whose capital stock the greater part shall be pledged hereunder, from time to time, may sell any of its property, which, at the time of such sale, by resolution of its Board of Directors, or Executive Committee of its Board of Directors, shall be found no longer to be necessary or advantageous to be retained for the purposed of its business and the sale of which shall be authorized by a resolution of its Board of Directors, or Executive Committee of its Board of Directors, directing that the proceeds thereof shall be held apart from all other

funds of such company until applied to the acquisition or construction of other property.

Except as herein otherwise expressly provided, the Railway Company, unless with the consent of the Trustee, will not sanction or permit any company, of whose capital stock the greater part shall be pledged or assigned hereunder, to lease its railroad, or any part thereof, except to the Railway Company or to some other company of whose capital stock not less than the same proportionate part then shall be owned by the Railway Company and be pledged hereunder, nor unless such lease be upon the condition that it shall terminate at the election of the Trustee, by entry or otherwise, in case default shall be made and shall continue as provided in Section 2, Article Seven, hereof, and at the election of the purchaser in case of a sale of the property subject to this indenture.

SEC. 10. Except as herein otherwise expressly provided, the Railway Company, unless with consent of the Trustee, will not sanction or permit any company of whose capital stock the greater part, but not more than eighty per centum (80%) thereof, shall be pledged or assigned hereunder, to issue any bonds, promissory obligations, or other evidences of indebtedness, unless the same be acquired by the Railway Company and assigned, pledged and delivered to the Trustee herein, by it to be held upon the trusts of this indenture; provided, however, nothing in this Section 10 of Article Five contained shall require the assignment or pledge under this indenture, or prevent the creation, issue, or disposition, free from any lien thereon of this indenture, of any of the following:

(a) Any bonds, promissory obligations or other evidences of indebtedness issued or guaranteed, or to be issued and guaranteed by (1) the Chicago, Burlington & Quincy Railroad Company, or (2) the Spokane, Portland and Seattle Railway Company, or (3) The Midland Railway Company of Manitoba, or (4) any company formed for the purpose of developing and improving any terminal or other property owned or used by the Railway Company.

(b) Any bonds issued or guaranteed, or to be issued or guaranteed, in substitution or exchange for, or to refund or renew, a like amount of bonded debt of any subsidiary company.

(c) Any extension of the time for payment of the bonded debt of any subsidiary company.

(d) Any promissory obligations or other evidences of indebtedness which may be issued in the current operation of its property by any subsidiary company, if it is an operating company.

(e) Any bonds, promissory obligations or other evidences of indebtedness issued or guaranteed, or to be issued or guaranteed, by any subsidiary company which, or the proceeds of which, are to be used by such company for the construction or acquisition of betterments, additions, improvements or extensions of and to property owned by it, or additional property or bonds or stocks of other companies, or equipment for railroads which it may own.

(f) A purchase-money mortgage or purchase-money lien upon any property which may hereafter be acquired by any subsidiary company, and which purchase-money mortgage or lien shall apply to, and be a charge upon, only such property so acquired.

(g) Capital stock issued in exchange for the debts of any subsidiary company, provided that a majority of all the capital stock of such company shall remain subject to the lien of this indenture.

(h) The issue by any subsidiary company of registered bonds without coupons in exchange for coupon bonds, or of coupon bonds in exchange for registered bonds without coupons, or of registered bonds without coupons or coupon bonds in exchange or substitution for such bonds mutilated or destroyed or lost; provided, however, that the aggregate principal amount of such bonds outstanding shall not thereby be increased.

SEC. 11. The Railway Company will not issue, negotiate, sell or dispose of any General Mortgage bonds in any manner other than in accordance with the provisions of this indenture and the agreements in that behalf herein contained; and in issuing, selling, negotiating or otherwise disposing of such bonds, from

time to time, it will sell and truly apply, or cause to be applied, the same, or the proceeds thereof, to and for the purposes therein prescribed, and to or for no other or different purposes.

SEC. 12. The Railway Company in every indenture supplemental hereto which hereafter may be executed, will enumerate all mortgages which are liens upon the railroads or parts thereof thereby conveyed under which bonds constituting prior debt shall have been issued, and will describe such mortgages and state the principal amount and maturity of and interest borne by all outstanding bonds thereunder.

SEC. 13. The Railway Company will duly record this indenture and every indenture supplemental hereto which hereafter may be executed, and will pay any legal recording tax due on this indenture or any indenture supplemental hereto, and will pay any tax or fee legally due at any time upon the issuing of bonds secured hereby, and also will make such statement and do such acts now and hereafter as or shall be required of it to be made or done under any law affecting the recording hereof or of any supplemental indenture, or the payment of any such tax or fee.

ARTICLE SIX

Control of Stocks and Bonds Pledged.

SECTION 1. When and as any bonds or obligations or the certificates for any shares of stock, or voting trust certificates representing the same, which the Railway Company, by thisindenture, has assigned or agreed to assign and transfer to the Trustee, shall come into the possession of the Railway Company or under its control, the Railway Company forthwith shall deliver the same (unless by the terms of some one or more of the mortgages mentioned in Section 1 of Article Three securing prior debt, said bonds, or obligations, or certificates must be delivered to the trustee or trustees thereunder), together with proper instruments of assignment and transfer thereof to the Trustee or to its nominee or nominees.

SEC. 2. Until the final satisfaction or release of the several mortgages or trust agreements securing prior debt as described in Section 1, Article Three, hereof, all the bonds, stocks, equipment and other property covered by said indentures severally and respectively, shall be and shall remain subject to the prior and superior lien thereof, and shall be held as provided in said indentures severally and respectively, with all the powers, rights and discretions and subject to all the provisions set forth in said indentures severally and respectively; and neither the execution of this indenture nor any action hereunder shall in any manner affect said indentures, or any of them, or any rights of the holders of the bonds thereby secured, or any rights or duties of the trustees under any of said indentures.

Whenever the Trustee shall hold subject to the lien of this indenture all of the outstanding bonds secured by any of the indentures described in Section 1 of Article Three, constituting a prior lien hereto on the property and premises covered hereby, the Trustee in its discretion may, and (provided that no lien junior to the one which it is proposed to cancel and discharge, and prior to the lien of this indenture, shall remain unsatisfied of record) at the request of the Railway Company (duly authorized by an appropriate resolution of its Board of Directors, of which a certified copy shall be furnished to the Trustee) shall, cancel all such bonds secured by any such indenture and shall take all steps desirable or proper to cause the indenture securing the same to be cancelled or discharged of record and/or mortgaged or pledged premises and properties embraced therein to be released from said indenture, and thereupon all bonds, shares of capital stock or other personal property mortgaged and pledged thereunder (if there shall then be no other prior lien thereon requiring the same to be otherwise held) shall be delivered to and held by the Trustee as further security for bonds issued hereunder.

SEC. 3. Whenever the Railway Company shall deliver to the Trustee such instruments of conveyance, assignment or transfer as, in the judgment of the Trustee, shall be sufficient to subject directly to the lien of this indenture, as a first lien thereon, all the property, whether railways or bonds or shares of capital stock, conveyed, mortgaged, transferred or pledged to secure any series of bonds of other companies, all, or part, of which, shall have been acquired by the Railway Company by

the use of bonds issued under Section 7, Article Three, of this indenture, and all of which series of bonds (except lost or destroyed bonds for which satisfactory idemnity may have been given) shall then be pledged to the Trustee, under and subject to the lien of this indenture, the Trustee, at the request of the Railway Company (duly authorized by an appropriate resolution of its Board of Directors, or Executive Committee of its Board of Directors, of which a certified copy shall be furnished to the Trustee), shall cancel all bonds of such series so pledged to the Trustee and shall take all steps desirable or proper to cause the mortgage, trust deed or trust agreement securing the same to be cancelled or discharged of record, or the mortgaged or pledged premises and property embraced therein to be released from such mortgage, trust deed or trust agreement, and, thereupon, all bonds, shares of capital stock or other personal property mortgaged or pledged thereunder shall be delivered to and held by the Trustee as further security for the bonds issued hereunder.

SEC. 4. The Trustee is authorized in its discretion (1) to cause to be registered in its name as Trustee, or in the name of its nominee or nominees, any and all coupon bonds pledged and delivered to it hereunder, or which at any time hereafter may be received by it under and in accordance with any of the provisions of this indenture, or (2) to cause to same to be exchanged for registered bonds without coupons of any denomination, or (3) to cause any such bonds to be stamped "Not negotiable. Held by The First National Bank of the City of New York, as Trustee, under the General Gold Bond Mortgage of the Great Northern Railway Company, dated January 1, 1921". The Trustee shall cause to be transferred into its name, as Trustee hereunder, or into the name of its nominee or nominees, all registered bonds which shall have been delivered and assigned to it hereunder.

The Trustee at any time may transfer into its name, as Trustee hereunder, all or any shares of stock, the certificates for which shall have been pledged and delivered to it hereunder, or, in its discretion, the Trustee may hold such certificates in the name of the registered holder thereof at the time of such pledge, or in the name of a nominee of the Trustee, provided that in either case the same be endorsed in blank for transfer, or be accompanied by proper instruments of assignment in blank duly executed by such registered holder.

The Trustee may do whatever may be necessary, in its opinion, for the purpose of maintaining, preserving, renewing or extending the corporate existence of any company, any part of whose capital stock shall be held by the Trustee hereunder, and for such purposes, from time to time, may sell, assign, transfer and deliver so many shares of the capital stock of the several companies as may be necessary to qualify persons to act as directors of, or in any other official relation to, said companies. Whenever the Railway Company shall in writing so request (which request shall state that the Railway Company has no shares for that purpose under its control other than shares held under this indenture), the Trustee shall assign and transfer to persons designated by the Railway Company a sufficient number of any shares that then shall be held by the Trustee hereunder, to qualify such persons to act as directors of, or in any official relation to, the several companies which issued such shares; provided, however, that under this provision no transfer shall be made which shall reduce the amount of capital stock in any such company held by the Trustee, so as to render it less than a controlling interest in such capital stock; and in every case the Trustee shall make such arrangements as it shall deem necessary for the protection of the trust hereunder in respect of the shares so assigned.

SEC. 5. Unless and until a receiver shall have entered into possession of the railways or some of them constituting part of the mortgaged premises; or unless and until the Trustee shall have entered into possession of said railways or some of them or a part thereof, under the powers herein granted; or unless and until there shall be a default (1) in the payment of any interest on any General Mortgage bond or bonds at any time outstanding; or (2) in the payment of the principal of any General Mortgage bond; or (3) in the payment of any interest on, or of the principal of, any outstanding bond secured by any mortgage or instrument of conveyance or assignment in trust at the time constituting a prior lien on the mortgaged and pledged premises, or on part thereof; or (4) in the due

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observance or performance of any other covenant or condition in this indenture required to be kept or performed by the Railway Company, and such last-mentioned default shall have continued for a period of six months after written notice thereof shall have been given by the Trustee to the Railway Company,--

(a) the Trustee shall not (except with the assent of the Railway Company) collect or be entitled to collect the principal or interest of any bonds, or of any other claims or indebtedness, now or hereafter subject to this indenture, whether at or before or after the maturity of such bonds or other claims or indebtedness, and shall not enforce any provisions of the mortgages, trust deeds or other instruments under which such bonds or other obligations shall be or shall have been issued, or by which the same are secured;

(b) the Railway Company shall be entitled to receive all interest paid in respect of all such bonds or obligations and the dividends (except stock dividends and such cash dividends as may be payable upon or at the dissolution, liquidation or winding up of any company) on all shares of stock which shall be subject to this indenture although the same may have been transferred to the Trustee; and

(c) from time to time (subject to the covenants in respect thereof in this section contained) upon reqUEST OF THE Railway Company, the Trustee shall deliver to the Railway Company all coupons for such interest then in the possession of the Trustee, as they mature, (except coupons belonging to all bonds secured by a lien prior to the lien of this indenture, upon any of the railways or other property of whatsoever character constituting part of the mortgaged and pledged premises, which shall be cancelled before delivery to the Railway Company), in order that the Railway Company may receive payment thereof for its own use, or may cause the same to be cancelled; and the Trustee shall deliver to the Railway Company, suitable orders in favor of the Railway Company, or its nominee, for the payment of such interest and such dividends as, under paragraph (b) of this Section 5, the Railway Company is entitled to receive, and the Railway Company may collect such coupons, interest and dividends (but not by any proceeding which the Trustee shall deem prejudicial to the trusts hereunder), and the Trustee upon demand shall pay over to the Railway Company all such interest and dividends which may be collected or be received by the Trustee;

Provided, however, and hereby it is declared and agreed, except as in this indenture otherwise expressly provided, that

(1) the Railway Company shall not be entitled to receive and the Trustee shall not pay over to the Railway Company the principal of any bond subject to this indenture;

(2) the Railway Company shall not be entitled to receive and the Trustee shall not pay over any interest on any such bonds, or the principal of, or interest on, any other such obligations, claims or indebtedness, which shall have been collected or paid out of the proceeds of any sale or condemnation of the property covered by a mortgage securing such bonds, or out of the proceeds of the sale of any other property of the company liable upon such bonds, obligations, claims or indebtedness in case of a dissolution or liquidation of such company; it being the intention that the Railway Company shall be entitled to receive only payments made out of the rents, revenues, income or proceeds of operation of such properties;

(3) the Railway Company shall not sell, assign or transfer any such coupon or right to interest or dividends delivered or assigned to it, or any other such claim or indebtedness, except subject to this indenture;

(4) the Railway Company shall not collect any such coupons or interest or dividends, or any other such claims or indebtedness, by legal proceedings or by enforcement of any security therefor, except with the written assent of the Trustee, nor in any manner which the Trustee shall deem prejudicial to the trusts hereunder; and

(5) until actually paid, released or discharged, every such coupon or right to interest or dividends, and all other such claims and indebtedness shall remain subject to the lien of this indenture.

The Trustee shall be entitled to assume that any interest received by it on any bond or other obligation, claim or indebtedness, or any dividends received on any shares of stock, is paid out of rents, revenues, income or proceeds of operation, until it is notified in writing to the contrary; and in the absence of any such written notification it shall be conclusively presumed as between the Trustee and the bondholders, that, in making any payments thereof to the Railway Company, the Trustee acted in good faith, and the Trustee shall be fully protected in making any such payment to the Railway Company.

If any such coupons or if any evidence of any such claim or indebtedness, delivered to the Railway Company hereunder shall not as aforesaid forthwith be paid or cancelled, the Railway Company shall return the same to the Trustee, and, in case of the payment of any such coupons, claim or indebtedness, shall, upon the demand of the Trustee, furnish satisfactory evidence of the cancellation and extinguishment thereof.

SEC. 6, In case (1) any sum shall be paid before, at or after maturity, on account of the principal of any bonds or other obligations subject to this indenture, (2) any sum shall be paid on account of the interest on any such bonds or obligations out of the proceeds of the sale of property covered by a mortgage or deed of trust securing such bonds or obligations, or (3) upon the dissolution or liquidation of any company, any sum shall be paid upon any shares of capital stock subject to this indenture, then in any such case any such sum, unless required to be paid to and received by the trustee under any indenture constituting a lien prior to the lien of this indenture on the mortgaged and pledged premises, or part thereof, or unless applied on account of the purchase price of property purchased pursuant to Section 8 of this Article, shall be received by the Trustee and shall, from time to time, be paid over by the Trustee to the Railway company to reimburse it for expenditures by it made, or to enable it to pay liabilities incurred and forthwith payable, for any purpose for which bonds or their proceeds or deposited cash may be used under Section 7, Article Three, hereof, upon certificates of such expenditures or liabilities signed by the President, or a Vice-President, or the Chief Engineer, and by the Treasurer, or Comptroller, or other chief accounting officer of the Railway Company, and otherwise subject to the provisions and restrictions of said Section 7. Such certificates shall be in the form required by said Section 7, Article Three, hereof, and shall be full protection to the Trustee for its action on the faith thereof.

Any of said moneys may also be used by the Railway Company for the purchase of bonds previously issued under the provisions of this indenture, at a price or prices not exceeding the fair market value thereof at the time of purchase. Upon delivery to and deposit with the Trustee from time to time of bonds issued under this indenture, either in bearer form or accompanied by proper instruments of assignment and transfer, whether cancelled or uncancelled (together with all unmatured coupons, if any, thereto belonging), the Trustee out of the moneys referred to in this Section 6 of this Article Six, shall pay to the Railway Company, or upon its written order, a sum equal to the fair market value expended, or to be expended, by the Railway Company in the acquisition of the bonds so delivered to and deposited with the Trustee. Said fair market value shall in no event exceed the principal amount of such bonds so delivered to and deposited with the Trustee. Any uncancelled General Mortgage bonds delivered to and deposited with the Trustee under and pursuant to this Section 6 of this Article Six, shall be cancelled by the Trustee upon the written order of the Railway Company.

SEC. 7. Unless and until some one of the events described in the first paragraph of Section 5 of this Article shall have happened, the Railway Company shall have the right to vote upon all shares of stock subject to this indenture for all purposes not contrary to the covenants herein contained or otherwise inconsistent with the provisions or purposes of this indenture, and with the same force and effect as though such shares were not subject to this indenture; and, from time to time, upon demand of the Railway Company, the Trustee forthwith shall execute and deliver, or shall cause to be executed and delivered, to the Railway Company, or to its nominees, suitable powers of attorney or proxies to vote upon any shares of stock which shall have been transferred to the Trustee or its nominees. The Railway Company covenants that it will not vote said shares of capital stock or any of them under any power of attorney or proxy executed and delivered to it under the providions of this Section 7 of Article Six, for any purpose or purposes contrary to or inconsist-

ent with the provisions or purposes of this indenture.

SEC. 8. In case default shall be made in the payment of the principal or interest of any bonds or obligations which shall have been delivered to and shall be held by the Trustee hereunder, or of any other bonds then secured by the same mortgage or deed of trust as such bonds held by the Trustee, then, and in any such case, if the Trustee shall hold more than ninety per centum in amount of the entire issue of such bonds or obligations in default, the Trustee, without prejudice, however, to its right to claim a default under this indenture, or to assert any right consequent upon such default, shall, upon the written request of the Railway Company (the Railway Company not then being in default under this indenture), and, if required by the Trustee hereunder, upon receiving indemnity satisfactory to it, and in other cases upon such written request it may, in its discretion, cause proper proceedings to be instituted and prosecuted in some court of competent jurisdiction to foreclose or enforce the mortgage, or trust, or charge, by which such bonds or obligations in default are secured. In case of the happening of any of the events hereinafter denominated events of default, or in case the Trustee shall have entered, or shall have elected to enter, into possession of the railways or some of them constituting part of the mortgaged and pledged premises, either under the power herein conferred, or by the voluntary action of the Railway Company, or in case a receiver shall have entered into possession of the railways or some of them constituting part of the mortgaged premises, then, and in any such case, the Trustee, in its discretion, may institute such proceedings without such written request.

In case (1) at any time any company, of whose capital stock the greater part shall be held by the Trustee subject to this indenture as a first lien thereon, shall be dissolved or liquidated, or in case (2) all or any property of any such company shall be sold at any judicial or other sale, or in case (3) any property covered by a mortgage securing any bonds, or subject to any charge or trust for the payment of any other obligations, held by the Trustee subject to this indenture as a first lien thereon, shall be sold upon foreclosure of such mortgage, or by enforcement of such charge or trust,--then, in any such event, if the property of such dissolved or liquidated company, or the property sold, can be acquired by crediting on the bonds, obligations, claims, indebtedness or stock, held by the Trustee hereunder, any sum accruing or to be received thereon out of the proceeds if such property, and by paying not more than ten per centum of the price of such property in cash (or more than ten per centum, if the holders of a majority in amount of the General Mortgage bonds shall so request), the Trustee in its discretion may, and, if requested in writing by the Railway Company or by the holders of a majority in amount of the General Mortgage bonds and provided with the amount of cash necessary therefor (whether such amount be more or less than ten per centum of the price of such property), in every case shall purchase or cause to be purchased, or permit the Railway Company to purchase, such property, either in the name or on behalf of the Trustee or of the Railway Company, or by purchasing trustees, as the Trustee may determine, and shall use, or permit the Railway Company to use, such bonds, obligations claims, indebtedness and stock so far as may be, to make payment for such property; and in case of any such purchase the Trustee shall take such steps as it may deem proper to cause such property to be vested either in the Railway Company, subject to this indenture, or in some other corporation organized or to be organized with power to acquire and manage such property; Provided, that all the bonds and other indebtedness and capital stock thereof (excepting the number of shares required to qualify directors) shall be received by the Trustee and shall be held for the benefit of the Railway Company, or its assigns subject to this indenture.

With the written consent of the Railway Company, but not otherwise, the Trustee at any time may vote upon any shares of stock that shall be held by it hereunder and may take such other action as in its discretion it shall deem advisable to protect its interests and the interests of the bondholders hereunder in respect of any bonds, obligations or stocks subject to the lien hereof, and, with such consent of the Railway Company, the Trustee may join in any plan

of reorganization in respect of any such bonds or stocks and may accept new securities issued in exchange therefor under such plan. In case of the happening of any of the events hereinafter denominated events of default, or in case the Trustee shall have entered, or shall have elected to enter, into the railways or some of them constituting part of the mortgaged and pledged premises either under the power herein conferred, or by the voluntary action of the Railway Company, or in case a receiver shall have entered into possession of the railways or some of them constituting part of the mortgaged premises, the Trustee shall be entitled to take such steps without the consent of the Railway Company.

The Railway Company covenants that, on demand of the Trustee, it forthwith will pay, or satisfactorily will provide for, all expenditures incurred by the Trustee under any of the provisions of this section, including all sums required to obtain and perfect the ownership and title to any property which the Trustee shall purchase or shall cause to be purchased or which the Railway Company shall purchase pursuant to the provisions of this section, and in case the Railway Company shall fail so to do, then, without impairment of, or prejudice to, any of its rights hereunder by reason of the default of the Railway Company, the Trustee, in its discretion, may advance all such expenses and other moneys required, or may procure such advances to be made by others, and for such advances made by the Trustee, or by others at its request, with interest thereon, the Trustee shall have a lien under this indenture preferentially to the bonds hereby secured upon all the bonds, obligations, claims, indebtedness and stocks in respect of which such advances shall have been made, and the proceeds thereof, and any property acquired by means thereof, as well as upon the mortgaged and pledged premises.

In case neither the Trustee nor the Railway Company shall purchase or cause to be purchased the property sold at any such sale, and the Trustee shall not join in a plan of reorganization as aforesaid in respect of such bonds or stocks, then the Trustee shall receive any portion of the proceeds of the sale accruing on the securities by it held hereunder, and such proceeds, from time to time, shall be paid over to the Railway Company, to reimburse it for expenditures made for any purpose for which bonds or the proceeds thereof, or deposited cash, may be used under Section 7, Article Three, hereof, upon the certificates and subject to the restrictions and provisions as set forth in said section, which certificates shall be in the form required by the said section, and shall be full protection to the Trustee for its action on the faith thereof.

SEC. 9. Anything in this indenture to the contrary notwithstanding, any company, all or part of whose capital stock shall be subject to this indenture, may be merged or consolidated with the Railway Company, or all or any part of its property may be sold or conveyed to the Railway Company. In the event of such consolidation or merger or sale, this indenture shall become and be a lien upon the property of the company so consolidated or merged with the Railway Company, or upon the property so sold or conveyed to the Railway Company, with the same force and effect as if expressly conveyed by this indenture, and the holders of the General Mortgage bonds shall always have as full and complete a lien upon such property as that herein created by the pledge of the stock and bonds of such constituent company, or of such selling company, to the Trustee hereunder.

Anything in this indenture to the contrary notwithstanding, any company, all or part of whose capital stock shall be subject to this indenture, may be merged or be consolidated with, or all its property may be sold or conveyed as an entirety to, any other company, the greater part of whose capital stock shall be owned by the Railway Company and be subject to this indenture; provided, however, that the portion of the capital stock of any company formed by such consolidation or into which such merger shall be made, issued for or in lieu of stocks of the constituent companies parties to such consolidation or merger, previously pledged hereunder, shall always bear to the total capital stock of such company a proportionate relation at least as high (but never less than a majority thereof) as that borne by such previously pledged stock to the aggregate capital stock of such constituent companies; and provided further that in the case of any such sale by any company of its property, the stock of the purchasing company becoming subject to this indenture shall bear to its capital stock a proportionate relation at least as high (but never less than a majority thereof) as that borne by the previously pledged stock of the purchasing and selling companies to the aggregate of the capital stock of said companies. All stock of the company formed by such consolidation or into which such merger shall be

made, issued for or in lieu of stocks of the constituent companies parties to such consolidation or merger, previously pledged hereunder, and all stock of the purchasing company issued in lieu of previously pledged stock of the selling company, shall become and be subject to this indenture, and shall be held by the Trustee hereunder pursuant to the provisions hereof, and the holders of the General Mortgage bonds shall always have a lien upon such portion of such stock of such successor or purchasing company as full and complete as upon the stock of such constituent companies, by reason of the pledge hereunder.

The Trustee may make any exchange, substitution, cancellation or surrender of securities required for the purposes or in accomplishment of any such merger, consolidation or sale in this section authorized; and may receive the opinion of any counsel approved by it as to the legal effect of any such merger, consolidation or sale, and as to the steps necessary to be taken to consummate the same, and as to any other matter under this section; and such opinion shall be full protection to the Trustee for any action by it taken or suffered pursuant thereto.

SEC. 10. Unless some one or more of the events of default enumerated in Section 2 of Article Seven of this indenture shall have occurred and be continuing, nothing herein contained shall prevent (1) the renewal or extension, if without impairment of lien or security, of any bond or obligation maturing on or prior to July 1, 2121, secured by a mortgage upon the property of any company, the greater part of whose capital stock hereafter shall become subject to this indenture; or of any bonds or obligations maturing prior to July 1, 2121, which now are ~~also~~ or hereafter shall become subject to this indenture; or (2) the issue, in place of and in substitution for any such bonds or obligations (above in this Section 10 described), of other bonds or obligations for equivalent amounts, adequately secured by a similar mortgage or lien upon the same property; provided, however, that in case any bonds or obligations subject to this indenture shall be so renewed or extended, such bonds or obligations as so renewed or extended shall continue subject to this indenture to the same extent, and shall be lodged and held in the same manner as theretofore; and that in case any bonds or obligations subject to this indenture shall be exchanged for bonds or obligations substituted as aforesaid, the substituted bonds or obligations forthwith and ipso facto shall become subject to this indenture to the same extent, and shall be lodged and held in the same manner as those for which they are substituted.

At any time, in its discretion, the Trustee may, and, if requested in writing by the Railway Company, it shall, consent to any such renewal, extension, or substitution. The Trustee may receive the opinion of any counsel approved by it as conclusive evidence that any such renewal, extension, or substitution is in compliance with the provisions of this section.

ARTICLE SEVEN

Remedies of Trustee and Bondholders.

SECTION 1. Neither any coupon belonging to any General Mortgage bond, nor any claim for interest on any registered bond, which in any way, at or after maturity, shall have been transferred or pledged separate and apart from the bond to which it relates, shall, unless accompanied by such bond, be entitled, in case of a default here under, to any benefit of or from this indenture, except after the prior payment in full of the principal of all the bonds issued hereunder, and of all coupons and interest obligations not so transferred or pledged.

SEC. 2. If one or more of the following events, hereinafter called the events of default, shall happen, that is tosay:

(a) default shall be made in the payment of any installment of interest on any of the General Mortgage bonds when and as the same shall become payable, as therein and herein expressed, and such default shall continue for the space of six months, or default shall be made in the payment of the principal of any such bonds when the same shall become due and payable either by the terms thereof, or otherwise, as herein provided;

(b) default shall be made in the observance of performance of any other of the covenants, conditions and agreements on the part of the Railway Company, its successors or assigns, in the General Mortgage bonds or in this indenture contained, and such default shall continue for the space of six months after written notice from the Trustee, specifying such default and

requiring the same to be remedied;

(c)default shall be made in the payment of the interest on any bonds or obligations secured by mortgage or other lien prior to the lien of this indenture on the mortgaged and pledged premised, or any part thereof, and by reason of such default any right of action or of entry shall have arison under any such mortgage or other prior lien;

(d) the Railway Company shall fail, on the maturity (subject, however, to the right to extend the payment thereof as provided in Section 6 of Article Five of this indenture) of any bonds constituting prior debt, and on presentation thereof in accordance with the terms thereof, either to pay said bonds or to cause said bonds to be taken up and delivered to the Trustee to be held under this indenture;

then, and in each and every such case, the Trustee personally, or by its agents or attorneys, may enter into and upon all or any part of the railways, rolling stock, property and premises, lands, rights, interests, and franchises hereby conveyed, or intended so to be, and each and every part thereof, and may exclude the Railway Company, its agents and servants wholly therefrom; and, having and holding the same, may use, operate, manage and control said railways and other premises, regulate the tolls for the transportation of passengers and freight thereon, and conduct the business thereof, either personally or by its superintendents, managers, receivers, agents and servants or attorneys; and upon every such entry the Trustee, at the expense of the trust estate, from time to time, either by purchase, repairs or construction, may maintain and restore and may insure or keep insured the rolling stock, tools and machinery and other property, buildings, bridges and structures erected or provided for use in connection with said railways and other premises, whereof it shall become possessed, as aforesaid, in the same manner and to the same extent as is usual with railway companies; and likewise, from time to time, at the expense of the trust estate, may make all necessary or proper repairs, renewals and replacements, and useful alterations, additions, betterments and improvements thereto and thereon, as to it may seem judicious; and, in such case, the Trustee shall have the right to manage the mortgaged and pledged premises and to carry on the business and exercise all rights and powers of the Railway Company, either in the name of the Railway Company or otherwise, as the Trustee shall deem best. And the Trustee shall be entitled to collect and receive all tolls, earnings, income, rents, issues and profits of the same and every part thereof, and also the income from stocks and bonds subject to this indenture. And after deducting the expenses of operating said railways and other premises, and of conducting the business thereof, and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements, and all payments which may be made for taxes, assessments, insurance, and prior or other proper charges upon the mortgaged and pledged premises, or any part thereof, as well as just and reasonable compensation for its own services and for all agents, clerks, servants and other employes by it properly engaged and employed, the Trustee shall apply the moneys arising as aforesaid, as follows;

(a) in case the principal of the General Mortgage bonds shall not have become due, to the payment of the interest in default in the order of the maturity of the installments of such interest, with interest thereon at the same rate of interest as was borne by the bond on which such interest shall be in default, such payments to be made ratably to the persons entitled thereto, without discrimination or preference;

(b) in case the principal of the General Mortgage bonds, or any series thereof, shall have become due, by declaration or otherwise, to the payment of the accrued interest, with interest on the overdue installments thereof at the same rate of interest as was borne by the bonds on which such interest shall be in default, and to the payment of the principal of all the General Mortgage bonds, whether due or not due; in every instance such payments to be made ratably to the persons entitled to such payment, without any discrimination or preference.

These provisions, however, are not intended in anywise to modify the provisions of Section 1 of this Article, but are subject thereto.

SEC. 3. In case some one of the events described in the first paragraph of Section 5 of Article Six of this indenture shall have happened, the Trustee, subject to the provisions of the first paragraph of Section 2, Article Six, of this indenture, shall be entitled to vote on all shares of stock then subject to the lien of this indenture, and, for the benefit of the holders of the General Mortgage bonds, shall be entitled to collect and receive all dividends on all such shares of stock and all

sums payable for principal, interest or otherwise upon any bonds or obligations that shall then be subject to this indenture, and to apply as hereinbefore provided the net moneys received; and, as holder of any such shares of stock and of any such bonds, to perform any and all acts, or to make or execute any and all transfers, requests, requisitions or other instruments, for the purpose of carrying out the provisions of this section; but in the event that a receiver of any railway upon which this indenture is a first lien shall have been appointed and shall be in possession thereof, in the enforcement of this indenture or pursuant to the provisions hereof, the Trustee, from time to time in its discretion, may, and if requested by the holders of a majority in amount of the General Mortgage bonds, it shall, turn over any part or all of the interest moneys and dividends, so collected by it, to such receiver, and may co-operate with such receiver in managing and operating the entire system of the Railway Company in such manner as the Trustee shall deem for the best interest of the holders of the General Mortgage bonds.

SEC. 4. In case default shall be made in the payment of any interest on any General Mortgage bond or bonds at any time outstanding, and any such default shall have continued for a period of six months, or in case default shall be made in the payment of the interest of any bond or bonds constituting prior debt and by virtue of any such default a right of action or of entry shall obtain under any indenture or indentures securing such prior debt, or in case default shall be made in the payment of the principal of any General Mortgage bond or bonds at any time outstanding as and when the same shall become due and payable, or in case default shall be made in the payment of the principal of any bond or bonds constituting prior debt as and when the same shall become due and payable, then and in every case of such continuing default, the Trustee, by notice in writing delivered to the Railway Company, may, and upon the written request of the holders of twenty per centum in amount of the General Mortgage bonds then outstanding, shall, declare the principal of all the General Mortgage bonds then outstanding to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable, anything in this indenture or in said bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that if, at any time after the principal of said bonds shall have been so declared due and payable, and before any sale of the mortgaged and pledged premises shall have been made, all arrears of interest upon all the General Mortgage bonds, with interest on overdue installments of interest at the same rate as was borne by the respective bonds on which such installments of interest are overdue, together with the reasonable charges and expenses of the trustee, its agents and attorneys, shall either be paid by the Railway Company or be collected out of the mortgaged and pledged premises, then and in such case the holders of a majority in amount of the General Mortgage bonds then outstanding, by written notice to the Railway Company and to the Trustee, may waive such default and its consequences; provided that at the time of such waiver ther be no default of the character specified in this Section 4 of Article Seven with respect to the payment of the principal of any General Mortgage bond or the interest on, or the principal of, any bond constituting prior debt; but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon. In case the Trustee shall have proceeded to enforce any right under this indenture by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned because of such waiver, or for any other reason, or shall have been determined adversely to the Trustee, then, and in every such case, the Railway Company and the Trustee shall be restored each to its former position and rights hereunder in respect of the mortgaged and pledged premises, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

SEC. 5. If one or more of the events of default shall happen, the Trustee, with or without entry, personally or by attorney, in its discretion either

(a) may sell, subject to the then prior existing liens thereon, to the highest and best bidder, all and singular the property and premises covered by this indenture, including bonds and stocks, rights, franchises, interests and appurtenances, and other real and personal property of every kind, and all right, title and interest, claim and demand therein, and right of redemption thereof; which sale or sales shall be made at public auction at such place in

the City of Saint Paul in the State of Minnesota, or at such other place, and at such time and upon such terms as the Trustee may fix and briefly specify in the notice of sale to be given as herein in Section 8 of this Article provided, or as may be required by law; or

(b) may proceed to protect and enforce its rights and the rights of bondholders under this indenture, by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy, as the Trustee, being advised by counsel learned in the law, shall deem most effectual to protect and enforce any of its rights or duties hereunder.

SEC. 6. Upon the written request (1) of the holders of twenty per centum in amount of the General Mortgage bonds, or (2) the holders of twenty per centum in amount of any series of the General Mortgage bonds which have become due by declaration or otherwise, in case one or more of the events of default shall happen, it shall be the duty of the Trustee, upon being indemnified as hereinafter provided, to take all needful for the protection and enforcement of its rights and the rights of the holders of the General Mortgage bonds, and to exercise the power of entry or of sale herein conferred, or both, or to take appropriate judicial proceedings by action, suit or otherwise as the Trustee, being advised by counsel learned in the law, shall deem most expedient in the interest of the holders of the General Mortgage bonds; but, anything in this indenture to the contrary notwithstanding, the holders of seventy-five per centum in amount of the General Mortgage bonds then outstanding, from time to time, shall have the right to direct and to control the method and place of conducting any and all proceedings for any sale of the premises and property subject to this indenture, or for the foreclosure of this indenture, or for the appointment of a receiver or any other proceedings hereunder.

SEC. 7. In the event of any sale, whether made under the power of sale herein granted or conferred, or under or by virtue of judicial proceedings, or of some judgment or decree of foreclosure and sale, the whole of the property subject to this indenture shall be sold in one parcel and as an entirety, including all the rights, title, estates, railways, equipment, franchises, leases, leasehold interests, contracts, stocks, bonds, and other real and personal property of every name and nature, unless such sale as an entirety is impracticable by reason of some statute or other cause, or unless the holders of a majority in amount of the General Mortgage bonds then outstanding shall in writing request the Trustee to cause said premises to be sold in parcels, in which case the sale shall be made in such parcels and in such order as may be specified in such request, provided the same can legally be done; and this provision shall bind the parties hereto, and each and every of the holders of the bonds and coupons hereby secured or intended so to be.

SEC. 8. Notice of any sale pursuant to any provision of this indenture shall state the time and place when and where the same is to be made, and shall contain a brief general description of the property to be sold, and shall be sufficiently given if published once in each week for four successive weeks prior to such sale in a newspaper published in the City of New York, and in a newspaper published in the City of Saint Paul, Minnesota, and otherwise as may be required by law.

SEC. 9. The Trustee may adjourn from time to time any sale by it to be made under the provisions of this indenture, by announcement at the time and place appointed for such sale, or for such adjourned sale or sales; and, without further notice or publication, it may make such sale at the time and place to which the same shall be so adjourned.

SEC. 10. Upon the completion of any sale or sales under this indenture, the Trustee shall execute and deliver to the accepted purchasers a good and sufficient deed, or good and sufficient deeds, and other instruments conveying, assigning and transferring the properties and franchises sold. The Trustee and its successors hereby are appointed the true and lawful attorneys irrevocable of the Railway Company, in its name and stead to make all necessary conveyances and assignments of property and all necessary transfers of shares of stock or bonds or other obligations thus sold; and for that purpose they may execute all necessary deeds and instruments of assignment and transfer, and may substitute one or more persons with like power; the Railway Company hereby ratifying and confirming all that its said attorneys, or such substitute or substitutes, lawfully shall do by

virtue hereof; nevertheless, the Railway Company, if so requested by the Trustee, will join in executing all necessary deeds and instruments of assignment and transfer.

Any such sale or sales made under or by virtue of this indenture, whether under the power of sale herein granted and conferred, or under or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Railway Company, of, in and to the premises and property so sold, and shall be a perpetual bar, both at law and in equity, against the Railway Company, its successors and assigns, and against any and all persons claiming or to claim the premises and property sold, or any part thereof, from, through or under the Railway Company, its successors or assigns.

The personal property and chattels conveyed or intended to be conveyed by or pursuant to this indenture, other than stocks, bonds and other securities and claims, shall be real estate for all the purposes of this indenture, and shall be held and taken to be fixtures and appurtenances of the said railways and part thereof, and are to be used and sold therewith and not separate therefrom, except as herein otherwise provided.

SEC. 11. The receipt of the Trustee, or of any officer of a court authorized to receive the same, for the purchase money paid at any such sale shall be a sufficient discharge therefor to any purchaser of the property, or any part thereof, sold as aforesaid; and no such Purchaser or his representatives, grantees or assigns, after paying such purchase money and receiving such receipt, shall be bound to see to the application of such purchase money upon or for any trust or purpose of this indenture, or in any manner whatsoever be answerable for any loss, misapplication or non-application of any such purchase money or any part thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

SEC. 12. In case of a sale under any of the foregoing provisions of this Article, whether made under the power of sale herein granted or pursuant to judicial proceedings, or in case of a sale upon foreclosure of the property embraced in any of the mortgages constituting prior liens on the mortgaged and pledged premises or parts thereof, by reason of a default thereunder the principal sums of the General Mortgage bonds, if not previously due, shall immediately thereupon become due and payable, anything in said bonds or in this indenture to the contrary notwithstanding.

SEC. 13. The purchase money, proceeds or avails of any such sale, whether under the power of sale herein granted or pursuant to judicial proceedings, together with any other sums which then may be held by the Trustee under any of the provisions of this indenture as part of the trust estate or the proceeds thereof, shall be applied as follows:

First. To the payment of the costs and expenses of such sale, including a reasonable compensation to the Trustee, its agents, attorneys and counsel, and of all expenses, liabilities and advances made or incurred by the Trustee, and to the payment of all taxes, assessments or liens prior to the lien of this indenture, except the superior liens and any taxes, assessments or other charges subject to which the property shall have been sold;

Second. To the payment of the whole amount then owing or unpaid upon the General Mortgage bonds for principal and interest, with interest on the overdue installments at the same rate as was borne by the respective bonds on which such installments of interest are overdue; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the said bonds, then to the payment of such principal and interest, without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and the accrued and unpaid interest, subject, however, to the provisions of Section 1 of this Article;

Third. To the payment of the surplus, if any, to the Railway Company, its successors or assigns, or to whosoever lawfully may be entitled to receive the same, or as a court of competent jurisdiction may direct.

SEC. 14. Upon any such sale, whether under the power of sale herein granted or pursuant to judicial proceedings, any purchaser, for or in settlement or payment of the purchase price of the property purchased, shall be entitled to use and apply any General Mortgage bonds, and any matured and unpaid coupons, by presenting such bonds and coupons in order that there may be credited thereon the sums applicable to the payment thereof out of the net proceeds of such sale to the owner of such bonds and coupons as his ratable share of such net proceeds, after the deduction of costs, expenses, compensations and other charges; and thereupon such purchaser shall be credited, on account of such purchase price payable by him, with the portion of such net proceeds that shall be applicable to the payment of, and that shall have been credited upon, the bonds, and coupons so presented; and at any such sale, any bondholder may bid for and purchase such property, and may make payment therefor as aforesaid, and upon compliance with the terms of sale, may hold, retain and dispose of such property without further accountability.

SEC. 15. The Railway Company covenants

(1) in case default shall be made in the payment of any interest on any General Mortgage bond or bonds at any time outstanding, and such default shall have continued for a period of six months, or

(2) in case default shall be made in the payment of the principal of any such bonds when the same shall become payable, whether upon the maturity of said bonds or upon declaration as authorized by this indenture, or upon a sale as set forth in Section 12 of this Article,

that, upon demand of the Trustee, the Railway Company will pay to the Trustee, for the benefit of the holders of the General Mortgage bonds and coupons then outstanding, the whole amount which then shall have become due and payable on all such bonds and coupons then outstanding for interest or principal, or both, as the case may be, with interest upon the overdue principal and installments of interest at the same rate as the bonds which or the installments of interest on which, are overdue; and, in case the Railway Company shall fail to pay the same forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled to recover judgment for the whole amount so due and unpaid.

The Trustee shall be entitled to recover judgment as aforesaid, either before, during or after the pendency of any proceedings for the enforcement of the lien of this indenture; and the right of the Trustee to recover such judgment shall not be affected by any entry or sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this indenture or the foreclosure of the lien thereof, and in case of a sale of the property subject to this indenture, and of the application of the proceeds of sale to the payment of the debt hereby secured, the Trustee, in its own name and as trustee of an express trust, shall be entitled to enforce payment of and to receive all amounts then remaining due and unpaid upon any and all General Mortgage bonds then outstanding, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the debt remaining unpaid, with interest. No recovery of any such judgment by the Trustee, and no levy of any execution upon any such judgment upon property subject to this indenture, or upon any other property, shall in any manner or to any extent affect the lien of this indenture upon the property, or any part of the property, subjedt to this indenture, or any rights, powers or remedies of the Trustee hereunder, or any lien, rights, powers or remedies of the holders of the General Mortgage bonds, but such lien, rights, powers and remedies of the Trustee and of the bondholders shall continue unimpaired as before.

Any moneys thus collected by the Trustee under this section shall be applied by the Trustee, first, to the payment of the expenses, disbursements and compensations of the Trustee, its agents and attorneys, and, second, towards payment of the amounts then unpaid upon such bonds and coupons in respect of which such moneys shall have been collected, ratably and without preference or priority of any kind (except as provided in Section 1 of this Article), according to the amounts due and payable upon such bonds and coupons, respectively, at the date fixed by the Trustee for the distribution of such moneys, upon presentation of the several bonds and coupons and noting such payment thereon, if partly paid, and upon surrender thereof, if fully paid.

SEC. 16. The Railway Company will not at any time insist upon or plead, or in any manner whatever claim, or take the benefit or advantage of, any stay or extension law, now or at any time hereafter in force; nor will it claim, take or insist

upon any benefit or advantage from any law now or hereafter in force providing for the valuation or appraisement of the property, or any part of the property, subject to this indenture, prior to any sale or sales thereof to be pursuant to any provision herein contained, or to the decree, judgment or order of any court of competent jurisdiction; nor after any such sale or sales will it claim or exercise any right under any statute enacted by the United States, or by any state or territory or otherwise, to redeem the property so sold or any part thereof; and it hereby expressly waives all benefit and advantage of any such law or laws, and it covenants that it will not hinder, delay or impede the execution of any power herein granted and delegated to the Trustee, but that it will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

SEC. 17. Upon filing a bill in equity, or upon commencement of any other judicial proceedings, to enforce any right of the Trustee or of the bondholders under this indenture, the Trustee shall be entitled to exercise the right of entry, and also any and all other rights and powers herein conferred and provided to be exercised by the Trustee upon the happening of an event of default as hereinbefore provided; and, as matter of right, the Trustee shall be entitled to the appointment of a receiver of the premises and property subject to this indenture, and of the earnings, income, revenue, rents, issues and profits thereof with such powers as the court making such appointment shall confer; but notwithstanding the appointment of any receiver, the Trustee shall be entitled, as pledgee, to continue to retain possession and control of any stocks, bonds, cash and other property pledged or to be pledged to the Trustee hereunder.

SEC. 18. With the consent of the Trustee, at any time hereafter before full payment of the General Mortgage bonds and whenever the Railway Company shall deem expedient for the better protection or security of such bonds (although then there shall be no default entitling the Trustee to exercise the rights and powers conferred by Sections 2 and 3 of this Article), the Railway Company may surrender and may deliver to the Trustee full possession of the whole or any part of the property, premises and interests hereby conveyed or assigned, or intended so to be, and may authorize the Trustee to collect the dividends and interest on all shares of stock, bonds and other obligations subject to this indenture, and vote upon all such shares of stock, for any period fixed or indefinite. In such event the Trustee shall enter into and upon the premises and property so surrendered and delivered, and shall take and receive possession thereof for such period, fixed or indefinite, as aforesaid, without prejudice, however, to its right at any time subsequently, when entitled thereto by any provision hereof, to insist upon maintaining and to maintain such possession though beyond the expiration of any such prescribed period, and from the time of its entry upon such premises and property, the Trustee shall work, maintain, use, manage, control and and employ the same in accordance with the provisions of this indenture, and shall receive and apply the income and revenues thereof as provided in Section 2 of this Article. Upon application of the Trustee, and with the consent of the Railway Company, if then there be no subsisting default such as is specified in said Section 2 of this Article, and without such consent, if then there shall be such a subsisting default, a receiver may be appointed to take possession of, and to operate, maintain and manage, the whole or any part of the property subject to this indenture, and the Railway Company shall transfer and deliver to such receiver all such property, wheresoever the same may be situated; and in every case when a receiver of the whole or of any part of said property shall be appointed under this section, or otherwise, the net income and profits of such property shall be paid over to, and shall be received by, the Trustee, for the benefit of the holders of the General Mortgage bonds; provided, however, that notwithstanding the appointment of any such receiver, the Trustee, as pledgee, shall be entitled to retain possession and control of any stocks, bonds, cash and other property pledged or to be pledged to the Trustee hereunder.

SEC. 19. No holder of any General Mortgage bond or coupon shall have the right to institute any suit, action or proceeding in equity or at law for the foreclosure of this indenture, or for the execution of any trust hereunder, or for the appointment of a receiver, or for any other remedy hereunder, unless such holder previously shall have given to the Trustee written notice of an event of

default and of the continuance thereof, as hereinbefore provided; nor, unless also (1) the holders of twenty per centum in amount of the General Mortgage bonds then outstanding, or (2) the holders of twenty per centum in amount of any series of the General Mortgage bonds which have become due by declaration or otherwise, shall have made written request upon the Trustee, and shall have affordedd to it a reasonable opportunity either to proceed to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name;nor, unless also they shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be donditions precedent to the execution of the powers and trusts of this indenture and to any action or cause of action for foreclosure of for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more holders of bonds and coupons shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the lien of this indenture, or to enforce any right hereunder, except in the manner herein provided, and that all proceedings at law or in equity shall be instituted had and maintained in the manner herin provided and for the equal benefit of all holders of such outstanding bonds and coupons.

All rights of action under this indenture may be enforced by the Trustee without the possession of any of the bonds or coupons hereby secured or the production thereof on the trial or other proceedings relative thereto, and any such suit or proceedings instituted by the Trustee shall be brought in its name, and any recovery of judgment shall be for the ratable benefit of the holders of said bonds and coupons and the other indebtedness hereby secured.

SEC. 20. Except as herein expressly provided to the contrary, no remedy herein conferred upon or reserved to the Trustee or to the holders of General Mortgage bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SEC. 21. No delay or omission of the Trustee, or of any holder of General Mortgage bonds, to exercise any right or power accruing upon any default continuing as aforesaid, shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this Article to the Trustee and to the bondholders respectively may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the bondholders respectively.

SEC. 22. The Trustee shall have power to institute and maintain suits or proceedings to restrain the enforcement of, or compliance with, or the observance of, any legislative or governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of, or compliance with, or observance of, such enactment, rule or order would impair the security hereunder, or be prejudicial to the Trustee or to the holders of the indebtedness hereby secured.

SEC. 23. Anything in this indenture to the contrary notwithstanding, in case several series of General Mortgage bonds be outstanding under this indenture and default shall be made in the payment of the principal or interest of such bonds of any one or more of such series and not in respect of the bonds of one or more others, then whatever action in this Article Seven of this indenture it is provided may or shall be taken upon such default (continuing as in this indenture provided) by or upon the request of the holders of a specified percentage of General Mortgage Bonds outstanding, may be or shall be taken, in respect of such bonds of the series in respect of which such default shall have been made, by or upon the request of the holders of a majority in amount of the outstanding bonds of such series upon which such default shall have occurred.

ARTICLE EIGHT.

Immunity of Stockholders, Officers and Directors.

No recourse under or upon any obligation, covenant or agreement contained in this indenture, or in any General Mortgage bond or coupon, or because of the creation of any indebtedness hereby secured, shall be had against any incorporator, stockholder, officer or director, past, present or future, of the Railway Company, or of any successor corporation, either directly or through the Railway Company, by the enforce-

ment of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise; it being expressly agreed and understood that this indenture and the obligations hereby secured are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by the incorporators, stockholders, officers or directors, or any of them, of the Railway Company, or of any successor corporation, because of the creation of the indebtedness hereby authorized, or under or by reason of any obligations, covenants or agreements contained in this indenture, or in any bonds or coupons hereby secured, or implied therefrom; and that any and all personal liability of every name and nature, and any and all rights and claims against every such stockholder, officer or director, past, present or future, whether arising at common law or inequity, or created by statutes or constitution, hereby are expressly released and waived as a condition of, and as part of the consideration for, the execution of this indenture and the issue of the bonds and interest obligations secured hereby.

ARTICLE NINE.

BONDHOLDERS' ACTS, HOLDINGS AND APPARENT AUTHORITY.

Any demand, request or other instrument, required by this indenture to be signed and executed by bondholders, may be in any number of concurrect writings of similar tenor, and may be signed or executed by such bondholders in person or by agent appointed in writing. Proof of the execution of any such demand, request or otherinstrument, or of the writing appointing any such agent, and of the ownership by any person of coupon bonds transferable by delivery, shall be sufficient for any purpose of this indenture, and shall be conclusive in favor of the Trustee or of the Railway Company, with regard to due action taken by either of them under such instrument, if such proof be made in the following manner:

The fact and date of the execution by any person of any such demand, request or other instrument or writing may be proved by the certificate of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in New York, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution.

The fact of the holding by any bondholder of coupon bonds transferable by delivery, and the amounts and issue numbers of such bonds, and the date of his holding the same, may be proved by a certificate executed by any trust company, bank, bankers or other depositary (wherever situated), if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with such depositary the bonds described in such certificate. For all purposes of this indenture and of any proceeding for the enforcement thereof, such person shall be deemed to continue the holder of such bonds until the Trustee shall have received notice in writing to the contrary. The ownership of registered coupon bonds or of registered bonds without coupons shall be proved by the registers of such bonds.

ARTICLE TEN.

RELEASES OF MORTGAGED PROPERTY.

SECTION 1. From time to time, subject to the conditions and limitations in this Article Ten prescribed and not otherwise, upon the delivery to the Trustee of (1) a written request of the Railway Company, (2) certified copy of a resolution of the Board of Directors, or Executive Committee of the Board of Directors, of the Railway Company authorizing such request, and (3) the certificate of its President, or one of its Vice-Presidents, or its Chief Engineer, and its Treasurer, or Comptroller, or other chief accounting officer, which certificate shall conform to the provisions hereinafter in this Section set forth, the Trustee shall release from the lien of this indenture any part of the right of way, lands, leaseholds and other property (other than stocks, bonds and securities) then subject to this indenture and specified in such resolution and certificate.

Such certificate shall set forth (a) a description of the property a release of which is requested, and that such property is not necessary or advantageous for the further operation, maintenance or use of any of the lines of railway which, or the leases of which, are then subject to the lien of this indenture, or for use in connection with the business of the Railway Company, or that the release thereof is required as an incident to changes or modification in the purpose, route or location of a line of railway or a terminal subject to this indenture, (b) that the general integrity and continuity of the system of lines of railway subject to this indenture will not be impaired by the execution of the release requested, (c) that the release requested is required for the purpose of carrying out an agreement for the sale of the property to be released or in exchange for other property, or as incident to some change or modification in the purpose, location or route of a line of railway subject to the lien of this indenture, or as incident to some change or modification in some railway terminal subject to this indenture, (d) the sale price of the property release of which is requested if such property is to be sold, and/or a description of the property if any to be received in exchange therefor, and (e) that the fair value of the property for which release is requested is not greater than the price at which the same is to be sold or the fair value of the property to be received in exchange as the case may be; but such statement of value shall not be required in a case where the property is not to be sold or exchanged but the release shall be requested as incident to some change or modification in the purpose, location or route of a line of railway or terminal.

SEC. 2. From time to time the Trustee shall release from the lien of this indenture any franchise or portion thereof which is to be or shall have been surrendered by the Railway Company, and any tracks or structures which are to be or shall have been removed or abandoned by it, provided that such surrender of franchise or such removal or abandonment of tracks or structures shall have been made pursuant to, or by the authority of, the Interstate Commerce Commission or other agency of the United States having authority in the premises, or by virtue of or pursuant to an agreement with a state, a municipality or other political division or subdivision of a state, or by virtue of or pursuant to the authority of a state commission or other state agency having authority in the premises, or by virtue of or pursuant to legal requirements. Such release shall be executed by the Trustee upon delivery to the Trustee of (1) the written request therefor of the Railway Company, (2) a certified copy of a resolution of the Board of Directors, or Executive Committee of the Board of Directors, of the Railway Company authorizing such request, (3) the certificate of the President, or a Vice-President, or Chief Engineer, and Treasurer, or Comptroller, or other chief accounting officer of the Railway Company, setting forth the facts relating to such surrender, removal or abandonment, (4) copy of any authority of any public agency if such there be authorizing the surrender, removal or abandonment, or a statement of the legal requirements or agreement to comply with which such release is requested, and (5) written opinion of counsel of the Railway Company that the release requested is in accordance with or pursuant to some one of the things set forth in clause (4) of this Section 2.

SEC. 3. If by final decree of any competent court having jurisdiction in the premises in an action or proceeding to which the Trustee is a party, the Railway Company shall be required to part with the ownership, possession or operation of any property or properties, or portion or portions thereof, subject to the lien of this indenture, then and in any such event such property or properties, or portion or portions thereof, as it may be so required to part with shall be released from the lien of this indenture upon such terms and conditions as in such decree may be prescribed.

SEC. 4. Any property acquired by the Railway Company in exchange for or to take the place of any property released hereunder ipso facto shall become and shall be subject to the lien of this indenture as fully as if specifically mortgaged hereby, but if requested by the Trustee the Railway Company will convey the same by appropriate deeds and assignments upon the trusts and for the purposes of this indenture. The Railway Company shall deliver to the Trustee the written opinion of counsel for the Railway Company to the effect that either such deeds or other instruments are sufficient for that purpose, or that any such deeds or other instruments are not necessary to subject such property to the lien of this indenture.

SEC. 5. The Railway Company may sell or dispose of any shares of stock (other than shares of the capital stock of a subsidiary railway, terminal or depot company organized and existing under the laws of the United States of America, or of any state thereof, a majority of the outstanding shares of the capital stock of which are subject to the lien of this indenture) or bonds which at any time may be subject to the lien of this indenture (other than bonds evidencing prior debt); provided, however, that it shall not so sell or dispose of less than the whole number of shares of stock (except for the purpose of qualifying directors or officers) or less than the whole amount of bonds of any corporation held subject to the lien hereof; and provided further, that said shares of stock or bonds shall not be sold or disposed of for less than the fair and full value thereof.

Upon the request of the Railway Company, evidenced by resolution of the Board of Directors, or Executive Committee of the Board of Directors, of the Railway Company, and upon certificate of its President, or a Vice-President, and its Treasurer, or Comptroller, or other chief accounting officer, stating the price at which such stocks or bonds are to be sold or shall have been sold and that such price is the full and fair value thereof, and any other facts which the Trustee may require to be stated concerning the same, the Trustee shall release such stocks or such bonds so sold from the lien of this indenture and shall deliver the same, if in the possession of the Trustee, to the purchaser thereof pursuant to the provisions of the resolution aforesaid; provided, however, that the consideration therefor shall simultaneously be paid to the Trustee unless applied in accordance with the terms of a prior pledge or assignment; and provided further, that the Trustee may require the value of such stocks or bonds to be ascertained by an appraiser or appraisers appointed by the Railway Company and satisfactory to the Trustee.

SEC. 6. All moneys receivable for property released as provided in the foregoing sections of this Article, and all moneys receivable as compensation for any property subject to this indenture taken by exercise of the power of eminent domain and, except as in this indenture otherwise provided, any and all other moneys at any time receivable by the Trustee, unless applied in accordance with the requirements of mortgages or pledges constituting prior liens thereon or on part thereof, shall be received and be held by the Trustee as a part of the trust estate, and considered as deposited cash under Section 7 of Article Three, and from time to time, upon receipt of a certified copy of a resolution, opinion of counsel, and authenticated certificate or order of authorization, as required by said Section 7 of Article Three, the Trustee shall pay such moneys to, or upon the written order of, the Railway Company.

Any of said moneys may also be used by the Railway Company for the purchase of bonds previously issued under the provisions of this indenture, at a price or prices not exceeding the fair market value thereof at the time of purchase. Upon delivery to and deposit with the Trustee from time to time of bonds issued under this indenture, either in bearer form or accompanied by proper instruments of assignment and transfer, whether cancelled or uncancelled (together with all unmatured coupons, if any, thereto belonging), the Trustee out of the moneys referred to in this Section 6 of this Article Ten, shall pay to the Railway Company, or upon its written order, a sum equal to the fair market value expended, or to be expended, by the Railway Company in the acquisition of the bonds so delivered to and deposited with the Trustee. Said fair market value shall in no event exceed the principal amount of such bonds so delivered to and deposited with the Trustee. Any uncancelled General Mortgage bonds delivered to and deposited with the Trustee under and pursuant to this Section 6 of this Article Ten, shall be cancelled by the Trustee upon the written order of the Railway Company.

SEC. 7 From time to time, while it is in possession of any property subject to this indenture, the Railway Company also shall have full power, in its discretion, to dispose of any portion of the machinery, equipment and implements, at any time subject to the lien hereof, which may have become unfit for such use, replacing the same by new machinery, equipment or implements, of equal value, which shall become subject to this indenture. In no event shall any purchaser or purchasers of any property sold or disposed of under any provision of this Article be required to see to the application of the purchase money.

SEC. 8 The Railway Company, from time to time, may make changes or alterations in, or substitutions for, any leases, trackage rights or contracts that are subject to this indenture. In any such event any modified, altered or substituted leases, contracts or trackage rights forthwith shall become bound by and be subject to the terms of this indenture, in the same manner as those previously existing.

SEC. 9. Whenever the Railway Company shall own and hold, directly subject to the lien of this indenture, all the property, both real and personal, of any company, of whose shares of capital stock all or a majority shall then be held by the Trustee subject to this indenture, upon the written request of the Railway Company, the Trustee shall release all such shares so held by it from the lien of this indenture and shall deliver to the Railway Company certificates therefor properly assigned for transfer.

SEC. 10. Whenever the Railway Company shall own and hold directly subject to the lien of this indenture as a first lien thereon (subject only to the lien or liens of any indenture or indentures securing bonds pledged to the Trustee under this indenture), an undivided one-half interest in the line of railway of the Spokane, Portland and Seattle Railway Company, the Trustee shall release all shares of the capital stock of said Spokane, Portland and Seattle Railway Company held by it, from the lien of this indenture, and shall deliver to the Railway Company certificates therefor properly assigned for transfer, and, further, shall cancel and release from the lien of this indenture any bond or bonds secured by indenture or indentures of said Spokane, Portland and Seattle Railway Company held by the Trustee, upon being furnished evidence satisfactory, and in satisfactory form, to the Trustee, of the release of any indenture or indentures securing any of said bonds of said Spokane, Portland and Seattle Railway Company.

SEC. 11. From time to time, upon the written order of the Railway Company, accompanied by a certified copy of a resolution of its Board of Directors, or the Executive Committee of its Board of Directors, authorizing such order, the Trustee shall release from the lien and operation of this indenture any of the proposed Northern Pacific-Great Northern Joint 15-Year 6½% Convertible Gold Bonds then pledged hereunder, upon the delivery to the Trustee of shares of the capital stock of the Chicago, Burlington & Quincy Railroad Company of the par value of $77 (plus a pro rata proportion of any increase in the capital stock of said Company by way of stock dividend subsequent to July 1, 1921) for each $100, face amount, of said Northern Pacific-Great Northern Joint 15-Year 6½% Convertible Gold Bonds so released from the lien of this indenture.

SEC. 12. In case any property subject to this indenture shall be in the possession of a receiver lawfully appointed, the powers in and by this Article conferred upon the Railway Company may be exercised by such receiver with the approval of the Trustee, and if the Trustee shall be in possession of any such property under any provision of this indenture, then all the powers in and by this Article conferred upon the Railway Company may be exercised by the Trustee in its discretion. Anything in this Article Ten to the contrary notwithstanding, the Trustee may, but shall not be required to, release to the Railway Company from the lien of this indenture, any property subject to the lien of this indenture as in and by this Article Ten provided for, if, at the time such release be requested, any of the events of default shall have happened and be continuing.

SEC. 13. A certificate signed by the President, or a Vice-President, or the Chief Engineer, and the Treasurer, or Comptroller, or other chief accounting officer of the Railway Company, may be received by the Trustee as conclusive evidence of the facts mentioned in this Article, and shall be full warrant and protection to the Trustee for its action on the faith thereof.

ARTICLE ELEVEN.

PROVISIONS FOR SUPPLEMENTAL INDENTURES.

SECTION 1. The Railway Company, when authorized by resolution of its Board of Directors, or Executive Committee of its Board of Directors, and the Trustee from time to time and at any time, may enter into an indenture or indentures supple-

mental hereto and which thereafter shall form part hereof for any one or more of the following purposes:

(a) to convey, transfer and assign to the Trustee and to subject to the lien of this indenture, with the same force and effect as though included in the granting clause hereof, additional railroads or leases thereof, bonds, shares of capital stock, equipment and any other property then owned by the Railway Company, acquired by it through consolidation or merger or by purchase, or otherwise. The prior debt secured by mortgage to which any lines of railroad so conveyed shall be subject, shall be specified and described and the amount thereof stated in such supplemental indenture; and the prior debt so specified and described shall thereupon and thereafter be deemed and taken to be included in Section 2 of Article Three hereof.

(b) To specify and state the bonded indebtedness, and the amount thereof, of any company which hereafter shall be consolidated with or merged into, or whose railroad property hereafter shall be acquired by, the Railway Company, although such bonded indebtedness may not be secured by mortgage, which bonded indebtedness is to be regarded as forming a part of the prior debt of the Railway Company, and to retire which, at or before maturity, bonds are to be reserved as provided in Section 3 of Article Three hereof.

(c) To evidence the succession of another corporation to the Railway Company, or successive successions, and the assumption by a successor corporation of the covenants and obligations of the Railway Company under this indenture.

(d) To make provision for the appointment of a co-trustee as hereinafter provided for in Section 6 of Article Twelve of this indenture.

(e) To make such provision as may be necessary or desirable with respect to any series of bonds, if any, issued under this indenture, covertible into shares of the capital stock of the Railway Company.

(f) To add to the limitations on the authorized amount, issue and purposes of issue of bonds issuable under Sections 5 and 7 of Article Three of this indenture, other than the limitations herein provided for.

(g) To make provision in regard to matters or questions arising under this indenture as may be necessary or desirable and not inconsistant with this indenture.

SEC. 2. The Trustee is hereby authorized to join with the Railway Company in the execution of any such supplemental indenture to make the further agreements and stipulations which may be therein containedand to accept conveyance, transfer and assignment of any property thereunder.

ARTICLE TWELVE.

CONCERNING THE TRUSTEE.

SECTION 1. The Trustee shall not be answerable for the default or the misconduct of any agent or attorney appointed in pursuance hereof, of such agent or attorney shall have been selected with reasonable care, or for the exercise of any discretion or power hereunder, or for anything whatever in connection with this trust, except its own wilful misconduct or gross negligence. The Trustee shall be protected in acting upon any notice, request, consent, certificate, bond or other paper or document believed by it to be genuine and to have been signed by the proper party.

The Trustee shall not be personally liable for any debts duly contracted by it, or for damages to persons or property carried or injured, or for salaries or non-

fulfillment of contracts, durning any period wherein the Trustee shall manage the trust property or premises upon entry or voluntary surrednder as aforesaid . Neither shall the Trusteebe under any obligation to take any action towards the execution or enforcement of the trusts hereby created, which, in the opinion of the Trustee, shall be likely to involve expense or liability, unless one or more of the holders of the General Mortgage bonds shall, as often as required by the Trustee, furnish indemnity satisfactory to it against such expense or liability; nor shall the Trustee be required to take notice of any default hereunder, unless notified in writing of such default by the holders of at least five per centum in amount of the General Mortgage bonds then outstanding, or to take any action in respect of any default unless requested to take action in respect thereof by a writing signed by the holders of not less than twenty per centum in amount of the General Mortgage bonds then outstanding, and tendered indemnity satisfactory to the Trustee, as aforesaid, anything herein contained to the contrary notwithstanding; but the foregoing provisions of this section are intended only for the protection of the Trustee, and shall not be construed to affect any discretion or power by any provision of this indenture given to the Trustee, to determine whether or not it shall take action in respect of any default without such notice or request from bondholders, or to affect any other discretion or power given to the Trustee.

The Trustee shall not be responsible for the recording of this indenture and shall not be required to file or refile the same as a chattel mortgage, nor shall it be responsible for the recording of any indenture or instrument supplemental to this indenture, nor shall it be required to file or refile the same as a chattel mortgage or otherwise, nor shall the Trustee be under any duty to give notice to any instrument supplemental hereto.

The Trustee shall be reimbursed by the Railway Company for, and be indemnified against, any liability or damages which may be sustained by it in the premises. The Trustee shall be secured under this indenture preferentially to the bonds issued under this indenture, for its compensation and expenses, and also for any liability or damages by it sustained in the premises.

The Trustee shall not be accountable for the use of any bonds authenticated and delivered by the Trustee hereunder or for the application of the proceeds of any such bonds.

The recitals and statements in this indenture and in the General Mortgage bonds and coupons contained are and shall be taken as statements by the Railway Company alone and are not and shall not be taken as made by, and shall not be considered as imposing any obligation or liability upon, the Trustee, nor shall the Trustee be held responsible for the legality or validity of this indenture or of said bonds or coupons or of any supplemental indenture or of any instrument of further assurance.

The Trustee makes no covenant or representation respecting the rights of the holders of any of the bonds or coupons secured by this indenture or the title or interest of the Railway Company in or to the mortgaged and pledged property, or respecting the validity of any assignment under which any securities held hereunder were acquired by the Railway Company or assigned to the Trustee, or the nature, extent or sufficiency of the security afforded by the mortgaged and pledged property.

The Trustee may advise with legal counsel, and shall be fully protected in any action under this indenture taken or suffered in good faith by it, in accordance with the opinion of counsel, and such action so taken shall be conslusive on the Railway Company and on all holders of the bonds hereby secured. The Railway Company agrees to pay the reasonable expenses of counsel so employed by the Trustee.

In all cases where this indenture does not make other express provisions, as to the evidence on which the Trustee may act or refrain from acting or upon which it may rely, the Trustee shall be protected, in acting or refraining from acting under any provision of this indenture, in relying upon the certificate, as to any matter therein mentioned, signed by the President, or a Vice-President, or the Chief Engineer, and by the Treasurer, or Comptroller, or other chief accounting officer of the Railway

Company. In all cases where this indenture does not make other express provisions as to the form, nature or character of the "written order or roders", "written request" or "direction" of the Railway Company on which the Trustee may act, or refrain from acting, or upon which it may rely, the Trustee shall be protected in acting, or refraining from acting, under any provision of this indenture, in relying upon the written order, request or direction of the President, or any Vice-President, of the Railway Company, as to any matter mentioned in such written order or orders, request or direction. In all cases where this indenture does not make other express provisions as to the form, nature or character of the "certified copy of resolution or resolutions" on which the Trustee may act, or refrain from acting, or upon which it may rely, the Trustee shall be protected in acting, or refraining from acting, under any provision of this indenture, in relying upon resolution or resolutions certified to by the Secretary, or any Assistant Secretary, of the Railway Company.

The Trustee shall be entitled to reasonable compensation for all services rendered by it in the execution of the trusts hereby created, and the Railway Company agrees to pay such compensation, as well as all expenses necessarily or properly incurred or disbursed by the Trustee hereunder. It shall be no part of the duties of the Trustee to effect insurance upon any of the property covered by this indenture.

Any interest accruing upon any funds in the hands of the Trustee shall be held by the Trustee, as a part of the principal upon which such interest has accrued, and shall be disposed of by the Trustee with such principal.

Any action taken by the Trustee pursuant to this indenture upon the request or authority or consent of any bondholder shall be conslusive and binding upon all future owners of the bond or bonds in respect of which such request, authority or consent was given, and the bonds issued in exchange therefor or in place thereof.

The Trustee may become the owner of bonds and coupons secured hereby with the same rights which it would have if it were not Trustee.

Any moneys received by the Trustee under any provision of this indenture may be treated by it, until it is required to pay out the same conformably herewith, as a deposit without any liability for interest save as it shall agree with the Rail way Company to pay interest thereon.

SEC. 2. The Trustee, unless and until it shall have received written notice to the contrary from (1) the holders of five per centum in amount of the General Mortgage bonds outstanding, or (2) the holders of twenty per centum in amount of any series of the General Mortgage bonds which have become due by declaration or otherwise, may, for all purposes of this indenture, assume that no default has happened under any mortgage or deed of trust covering the mortgaged and pledged premises, or any part thereof, or under any bond secured by any such mortgage or deed of trust; that no default has been made in the payment of any of said bonds or in the observance or performance of any other of the covenants contained in said bonds or in the mortgage or deed of trust securing the same; that no receiver has been appointed of the railways or of any of them constituting part of the mortgaged and pledged premises; that no trustee under any mortgage or deed of trust covering the property or any part thereof constituting the mortgaged or pledged premises is or has been in possession of the property embraced in such mortgage or deed of trust; that the Railway Company is not in default under this indenture, and that none of the events hereinbefore denominated events of default has happened. The notice to the Trustee in this section provided for shall distinctly specify the default desired to be brought to the attention of the Trustee.

SEC. 3. The Trustee, or any trustee or trustees hereafter appointed, may resign and be discharged from the trusts created by this indenture by giving to the Railway Company and to the bondholders notice by publication of such resignation, specifying a date when such resignation shall take effect, which notice shall be published at least once on a day not less than thirty days nore more than sixty days prior to the date so specified, in a newspaper at that time published in New York, N.Y., and in a newspaper at that time published in Saint Paul, Minnesota. Such resignation shall take effect on the day specified in such notice, unless previously

a successor trustee shall have been appointed as hereinafter provided, either by the Railway Company or by the bondholders, in which event such resignation shall take effect immediately upon the appointmen t of such successor trustee.

Any trustee hereunder may be removed at any time by an instrument in writing under the hands of the holders of two-thirds in amount of the General Mortgage bonds then outstanding.

SEC. 4 In case at any time the Trustee, or any successor trustee, shall resign or shall be removed or otherwise shall become incapable of acting, a successor or successors may be appointed by the holders of a majority in amount of the General Mortgage bonds then outstanding, by an instrument or concurrent instruments signed by such bondholders or their attorneys in fact duly authorized; but, until a new trustee shall be appointed by the bondholders as herein authorized, the Railway Company, by an instrument executed by order of its Board of Directors, or of the Executive Committee of its Board of Directors, may appoint a trustee to fill such vacancy; provided, however, that any new trustee appointed in succession to the Trustee, or in succession to any such successor, shall always be either(1) a trust company in the City of New York, having a capital and surplus aggregating at least $2,000,000 or (2) a bank organized and existing under the laws of the United States of America, having its principal office and place of business in the City of New York, having a capital and supplus aggregating at least $2,000,000, if there be such a trust company or bank willing and able to accept the trust upon reasonable and customary terms. After any such appointment by the Railway Company, it shall publish notice of such appointment once in each of four successive weeks in a newspaper published in New York, N.Y., and a newspaper published in Saint Paul, Minnesota, and any new trustee so appointed by the Railway Company shall immediately and without further act be superseded by a trustee appointed in the manner above provided by the holders of a majority in amount of the General Mortgage bonds, if such appointment by such bondholders be made prior to the expiration of twelve months after such publication of notice.

Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Railway Company an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in the trust hereunder, with like effect as if originally named as trustee herein; but nevertheless, on the written request of the Railway Company or of the successor trustee, the trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of the trustee so ceasing to act, and shall duly assign, transfer and deliver its interest in any stocks, bonds or other property and moneys subject to this indenture to the successor trustee so appointed in its place;, and, upon request of any such successor trustee, the Railway Company shall make, execute, acknowledge and deliver any and all deeds, conveyances or other instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such estates, properties, rights, powers and duties.

SEC. 5. Any company into which the Trustee or any successor to it in the trust created by this indenture may be merged, or with which it or any successor to it may be consolidated or any company resulting from any merger or consolidation to which the Trustee or any successor to it shall be a part, provided that such company shall be a corporation organized under (1) the laws of the United States, or (2) the laws of the State of New York, having a capital and surplus of at least $2,000,000 and shall do business in the City of New York, shall be the successor to the Trustee under this indenture without the execution or filing of any paper or any further act on the part of either of the parties hereto, anything herein to the contrary notwithstanding. In case any of the bonds issuable under this indenture shall have been authenticated but not delivered, any such successor trustee may adopt the certificate of authentication of the Trustee, or of any successor to it as Trustee hereunder, and deliver the bonds so authenticated; and in case of any of the bonds issuable hereunder shall not have been authenticated, any successor trustee may authenticate such bonds in its own name, and in all such cases such authentication shall have the full force and effect which anywhere in said bonds or in this indenture it is provided that the authentication of the Trustee shall have.

SEC. 6. If, at any time or times, in order to conform to any law of any locality in which the Railway Company now holds, or at any time hereafter shall hold, any property subject to the lien of this indenture, or if the Trustee shall be advised by counsel satisfactory to it that it is necessary or prudent in the interest of the bondholders so to do, or if the holders of a majority in principal amount of bonds outstanding under this indenture shall in writing request the Trustee and the Railway Company so to do, the Trustee and the Railway Company shall unite in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint another company, or one or more persons, approved by the Trustee, either to act as co-trustee or as co-trustees, for the purpose of this indenture, of all or any of the property subject to this indenture, jointly with the Trustee originally named herein, or its successor, or to act as separate trustee or trustees of any of such property; and the company-and its successor or successors through consolidation, merger or otherwise-or the person or persons so appointed, shall be such co-trustee or co-trustees or separate trustee or separate trustees, with such powers and duties as shall be specified in such instruments and agreements to be executed as aforesaid.

ARTICLE THIRTEEN.

POSSESSION UNTIL DEFAULT-DEFEASANCE CLAUSE.

SECTION 1. Until the happening of one or more of the events of default enumerated in Section 2 of Article Seven of this indenture and the continuance of any such event of default for the period, if any, therein specified in respect thereof, the Railway Company, its successors and assigns, shall be suffered and permitted to retain actual possession of all the property subject to this indenture (other than bonds, certificates of stock, cash and other property pledged or to be pledged hereunder to the Trustee) and to manage, operate and use the same and every part thereof, with the rights and franchises appertaining thereto, and to collect, receive, take, use and enjoy the tolls, earnings, income, rents, issues and profits thereof.

SEC. 2. If, when the General Mortgage bonds shall have become due and payable, the Railway Company well and truly shall pay, or cause to be paid, the whole amount of the principal and interest due upon all General Mortgage bonds and coupons then outstanding, or shall provide for the payment of such bonds and coupons by depositing with the Trustee hereunder the entire amount due thereon for principal and interest, and also shall pay, or cause to be paid, all other sums payable hereunder by the Railway Company, and well and truly shall keep and perform all the things herein required to be kept and performed by it according to the true intent and meaning of this indenture, then and in that case all property, rights and interests hereby conveyed or assigned or pledged shall revert to the Railway Company, and the estate, rights, title and interest of the Trustee thereupon shall cease, determine and become void, and the Trustee in such case, on demand of the Railway Company, and at its cost and expense, shall enter satisfaction of this indenture upon the record; otherwise the same shall be, continue and remain in full force and virtue.

ARTICLE FOURTEEN.

SUCCESSORS AND ASSIGNS.

All the covenants, stipulations, promises and agreements in this indenture contained by or in behalf of the Railway Company shall bind its successors and assigns, whether so expressed or not.

ARTICLE FIFTEEN.

LEASES, SALES AND CONSOLIDATIONS.

SECTION 1. Nothing contained in this indenture, or in any General Mortgage bonds, shall prevent any lease, subject to the continuing prior lien of this indenture and to all the provisions thereof, of all the property subject to this indenture, to a railway corporation at that time existing under and by virtue of the laws of any state or states, or of the United States, and empowered to take such a lease; provided, however, that such lease, as part of the annual rental thereby reserved, shall require the lessee therein to pay the interest on all General Mortgage bonds

from time to time outstanding under this indenture, and shall be made subject to termination by the Trustee hereunder in case of the happening of an event of default, or by the purchaser at any sale of the mortgaged and pledged premises, made in enforcement of this indenture.

SEC. 2. Nothing contained in this indenture, or in any General Mortgage bond, shall prevent any consolidation or merger of the Railway Company with any other corporation, or any sale, subject to the continuing lien of this indenture and to all the provisions thereof, of all the property subject to this indenture, as an entirety, to a railway corporation at that time existing under and by virtue of the laws of any state or states, or of the United States, and empowered to acquire the same; provided, however, that such consolidation, merger or sale shall be upon such terms as to preserve and not to impair the lien and security of this indenture, or any of the rights or powers of the Trustee or of the holders of the General Mortgage bonds.

In case the Railway Company shall be consolidated or merged with any other corporation, or shall sell all the property subject to this indenture as an entirety, as aforesaid, the corporation formed by such consolidation, or the corporation into which the Railway Company shall have been merged, or the corporation which shall have purchased as aforesaid, shall execute and cause to be recorded an instrument satisfactory to the Trustee, and to which the Trustee shall be a party, whereby such successor or purchasing corporation shall assume the due and punctual payment of the principal and interest of the General Mortgage bonds and the performance of all the covenants and conditions of this indenture, or any supplement hereto, and thereupon shall succeed to, and be substituted for, the Railway Company, party of the first part hereto, with the same effect as if it had been named herein as such party of the first part; and such successor or purchasing corporation thereupon may cause to be signed, and may issue either in its own name or in the name of the Railway Company any or all such bonds which theretofore shall not have been signed by the Railway Company and delivered to the Trustee; and, upon the order of said successor or purchasing corporation, in lieu of the Railway Company, and subject to all the terms, conditions and restrictions herein prescribed, the Trustee shall authenticate and shall deliver all such bonds which previously shall have been signed and delivered by the officers of the Railway Company to the Trustee for authentication, and all such bonds which such successor or purchasing corporation thereafter shall cause to be signed and delivered to the Trustee for that purpose. All the bonds so issued, in every respect, shall have the same legal rank and security as the bonds theretofore or thereafter issued in accordance with the terms of this indenture, as though all the said bonds had been issued at the date of the execution hereof.

For every purpose of this indenture, including the execution, issue and use of any and all General Mortgage bonds, the terms "Railway Company" and "Great Northern Railway Company" include and mean not only the party of the first part hereto, but also any such successor or purchasing corporation. The Railway Company, by its present corporate name or by any other corporate name which hereafter it lawfully may adopt and possess, and every such successor or puchasing corporation shall have, and from time to time may exercise, each and every right and power hereunder of the Railway Company, in the name of the Great Northern Railway Company or otherwise.

Any act or proceeding, by any provision of this indenture authorized or required to be done or performed by any board or officer of the Railway Company, shall and may be done and performed with like force and effect by the like board or officer of any railway corporation that at the time shall be such lawful sole successor or purchaser of the Railway Company.

Nevertheless, before the exercise of the powers conferred by this Article, the Railway Company, by instrument in writing executed by authority of two-thirds of its Board of Directors and delivered to the Trustee, may surrender any of the powers reserved to the Railway Company or to such successor or purchasing corporation, and, thereupon, such power so surrendered shall terminate.

ARTICLE SIXTEEN.

EXECUTION IN COUNTERPARTS.

In order to facilitate the recording of this indenture, the same may be executed simultaneously in several counterparts, each of which so executed shall be deemed to be an original; and such counterparts shall together constitute but one and the same instrument,

ARTICLE SEVENTEEN.

ACCEPTANCE OF TRUST.

The First National Bank of the City of New York, Trustee, the party hereto of the second part, hereby accepts the trusts in this indenture declared and provided, and agrees to perform the same upon the terms and conditions hereinbefore set forth,

IN WITNESS WHEREOF, GREAT NORTHERN RAILWAY COMPANY, the party hereto of the first part, has caused this indenture to be signed and acknowledged or proved by its President or a Vice-President and its corporate seal to be hereunto affixed and the same to be attested by the signature of its Secretary or an Assistant Secretary; and The First National Bank of the City of New York, party of the second part, has caused these presents to be signed and acknowledged or proved by its President or a Vice-President and its corporate seal to be hereunto affixed and the same to be attested by the signature of its Cashier or an Assistant Cashier. Executed and delivered the third day of May, 1921.

GREAT NORTHERN RAILWAY COMPANY,
Bt RALPH BUDD,
President.

(Corporate seal)
ATTEST:
E. T. NICHOLS,
Assistant Secretary.

THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK,
By F. D. BARTOW,
Vice-President.

(Corporate seal)

ATTEST:
S. A. WELLDON,
Cashier.

Signed, sealed and delivered by
Great Northern Railway Company
in presence of:
H. F. SMITH,
J. B. REEVE.

Signed, sealed and delivered by
The First National Bank of the
City of New York in presence of:
H. F. SMITH,
J. B. REEVE.

STATE OF NEW YORK,) ss.:
County of New York.)

BE IT REMEMBERED that on this 3rd day of May, 1921, before me, the undersigned authority, CELIA SACHS, a Notary Public in and for said County of New York, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds or conveyances of lands, tenements and hereditaments in said state, and in the presence of the undersigned witnesses, both males of lawful age, personally came and appeared Ralph Budd, President, and E. T. Nichols,

Assistant Secretary, of the Great Northern Railway Company, the corporation of that name described in and which executed the foregoing instrument, both being to me personally known, and known to be such President and Assistant Secretary, respectively, of said corporation, and to be the same persons who now have signed, executed and acknowledged the foregoing instrument, as such President and Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and the said Ralph Budd and E. T. Nichols, being by me duly severally sworn, did severally depose and say and acknowledged in the presence of said witnesses, that said Ralph Budd resides in the City of St. Paul, in the State of Minnesota, and that said E. T. Nichols resides in the City of New York, in the State of New York; that said Ralph Budd is the President, and said E. T. Nichols is the Assistant Secretary, of the Great Northern Railway Company, one of the corporations described in and which executed the above instrument; that they, the said Ralph Budd, President, and said E. T. Nichols, Assistant Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument is the corporate seal of said corporation; that it was so affixed thereto by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument, in their respective capacities as President and Assistant Secretary, in behalf of said Company, by like order and authority; that they signed and executed the same as their own free and voluntary act and deed, and as the free and voluntary act and deed of said Company, for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged said instrument to be the free act and deed of said corporation.

Thus done and signed, at the County of New York, in the State of New York, in the presence of the undersigned Notary Public, and of said two witnesses, both residing in said City of New York, who hereunto sign their names with said appearers, and said Notary Public, on the day and date aforesaid.

GIVEN under may hand and official seal this 3rd day of May, 1921. My commission and term of office as Notary Public expire on March 30, 1922.

Appearers:
RALPH BUDD,
E. T. NICHOLS.

Witnesses:
H. F. SMITH,
J. B. REEVE.

CELIA SACHS,
Notary Public, New York County No. 8,
New York Register No. 2133,
(Notarial seal) My Commission expires Mch. 30, 1922.

STATE OF NEW YORK,) ss.:
County of New York.)

I, WM. F. SCHNEIDER, Clerk of the County of New York, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, do hereby certify, that Celia Sachs, whose name is subscribed to the Certificate of the proof or acknowledgment of the annexed instrument, and thereon written, was, at the time of taking such proof or acknowledgment a Notary Public in and for the County of New York, dwelling in the said county, commissioned and sworn, and duly authorized to take the same. And further, that I am well acquainted with the handwriting of such Notary, and verily believe that the signature to the said certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have heReunto set my hand and affixed the seal of the said Court and County, the 4 day of May, 1921.

WM. F. SCHNEIDER,
Clerk.

(Seal)

STATE OF NEW YORK,) ss.:
County of New York)

BE IT REMEMBERED that on this 3rd day of May, 1921, before me, the undersigned authority, CELIA SACHS, a Notary Public in and for said County of New York, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds or conveyances of lands, tenements and hereditaments in said state, and in the presence of the undersigned witnesses, both males of lawful age, personally came and appeared Francis D. Bartow, Vice-President, and Samuel A. Welldon, Cashier of The First National Bank of the City of New York, the corporation of that name described in and which executed the foregoing instrument, both being to me personally known, and known to be such Vice-President and Cashier, respectively, of said corporation, and to be the same persons who now have signed, executed and acknowledged the foregoing instrument, as such Vice-President and Cashier respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and the said Francis D. Bartow and Samuel A. Welldon, being by me duly severally sworn, did severally depose and say and acknowledge in the presence of said witnesses, that said Francis D. Bartow resides in South Orange, Essex County, in the State of New Jersey, and that said Samuel A. Welldon resides in the City of New York, in the State of New York; that said Francis D. Bartow is the Vice-President, and said Samuel A. Welldon is the Cashier, of The First National Bank of the City of New York, one of the corporations described in and which executed the above instrument; that they, the said Francis D. Bartow, Vice-President, and the said Samuel A. Welldon, Cashier, being thereto duly authorized by resolution of the Board of Directors of said The First National Bank of the City of New York, did by these presents accept the same, for the consideration, objects and purposes therein stated, as well for and on behalf of said The First National Bank of the City of New York, as for each and every other person or persons who may hereafter become the purchaser or purchasers, assignee or assignees, or holder or holders of the said bonds or coupons, or any number thereof, or any of them, in said instrument described, together with all rights, benefits and privileges thereunto accuring or in anywise appertaining under and by virtue thereof; that they, the said Francis D. Bartow, Vice-President, and said Samuel A. Welldon, Cashier, know the corporate seal of said corporation; that the seal affixed to said instrument is the corporate seal of said corporation; that it was so affixed thereto by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument, in their respective capacities, by like order and authority, as Vice-Presiant and Cashier of said The First National Bank of the City of New York; that they signed and executed the same as their own free and voluntary act and deed, and as the free and voluntary act and deed of said The First National Bank of the City of New York, for the consideration, objects, uses and purposes therein stated and set forth; that under and by virtue of the by-laws of said The First National Bank of the City of New York, the said Cashier has the custody of the seal thereof, and is authorized to affix the seal to the instruments taken under execution of trusts which have been accepted by the said The First National Bank of the City of New York; and said Francis D. Bartow and Samuel A. Welldon severally duly acknowledged said instrument to be the free act and deed of said corporation.

Thus done and signed at the County of New York, in the State of New York, in the presence of the undersigned Notary Public, and of said two witnesses, both residing in said City of New York, who hereunto sign their names with said appearers, and said Notary Public, on the day and date aforesaid.

GIVEN under my hand and official seal this 3rd day of May, 1921. My commission and term of office as Notary Public expire on March 30, 1922.

Appearers:
FRANCIS D. BARTOW,
SAMUEL A. WELLDON.

Witnesses:
H. F. SMITH,
J. B. REEVE.

CELIA SACHS,
Notary Public, New York County No. 8,
New York Register No. 2133,
My Commission expires Mch. 30, 1922.

(Notarial Seal)

STATE OF NEW YORK,) ss.:
County of New York)

I, WM. F. SCHNEIDER, Clerk of the County of New York, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, do hereby certify, that Celia Sachs, whose name is subscribed to the Certificate of the proof or acknowledgment of the annexed instrument, and thereon written, was, at the time of taking such proof or acknowledgment a NotaryPublic in and for the County of New York, dwelling in the said county, commissioned and sworn, and duly authorized to take the same. And further, that I am well acquainted with the handwriting of such Notary, and verily believe that the signature to the said certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said Court and County, the 4 day of May, 1921.

WM. F. SCHNEIDER,
Clerk.

(Seal.)

STATE OF NEW YORK,) ss.:
County of New York.)

Ralph Budd, being first duly sworn on oath, sayd that he is the President of the Great Northern Railway Company and, being duly authorized thereunto, makes this affidavit for and on its behalf; that the foregoing mortgage or deed of trust dated January 1, 1921, between the said Great Northern Railway Company, as party of the first part, and The First National Bank of the City of New York, as party of the second part, is made in good faith and without any design to hinder, delay or defraud creditors.

RALPH BUDD.

Subscribed and sworn to before me this 3rd day of May, 1921

CELIA SACHS,
Notary Public, New York County No. 8,
New York Register No. 2133,
My Commission expires Mch. 30, 1922.

(Notarial Seal)

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 12th day of
May A. D. 1922 at 9
o'clock A.M and recorded in Vol.
2d of R.R. Mortgages
on page 93-155.
Lancelot B. Gordon
Assistant Secretary of State.

EQUIPMENT LEASE

THE PULLMAN COMPANY

TO

ILLINOIS CENTRAL RAILROAD COMPANY

COVERING

650 Refrigerator Cars

Dated January 17, 1922

LEASE OF RAILROAD EQUIPMENT, dated the 17th day of January, 1922, between THE PULLMAN COMPANY, a corporation duly organized and existing under the laws of the State of Illinois (hereinafter called the "Company"), party of the first part, and the ILLINOIS CENTRAL RAILROAD COMPANY, a corporation duly organized and existing under the laws of the State of Illinois (hereinafter called the "Railroad"), party of the second part,

WHEREAS, the Company is now constructing certain railroad equipment hereinafter more specifically described (herein called the "railroad equipment"), in accordance with plans and specifications approved by the Railroad, and the Company is desirous of leasing said railroad equipment when completed to the Railroad, and the Railroad is desirous of accepting the same and using said railroad equipment along its line of railway and in connection with its business.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH:

1. The Company hereby leases, in consideration of the rents and covenants hereinafter mentioned to be paid, kept and performed by the Railroad, to the Railroad the following described railroad equipment, to wit:

> Six hundred fifty (650) new steel underframe refrigerator cars, with forty-ton capacity trucks, built under and in accordance with Specifications No. 0-95 and General Drawing A-20-5169, furnished for the purpose by the Railroad; said cars to be numbered from 55001 to 55650, both inclusive.

2. The Railroad shall cause the cars to be inspected at point of manufacture, prior to delivery. As they are severally completed, the Railroad shall cause them to be inspected by its representative appointed for that purpose, who, as he finds them constructed in accordance with the requirementsof this agreement shall deliver to the Company in duplicate his certificate so certifying. Each such certificate shall with respect to the cars covered thereby be final and conclusive evidence that such cars conform as to workmanship andmaterial and in all other respects to the requirements of this agreement and of the specifications and are constructed in accordance with the requirements thereof. Failing the making by the Railroad of any such inspection within ten (10) days after the Company's written request therefor, the Company may itself inspect the cars then ready for inspection, and in such event the Company's certificate of inspection shall have the same force and effect as is hereinabove provided shall be accorded to a certificate of inspection of the Railroad's representative. As and when the equipment shall from time to time be manufactured and ready for delivery, but not later than March 1, 1922, the same shall be delivered to the Railroad on tracks at Company's works at Michigan City, Indiana, with freight allowed to Illinois Central tracks at Kensington, Illinois, and shall,

upon such delivery to the Railroad ipso facto, and without further deed or lease or transfer, pass and become subject to all the terms and provisions of this lease and be deemed a portion of the railroad equipment leased by the Company to the Railroad hereunder, in all respects as if the same had been so delivered simultaneously with the execution and delivery hereof. It is agreed that the obligation to deliver the railroad equipment by the date specified is contingent upon the ability of the Company to secure material for the manufacture of said equipment and subject to delays due to strikes, fires, accidents, or other unavoidable causes or contingencies beyond the Company's control.

3. The Railroad hereby accepts this lease of all of said railroad equipment and hereby covenants and agrees to accept delivery and possession hereunder of the railroad equipment as hereinbefore provided; and the Railroad covenants and agrees to pay rent to the Company or its assigns (or, in case of taxes, to the proper taxing authority), at the rate of Six Hundred and Fifty Dollars ($650) per day from April 1, 1922, such payments to be made semi-annually on the first day of April and of October of each year. Said payments shall be applied in the following manner: So much thereof as is necessary for the purpose shall be applied to the discharge of interest accrued to date of payment upon the total amount of principal from time to time remaining unpaid up to such date; the remainder of the whole amount of such semi-annual payment shall be applied toward the purchase price of said cars, as more fully set forth hereunder, viz.:

Payable	Total rent installment	To apply on interest	To apply on purchase price of equipment
October 1, 1922	$118,950.00	$52,455.00	$66,495.00
April 1, 1923	118,300.00	50,460.15	67,839.85
October 1, 1923	118,950.00	48,424.95	70,525.05
April 1, 1924	118,950.00	46,309.20	72,640.80
October 1, 1924	118,950.00	44,129.98	74,820.02
April 1, 1925	118,300.00	41,885.38	76,414.62
October 1, 1925	118,950.00	39,592.94	79,357.06
April 1, 1926	118,300.00	37,212.23	81,087.77
October 1, 1926	118,950.00	34,779.59	84,170.41
April 1, 1927	118,300.00	32,254.48	86,045.52
October 1, 1927	118,950.00	29,673.12	89,276.88
April 1, 1928	118,950.00	26,994.81	91,955.19
October 1, 1928	118,950.00	24,236.15	94,713.85
April 1, 1929	118,300.00	21,394.74	96,905.26
October 1, 1929	118,950.00	18,487.58	100,462.42
April 1, 1930	118,300.00	15,473.71	102,826.29
October 1, 1930	118,950.00	12,388.92	106,561.08
April 1, 1931	118,300.00	9,192.09	109,107.91
October 1, 1931	118,950.00	5,918.85	113,031.15
April 1, 1932	86,791.79	2,527.92	84,263.87
	2,342,291.79	593,791.79	1,748,500.00

In addition thereto, the Railroad will pay any and all taxes, assessments and governmental charges levied upon the railroad equipment, or upon the interest of the Company in the railroad equipment.

4. If the Railroad shall not be in default in the performance of any of the stipulations in this lease contained in the manner and form as herein provided, at the respective dates next in this article specified, and shall have fully paid all the amounts mentioned in Article 3 hereof as same matured and fell due up to said dates, respectively, then the Railroad shall be entitled:

(a) At the end of five years, that is, on April 1, 1927, to receive, upon payment of $1, bill of sale from the Company conveying to the Railroad 50 cars, less such number of cars as may have been destroyed since January 1, 1922, and not replaced by the Railroad;

(b) At the end of six years, that is, on April 1, 1928, to receive, upon payment of $1, bill of sale from the Company conveying to the Railroad 50 cars, less such number of cars as may have been destroyed since April 1, 1927;

(c) At the end of seven years, that is, on April 1,1929, to receive, upon payment of $1,bill of sale from the Company conveying to the Railroad 50 cars, less such number of cars as may have been destroyed since April 1,1928;

(d) At the end of eight years, that is, on April 1, 1930, to receive, upon payment of $1, bill of sale from the Company conveying to the Railroad 50 cars, less such number of cars as may have been destroyed since April 1,1929;

(e) At the end of nine years, that is, on April 1,1931,to receive, upon payment of $1, bill of sale from the Company conveying to the Railroad 50 cars, less such number of cars as may have been destroyed since April 1,1930;

(f) Upon the maturity and payment of the last installment of rent, the Railroad, upon the payment of $1, shall be entitled to, and the Company agrees to furnish, bill of sale conveying the balance of said equipment then remaining subject to this lease to the Railroad;

(g) The Railroad may, at its option option, on sixty days advance notice, terminate this lease upon payment of any balance of the purchase price then remaining unpaid, together with interest accrued thereon at 6 per cent per annum to date of payment, whereupon bill of sale for all the cars then subject to the lease shall be delivered to the Railroad, and it shall thereafter have full title to all of said equipment.

5. At or before the delivery to the Railroad of each of the cars constituting the railraod equipment, there shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each car thereof a metal plate bearing the following words, or such words shall be otherwise plainly, distinctly, permanently and conspicuously marked on each side of each car thereof; in either case in letters not less than one inch in height and size:

"THE PULLMAN COMPANY, LESSOR,
OWNER."

Such plate or mark shall be such as to be readily visible, and so as to indicate plainly the Company's ownership of said cars. In case during the continuance of this lease any of such plates or marks shall be at any time removed, defaced or destroyed, the Railroad will immediately cause the same to be restored or renewed. The Railroad will not change or permit to be changed the numbers upon cars covered by this lease (nor any numbers which may be substituted as herein provided) except in accordance with a statement of new numbers to be substituted therefor and which shall previously have been filed with the Company by the Railroad. The railroad equipment may be lettered: "Illinois Central Railroad Company," "I.C.R.R.," or in some other appropriate manner, for convenience of identification of the leasehold interest of the Railroad therein; but the Railroad during the continuance of this lease, will not allow the name of any person, association or corporation to be placed on any of the railroad equipment as a designation which might be interpreted as a claim of ownership thereby by the Railroad or by any person, association or corporation other than the Company. Provided, however, that as to the cars that may be conveyed under Article 4 hereof, and for which bills of sale shall have been given to the Railroad by the Company, all marks evidencing ownership by the Company on such equipment may be removed by the Railroad and the Railroad will be free to make such disposition of said cars as it may see fit.

6. (a) The Railroad, during the continuance of this lease, will maintain and keep all of the railroad equipment in good order and repair, at its own proper cost and charge, and, except as specifically otherwise provided in this article, will replace at its own cost any of the equipment that may be worn out, lost or destroyed by new railroad equipment of like character (unless the Company shall expressly otherwise consent) and of equal value, the value of the new railroad equipment to be figured at cost if that be below market value, or at market value if that be below cost. The title to all new railroad equipment procured for such replacement shall be taken in the name of the Company, free from liens, and shall be marked in accordwith the provisions of Article 5 hereof. At the time of every such replacement of the Railroad shall deliver to the Company a certificate of the President of a Vice President of the Railroad, stating the cost and the reasonable market value of such replacement. The equipment replaced, as aforesaid, may be disposed of in such a manner as the Railroad may determine and on its request the Company will execute a bill of sale conveying the same as may be requested. Provided, however, that during each of the years ending April 1, 1923,1924, 1925, and 1926, the Railroad need not replace ten cars each year out of the number of cars destroyed in that year, and

during the year ending April 1, 1927, and each of the years ending April 1st thereafter the Railroad need not replace 50 cars each year out of the number of cars destroyed in that year.

(b) The Railroad covenants and agrees to indemnify and protect the Company in the use of any and all patented inventions employed in and about the railroad equipment and to comply in all respects with the laws of the United States and of all the states in which the railroad equipment or any thereof may be operated and with all lawful acts, rules, regulations and orders of the Interstate Commerce Commission and of all other commissions, boards and other legislative, executive, administrative or judicial bodies or officers having power to regulate or supervise any of the railroad equipment, including all lawful acts, rules, regulations and orders of any body having competent jurisdiction relating to automatic coupler devices or attachments, air brakes, or other appliances; provided, however, that the Railroad may in good faith contest the validity of any such act, rule, regulation or order or the application thereof to the railroad equipment of any part thereof, in any reasonable manner which will not, in the judgment of the Company, materially endanger the rights or interests of the Company.

(c) The Railroad covenants and agrees to furnish to the Company, whenever, required by the Company, and at least once in every year during the continuance of this lease, and accurate statement of the amount, description and numbers of the railroad equipment then covered hereby, the amount, description and numbers of all that may have been worn out, lost or destroyed by accident or otherwise.

(d) The Railroad warrants that at the time of the execution of this lease the Railroad had and has no title or interest, legal or equitable, in or to any of the railroad equipment, other than under and subject to the terms of this lease.

% In case the Railroad--

(1) Shall make default in the payment of any part of said rent for more than thirty (30) days after the same shall become due and payable, or

(2) Shall, for more than ninety (90) days after the Company shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants herein on its part to be kept and performed or to make provision satisfactory to the Company for such compliance, or

(3) Shall make or suffer any unauthorized assignment or transfer of its rights or interests in, or any unauthorized sublease of, the railroad equipment of any part thereof then subject to the lease, and shall fail or refuse either to cause such assignment or transfer or sublease to be cancelled by agreement of all parties having any interest therein and recover possession of such railroad equipment within thirty (30) days after the Company shall have demanded in writing such cancellation and recovery of possession, or within said thirty (30) days to deposit with the Company a sum in cash equal to the value of the railroad equipment so assigned or transferred or subleased, at the time of the delivery thereof to the Railroad, as certified to the Company by the President or a Vice President of the Railroad (any sum so deposited to be returned to the Railroad upon the cancellation of such assignment, transfer or sublease and the recovery of possession by the Railroad of such railroad equipment), then, in any such case (herein sometimes called events of default), the Company at its option may, by its agents take possession of all or any part of the railroad equipment then subject to the lease, and withdraw the same from the lines of railroad hereinafter mentioned, and lease the railroad equipment or any part thereof, or sell the same or any part thereof, at public or private sale, for cash or upon credit, in its discretion, and otherwise proceed to enforce its rights under this lease in the manner herein provided; and upon such taking possession or withdrawal or lease or sale of the railroad equipment, the Railroad shall cease to have any rights or remedies in respect of such railroad equipment under this lease, but all such rights, and remedies shall be deemed thenceforth to have been waived and surrendered by the Railroad; and no payments theretofore made by the Railroad for the rent or use of the railroad equipment subject to the lease shall, in case of the happening of any such event of default and such taking possession, withdrawal, lease or sale by the Company, give to the Railroad any legal or equitable interest or title in or to the railroad equipment subject to the lease, or any cause ro right of action, at law or in equity, in respect of the railroad equipment against the Company; and such taking possession or withdrawal or lease or sale of the railroad equipment by the Company shall not be a bar to the recovery

by the Company from the Railroad and rentals then or thereafter due and payable, and the Railroad shall be and remain liable for the same, until such sum shall have been realized as with the proceeds of the lease or sale of the railroad equipment shall be sufficient for the discharge and payment in full of all the various items mentioned in Article 3 hereof, whether they shal have been matured or not.

In case the Company shall rightfully demand possession of the railroad equipment in pursuance of this lease, and shall designate a point or points upon the lines of railroad of the Illinois Central Railroad Company, for the delivery of the railroad equipment to it, the Railroad will, at itsown expense, forthwith and in the usual manner and at the usual speed of freight trains, cause the railroad equipment to be drawn to such point or points as shall be designated by the Company and will there deliver or cause to be delivered the same to the Company. It is hereby expressly covenanted and agreed that the performance of this covenant is of the essence of the contract and that upon application to any court of equity having jurisdiction in the premises, the Company shall be entitled to a decree against the Railroad requiring the specific performance hereof.

The remedies in this lease, provided in favor of the company, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity.

8. The Railroad, so long as it shall not be in default under this lease, shall be entitled to the possession of the railroad equipment, and to use or permit the use ofthe same upon lines of railroad of the Railroad, and upon other railroads in the usual interchange of traffic, but only upon and subject to all the terms and conditions of this lease, and may receive compensation for such use from the company so using any part of the railroad equipment; provided, however, that the right to such use shall be subject to all the terms and conditions of this lease.

The Railraod will not either assign or transfer this lease, or, subject to the foregoing provisions of this lease, transfer or sublet the railroad equipment or any part thereof subject thereto, without the written consent of the Company first had and obtained. A transfer by the Railroad through insolvency or under judicial process shall be deemed a breach of this covenant. The Company shall have the right to declare this lease terminated in case of any unauthorized assignment or transfer of this lease or transfer or sublease of the railroad equipment. The election of the Company to terminate this lease under this clause shall have the same effect as the retaking of the railroad equipment by the Company as hereinabove provided.

9. This lease may be assigned by the Company, and upon such assignment the assignee or assignees shall have all the rights and privileges hereby reserved to the Company.

10. This lease shall be executed in three counterparts, each of which shall constitute an original.

In witness whereof, the parties hereto, pursuant to authority of their respective boards of directors, have caused this lease to be executed by a President or a Vice President, and their respective corporate seals to be attached, attested by a Secretary or Assistant Secretary as of the day and year first above written.

THE PULLMAN COMPANY,

Corporate SEAL

By.....C..A..Liddle.....

.....Vice..President.

ATTEST:

.....J..F..Kane.....

.....Secretary

In presence of W.J.Butler
Albert R.Lorenz

ILLINOIS CENTRAL RAILROAD COMPANY,

Corporate SEAL

In presence of C.L.Combs. C.A.Church

BY.....C.M..Kittle.....

.Senior.Vice..President.

ATTEST:

.....Burt.A..Beck.....

Assistant..Secretary.

In presence of
James M. Dorsey
R.J. Misener.

STATE OF ILLINOIS,) ss.
COUNTY OF COOK.)

I, ..H.E.G.Mulligan....., a Notary Public in and for the County and State aforesaid, do hereby certify that .C.A.Liddle....., .Vice. President, and.J.F.Kane,... ..... Secretary of the The Pullman Company, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice... President and ..... Secretary, appeared before me this day in person and acknowledged that they signed, sealed and delivered said instrument of writing as their free and voluntary act and as the free and voluntary act of the said The Pullman Company, for the uses and purposes therein set forth, and caused the corporate seal of said Company to be thereto attached.

Given under my hand and Notarial Seal this .12th.. day of ...April...,A.D. 1922.

.....H..E..Mulligan.....
Notary Seal. Notary Public.

STATE OF ILLINOIS_) ss. I. ROBERT M. SWEITZER_ County Clerk of the County of Cook,
COOK COUNTY)
DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County and as such officer am duly authorized to issue certificates of magistracy, that H. E. G. Mulligan

whose name is subscribed to the proof of acknowledgement of the annexed instrument in writing, was, at the time of taking such proof of acknowledgement, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgements and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois and to adminster oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgement is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago in the said County this

12 day of Apr., 1922

Robert M. Sweitzer COUNTY CLERK

SEAL.

STATE OF ILLINOIS,) ss.
COUNTY OF COOK.)

I, ...T.G.Taggart....., a Notary Public in and for the County and State aforesaid, do hereby certify that ..C.M.Kittle....., Sebior.Vice. President, and ..Burt.A.Beck.....,.Assistant. Secretary of the Illinois Central Railroad Company, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such .....SENIOR.VICE..... President and ..Assistant.. Secretary, appeared before me this day in person and acknowledged that they signed, sealed and delivered said instrument of writing as their free and voluntary act and as the free and voluntary act of the said Illinois Central Railroad Company, for the uses and purposes therein set forth, and caused the corporate seal of said Company to be thereto attached.

Given under my hand and Notarial Seal this ..8th... day of ..April..,A.D. 1922.

.....T.G.Taggart.....
Notary Seal. Notary Public.

STATE OF ILLINOIS) ss. I ROBERT M. SWEITZER, County Clerk of the County of Cook,
COOK COUNTY)

DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County and as such officer am duly authorized to issue certificates of magistracy, that T. G. Taggart whose name is subscribed to the proof of acknowledgement of the annexed instrument in writing, was, at the time of taking such proof of acknowledgement, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgements and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgement is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois

SEAL

IN TESTIMONY WHEREOF I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago in the said County this 12 day of Apr., 1911

Robert M. Sweitzer COUNTY CLERK.

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 27th day of April A. D. 1922 at 10 o'clock A. M. and recorded in Vol. 21 of R.R. Mortgages on page 156 et seq.
Lancelot A. Gordon
Assistant Secretary of State.

REFUNDING AND IMPROVEMENT
MORTGAGE

from

NORTHERN PACIFIC RAILWAY COMPANY

TO

GUARANTEE TRUST COMPANY OF NEW YORK

and

WILLIAM S. TOD, TRUSTEES.

Dated January 20, 1922

AN INDENTURE dated the twentieth day of January, one thousand nine hundred and twenty-two, between

NORTHERN PACIFIC RAILWAY COMPANY, a corporation organized and existing under the laws of the State of Wisconsin, hereinafter termed the "Railway Company", party of the first part, and

GUARANTY TRUST COMPANY OF NEW YORK, a corporation organized and existing under the laws of the State of New York, and WILLIAM S. TOD, of the City of New York, State of New York, hereinafter termed the "Trustees", parties of the second part.

WHEREAS, pursuant to the terms of the Refunding and Improvement Mortgage dated July 1, 1914, executed by the "Railway Company", to the "Trustees", the Trustees have requested for further assurance that the Railway Company execute and deliver to them an instrument of mortgage supplementary to the said Refunding and Improvement Mortgage, conveying to the Trustees the property subject, or which ought to be subject to the said Refunding and Improvement Mortgage and which has been acquired by the Railway Company since delivery of the said Refunding and Improvement Mortgage; and

WHEREAS, the execution of this instrument has been duly authorized by the Board of Directors of the Railway Company at a meeting duly held on the first day of March 1922;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That in order to subject said after-acquired property fully and completely to the lien of said Refunding and Improvement Mortgage, the Railway Company has executed and delivered these presents, and has granted, bargained, sold, aliened, remised, released, conveyed, confirmed, assigned, transferred and set over, and by these presents does grant, bargain, sell, alien, remise, release, convey, confirm, assign, transfer and set over, unto

THE TRUSTEES, parties of the second part, their successors and assigns, forever:

ALL THE ESTATE, RIGHT, TITLE, INTEREST AND PROPERTY of the Railway Company acquired since the delivery of said Refunding and Improvement Mortgage in rights of way, lands, roadbeds, superstructures, rails, tracks, second, third and fourth and other additional main tracks, side-tracks, switches, turntables, bridges, viaducts, embankments, terminal, depot and yard properties and facilities, stations, depots, warehouses, offices, engine houses, car houses, machine and other shops, elevators, coal bunkers, coal houses, wood houses, water stations, water tanks, water powers, fences. telegraph, telephone and electric power transmission lines, power plants, turbines, flumes, pipes, generators, motors, switchboards, cables, poles, wires,

locomotives, cars and other rolling stock and equipment, wharves, docks, piers and landings, steamers and steamships (other than steamships engaged in ocean commerce), ferries, boats, barges and tugs, engines, boilers, machinery, apparatus, appliances, instruments, tools, materials, furniture and other property of the Railway Company howsoever acquired or held and wheresoever situate, constituting any part of or pertaining to, or acquired or held for use or enjoyment in connection with the lines of railway, extensions, branches and terminals, described in said Refunding and Improvement Mortgage or in this instrument; also all leases, leasehold rights, trackage rights, trackage rights, trackage agreements and other agreements, and all easements, hereditaments, powers, privileges, ordinances, licenses, franchise and other rights of the Railway Company acquired since the delivery of said Refunding and Improvement Mortgage relating to the ownership, use or operation of any of the lines of railway, extensions, brances, terminals, union stations, or any part thereof, or to any railway or or property described in said Refunding and Improvement Mortgage or in any mortgage supplementary to said Refunding and Improvement Mortgage or in this instrument; including in the foregoing the premises, properties and property rights particularly described in the ordinances, resolutions, registrar's documents, deeds and other documents recorded in various public record officesin the counties and in the books and on the pages hereafter in this instrument stated, every book hereinafter referred to being a book of the record of deeds except as otherwise specifically stated:

1.

PROPERTIES DESCRIBED IN THE FOLLOWING RECORDS WHICH ARE NOT SUBJECT TO ANY MORTGAGE SUPERIOR TO THE LIEN OF SAID REFUNDING AND IMPROVEMENT MORTGAGE.

STATE OF MINNESOTA

Office Register of Deeds, Crow Wing County: Book 23 page 212; Book 37 page 529; Book 47 page 582.

STATE OF NORTH DAKOTA

Office Register of Deeds, Burleigh County: Book 164 Miscellaneous pages 445, 446 and 447.

Office Register of Deeds, Hettinger County: Book 32 Page 424; Book 25 page 606.

Office Register of Deeds, Dunn County: Book 16 pages 115 and 165

Office Register of Deeds, Morton County: Book 14 Miscellaneous page 180; Book 54 page 637.

STATE OF MONTANA

Office County Clerk and Recorder, Richland County: Book A18 pages 621 and 622.

Office County Clerk and Recorder, Flathead County: Book 178 pages 52 and 76.

Office City Clerk, City of Polson: Ordinance No. 139.

STATE OF IDAHO

Office County Recorder, Clearwater County: Book I.O.A.R.E. Page326.

STATE OF WASHINGTON

Office County Auditor, Yakima County: Book 192 pages 125,126 and 126; Book 203 page 345; Book 205 page 58.
Office Town Clerk, Town of Granger: Ordinance No. 112.

Office County Auditor, Thurston County: Book 100 pages 121 and 472.

11.

PROPERTIES DESCRIBED IN THE FOLLOWING RECORDS WHICH ARE SUBJECT TO THE PRIOR LIEN MORTGAGE AND THE GENERAL LIEN MORTGAGE AS LIENS SUPERIOR TO THE LIEN OF SAID REFUNDING AND IMPROVEMENT MORTGAGE.

STATE OF WISCONSIN

Office Register of Deeds, Douglas County: Book 145 page 393; Book 148 pages 88 and 155.

STATE OF MINNESOTA

Office Register of Deeds, Clay County: Book 79 pages 441 and 592
Office Register of Deeds, Becker County: Book 2 Miscellaneous page 246.
Office Register of Deeds, Carlton County: Book 62 page 203.
Office Register of Deeds, Pope County: Book 17 page 613.
Office Register of Deeds, Otter Tail County: Book 111 page 212.

STATE OF NORTH DAKOTA

Office Register of Deeds, Stutsman County: Book 67 paged 80 and 81; Book 64 page 485.
Office Register of Deeds, Cass County: Book Y Miscellaneous page 448; Book 121 page 453.
Office Register of Deeds, Morton County: Book 14 Miscellaneous page 298.
Office Register of Deeds, Richland County: Book 50 page 136.
Office Register of Deeds, Grand Forks County: Book 75 page 275.

STATE OF MONTANA

Office County Clerk and Recorder: Gallatin County: Book 4 Decrees page 126; Book 64 page 142.
Office County Clerk and Recorder, Rosebud County: Book 21 page 294.
Office County Clerk and Recorder, Yellowstone County: Book 78 page 564.
Office County Clerk and Recorder, Missoula County: Book 92 pages 166 and 372.
Office County Clerk and Recorder, Sweetgrass County: Book 26, pages 267, 332 and 334.
Office County Clerk and Recorder, Lewis & Clarke County: Book 91 page 229.
Office County Clerk and Recorder, Powell County: Book 19 page 218.
Office County Clerk and Recorder, Silver Bow County: Book 147 pages 392 and 572.
Office County Clerk and Recorder, Madison County: Book 103 page 121;
Office County Clerk and Recorder, Jefferson County: Book 49 page 13.
Office County Clerk and Recorder, Ravalli County: Book 60 page 508.

STATE OF IDAHO

Office County Recorder, Bonner County: Book 37 pages 209 and 210; Book 38 page 4.
Office County Recorder, Kootenai County: Book 73 pages 169 and 256.

STATE OF WASHINGTON

Office County Auditor, King County: Book 1094, page 121; Book 1107 page 402; Book 1113 page 114; Book 1117 page 485; Book 1124 page 253; Book 1135 pages 137 and 321; Book 1154 page 348; Book 1101 page 636; Book 1112 page 379; Book 1116 page 493; Book 1134 page 369; Book 1147 page 55.
Office City Clerk, City od Auburn: Ordinance No. 378.
Office of City Comptroller and Ex Officio City Clerk, City of Seattle: Ordinances Nos. 40950, 40951, 40952, and 40953.

Office County Auditor, Pierce County: Book 441 page 61; Book 446 page 78.

Office County Auditor, Lewis County: Book 162 page 306; Book 154 pages 317 and 492.

Office County Auditor, Skagit County: Book 115 page 351.

Office County Auditor, Spokane County: Book 379 page 533.

Office County Auditor, Snohomish County: Book 199 page 133.

Office County Auditor, Whatcom County: Book 160 page 639.

Office County Auditor, Gray's Harbor County: Book 144 page 530; Book 150 page 510.

Office County Auditor, Clarke County: Book 137 page 461.

STATE OF OREGON

Office County Clerk and Recorder, Columbia County: Book 31 pages 147 and 148.

111.

PROPERTIES DESCRIBED IN THE FOLLOWING RECORDS WHICH ARE SUBJECT TO THE MORTGAGE OF THE ST. PAUL & NORTHERN PACIFIC RAILWAY COMPANY DATED JUNE 1, 1883, AS A LIEN SUPERIOR TO THE LIENS OF SAID PRIOR LIEN MORTGAGE AND THE GENERAL LIEN MORTGAGE AND TO THE LIEN OF SAID REFUNDING AND IMPROVEMENT MORTGAGE.

STATE OF MINNESOTA

Office Register of Deeds, Benton County; Book 64 page 86.

Office Register of Deeds, Morrison County: Book 75 pages 213 and 310; Book 76 page 53.

Office Register of Deeds, Hennepin County : Book 914 page 113.

Office Register of Deeds, Ramsey County: Book 90 Miscellaneous page 267.

IV.

PROPERTIES DESCRIBED IN THE FOLLOWING RECORDS WHICH ARE SUBJECT TO THE ST. PAUL AND DULUTH DIVISION MORTGAGE AND TO THE SEVERAL MORTGAGES UNDERLYING SAID MORTGAGE AS LIENS SUPERIOR TO THE LIEN OF SAID REFUNDING AND IMPROVEMENT MORTGAGE.

STATE OF WISCONSIN

Office Register of Deeds, Burnett County: Book 47 page 158; Book 147 page 171.

STATE OF MINNESOTA

Office Register of Deeds, Pine County: Book 56 page 527; Book 57 page 430.

Office Register of Deeds, St. Louis County : Book 462 page 417.

Office Register of Deeds, Hennepin County: Book 914 pages 26 and 111; Book 912 page 415. Book 203 Miscellaneous page 143; Book 909 page 173.

V.

PROPERTIES DESCRIBED IN THE FOLLOWING RECORDS WHICH ARE SUBJECT TO THE FIRST MORTGAGE OF THE WASHINGTON & COLUMBIA RIVER RAILWAY COMPANY DATED MARCH 1, 1895, AS A LIEN SUPERIOR TO THE LIEN OF SAID REFUNDING AND IMPROVEMENT MORTGAGE.

STATE OF WASHINGTON

Office County Auditor, Walla Walla County: Book 158 page 141.

STATE OF OREGON

Office County Clerk and Recorder, Umatilla County: Book 113 page 318.

TO HAVE AND TO HOLD unto the Trustees, their successor or successors and assigns forever.

BUT IN TRUST, NEVERTHELESS, for the equal and proportionate benefit and security of all and every the present and future holders of any and every bond and interest obligation issued under and secured by, or to be issued under and to be secured by, the said Refunding and Improvement Mortgage according to the terms and provisions thereof.

IN WITNESS WHEREOF, Northern Pacific Railway Company, the party hereto of the first part, has caused this indenture to be signed and acknowledged or proved by its President, and its corporate seal to be hereunto affixed, and the same to be attested by the signature of its Assistant Secretary; and Guaranty Trust Company of New York, the party of the second part, has caused its corporate seal to be hereunto affixed and attested by its Ass't. Secretary and these presents to be signed and acknowledged or proved by its Vice President, in token ofits acceptance of the trusts hereby created, the day and year first above written.

NORTHERN PACIFIC RAILWAY COMPANY,

Witnesses as to Northern Pacific Railway Company:

A.M. Gottschald

L.R. Fellows

(Corporate seal) by... Charles Donnelly
President

Attest:

R.H.Relf
Assistant Secretary

GUARANTY TRUST COMPANY OF NEW YORK

Witnesses as to Guaranty Trust Company of New York:

Theodore Quimby

Jno. R. Douglass, Jr.

(Corporate seal) by F. J. H. Sutton
Vice President.

Attest:

C. M.Schmidt
Ass't. Secretary.

STATE OF MINNESOTA)
) ss.
County of Ramsey.)

On this 29th day of Maron in the year 1922, before me, L. R. Fellows a notary public, personally appeared Charles Donnelly, to me known to be the President of the Northern Pacific Railway Company, the corporation which executed the foregoing instrument, and who being duly sworn did say, that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the Said Charles Donnelly acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office, in the City of Saint Paul, the day and year last aforesaid.

(Notarial Seal)

L. R. Fellows
Notary Public, Ramsey County, Minnesota
My commission expires April 2, 1925

STATE OF NEW YORK)
) ss
County of New York)

On this 20th day of April in this year 1922 before me, John A. Lyon, a notary public, personally appeared F.J.H.Sutton, to me known to be the Vice President of the Guaranty Trust Company of New York, the corporation which executed the foregoing instrument, and who being duly sworn did say, that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corpora-

tion by authority of its Board of Directors, and the said F.J.H.Sutton, acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office, in the city of New York, the day and year last aforesaid.

(Notary Seal)

.. John A. Lyon
Notary Public, New York County, New York. My commission expires Mar.30.192

Notary Public
Bronx Co.Clk's No.60 Reg.No 47
N.Y. Co. Clk's. No. 235 Reg. No. 3219
Commission expires March 30,1923

State of Wisconsin } ss
DEPARTMENT OF STATE }
Received the 14th day of
May A D 1922 at 4
o'clock P.M and recorded in Vol
21 of Railroad Mortgages
on page 162 & 163
Samuel A. Gordon
Assistant Secretary of State.

ASSIGNMENT
of
EQUIPMENT CONTRACT
FROM

HASKELL AND BARKER CAR
COMPANY INC.,

to

THE PULLMAN COMPANY

and

CHICAGO, MILWAUKEE & ST. PAUL RAILWAY CO.

HASKELL AND BARKER CAR COMPANY, INC., called the "Vendor," as party of the first part, having on November 2nd, 1921, made an agreement in writing with CHICAGO, MILWAUKEE AND ST. PAUL RAILWAY COMPANY, called the "Vendee," and therein agreed to sell and deliver to the Vendee, and the Vendee agreed to purchase from the Vendor, upon terms and conditions therein set forth, fifteen hundred (1500) steel underframe steel frame composite gondola cars of fifty (50) tons capacity, as therein fully set forth, which said agreement in writing has been filed and recorded in certain places of public record, and is nowin process of being recorded in other places of public record; and

WHEREAS, the Vendor has sold, assigned and conveyed to THE PULLMAN COMPANY, a corporation of the State of Illinois, all its (the Vendor's) property, assets and rights and interests in property, including conditional sale agreements and car lease agreements;

NOW, THEREFORE, In consideration of One Dollar ($1.00) to it in hand paid, the receipt whereof is hereby acknowledged, said Vendor, Haskell and Barker Car Company, Inc., has conveyed and assigned, and does hereby convey and assign to said THE PULLMAN COMPANY, its successors and assigns, the aforesaid agreement and all the Vendor's interest in the property referred to therein, and all rights, title, privileges, powers and remedies accruing, or to accrue, to it at any time and from time to time, thereunder.

IN WITNESS WHEREOF, Haskell and Barker Car Company, Inc., has caused these presents to be executed by its Vice President, and its corporate seal to be affixed, attested by its Asst'. Secretary, this 16th day of January, 1922.

ATTEST

HASKELL AND BARKER CAR COMPANY, INC.,

By... C.A. Liddle
Vice-President.

CORPORATE SEAL

D.A. Crawford
Asst! Secretary

In presence of (J. Henry Smith
(J.E. Dunlop.

STATE OF ILLINOIS,)
COUNTY OF COOK .) SS.

I, the undersigned, a notary public of said State in and for said county, do hereby certify that on this .11th. day of March 1922, personally appeared before me ...C..A..Liddle..... to me personally known to be the identical person whose name is subscribed to the above instrument in writing, bearing date the 16th day of January, 1922, as the Vice - President of Haskell and Barker Car Company, Inc., a corporation described in said agreement, and one of the makers thereof, and being by me duly sworn, did depose and say that he is the Vice-President of said corporation, authorized by said corporation to execute and acknowledge deeds and other writings of said corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed by him on behalf of said corporation by its authority duly

given, and he acknowledged the said instrument to be the act and deed of said corporation, and by him as its Vice President thereunto duly authorized, voluntarily done and executed, and that he signed, sealed and delivered the said instrument as the free and voluntary act and deed of said corporation, and as his own free and voluntary act as such Vice President, for the uses and purposes therein set forth.

GIVEN under my hand and seal of office.

H. E. Mulligan
Notary Public

Notary Seal

My Commission expires.August.20..1925.

The CHICAGO, MILWAUKEE & ST. PAUL RAILWAY COMPANY hereby accepts notice of, and assents to, the foregoing assignment this .27th. day of .March....1922.

CHICAGO, MILWAUKEE & ST. PAUL RAILWAY COMPANY

FORM APPROVED

By H. E. Byram
President

..Jno..R..Dickinson.....
Ass't. Gen'l. Solicitor
C.M.& St.P. Ry.

ATTEST: CORPORATE SEAL

E. W. Adams
Secretary

THE PULLMAN COMPANY, in consideration of the foregoing assent of the Chicago, Milwaukee & St. Paul Railway Company, does hereby agree with said Railway Company to comply with and be governed by all the terms and conditions in said agreement of November 2,1921, contained, to the same extent and with like effect as if it had been an original party thereto under the designation "Vendor."

CORPORATE SEAL

THE PULLMAN COMPANY

By E. F. Carry
President

ATTEST:

J. G. Kane
Secretary

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 11th day of May A. D. 1922 at 10:00 o'clock A. M and recorded in Vol. 21 of Railroad Mortgages on page 169-170. Elmer L. Hall
Assistant Secretary of State.

JOHN D. CALDWELL, LEWIS A. ROBINSON,
ARTHUR B. JONES AND THEODORE H. GOODNOW
Vendors

THE FARMERS' LOAN AND TRUST COMPANY AND
JAMES H. PERKINS
Trustees

AND

CHICAGO AND NORTH WESTERN RAILWAY COMPANY

AGREEMENT

CHICAGO AND NORTH WESTERN RAILWAY COMPANY
EQUIPMENT TRUST OF 1922

THIS AGREEMENT, made this 26th day of May, in the year 1922, by and between JOHN D. CALDWELL, LEWIS A. ROBINSON, ARTHUR B. JONES and THEODORE H. GOODNOW, hereinafter called "the Vendors," of the first part, THE FARMERS' LOAN AND TRUST COMPANY, and JAMES H. PERKINS, hereinafter called "the Trustees," of the second part, and the CHICAGO AND NORTH WESTERN RAILWAY COMPANY, hereinafter called the "Railway Company," of the third part,

WITNESSETH:

WHEREAS, the Railway Company desires that additions to its equipment be provided to enable it to transport and care for the traffic, which it handles as common carrier, and it has been deemed expedient to make provision therefor through the medium of an equipment trust;

Now, THEREFORE, in order to carry that purpose into effect, and in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

FIRST.

Upon request of the President of said Railway Company, the Vendors will, from time to time, cause to be built or acquired and delivered to the Trustees such equipment as may be specified in such requests. Such delivery may be made to any one or more officers or agents of said Railway Company as may be from time to time designated by the Trustees as their agent or agents to receive such delivery, and the certificates of any and every agent so designated shall be conclusive evidence of such delivery.

The Trust Company, Trustee, will from time to time upon so receiving such equipment and upon the execution of leases thereof as herein provided, issue certificates, to be known as "Chicago and North Western Railway Company Equipment Trust of 1922, Certificate No....., Series....., dated ....." to an amount not to exceed seventy-five per cent (75%) of the cost of the equipment so delivered to it; such cost to be conclusively established by the certificate in writing of the Vendors, which certificate shall state that the Trustees' title to such equipment is perfect and unencumbered, and shall be accompanied by bills of sale to the Trustees. The total of such trust certificates shall not exceed ten million dollars ($10,000,000); they shall be entitled to interest at a rate not exceeding seven per cent (7%) per annum, payable semi-annually, and shall be for the amount of one thousand dollars each, except as hereinafter provided. Said certificates may be issued in series, as such equipment shall be acquired, and each series shall be classified and designated by the year of its issue and a serial number or letter; they shall be separately numbered, and certificates to the amount of one-fifteenth of each series shall be due and payable at the expiration of each year succeeding the date of such series, so that each series of said certificates shall be fully paid in fifteen years after its issue. The due date

of each certificate shall appear on its face. They shall be issued in substantially the following form, the number of the series to which such certificate belongs, the number of the certificate, and the date of payment, to be filled in as aforesaid:

Chicago and North Western Railway Company
Equipment Trust of 1922.
Certificate No.....Series.....Dated.....
Total authorized under Trust, $10,000,000.
Total issue of said Series.....
Certificate for $1,000.
The Farmers' Loan and Trust Company, Trustee.

THIS IS TO CERTIFY that the Bearer hereof, unless this certificate be registered as hereinafter provided for, and if so registered, then the registered holder hereof, is entitled to a share to the amount of $1,000 in the Chicago and North Western Railway Company Equipment Trust of 1922, of said Series....., payable in gold coin on the.....day of....., 19...; also to the interest thereon, payable semi-annually on the first days of .....and..... in each year, in gold coin, at the rate of.....per cent. per annum from the first day of....., as evidenced by the interest warrants, attached hereto, payment to be made at the office of The Farmers' Loan and Trust Company, in the City of New York, only from and out of rentals received from a lease of railway equipment by the said The Farmers' Loan and Trust Company and James H. Perkins, Trustees, to the Chicago and North Western Railway Company, in and by which lease said Railway Company agrees to maintain said equipment and pay as rental therefor an amount sufficient to meet taxes, expenses, interest warrants, and the principal of said certificates of this series as they mature, according to their terms. The said railway equipment and the lease thereof are held by the said Trust Company and James H. Perkins in trust for the proportionate benefit of the holders of the share represented hereby and other shares of similar tenor and belonging to this same series, without preference or priority of any one share over any other share by reason of priority of issue or negotiation thereof. The series of certificates of which this is one, is issued under and held subject to the provisions of an agreement dated....., entered into by and between John D. Caldwell, Lewis A. Robinson, Arthur B. Jones and Theodore H. Goodnow, of the first part, The Farmers' Loan and Trust Company and James H. Perkins, of the second part, and the Chicago and North Western Railway Company, of the third part, for the establishment of the Chicago and North Western Railway Company Equipment Trust of 1922. Said agreement and the lease of equipment therein provided for are on file with The Farmers' Loan and Trust Company, and reference is hereby made to them for a further statement of the rights of the holders of said certificates and of said Trust Company, Trustee.

This certificate may be registered on the books of said The Farmers' Loan and Trust Company in the name of the holder hereof, and such registration shall be noted hereon. Thereafter title hereto shall pass only by transfer registered on the books of the said The Farmers' Loan and Trust Company, unless and until a transfer to bearer shall have been so noted and registered thereon. Such registration shall apply only to the principal of this certificate and not to its interest warrants.

Neither this certificate nor the interest warrants pertaining thereto shall be deemed in anywise the obligation, or the promise to pay, of the said Trust Company, Trustee.

THE FARMERS' LOAN AND TRUST COMPANY,
Trustee.

By.....President.

The interest warrants attached to said trust certificates shall read as follows

Due to Bearer under the Chicago and North Western Railway Company Equipment Trust of 1922, series....., on the 1st day of....., at the office of The Farmers' Loan and Trust Company, in the City of New York, payable only out of rentals on lease of railway equipment,.....dollars, being semi-annual interest on one share of Series....., Chicago and North Western Railway Company Equipment Trust of 1922, evidenced by certificate No....., subject to all the conditions stated in the agreement of....., 1922, and the certificates issued thereunder pertaining hereto.

THE FARMERS' LOAN AND TRUST COMPANY,
Trustee.

By.....

The signature of the President or other officer of the Trustee may be engraved or printed on said warrants. Temporary certificates may be issued by the Trust Company, Trustee, to be exchanged upon surrender for permanent certificates when they shall have been engraved.

Upon the surrender of any certificate or certificates, with all unmatured interest warrants attached, the Trust Company, Trrustee, will issue, in exchange therefor, registered certificates without interest warrants, payable, both as to principal and interest, to the registered holder thereof only. Such certificates shall be in substantially the form of the certificates bearing interest warrants, above described, and shall be in denominations of one thousand, five thousand, ten thousand or fifty thousand dollars, respectively, and the registered holders shall be entitled to the benefits of this agreement to the same effect as if such certificates bore interest warrants, except that interest payable thereon shall be paid to the registered holders only and without the surrender of interest warrants. Any reference herein and in the leases herein provided for to interest warrants shall be construed as including the provisions contained in such registered certificates with reference to interest thereon.

The said trust certificates with interest warrants attached, or any of them, may be registered in the name of the owner on the books of the Trust Company, Trustee, in the City of New York, which said registration shall be noted thereon, after which every transfer thereof shall be valid only when made on said books until so transferred again to bearer, but may again and from time to time be registered as before. The interest warrants shall always be transferable by delivery.

Anything to the contrary herein notwithstanding, the parties hereto may deem and treat the bearer of any unregistered certificate issued hereunder, and the bearer of any interest warrant, as the absolute owner of such certificate or interest warrant, as the case may be, for the purpose of receiving payment thereof, and for all other purposes, and shall be affected in nowise by any notice to the contrary. The parties hereto may deem and treat the person in whose name any registered certificate issued hereunder shall be registered, as hereinbefore provided, as the absolute owner of such trust certificate for the purpose of receiving payment of or on account of the share or shares represented by such certificate, and for all other purposes, and all such payments so made to any such registered holder, or upon his order, shall be valid and effectual to satisfy and discharge the liability upon such trust certificate to the extent of the sum or sums so paid.

Each series of said certificates shall be accompanied by a lease to said Railway Company from the Trustees of the specific equipment that shall have been acquired by the Vendors and delivered to the Trustees, as hereinbefore provided, at the time of the issuance of such series. The amount of each series of said certificates to be thus issued shall not exceed seventy-five per cent (75%) of the cost of the specific equipment, that shall have been thus acquired, and upon the transfer and delivery to it from time to time, in the manner above provided, of such railway equipment, accompanied by a certificate signed by the Vendors, that the title of said Trustees thereto, is perfect and unencumbered, the Trust Company, Trustee, shall deliver to the Vendors, or to such persons or corporations as they may designate, the series of said certificates applicable to the acquiring of such equipment.

SECOND.

The Railway Company agrees that, in addition to the payments hereinafter provided for, it will from time assume and pay that proportion of the cost of the equipment acquired hereunder not provided for by the issuance or sale of said certificates.

The Railway Company agrees that it will from time to time, as such equipment shall be acquired and transferred and delivered to the Trustees, lease from the Trustees the said equipment so conveyed or caused to be conveyed to the Trustees by the Vendors. Each lease shall be for a term of fifteen (15) years, and shall be of the specific equipment represented by a single series of said certificates, and shall be designated by the series of said certificates representing the equipment covered thereby. In and by every such lease the Railway Company shall agree that said lease is in all things subject hereto, and that it will pay to the Trust Company, Trustee, a rent which shall be sufficient to pay and discharge the following items:

(1) The necessary expenses of the trust connected with the said series, including a reasonable compensation to the Trustees;

(2) All taxes, assessments, licenses and dues, federal, state and municipal, which may be levied upon orassessed against the equipment covered by the lease or against the Trustees on account thereof;

(3) interest on all outstanding and unmatured certificates of the series, which shall be issued as aforesaid at the time of the conveyance to the Trustees of the rolling stock or equipment thereby let, at a rate not exceeding seven per cent per annum, payable semi-annually, as hereinabove provided, as such interest payments severally fall due; and

(4) An annual sum equal to one-fifteenth of the principal of the series of said certificates issued on account of the equipment covered by said lease.

The Trust Company, Trustee, shall apply the rentals by it received to the payment of said expenses, taxes, interest warrants, interest payments and certificates as they shall respectively become due.

Every such lease shall provide that the Railway Company shall maintain the equipment covered thereby in proper repair during the term of the lease, and shall replace any of it which may be destroyed from any cause whatever during the continuance of the lease with other equipment of equal value, and shall cause to be fixed and retained upon each side of each of the cars, engines, and other structures forming a part of said equipment, during the continuance of said lease, a plate, mark or insignia of ownership having thereon the words, "The Farmers' Loan and Trust Company, of New York, and James H. Perkins, Trustees, Owners and Lessors, C.&N.W.Ry.Co. Equipment Trust of 1922, Series....."

The Railway Company, lessee as aforesaid, shall further covenant properly to indemnify and protect the Trustees in the use of any and all patented inventions employed in and about the said equipment, and to comply with all lawful requirements as to the use of air brakes and other appliances with respect to the leased equipment and to furnish to the Trustees, the lessors, in every year during the continuance of the lease, an accurate statement of the equipment covered by the lease in actual service, the number and description of such as may have been destroyed and substituted and then undergoing repair, and to allow the Trustees, by their duly authorized agent, to inspect said equipment at any time during the continuance of said lease.

Every such lease shall provide that the Trustees shall retain the full legal title to the equipment covered thereby and to all of it, until the Railway Company shall have fully complied with all of the agreements therein contained, and shall have made all of the payments therein provided for, and that upon the termination of the lease and the performance by the Railway Company of its covenants and obligations under such lease and hereunder as herein provided, the Trustees shall convey and transfer to the Railway Company all of the equipment covered thereby, which shall thereafter be owned and enjoyed by the Railway Company free from any right or interest therein of the Trustees or of the holders of said certificates.

As and when the said interest warrants or certificates are paid in full according to the provisions hereof, the same shall be canceled by the Trust Company, Trustee hereunder, and when canceled, delivered to or upon the order of the Railway Company.

Every such lease shall contain a provision that in case the Railway Company shall make default in the payment of any part of said rental reserved therein for more than ninety days after the same shall have become due and payable, or shall fail to perform any agreements therein on its part to be performed for more than ninety days after the Trust Company, Trustee, shall have demanded performance thereof, the Trustees may, at their option, and on the request of the holders of a majority in amount of the series of trust certificates issued on account of the equipment covered by such lease then outstanding, and upon being properly indemnified, shall, declare the principal of all said outstanding certificates of said series to be due and payable immediately, and in the same manner may or shall terminate said lease, and shall by their agents take possession of all of the equipment

covered thereby and sell the same or such part hereof as may be necessary to perform the trusts hereby created, at public or private sale, for cash or upon credit in their discretion, and shall otherwise proceed to exercise and enforce their rights and the rights of the holders of the said series of said certificates herein and under such lease in the manner herein and therein provided. Instead of or in addition to the exercise of the powers in case of default herein above specified, the Trustees may invoke any legal or equitable remedy. In the distribution of funds by the Trust Company, Trustee, in the performance upon default of the trusts hereby created, the payment of the principal of outstanding trust certificates shall be postponed to the payment in full of outstanding matured interest warrants and interest payments provided for in the registered certificates issued without interest warrants. Any part of the funds remaining undisposed of upon the performance of the trusts hereby created shall be delivered and paid to the Railway Company.

The Equipment so to be held by the Trustees may be leased to said Railway Company, by one lease, or by several leases covering separate portions thereof, made as and when such portions are acquired and delivered to the Trustees.

THIRD.

In case of the death, resignation or inability to serve of any of the Vendors, the other Vendors shall have and discharge all the powers of the Vendors. Any action taken by a majority of the Vendors shall have the same force and effect as though taken by all of them. Any vacancy in the Vendors may be filed by the Railway Company upon a written designation and a written acceptance filed with the Trustees, and thereupon the person so designated shall be one of the Vendors with the same force and effect as though he had been originally named one.

The Vendors shall be responsible only for the exercise of good faith in the discharge of their duties hereunder, and the Railway Company hereby agrees to indemnify and save them and each of them harmless of and from all expense or liability which they may in any manner incur or become subject to because of or in connection with anything done or omitted to be done under or in connection with this agreement.

FOURTH.

The Trustees shall not be liable to any of the parties hereto or to any of the holders of said certificate or said interest warrants for any defect in any of said equipment, or in its title thereto, nor shall anything herein be construed as a warranty on the part of the said Trustees in respect thereof nor as a representation in respect of the value thereof.

The Trustees may exercise their powers and perform their duties by or through such attorneys, agents and servants as they shall appoint, and shall be entitled to the advice of counsel, and shall be answerable only for their own acts, neglects and defaults and not for the default or misconduct of any attorney, agent or servant appointed by them with reasonable care in pursuance hereof; nor shall they be liable in any event for any cause except for their own negligence or default.

The Trustees shall be under no duty or obligation to see to the recording, registration or filing of this agreement or of any such lease, or of any agreement, statement or other instrument hereafter executed in respect of said equipment or parts thereof, which may be used to replace any of the same. Neither shall they be responsible in any way for the recitals herein contained, or in the certificates or interest warrants issued hereunder, or in any such lease, such recitals being recitals binding only upon the Railway Company; or for the execution or validity hereof, or for the certificates or interest warrants issued hereunder, or for any mistakes of fact or law.

The Trustees shall be under no obligation to take any action for the execution or enforcement of the trusts hereby created, as to any equipment that shall have been so leased to said Railway Company, unless requested thereunto in writing by the holders of not less than a majority in amount of the outstanding certificates of the series issued with respect to such equipment, and only upon being satisfactorily indemnified against expense and liability with respect thereto, and also furnished with proof satisfactory to them as to the ownership of the certificates and interest warrants in

respect of which any notice or request may be made; but neither any such request nor this provision therefor shall affect any discretion elsewhere specifically given to the Trustees to determine whether or not they shall take action in respect of such default, or take action without request.

No holder of any certificates or interest warrants issued hereunder shall have a right to institute any suit, action or proceeding for the execution or enforcement of the trusts hereby created, unless after the aforesaid request in writing of the holders of not less than a majority in amount of the then outstanding certificates of the series held by him shall have been made upon the Trust Company, Trustee, satisfactory indemnity provided, and a reasonable time elapsed for action by the Trust Company, Trustee, upon such request, it declines to institute any proceedings pursuant thereto.

The Trustees may, for all purposes, conclusively assume that the Railway Company is not in default under the terms hereof until notified in writing to the contrary by the holders of at least one-quarter in amount of the certificates secured hereby and then outstanding, which notice shall distinctly specify the default desired to be brought to the attention of the Trustees.

The Trustees shall not incur any liability to anybody in acting upon any notice, request, consent, orders, certificate, warrant or other paper or instrument believed by it to be genuine or authentic, and to be signed by the proper party or parties.

The Railway Company agrees to pay the expenses incident to the preparation, execution and certification of the trust certificates and interest warrants to be issued hereunder, and also connected with the preparation, execution, recording, registration and filing hereof and of any instruments hereafter executed under the provisions hereof in respect to said equipment or lease or leases, or any of the same, or any equipment or parts used to replace any of the same.

Said Trustees shall, at least once in each year, render to the Railway Company a statement of its said trust and of the accounts relating thereto, and covering such matters as the Railway Company may properly require; and the Vendors and Railway Company, or either of them, may, from time to time, examine the books and accounts of the Trustees relating to said certificates and lease or leases, to this agreement and to the acts of the Trustees hereunder.

FIFTH.

The term "Trust Company, Trustee," as used herein shall be held and construed to mean The Farmers' Loan and Trust Company, or its successor trust company hereunder; the word "Trustees" shall be held and construed to mean all trustees hereunder; the words "Railway Company" to mean and include the party of the third part, its successors and assigns; and the words "certificate holder" and "holder" shall include the plural as well as the singular number.

If at any time there shall happen to be no Trust Company among the existing trustees under this indenture, or if at any time the Trust Company, Trustee hereunder, shall be unable to act or shall decline to act, any and all the powers to be exercised and acts to be done, according to any provision hereof, by the Trust Company, Trustee, may and shall be exercised and performed by such other Trust Company as may be designated for that purpose by written appointment by the Railway Company; and the exercise of any such powers or the performance of any such acts by the proper Trust Company, whether performed by it as Trustee or by it in its individual character, shall at all times and for all purposes be deemed sufficient as the act of such Trust Company individually, whether or not it be also the act of such Trust Company as Trustee; and if at any time there happen to be neither a Trust Company that is trustee hereunder and is able to act, nor a Trust Company that has been designated in accordance herewith to exercise the powers and perform the acts prescribed to be exercised or performed by a Trust Company, and is able and willing to act, then in such event, and until there shall be a Trust Company able and willing to exercise such powers and perform such acts, the existing Trustee hereunder may and shall exercise the powers and perform the acts otherwise to be exercised and performed by a Trust Company.

In case at any time the said The Farmers' Loan and Trust Company or said James H. Perkins or any Trustee hereafter appointed shall resign or be removed or otherwise

be or become incapable of acting, a new Trustee or Trustees may be appointed by the Railway Company, instead of the company or person so resigning, removed or incapable of acting, by an instrument executed by order of the Board of Directors or Executive Committee of said Railway Company. One of the Trustees hereunder shall always be a Trust Company in good standing, doing business in the City of New York, if there be such a Trust Company willing and able to accept the trust upon reasonable and customary terms.

Any new Trustee or Trustees appointed hereunder shall execute, acknowledge and deliver to the Railway Company, an instrument accepting such appointment hereunder, and thereupon such new Trustee or Trustees without any further act, deed or conveyance shall become vested with all properties, powers and trusts hereunder, jointly with any other then existing Trustee or Trustees, with like effect as if originally named as Trustee, or Trustees herein; but any retiring Trustee shall, nevertheless, on the written request of the remaining or the new Trustee or Trustees, execute and deliver an instrument transferring to the then existing Trustee or Trustees, upon the trusts herein expressed, all the properties, rights, powers and trusts of the Trustee so retiring, and shall duly assign, transfer and deliver any property and moneys held by such Trustee to the then existing Trustee or Trustees. Whenever, under the provisions hereof, it is necessary or proper for any notice or demand to be made to or upon the Railway Company, or if at any time it is desired to give any such notice or make any such demand, such notice or demand may be given or made to the Railway Company by depositing a written statement thereof, securely enclosed in a postpaid wrapper, in the United States mail, directed to the said Railway Company, at Chicago, Illinois, and an affidavit by any person representing or acting on behalf of the Trustees as to such mailing shall be conclusive evidence of the giving of such notice and making of such demand.

In order to facilitate the record of this indenture, the same may be simultaneously executed in ten counterparts, each of which so executed shall be deemed to be an original; and such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF the parties hereto of the first part have hereunto set their hands and seals, and THE FARMERS' LOAN AND TRUST COMPANY, one of the parties of the second part, has caused its corporate seal to be hereunto affixed and attested by its Secretary, and these presents to be signed in its name and behalf by its President; and James H. Perkins, the other of the parties of the second part, has hereunto set his hand and seal, and the CHICAGO AND NORTH WESTERN RAILWAY COMPANY, the party hereto of the third part, has caused this indenture to be signed in its name and behalf by its President and its corporate seal to be hereunto affixed and the same to be attested by the signature of its Secretary; all upon the day and year first above written.

JOHN D. CALDWELL (Seal)

In presence of:
BARRET CONWAY
F. B. STUCHFIELD

LEWIS A. ROBINSON (Seal)

In presence of
BARRET CONWAY
F. B. STUCHFIELD

ARTHUR B. JONES (Seal)

In presence of:
BARRET CONWAY
F. B. STUCHFIFLD

THEODORE H. GOODNOW (Seal)

In presence of:
BARRET CONWAY
F. B. STUCHFIELD

THE FARMERS' LOAN AND TRUST COMPANY,
By J. H. PERKINS
Its President.

(Corporate seal)

Attest:
A. V. HEELY
Secretary.

In presence of:
F. E. COSGROVE
N. E. HANF

J. H. PERKINS (Seal)

In presence of:
F. E. COSGROVE
N. E. HANF

CHICAGO AND NORTH WESTERN RAILWAY COMPANY,
By W. H. FINLEY
Its President.

(Corporate seal)

Attest:
JOHN D. CALDWELL
Secretary
In presence of:
BARRET CONWAY
F. B. STUCHFIELD

STATE OF ILLINOIS,)
COUNTY OF COOK.) ss.

I, H. H. Doerk, a Notary Public in and for the County of Cook, in the State of Illinois, do hereby certify that John D. Caldwell, Lewis A. Robinson, Arthur B. Jones and Theodore H. Goodnow, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal this 26th day of May, 1922.

H. H. DOERK
Notary Public in and for Cook County, Illinois.
My commission expires March 15th 1923.

(Notarial seal)

STATE OF ILLINOIS,)
COOK COUNTY.) ss.

I, Robert M. Sweitzer, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that H. H. Doerk, whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have heReunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago in the said County, this 31 day of May, 1922.

ROBERT M. SWEITZER
County Clerk.

(County Seal)

STATE OF NEW YORK,)
CITY AND COUNTY OF NEW YORK.) ss.

I, Geo. H. Corey, a Notary Public in and for the City and County of New York, in the State of New York, and a Commissioner of Deeds in and for the State of New York, duly appointed and commissioned as such by the respective Governors of and for the States of Illinois, Wisconsin and Michigan, being a resident in the City, County and State of New York, and duly qualified to act as such Commissioner for each of said States of Illinois, Wisconsin and Michigan, and duly authorized as such Commissioner

to take and certify in the State of New York acknowledgments of deeds of lands in each of said States of Illinois, Wisconsin and Michigan, do hereby certify that on this 9th day of June in the year 1922, before me, the subscriber, personally appeared James H. Perkins and Augustus V. Heely, President and Secretary, respectively, of The Farmers' Loan and Trust Company, a corporation, and on said same day also appeared before me by its said officers the said The Farmers' Loan and Trust Company, being known to me to be the corporation whose name is subscribed to the foregoing instrument, and which executed the same as one of the parties of the second part; that James H. Perkins and Augustus V. Heely are personally known to me and are known to me to be the President and Secretary, respectively, of said The Farmers' Loan and Trust Company, and the identical persons whose names are subscribed to the foregoing instrument as President and Secretary of said corporation; and said James H. Perkins and Augustus V. Heely then and there severally acknowledged that they signed, sealed and delivered the foregoing instrument as the President and Secretary, respectively, of said The Farmers' Loan and Trust Company, and in behalf of said corporation and by order of its Board of Directors, and that they were President and Secretary, respectively, of said corporation at the time of the execution of said foregoing instrument, and that the seal attached to said instrument is the corporate seal of said The Farmers' Loan and Trust Company, and was affixed to said instrument on behalf of said corporation and by order of its Board of Directors; and I further certify that said James H. Perkins and Augustus V. Heely then and there further severally acknowledged that they executed said instrument as their free and voluntary act and deed as such President and Secretary, respectively, and as the free and voluntary act and deed of said The Farmers' Loan and Trust Company and for the uses and purposes in said instrument set forth.

And at the same time said James H. Perkins and Augustus V. Heely, being by me severally duly sworn, did severally depose and say that they resided, the said James H. Perkins in Greenwich, State of Connecticut and the said Augustus V. Heely in Plainfield, New Jersey; that said The Farmers' Loan and Trust Company is a corporation; that they are and at the time of the execution of the foregoing instrument were the President and Secretary, respectively, of said The Farmers' Loan and Trust Company, the corporation described in and which executed the foregoing instrument; that they knew the seal of said corporation; that they signed the foregoing instrument as President and Secretary, respectively, of said corporation and in its behalf and by order of its Board of Directors; and that the seal affixed to said instrument is the seal of said The Farmers' Loan and Trust Company and was so affixed by them by order of the Board of Directors of said corporation.

And I further certify that I know the seal affixed to the foregoing instrument to be the corporate seal of said The Farmers' Loan and Trust Company, and that said instrument is executed and acknowledged according to and in conformity with the laws of the State of New York.

IN TESTIMONY WHEREOF, I have heReunto set my hand and affixed my official seals as Notary Public for the City and County of New York, in the State of New York, and also as Commissioner within the State of New York of and for the several States of Illinois, Wisconsin and Michigan, on said 9th day of June, 1922.

GEO. H. COREY
Notary Public in and for the City and County of New York, in the State of New York

(Seal)

GEO. H. COREY
Commissioner of the State of Illinois, in the State of New York, appointed by the Governor of the State of Illinois to take acknowledgments of deeds and other instruments to be recorded and used in Illinois.

(Seal)

GEO. H. COREY
CommissioneR of the State of Wisconsin, in the State of New York, appointed by the Governor of the State of Wisconsin to take acknowledgments of deeds and other instruments to be recorded and used in Wisconsin.

(Seal)

GEO. H. COREY
Commissioner of the State of Michigan, in the State of New York, appointed by the Governor of the State of Michigan to take acknowledgments of deeds and other instruments to be recorded and used in Michigan.

(Commissioners' Seal)

STATE OF NEW YORK,)
COUNTY OF NEW YORK.) ss.

James A. Donegan
Clerk of the County of New York
and Clerk of the Supreme Court

I, James A. Donegan, Clerk of the County of New York, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, DO HEREBY CERTIFY that Geo. H. Corey, whose name is subscribed to the certificate of the proof or acknowledgment of the annexed instrument, and thereon written, was, at the time of taking such proof or acknowledgment, a Notary Public in and for the County of New York, dwelling in the said County, commissioned and sworn, and duly authorized to take the same. And further that I am well acquainted with the handwriting of such Notary, and verily believe that the signature to the said certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have heReunto set my hand and affixed the seal of the said Court and County, the 13 day of June, 1922.

JAMES A. DONEGAN
Clerk.

(Seal)

James A. Donegan
Clerk of the County of
New York and Clerk of
The Supreme Court

STATE OF NEW YORK,) ss.
CITY AND COUNTY OF NEW YORK)

I, Geo. H. Corey, a Notary Public in and for the City and County of New York, in the State of New York, and a Commissioner of Deeds in and for the State of New York, duly appointed and commissioned as such by the respective Governors of and for the States of Illinois, Wisconsin and Michigan, being a resident in the City, County and State of New York, and duly qualified to act as such Commissioner for each of said States of Illinois, Wisconsin and Michigan, and duly authorized as such Commissioner to take and certify in the State of New York, acknowledgments of deeds of lands in each of said States of Illinois, Wisconsin and Michigan, do hereby certify that on this 9th day of June in the year 1922, before me, the subscriber, personally appeared James H. Perkins, personally known to me and known to me to be the identical person whose name is subscribed to the foregoing instrument and who is described in the said instrument, and executed the same as one of the parties of the second part; and that said James H. Perkins then and there acknowledged that he signed, sealed and delivered and executed the foregoing instrument as his free and voluntary act and deed, and for the uses and purposes therein set forth.

And I further certify that said foregoing instrument is executed and acknowledged according to and in conformity with the laws of the State of New York.

IN TESTIMONY WHEREOF, I have heReunto set my hand and affixed my official seals as Notary Public for the City and County of New York, in the State of New York, and also as Commissioner within the State of New York of and for the several States of Illinois, Wisconsin and Michigan, on said 9th day of June, 1922.

GEO. H. COREY
Notary Public in and for the City and County of New York, in the State of New York.

(Notarial seal)

GEO. H. COREY
Commissioner of the State of Illinois, in the State of New York, appointed by the Governor of the State of Illinois to take acknowledgments of deeds and other instruments to be recorded and used in Illinoid.

(Commissioners' Seal)

GEO. H. COREY
Commissioner of the State of Wisconsin, in the State of New York, appointed by the Governor of the State of Wisconsin to take acknowledgments of deeds and other instruments to be recorded and used in Wisconsin.

(Commissioners' Seal)

GEO. H. COREY
Commissioner of the State of Michigan, in the State of New York, appointed by the Governor of the State of Michigan to take acknowledgments of deeds and other instruments to be recorded and used in Michigan.

(Commissioner's Seal)

STATE OF ILLINOIS,)
COUNTY OF COOK.) ss.

I, H. H. Doerk, a Notary Public in and for said County, in said State of Illinois, do hereby certify that on this 26th day of May, 1922, before me, the subscriber, personally appeared William H. Finley and John D. Caldwell, to me personally known to be the President and Secretary, respectively, of the Chicago and North Western Railway Company, a corporation, and to be the same persons whose names are subscribed to the foregoing instrument as President and Secretary, respectively, of said corporation; and they then and there severally acknowledged that as such President and Secretary respectively they signed, sealed, executed and delivered the foregoing instrument pursuant to authority given by the Board of Directors of said Chicago and North Western Railway Company, and further acknowledged that the seal attached to said foregoing instrument is the corporate seal of said Chicago and North Western Railway Company and was affixed to said instrument by authority of said Board of Directors, and further acknowledged said instrument to be the free and voluntary act of said Chicago and North Western Railway Company for the uses and purposes therein set forth; and I further certify that I know the seal affixed to said instrument to be the corporate seal of said Chicago and North Western Railway Company.

IN WITNESS WHEREOF, I have heReunto set my hand and my official seal as Notary Public aforesaid on this 26th day of May, 1922.

H. H. DOERK
Notary Public in and for Cook County, Illinois.

(Notarial seal)

My commission expires March 15th 1923.

STATE OF ILLINOIS,)
COOK COUNTY.) ss.

I, Robert M. Sweitzer, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that H. H. Doerk, whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have heReunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 31 day of May, 1922.

ROBERT M. SWEITZER
County Clerk.

(Seal)

State of Wisconsin) ss.
Department of State) Received this 20th day of June A. D. 1922 at 10 o'clock A.M. and recorded in Volume 21 of Railroad Mortgages on page 171-181

LANCELOT A. GORDON
Assistant Secretary of State

SUPPLEMENTAL INDENTURE

LAKE SUPERIOR DISTRICT POWER COMPANY

TO

CONTINENTAL AND COMMERCIAL
TRUST AND SAVINGS BANK

AND

WILLIAM P. KOPF,
Trustees

Dated June 19, 1922

THIS FIRST SUPPLEMENTAL INDENTURE, made this 19th day of June, A. D. 1922, by the undersigned, LAKE SUPERIOR DISTRICT POWER COMPANY, a corporation, duly organized and existing under and by virtue of the laws of the State of Wisconsin and duly admitted and licensed to do business in the State of Michigan, located and having its principal place of business in the City of Ashland, County of Ashland and State of Wisconsin, WITNESSETH:

THAT WHEREAS this Company did heretofore make, execute and deliver its indenture of mortgage or deed of trust to Continental and Commercial Trust and Savings Bank and William P. Kopf, Trustees, dated January 1, 1922, securing an authorized issue of bonds of said Company as therein described;

WHEREAS the said indenture of mortgage or deed of trust was thereafter filed for record in the office of the Register of Deeds of Rusk County, Wisconsin, and recorded in the said office in Volume 52 of Mortgages, page 203; and is to be, together with this instrument, recorded in the counties of Iron, Ashland and Bayfield, Wisconsin, and in Gogebic County, Michigan;

WHEREAS this Company did in and by said indenture covenant that it would from time to time execute, acknowledge and deliver all and every such futher acts, deeds, conveyances, transfers and assurances in law as might reasonably be advised or required for effectuating the intention of the said indenture or for the better assuring and confirming unto the said Trustees, or their successors in trust, by the said indenture created, upon the trusts and for the purposes in the said indenture expressed, all and singular, the property by the said indenture assigned, and transferred to the said Trustees or intended so to be as well that then owned by this Company as that which should thereafter be acquired by it;

WHEREAS this Company did subsequent to the date of the said indenture acquire the properties hereinafter mentioned and described;

WHEREAS the said Trustees have been advised by counsel that an indenture supplemental to the said indenture specifically subjecting the properties hereinafter mentioned and described to the lien of the said indenture and substantially in the form and substance hereof is desirable; and

WHEREAS the execution and delivery hereof have been authorized and directed by resolution duly passed by the Board of Directors of this Company,

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That to secure the payment of the principal and interest of bonds now issued and outstanding under the said indenture and such bonds as may hereafter at any time be issued and outstanding thereunder, according to their tenor and effect, the undersigned, Lake Superior District Power Company in consideration of the premises and of the purchase and acceptance of bonds issued under the said indenture, and of the sum

One Dollard ($1) lawful money of the United States of America to it duly paid by the Trustees at or before the ensealing and delivery of these presents has granted, bargained, sold, aliened, remised, released, conveyed, conferred, assigned, transferred, mortgaged and set over and does execute and deliver these presents and by these presents does grant, bargain, sell, alien, remise, release, convey, confer, assign, transfer, mortgage and set over unto Continental and Commercial Trust and Savings Bank and William P. Kopf, as Trustees, under the indenture aforesaid and to their respective successor or successors in such trust, all and singular the following described real estate, to wit:

A. In Iron County, Wisconsin.

1. That part of Lot one (1) in Block eight (8) of Northern Chief Iron Company's Addition to the Village of Hurley, described as commencing at a point on the easterly line of said lot twelve (12) feet south of the northeast corner of said lot, running thence southwesterly in a line parallel with the northerly line of said lot to a point where said line intersects the southerly line of said lot, running thence westerly, along said southerly line of said lot to the point of intersection of said southerly and northerly lines of said lot, thence northeasterly along the northerly line of said lot to the northeast corner thereof, thence southerly along the easterly line of said lot, a distance of twelve (12) feet, to the point of beginning;

In Township forty-six (46) North, Range two (2) East of the Fourth Principal Meridian.

2. The south quarter of the southeast quarter of Section seventeen (17).

3. That part of the northwest quarter of the northwest quarter of Section twenty-five (25) described as follows: To establish the starting point, commence at the northwest corner of said Section twenty-five (25), and run thence south on the section line between Section twenty-five (25) and twenty-six (26) of said Township and Range aforesaid five hundred sixty-eight and five-tenths (568.5) feet; thence at an angle of ninety (90) degrees to a point six hundred and eleven (611) feet east of said section line, which point is the northwest corner of the tract of land hereby intended to be conveyed; and running thence south at an angle of ninety (90) degress two hundred seventy-five (275) feet to the southwest corner of said tract; thence east at an angle of ninety (90) degrees three hundred (300) feet to the southeast corner of said tract; thence north at an angle of ninety (90) degrees two hundred and seventy-five (275) feet to the northeast corner of said tract; thence west at an angle of ninety (90) degrees three hundred (300) feet to the place of beginning, being the same premises conveyed to the Gogebic Water & Gas Supply Co., by the Northern Chief Iron Company by quitclaim deed dated August 19, 1887, recorded in the office of the Register of Deeds in and for Ashland County, of which county the present County of Iron was at said time a part, on page 171, in Book 32.

In Township forty-seven (47) North, Range one (1) East, of the Fourth Principal Meridian.

4. (Except the south five hundred (500) feet thereof) Government Lot one (1) in Section twenty-one (21).

5. Government Lots three (3), four (4) and that part of Lot two (2) lying north of the line described as follows: Commencing at a point five hundred (500) feet south of the intersection of the north and south quarter line of said Section twenty-one (21) and the south bank of Montreal River; running thence in a southerly and westerly direction in a line parallel with the present bank of the said river, and five hundred (500) feet distant therefrom, to the point at which said line intersects the west eighth line between said Lots one (1) and two (2) in said section.

6. Government Lot one (1) in Section twenty-two(22).

In Township forty-five (45) North, Range one (1) West, of the Fourth Principal Meridian.

7. That part of the northeast quarter of the southwest quarter lying north of the right of way of the Minneapolis, St. Paul and Sault Ste. Marie Railroad Company, in Section twenty-eight(28).

8. All the rights, privileges, franchises, easements, licenses, permits, grants and reservations of the Company howsoever conferred or acquired to flow, flood or overflow by means of any dam or dams now or hereafter constructed or maintained in the Montreal River, the following described lands, together with the right to build, construct, operate and maintain transmission lines over, across and upon any or all of the following described premises, to wit:

IN Township forty-seven (47) North, Range one (1) East, of the Fourth Principal Meridian.

Government LOts one (1) and two (2) and the southwest quarter of the southwest quarter of Section seven (7).

Government Lot two (2) of Section fifteen (15).

Government Lot one (1) in Section seventeen (17).

Government Lots three (3) and four (4) in Section twenty-two (22).

B. In Ashland County, Wisconsin.

In Township forty-five (45) North, Range two (2) West, of the Fourth Principal Meridian.

1. Southwest quarter of the southwest quarter of Section sixteen (16).

2. The entire east half of Section seventeen (17).

3. The entire southeast quarter and the south four hundred (400) feet of the southwest quarter of the northeast quarter, lying east of the right of way of the Wisconsin Central Railroad Company and the Minneapolis, St. Paul and Sault Ste. Marie Railway Company, in Section thirty (30).

4. All rights, privileges, franchises, easements, licenses, permits, grants and reservations of the Company howsoever conferred or acquired to flow, flood or overflow by means of any dam or dams now or hereafter constructed or maintained in the Bad River, the following described lands, together with the right to build, construct, operate and maintain transmission lines over, across and upon any or all of the following described premises, to wit:

In Township forty-five (45) North, Range two (2) West, of the Fourth Principal Meridian.

South half of the southeast quarter of Section five (5).

Northeast quarter of the southwest quarter and the entire east half of Section eight (8).

The southeast quarter of the northwest quarter and the southeast quarter of the southwest quarter of Section fifteen (15).

The undivided three-fourths of the northeast quarter of the northeast quarter; the undivided three-fourth of the northwest quarter of the northwest quarter; the undivided three-fourth of the northeast quarter of the southeast quarter; the southwest quarter of the northwest quarter; and the northwest quarter of the southwest quarter of Section sixteen (16).

The east half of the northwest quarter and the entire southwest quarter of Section seventeen (17).

The northeast quarter of the southeast quarter and the entire southwest quarter of Section eighteen (18).

(Except the west half of the southwest quarter thereof) all of Section nineteen (19).

(Except the southwest quarter thereof) all of Section twenty (20).

The north half of the northeast quarter and the entire west half of Section twenty-one (21).

The northeast quarter of the northeast quarter; the southwest quarter of the northeast quarter and the south half of the northwest quarter of Section twenty-two (22).

The southwest quarter of the northwest quarter of Section twenty-three (23);

The southwest quarter of the northeast quarter; the southeast quarter of the northwest quarter and the northeast quarter of the southwest quarter of Section twenty-nine (29).

The entire northeast quarter (except the south four hundred (400) feet of the southwest quarter thereof lying east of the right of way of the Wisconsin Central Railway Company and the Minneapolis, St. Paul and Sault Ste. Marie Railway Company), of Section thirty (30).

The part of the east half of the northeast quarter, east of the right of way of the Minneapolis, St. Paul and Sault Ste. Marie Railway Company, of Section thirty-one (31).

Beginning at a point one hundred and fifty (150) feet north of the southwest corner of Section thirty-two (32), Township and Range aforesaid, thence in a northerly direction along the said section line to the northwest corner of the southwest quarter of said Section thirty-two (32); thence east to the center of the road now known as Butler street, in Cordy's Addition to the City of Mellen; thence along the center of the said street in a southwesterly direction to a point one hundred and fifty (150) feet north of the south line of said Section thirty-two (32); thence in a westerly direction parallel with and one hundred and fifty (150) feet distant from the said south line of said section to the place of beginning.

C. In Gogebic County, Michigan.

1. That part of Lots seven (7) and eight (8) in Block one (1) and of Lots one (1), two (2) and three (3) in Block two (2) of West Bessemer, so called, in the Village, now City, of Bessemer, according to the recorded plat thereof recorded in the office of the Register of Deeds in and for the county aforesaid, lying northerly of a line drawn parallel with and forty (40) feet distant northerly from the center line of Gogebic and Montreal River Railroad, so called, as the same is now located, constructed and operated over and across said lots respectively.

2. Lots one (1), two (2), thirteen (13) and fourteen (14) in Block six (6) Canal Company's Addition to the City of Ironwood.

3. Lot fifteen (15) in Block twenty-one (21) in original plat of Ironwood.

4. Lots six (6) to fourteen (14), both inclusive, in Block three (3) in Norrie Addition to the City of Ironwood.

5. Lot four (4) in Block one (1); Lot ten (10) in Block five (5); Lots one (1) to ten (10), both inclusive, in Block six (6) and the vacated street or strip of land lying between Blocks five (5) and six (6), all in the plat of Montiocllo according to the plat thereof recorded in the office of the Register of Deeds in and for the county aforesaid.

In Township forty-seven (47) North, Range forty-six (46) West, of the Michigan Meridian.

6. A parcel of land in Section nine (9), described as follows: Beginning at the point in the south line of Section nine (9), at which said line is intersected by the westerly line of Hematite street, as said street is delineated on the plat of the Canal Company's addition to the Village of Bessemer, and thence running west on said section line about two hundred (200) feet to the point of intersection of the easterly line of the location or right of way of the Milwaukee Lake Shore and Western Railway, with said section line, thence northeasterly by said line of said location or right of way to the point at which the same is intersected by the westerly line

of said Hematite street, as the same is delineated on said plat and thence south by the west line of said street two hundred and sixty-six (266) feet to said point of beginning, all in the City of Bessemer.

In Township forty-eight (48) North, Range forty-eight (48) West, of the Michigan Meridian.

7. That part of Government Lots one (1) to four (4) both inclusive, lying south and east of a contour line drawn along the Montreal River, the height of said contour line being twenty (20) feet above the crest of the dam at what is known as Saxon Falls Development on said river in Section twenty-four (24), Township forty-eight (48), North, Range forty-nine (49) West, as maintained on the first day of June, 1919, in Section nineteen (19).

In Township forty-eight (48) North, Range forty-nine (49) West, of the Michigan Meridian.

8. Government Lots one (1), two (2) and four (4) in Section fifteen (15).

9. (Except the north six hundred (600) feet thereof) Government Lots one (1) in Section twenty-four (24).

10. That part of Government Lot two (2) in Section twenty-four (24) lying south of the line described as follows: Commencing at a point on the west eighth line of said section six hundred (600) feet south of the northeast corner of said Lot one (1); running thence in a northeasterly direction to a point on the north and south quarter line of said Section one thousand (1000) feet south of the northeast corner of said Lot two (2).

11. That part of Government Lot three (3) in Section twenty-four (24) lying south of a line described as follows: Commencing at a point one thousand (1000) feet south of the northwest corner of said lot; running thence in a northeasterly direction to the point at which the east boundary line of said lot intersects a contour line drawn along the north bank of the Montreal River, the height of said contour line being twenty (20) feet above the crest of the dam at what is known as Saxon Falls Development on the Montreal River in said section, as maintained on the 1st day of June, 1919.

12. That part of Government Lot four (4) in Section 24, lying south of a contour line drawn through said lot on the north side of said Montreal River at the height hereinbefore mentioned.

13. All the rights, privileges, franchises, easements, licenses, permits, grants and reserves of the Company howsoever conferred or acquired to flow, flood or overflow by means of any dam or dams now or hereafter constructed or maintained in the Montreal River, the following described lands, together with the right to build, construct, operate and maintain transmission lines over, across and upon any and all of the following described premises, to wit:

In Township forty-eight (48) North, Range forty-eight (48) West, of the Michigan Meridian.

Government Lots one (1) to four (4) both inclusive in Section nineteen (19).

In Township forty-eight (48) North, Range forty-nine (49) West, of the Michigan Meridian.

Government Lots one (1) to four (4), both inclusive; the northeast quarter of the northwest quarter and (except the southwest quarter of the southeast quarter) the entire east half, of Section twenty-three (23).

Government Lots one (1) to four (4), both inclusive; the entire northeast quarter the northwest quarter of the northwest quarter and the northwest quarter of the southwest quarter of Section twenty-four (24).

Entire Fractional Section twenty-six (26).

D. In Ashland County, Wisconsin.

1. Lots eighteen (18) to twenty-one (21), both inclusive, in Block fifty-nine (59); Lots thirteen (13) to twenty-four (24), both inclusive, in Block sixty-four (64), and the east twenty-five (25) feet of Lots nine (9) to twelve (12), both inclusive, in Block one hundred and ten (110), all in Ellis Division in the City of Ashland.

2. All of Block ten (10) (being Lots one (1) to thirty-two (32), both inclusive) in Commercial Addition to the City of Ashland.

In Township forty-six (46) North, Range four (4) West, of the Fourth Principal Meridian.

3. The west half of the northwest quarter of the northwest quarter (except that part thereof conveyed to West W. Wilson by deed recorded on page 280 of Volume 95 of Deeds in the office of the Register of Deeds of Ashland County) in Section five (5).

4. That part of the north half of the north half of the northeast quarter lying east and south of the Sanborn road through said description (except that part of the northeast quarter of the northeast quarter conveyed to West W. Wilson by above mentioned deed) in Section six (6).

5. The northeast quarter of the southwest quarter of the northeast quarter of Section six (6).

6. That part of the southeast quarter of the northeast quarter, lying west of Sanborn road of Section six (6).

In Township forty-seven (47) North, Range four (4) West, of the Fourth Principal Meridian.

7. That part of Government Lot two (2), of Section five (5), bounded and described as follows, to wit: Commencing at a point at which the westerly line of Fourteenth avenue intersects the center line of Front street in the City of Ashland; running thence easterly along the center line of Front street the distance of about three hundred and thirty-one (331) feet to a point on said line thirty-five (35) feet west of the intersection of said line with the westerly line of Beaser avenue extended; running thence northerly, on a line parallel with said westerly line of Beaser avenue extended, to the shore of Lake Superior; thence in a westerly direction, along the shore of said lake to the intersection of said shore line and the easterly line of Block one hundred and one (101) of the division of Ashland proper, extended; thence southerly along the easterly line of said Block one hundred and one (101) as extended to the point of beginning.

8. The north five (5) acres of the south fifteen (15) acres of the northeast quarter of the southeast quarter of Section seven (7).

9. All rights, privileges, franchises, easements, licenses, permits, grants and reservations of the Company howsoever conferred or acquired to flow, flood or overflow by means of any dam or dams now or hereafter constructed or maintained in Bad River the following described lands, to wit:

A. In Township forty-five (45) North, Range two (2) West, of the Fourth Principal Meridian.

The northwest quarter of the northeast quarter; (except the south quarter thereof) the entire west half of Section four (4).

The northeast quarter of the southeast quarter of Section five (5).

10. All rights, privileges, franchises, easements, licenses, permits, grants and reservations of the Company howsoever conferred or acquired to flow, flood or overflow by means of any dam or dams now or hereafter constructed or maintained in White River, the following described lands, to wit:

B. In Township forty-six (46) North, Range four (4) West, of the Fourth Principal Meridian.

The north half of the northwest quarter of Section five (5).

(Except the southeast quarter thereof) the northeast quarter and (except the south quarter thereof) the entire west half of Section six (6).

C. In Township forty-seven (47) North, Range four (4) West, of the Fourth Principal Meridian.

The northwest quarter of the southeast quarter;(except the northwest quarter thereof) the northeast quarter and (except the northeast quarter of the northwest quarter and southeast quarter of the southwest quarter) the entire west half of Section twenty-five (25).

The entire southeast quarter, and that part of the southwest quarter lying east of the right of way of the Wisconsin Central Railway Company, of Section twenty-six (26).

The south half of the southeast quarter of Section twenty-seven (27).

The south half of the southeast quarter of Section thirty-two (32).

(Except the north half of the southwest quarter) the entire south half and the southeast quarter of the northeast QUARTER OF Section thirty-three (33).

The east half of the northeast quarter and (except the south quarter thereof) the entire west half of Section thirty-four (34).

E. In Bayfield County, Wisconsin.

In Township forty-six (46) North, Range five (5) West, of the Fourth Principal Meridian.

1. The northeast quarter of the southeast quarter of Section one (1).

2. The southwest quarter of the northwest quarter of Section eleven (11).

3. All rights, privileges, franchises, easements, licenses, permits, grants and reservations of the Company howsoever conferred or acquired to flow, flood or overflow by means of any dam or dams now or hereafter constructed or maintained in White River the following described lands, to wit:

In Township forty-six (46) North, Range five (5) West, of the Fourth Principal Meridian.

The south half of the northeast quarter; the northeast quarter of the southwest quarter; the south half of the southwest quarter; the northwest quarter of the southeast quarter and that part of the southeast quarter of the northwest quarter described in deed recorded in Volume 56 of Deeds, page 167, in the office of the Register of Deeds in the County and State aforesaid in Section one (1).

(Except the southeast quarter thereof) the entire northeast quarter and (except the southwest quarter of the northwest quarter) the entire west half of Section eleven (11).

The entire northwest quarter of Section twelve (12), together with the right to build and construct, operate and maintain canals or transmission lines over, across, upon or through any or all of the lands hereinabove described in subsection number three (3).

The northwest quarter of the southwest quarter of Section one (1).

The southeast quarter of the southeast quarter of Section two (2).

The real estate hereinbefore described is conveyed subject to all roads and highways, and subject to all existing railroad rights of way, and subject to exceptions

therefrom of any of said real estate owned by railroad companies in fee, and subject to all reservations of oil, timber and mineral or other rights, easements in or conditions imposed on various parcels of said real estate and contained in deeds from various grantors to the company or its predecessors in title.

Wherever any real estate is described merely as a part or any exception is referred to as a part of a lot, subdivision or section, reference is hereby made to the deed conveying or accepting such part of lot, subdivision or section, or the flowage rights thereon, as the case may be, to the company or its predecessors in title for a more particular description of such part.

Together with all other property, rights, privileges, franchises, licenses, easements and permits of any and every kind and description, real, personal and mixed of the Company, wheresoever the same may be situated, and not hereinbefore specified or referred to, now owned or which may be hereafter acquired by the Company, with the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

The real estate hereinbefore described in Sections A to C, both included, is subject to the prior lien of the mortgage dated February 1, 1911, executed by Ironwood and Bessemer Railway and Light Company, a Wisconsin corporation, to American Trust Company and Charles H. Bowen, as Trustees, securing an authorized issue of Two Million Five Hundred Thousand Dollars ($2,500,000) First Mortgage Five Per Cent Gold Coupon Bonds of the said Ironwood and Bessemer Railway and Light Company dated February 1, 1911, due February 1, 1936, of which there are outstanding at the date hereof bonds in the aggregate principal amount of Two Million Three Hundred Forty-eight Thousand Dollars ($2,348,000); said property so described, being all the property formerly owned by and acquired from said Ironwood and Bessemer Railway and Light Company, a Wisconsin corporation.

The real estate hereinbefore described in Sections D and E is subject to the prior lien of the mortgage dated January 1, 1909, executed by Ashland Light, Power and Street Railway Company to Chicago Savings Bank and Trust Company and Leverett Thompson, as Trustees, securing an authorized issue of One Million Dollars ($1,000,000) in principal amount of First Mortgage Five Per Cent Gold Coupon Bonds of the said Ashland Light, Power and Street Railway Company, dated January 1, 1909, due January 1, 1939, of which there are outstanding at the date hereof bonds in the aggregate principal amount of Nine Hundred Eighteen Thousand Dollars ($918,000); said property so described being all of the property formerly owned by and acquired from Ashland Light, Power and Street Railway Company, a Wisconsin corporation.

TO HAVE AND TO HOLD all such property unto the Trustees and to their respective successor or successors in the trust created and evidenced by the said Indenture dated January 1, 1922, but in trust nevertheless for the equal and proportionate benefit and security of any and all bonds heretofore or hereafter issued under the said Indenture without regard to the time of the actual issue or negotiation of such bonds, so that each bond shall have under and by virtue of this Indenture the same right, lien and privilege as such other bond issued and to be issued under the said Indenture and as though all such bonds had been executed, delivered and negotiated simultaneously with the execution and delivery of this indenture, and upon the same and identical trusts as are in the said indenture set forth.

IN WITNESS WHEREOF, the said Lake Superior District Power Company has caused this Indenture to be signed in its name and behalf by its .....President, and its corporate seal to be hereunto affixed, and to be attested by its Secretary, all on the day and year first above written.

(Corporate seal)

LAKE SUPERIOR DISTRICT POWER COMPANY,
By L. E. Myers
President.

Attest:
William H. P. Weston
Secretary.

Executed by Lake Superior District
Power Company in the presenod of:

Ralph D. Stevenson
W. T. Leander
Witnesses.

Approved as to form:
CONTINENTAL AND COMMERCIAL TRUST
AND SAVINGS BANK,
By W. P. Kopf
Secretary.

STATE OF ILLINOIS,) ss.
County of Cook.)

I, D. A. Miller, a Notary Public in and for said County in the State aforesaid, do hereby certify that L. E. Myers, the President of Lake Superior District Power Company, a Wisconsin corporation, and William H. P. Weston, the Secretary of said corporation, who are both personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary, respectively, and who are both personally known to me to be the President and Secretary, respectively, of said corporation, appeared before me this day in person and severally acknowledged that the seal affixed to the said instrument is the corporate seal of the said Lake Superior District Power Company and was affixed by order of the Board of Directors of said corporation, and that they signed, sealed and delivered the said instrument as their free and voluntary act as such President and Secretary, respectively, of said corporation, and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this 19th day of June, A.D. 1922.

(Notarial Seal)

D. A. Miller
Notary Public.

My commission expires Mar. 24, 1924.

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 24th day of
June A. D. 1922 at 12:20
o'clock P. M. and recorded in Vol.
41 of Railroad Mtgs.
on page 182-190
Samuel A. Gordon
Assistant Secretary of State.

In Deed

TRUST INDENTURE

LAKE SUPERIOR DISTRICT POWER COMPANY

TO

CONTINENTAL AND COMMERCIAL TRUST AND
SAVINGS BANK

AND

WILLIAM P. KOPF,
Trustees.

Dated January 1, 1922.

THIS INDENTURE, dated the first day of January, 1922, but actually executed the 25th day of May, 1922, made by and between LAKE SUPERIOR DISTRICT POWER COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of Wisconsin, located and having its principal place of business in the City of Ashland, County of Ashland and State of Wisconsin (hereinafter referred to as the "Company"), party of the first part, and CONTINENTAL AND COMMERCIAL TRUST AND SAVINGS BANK, a corporation duly incorporated and existing under and by virtue of the laws of the State of Illinois and duly authorized and licensed to accept and execute trusts, and havings its principal office in the City of Chicago, County of Cook, and State of Illinois, as Trustee (hereinafter referred to as the "Trustee"), and WILLIAM P. KOPF, a citizen and resident of the City of Chicago, County of Cook and State of Illinois, as Co-Trustee (hereinafter called the "Co-Trustee") (the Trustee and the Co-Trustee being hereinafter commonly referred to as the "Trustees"), as parties of the second part,

WITNESSETH:

WHEREAS, the Company owns and possesses the pRoperty hereinafter described, together with certain franchises, rights and privileges, and has legal authority to make and execute this mortgage upon all of such property, franchises, rights and privileges, and to issue its bonds as herein provided; and

WHEREAS, in oRder to provide for the refunding of indebtedness incurred or assumed, for the payment and discharge of its obligations, for the aequisition of other property and the refunding of mortgage indebtedness thereon, for additions, extensions, impr vements and betterments to its property, and for other corporate purposes, the Company, by proper action of its stockholders and directors, has duly determined from time to time to issue and dispose of its bonds in substantially the form and on the terms hereinafter set forth, and to seeure the same by mortgage and pledge of the property, franchises, rights and privileges hereinafter described; and

WHEREAS, the coupon bonds and the coupons to be theReto attached, the Registered bonds without coupons, and the certificate of the Trustee to be endorsed upon all bonds, are respectively to be in substantially the forms following, the blanks therein to be appropriately filled, viz.:

(Form of Coupon Bond.)

No..... $.....

UNITED STATES OF AMERICA,
State of Wisconsin.
LAKE SUPERIOR DISTRICT POWER COMPANY
First.....Gold Bond,
Series.....

Lake Superior District Power Company (hereinafter called the "Company)", a corporation of the State of Wisconsin, for value received hereby promises to pay to the bearer, or if this bond be registered to the registered holder hereof, on the..... day of....., A. D....., the sum of.....Dollars in gold coin of the United States of America of or equal to the standard of weight and fineness existing at the date hereof and to pay interest thereon from the date hereof at the rate of.....per cent per annum in like gold coin on.....,... in each year, until such principal amount shall be paid, but only upon the presentation and surrender of the interest coupons hereto appertaining, as they severally become due. Both the principal and interest of this bond are payable at

(here insert in the bonds of each series the place or places where principal and interest are payable, and the provisions, if any in respect to such payment without deduction for taxes or charges, and the provisions, if any, in respect to reimbursement of the holder on account of taxes, as may be determined by the Board of Directors of the Company when creating each successive series.)

This bond is one of a series, designated "Series....," of a duly authorized issue of bonds of the Company, issued and to be issued under and pursuant to, and all equally secured by a mortgage, dated January 1, 1922 (herein referred to as the "mortgage"), duly executed and delivered by the Company to Continental and Commercial Trust and Savings Bank (herein sometimes referred to as the "Trustee"), and William P. Kopf, as Trustees, to which mortgage, including 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 the holders of said bonds and of the Trustees in respect to such security, and the terms and conditions on which the bonds of each series are issued. By the terms of said mortgage bonds are issuable in series, which may vary as to date, amount, date of maturity, and rate of interest and in other respects as in said mortgage provided. At the option of the holder and in the manner and upon the terms stated in said mortgage coupon bonds are exchangeable for other coupon bonds of different denominations but of the same series, maturity, and the same aggregate principal amount, and coupon bonds aggregating in principal amount one thousand dollars or any multiple thereof are exchangeable for registered bonds without coupons.

(Here insert provisions, if any, in respect to redemption.)

(Here insert provisions, if any, in respect to sinking fund.)

(Here insert provisions, if any, in respect to conversion of bonds.)

In case any event of default as defined in said mortgage shall occur, the principal of this bond and of all other bonds secured by said mortgage may become or be declared due and payable in the manner, with the effect and subject to the conditions provided in said mortgage.

This bond shall pass by delivery unless it be registered as to principal in the holder's name on the books of the Company at the office of the Trustee, and such registry be noted hereon by the Trustee. After such registry no transfer hereof shall be valid unless made on said books by the registered holder in person or by attorney duly authorized in writing, and similarly noted hereon; but this bond may be discharged from registry by transfer in like manner to bearer, and thereupon transferability by delivery shall be restored and it may again, from time to time, be registered or transferred to bearer as before. Such registry, however, shall not affect the negotiability of the coupons hereto appertaining, which shall continue to be payable to bearer and transferable by delivery, and the payment thereof to bearer shall fully discharge the Company in respect to the interest therein mentioned.

Upon registration or transfer hereof reasonable and proper charges will be payable by the holder.

No recourse shall be had for the payment of the principal of or the interest upon this bond or of any claim based hereon or in respect hereof or of said mortgage against any stockholder, officer or director of the Company or of any successor corporation,

either directly orthrough the Company or through a receiver or trustee in bankruptcy, whether by virtue of any statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issue hereof, expressly released.

This bond shall not be valid or obligatory for any purpose unless the certificate endorsed hereon shall have been executed by the Trustee under the mortgage.

IN WITNESS WHEREOF, Lake Superior District Power Company has caused this bond to be signed in its name by its President or by one of its Vice Presidents and its corporate seal to be hereunto affixed and attested by its Secretary or by one of its Assistant Secretaries, and coupons for said interest bearing the facsimile signature of its Treasurer to be attached hereto, and this bond to be dated the ..... day of..... .

LAKE SUPERIOR DISTRICT POWER COMPANY,
By.....
.....President.

Attested:
.....
.....Secretary.

(Form of Interest Coupon.)

$.....

No. .....

On the first day of ....., 19.....,

(Here insert "(unless the bond hereinafter mentioned be called for redemption at an earlier date)" if the bond be subject to redemption) Lake Superior District Power Company will pay to bearer at the office of ....., or at the option of the holder, at..... . .....Dollars,

(here insert provision for payment without deduction, if any)

being .....months' interest then due on its.....Gold Bond, Series ..... No. .....

LAKE SUPERIOR DISTRICT POWER COMPANY,
By.....
Treasurer.

(Form of Registered Bond without Coupons.)

$.....

No.....

UNITED STATES OF AMERICA,
STATE OF WISCONSIN.
LAKE SUPERIOR DISTRICT POWER COMPANY
First.....Gold Bond,
Series.....

Lake Superior District Power Company (hereinafter called the "Company"), a corporation of the State of Wisconsin, for value received hereby promises to pay to ....., the registered holder hereof, on the ..... day of....., A. D. ....., the sum of.....Dollars in gold coin of the United States of America of or equal to the standard of weight and fineness existing on.....

(Here insert date of the coupon bonds of the same series)

and to pay to said registered holder interest thereon from .....

(here insert last interest payment date in respect of coupon bonds of the same series)

at the rate of.....per cent per annum in like gold coin on.....

(Here insert interest payment dates in respect of coupon bonds of the same series)

in each year until such principal amount shall be paid. Both the principal and interest of this bond are payable at.....

(Here insert in the bonds of each series the place where principal and interest are payable, and the provisions, if any, in respect to such payment without deduction for taxes or charges, and the provisions, if any, in respect to reimbursement of the holder on account of taxes, as may be determined by the Board of Directors when creating each successive series.)

This bond is one of a series, designated "Series ....." of a duly authorized issue of bonds of the Company, issued and to be issued under and pursuant to, and all equally secured by a mortgage, dated January 1, 1922 (herein referred to as the "mortgage"), duly executed and delivered by the Company to Continental and Commercial Trust and Savings Bank (herein sometimes referred to as the "Trustee") and William P. Kopf, as Trustees, to which mortgage, including 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 the holders of said bonds and of the Trustees in respect to such security, and the terms and conditions on which the bonds of each series are issued. By the terms of said mortgage bonds are issuable in series, which may vary as to date, amount, date of maturity, and rate of interest and in other respects as in said mortgage provided.

(Here insert provisions, if any, in respect to redemption, including provision for redemption of portions not less than some multiple of $1,000.)

(Here insert provisions, if any, in respect to sinking fund.)

(Here insert provisions, if any, in respect to conversion of bonds.)

In case any event of default as defined in said mortgage shall occur, the principal of this bond and of all other bonds secured by said mortgage may become or be declared due and payable in the manner, with the effect and subject to the conditions provided in said mortgage.

This bond is transferable only in the manner prescribed in the mortgage by the registered holder hereof in person or by attorney duly authorized at the office of the Trustee upon the surrender and cancellation of this bond, and thereupon a new registered bond without coupons of the same amount, maturity date and series will be issued to the transferee in exchange herefor. The registered holder of this bond may at his option upon the surrender and cancellation of this bond receive in exchange coupon bonds each for $1,000 of the same series and maturity and for the same aggregate principal sum.

Upon registration or transfer hereof reasonable and proper charges will be payable by the holder.

No recourse shall be had for the payment of the principal of, or the interest upon this bond, or of any claim based hereon or in respect hereof or of said mortgage against any stockholder, officer or director of the Company, or of any successor corporation, either directly or through the Company or through a receiver or trustee in bankruptcy, whether by virtue of any statute or rule of law or by the enforcement of any assessment or penalty, or otherwise, all of such liability being, by the acceptance hereof and as part of the consideration for the issue hereof, expressly released.

This bond shall not be valid or obligatory for any purpose unless the certificate endorsed hereon shall have been executed by the Trustee under the mortgage.

IN WITNESS WHEREOF THE LAKE SUPERIOR DISTRICT POWER COMPANY has caused this bond to be signed in its name by its President or by one of its Vice Presidents, and its corporate seal to be hereunto affixed and attested by its Secretary or by one of its Assistant Secretaries, and this bond to be dated the.....day of.....

LAKE SUPERIOR DISTRICT POWER COMPANY,
By.....
.....President.

Attested:
.....
.....Secretary.

(Form of Trustee's Certificate.)

This bond is one of the bonds provided for in the within mentioned mortgage.

.....,
Trustee,
By.....

AND WHEREAS, the Railroad Commission of Wisconsin and the Michigan Public Utilities Commission have respectively duly authorized the execution and delivery of this

mortgage and the immediate issue and sale of Two Million Five Hundred Thousand Dollars ($2,500,000) in principal amount of Series A bonds as herein provided; and all other acts and things necessary under the laws of the States of Wisconsin and Michigan to make said bonds, when executed by the Company and authenticated by the Trustee, as in this mortgage provided, the valid, binding, legal and negotiable obligations of the Company, and this mortgage a valid mortgage or deed of trust to secure the payment of said bonds, have been done and performed, and the execution and delivery of this mortgage have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That in order to secure the payment of principal and interest of all bonds at any time issued and outstanding under this mortgage according to their tenor and effect, and the performance of all the terms and conditions herein contained, and in order to declare the terms and conditions upon which said bonds of this Company are to be issued and secured hereunder, Lake Superior District Power Company, in consideration of the premises and of the purchase and acceptance of said bonds by the holders thereof, and of the sum of One Dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, has granted, bargained, released, conveyed, sold, assigned, transferred, pledged, set over and confirmed, and by these presents does grant, bargain, release, convey, sell, assign, transfer, pledge, set over and confirm unto the Trustees, and to their successors in said trust forever, all of the following described properties (hereinafter sometimes called the "mortgaged property"):

I.

All of the following described real estate situate in Rusk County, Wisconsin:

1. Government Lots one (1) to eight (8), both inclusive, in Section thirty-five (35), Township thirty-six (36) North, Range five (5) West;

2. All the rights, privileges, franchises, easements, licenses, permits, grants and reservations of the Company howsoever conferred or acquired to flow, flood and overflow by means of any dam or dams now or hereafter constructed or maintained in the Flambeau River, the following described lands, to wit:

(a) In Township thirty-six (36) North, Range four (4) West, as follows:
Government Lots one (1) to nine (9), both inclusive, in Section eighteen (18);
Government Lots one (1) to five (5), both inclusive, in Section nineteen (19);

(b) In Township thirty-six (36) North, Range five (5) West, as follows:
Government Lots one (1) to four (4), both inclusive, in Section thirteen (13);
Government Lot one (1) in Section twenty-three (23);
Government Lots one (1) to nine (9), both inclusive, in, and the north half (N. $\frac{1}{2}$) of the northeast quarter (N. E. $\frac{1}{4}$) and the northwest quarter (N. W. $\frac{1}{4}$) of the northwest quarter (N. W. $\frac{1}{4}$) and the southwest quarter (S. W. $\frac{1}{4}$) of the southeast quarter (S. E. $\frac{1}{4}$) of, Section twenty-four (24);
Government Lots one (1), two (2) and three (3), in, and the east one-half (E. $\frac{1}{2}$) of the northwest quarter (N. W. $\frac{1}{4}$) and the southwest quarter (S. W. $\frac{1}{4}$) of the southwest quarter (S. W. $\frac{1}{4}$) of Section twenty-five (25);
Government Lots one (1) to five (5), both inclusive, in Section twenty-six (26);
The east one-half (E. $\frac{1}{2}$) of the northeast quarter (N. E. $\frac{1}{4}$) and the northwest quarter (N. W. $\frac{1}{4}$) of the southeast quarter (S. E. $\frac{1}{4}$) of Section thirty-five (35),

together with all other real estate now owned or which may be hereafter acquired by the Company and all and singular the tenements, hereditaments and appurtenances thereunto appertaining or belonging.

The real estate described above is conveyed subject to all legal roads, highways and footpaths and all existing railroad rights of way and to a certain railroad right of way granted to The John Hein Company, a corporation of Wisconsin, over, across and upon any dam constructed on the lands herein above described and rights of the State of Wisconsin, retained by virtue of Chapter 374 of the Laws of Wisconsin, 1909, in respect of minerals in the above lands.

II.

The electric generating plant and distribution system of the Company located in the City of Ladysmith and vicinity, in Rusk County, Wisconsin, the electric distribution system located in the village of Bruce and vicinity, in Rusk County, Wisconsin, and the electric transmission line between said city and village.

III.

All and singular the plants, power houses, dams, piers, abutments, embankments, sluices, races, basins, forebays, gates, water wheels, dynamos, turbines, generators, transformers, switchboard equipment, tools, instruments, apparatus, appliances, facilities and all machinery and other property used or provided for use in the construction, maintenance, repair and operation of said plants and dams, and each of them, both those that are now owned and those that may be hereafter acquired; and the rights of way, privileges, franchises, easements, licenses, flooding and flowage privileges, liberties, immunities, permits, grants and ordinances of the Company howsoever conferred or acquired and whether now owned or hereafter acquired, with respect to the construction, maintenance, repair, and operation of said plants and dams, and each of them, and the flooding and flowage of lands by means of said dam, or dams, or any of them, as such dams or any of them are now or may hereafter be constructed; and all distributing stations, substations, transformer stations, steam and electric works and all transmission and distribution lines and systems both those that are now owned and those that may be hereafter acquired, and any additions or extensions of any such existing or future electric transmission and distribution lines and systems, together with the pole lines, poles, wires, cross arms, insulators, transformers, meters, generating, distributing and trasmitting equipment, cables, conduits, tools, instruments, apparatus, appliances, machinery, facilities and other property used, or provided for use, in the construction, repair and maintenance and operation thereof, both those that are now owned and those that may hereafter be acquired by the Company, and together also with all of the rights, privileges, franchises, easements, licenses, ordinances, grants, rights of way, liberties, immunities and permits of the Company, howsoever conferred or acquired, and whether now owned or hereafter acquired, with respect to the construction, maintenance, repair, and operation of said transmission and distributing lines and systems and each of them and any additions thereto and extensions thereof; and all works, buildings, structures, erections, and constructions now or hereafter placed on any of the real estate above described or referred to, and all machinery, fixtures, fittings and equipment therein, and all other property, real, personal and mixed, including rights, franchises, privileges, easements and permits of any and every kind and description, wheresoever the same may be situated, which the Company now owns or may hereafter acquire or to which it may hereafter become entitled, with the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the rents, issues and profits thereof excepting, however (and there are hereby expressly reserved from the lien and effect of this mortgage), all lamps and supplies, machinery, appliances, goods, wares, and other movable property now or at any time handled by the Company for sale as merchandise and not in use or connected as fixtures with its own plants; and excepting also all bonds, stocks and other securities now owned or which may hereafter be owned by the Company and which are not deposited under this mortgage.

IV.

All bonds and other securities delivered to or pledged with the Trustee under any of the terms of this mortgage; such bonds and securities being sometimes herein referred to as "pledged securities."

TO HAVE AND TO HOLD the properties, rights, privileges, and franchises hereby conveyed and assigned, or intended so to be, unto the Trustees and their successors in the trust forever, but in trust, nevertheless, for the equal pro rata benefit and security of each and every the persons and corporations who may be or become holders of the bonds and coupons issued hereunder, without preference, priority or distinction as to participation in the lien, benefits and protection hereof of one bond or coupon over or from the others, or of one series over any other series, by reason of priority in the issue or negotiation thereof or by reason of the date, or date of maturity thereof, or for any other reason whatsoever, so that each and all of

said bonds and coupons shall have the same right, lien and privilege under this mortgage and shall be equally secured hereby with the same effect as if the same had all been made, issued and negotiated simultaneously on the date of the delivery hereof;

PROVIDED, nevertheless, and these presents are upon the express condition that if the Company, its successors or assigns, shall well and truly pay or cause to be paid the principal of said bonds, with interest, according to the true intent and meaning of the said bonds and each of them, or shall provide for the payment of such bonds with interest when due, by depositing with the Trustee the entire amount due thereon for principal and interest, and also shall pay or cause to be paid all other sums payable hereunder by the Company, then these presents and the estates and rights hereby granted shall cease, determine and become void, and thereupon the Trustees, or their successors in the trust, on payment of all their lawful charges and disbursements then unpaid, on demand of the Company, and at its cost and expense, shall duly execute, acknowledge and deliver to the Company such instrument of satisfaction or other deed of release or conveyance as may be necessary or proper to discharge this mortgage of record, and shall grant, reassign and deliver to the Company, its successors or assigns, all and singular the property, rights, privileges and franchises hereby granted, conveyed and assigned and not previously disposed of as herein provided, otherwise this mortgage shall be and remain in full force.

THIS INDENTURE FURTHER WITNESSETH, that the Company has agreed and covenanted and hereby does agree and covenant with the Trustees and with the respective holders, from time to time, of said bonds or coupons, or any thereof, as follows, that is to say:

ARTICLE I.

FORM, EXECUTION, DELIVERY, REGISTRATION AND EXCHANGE OF BONDS.

SECTION 1. The coupon bonds to be issued hereunder and the interest coupons appertaining thereto and the registered bonds without coupons to be issued hereunder shall be substantially of the tenor and purport above recited, with appropriate insertions, omissions, substitutions and variations as may be required or permitted by this mortgage. The bonds may be issued in any number or different series as the Board of Directors of the Company may determine, the bonds of each series (except Series A, the bonds of which shall be as hereinafter provided) to (a) bear such date, (b) be payable on such date or, in case of serial maturities, on such dates, and at such place or places, (c) bear interest at such rate payable at such time or times and at such place or places, (d) bear such designation or title herein provided for, (e) contain such provisions, if any, with respect to tax exemptions, tax reimbursements, redemption, sinking fund, conversion into stock or other securities of the Company, a limitation as to the aggregate amount of bonds of such series, issuable, and/or other characteristics not in conflict with the terms of this mortgage, as the Board of Directors shall determine with respect to each successive series prior to the authentication of any bonds thereof. The first series of bonds to be issued hereunder shall be known as "Series A," and each series thereafter, as issued, shall be designated by the next consecutive letter of the alphabet and after the use of all the letters of the alphabet in such manner as the Board of Directors may determine.

The bonds of Series A to be issued hereunder shall be designated "First Mortgage and Refunding Gold Bond Series A" of the Company, and the bonds of any other series shall be designated "First Mortgage and Refunding Gold Bond Series....," or if at any time there shall be furnished to the Trustee an opinion of counsel selected by the Company and acceptable to the Trustee, who may be counsel for the Company, that there are no mortgage liens prior to the lien of this mortgage existing on any part of the Company's property, the Company may thereafter, subject to the restrictions of this mortgage, issue bonds hereunder bearing the designation "First Mortgage Gold Bond," with any additional and appropriate description provided for herein, provided (a) that the Company shall also from time to time execute and deliver to the Trustee bonds of the proper series, tenor and purport, bearing the designation "First Mortgage Gold Bond," and having attached coupons in the form hereinbefore set forth amended consistently with such substituted designation, for authentication and delivery by the Trustee in exchange and substitution for outstanding bonds bearing a different

designation, as the same may be surrendered to the Trustee for such exchange and substitution, and (b) that so long as any bond bearing the designation "First Mortgage Gold Bond" shall be outstanding hereunder (excepting any bond called for redemption, or any bond not surrendered for payment at maturity) no bond shall be issued hereunder bearing any other designation then "First Mortgage Gold Bond," with any aditional and appropriate description provided for herein.

The Company may, however, insert upon any bond between the words "First Mortgage and Refunding" and the words "Gold Bond, Series....." or between the words "First Mortgage" and the words "Gold Bond, Series..." such additional appropriate description as the Board of Directors may determine.

The bonds of any one series shall be identical in respect of date, maturity date (except in case of serial maturities), interest rate, interest payment dates, place or places of payment of principal and interest, and in respect of any redemption provisions, tax provisions, privileges of conversion into capital stock, and sinking fund provisions, but bonds of the same series may be of different denominations and may consist in part of coupon bonds and in part of registered bonds without coupons and may, in case of serial maturities, be of different maturity dates.

The principal and interest of bonds of any series may be made payable without deduction, in so far as the same may not be prohibited by law, for taxes payable thereon or deductible therefrom, to any extent that shall be determined by the Board of Directors of the Company at the time such series is created and shall be expressed in the bonds of such series; and the Board of Directors of the Company may also provide for the reimbursement of the holders of the bonds of any series for any taxes paid by such holders in respect of the bonds of such series; and the Board of Directors of the Company may agree, in so far as the same may not be prohibited by law, to pay for the holders thereof any taxes payable on the bonds of any series issued hereunder, or payable by the holders of the bonds of any series as such holders, to any extent that shall be determined by the Board of Directors at the time such series is created and shall be expressed in the bonds of such series.

The bonds of any series may be made redeemable before maturity at the option of the Company in the manner hereinafter provided in Article III at such price or prices and during such period or periods as shall be determined by the Board of Directors of the Company at the time such series is created and shall be expressed in the bonds of such series.

The bonds of any series may be made convertible into capital stock or other securities of the Company or of a successor corporation, at such rate or rates, upon such terms and conditions and during such period or periods as shall be determinde by the Board of Directors of the Company at the time such series is created and shall be expressed in the bonds of such series.

The Company, or the Company and the Trustees, may from time to time execute indentures supplemental hereto for the purpose of better evidencing the undertakings of the Company in respect of any series of bonds.

SECTON 2. Bonds to be issued hereunder shall, from time to time, be execute on behalf of the Company by its President or by one of its Vice Presidents under its corporate seal attested by its Secretary or by one of its Assistant Secretaries, and shall be delivered to the Trustee for authentication by it, and thereupon as herein provided and not otherwise, the Trustee shall authenticate and deliver said bonds. In case any officer who shall have signed and/or sealed any bonds and/or attested the seal thereon shall cease to be such officer of the Company before the bonds so signed and/or sealed shall have been actually authenticated by the Trustee or delivered by the Company, such bonds nevertheless may be issued, authenticated and delivered with the same force and effect as though the person who signed and/or sealed such bonds had not ceased to be such officer of the Company. Only such bonds as shall bear thereon the Trustee's certificate duly executed shall be secured by this mortgage, and such authentication by the Trustee shall be conclusive evidence that the bonds so authenticated have been duly issued hereunder and are secured hereby. Before the authentication or delivery of any coupon bonds, the coupons then matured shall be cut off and canceled and, on its written demand, delivered to the Company. On the request

of the Company, but within the limitations hereinafter prescribed, bonds shall be certified and delivered hereunder in advance of the registration or recording of this mortgage, but the Company with all convenient speed shall cause this mortgage to be recorded in each of the counties wherein is located any real property of the Company.

SECTION 3. In case any bond issued hereunder shall become mutilated or be lost or destroyed, the Company, in its discretion, may issue, and thereupon the Trustee shall authenticate and deliver, a new bond of like principal amount, with like coupons, of like tenor and of the same series, bearing the same issue number and series designation, in exchange and substitution for the bond so mutilated, lost or destroyed. In the event that the exchange is for a mutilated bond, the same shall be delivered to the Trustee and be canceled, together with all coupons thereunto appertaining if such bond be a coupon bond, and in the event that the exchange is for a bond lost or destroyed, satisfactory evidence of the loss or destruction of such bond, and if a coupon bond of the coupons thereunto appertaining, and indemnity also satisfactory to the Company and the Trustee, shall be furnished.

SECTION 4. The definitive bonds to be issued hereunder shall be engraved or lithographed on steel engraved plate. The coupon bonds shall be for the principal sums of One Thousand (1,000) Dollars, Five Hundred (500) Dollars or One Hundred (100) Dollars each, in such proportions as may be determined by the officer or officers of the Company to whom or upon whose order such bonds shall be delivered. Each registered bond without coupons shall be for the principal sum of One Thousand (1000) Dollars or some multiple thereof. All of the bonds to be issued hereunder may be numbered in any manner prescribed by the Board of Directors and approved by the Trustee, but, until otherwise so prescribed, coupon bonds of each series of the denomination of $1,000 shall be numbered consecutively as issued from M-1 upwards, of the denomination of $500 from D-1 upwards and of the denomination of $100 from C-1 upwards; and registered bonds without coupons of each series shall be numbered consecutively from R-1 upwards regardless of the denomination in which issued. The coupons shall be authenticated by the facsimile signature of the present or of any future Treasurer of the Company, and the Company may adopt and use for that purpose the facsimile signature of any person who shall have been such Treasurer, notwithstanding the fact that he may have ceased to be such Treasurer at the time when such bonds to which such coupons appertain shall be actually authenticated, delivered or issued.

SECTION 5. Until the definitive bonds are ready for delivery, the Company may execute and the Trustee shall authenticate and deliver, in lieu of a like principal amount of definitive bonds, but subject to the same provisions, limitations and conditions, temporary bonds with or without coupons, substantially of the tenor of the bonds in lieu of which they are issued, and such temporary bonds may be in the denomination of One Hundred (100) Dollars or any multiple thereof, as may be determined by the officer or officers of the Company to whom or upon whose order such bonds shall be delivered. Each of such temporary bonds shall bear upon its face the word "Temporary," which shall be printed thereon before the name of the bond, and shall be exchangeable for a like principal amount of the definitive bonds when they shall be ready for delivery, or for a like aggregate principal amount of other temporary bonds of other denominations. Temporary bonds shall not bear more than two coupons. Upon any such exchange of temporary bonds for definitive bonds, or temporary bonds for other temporary bonds, the temporary bonds surrendered for exchange shall be forthwith canceled by the Trustee, and upon its written demand, delivered to the Company. The certificate of the Trustee on a temporary bond shall be conclusive evidence that such bond so authenticated has been duly issued hereunder and is secured hereby. Until exchanged as aforesaid, temporary bonds so authenticated shall in all respects be entitled to the same security of this mortgage as the definitive bonds issued and authenticated hereunder, and interest not evidenced by coupons when and as payable, according to the terms of said temporary bonds, shall be paid to the holder of any bond on presentation thereof and such payment shall be endorsed thereon. The exchange of temporary bonds for definitive bonds shall be made by the Company at its own expense and without making any charge therefor, and the Company shall prepare and execute the definitive bonds with ordinary and reasonable despatch.

SECTION. 6. Registered bonds without coupons shall be issued only in exchange for, and upon cancellation of coupon bonds or temporary bonds or other registered

bonds without coupons. Whenever any coupon or temporary bond or bonds, each of the denomination of $1,000, or any coupon or temporary bonds of the same series and maturity date aggregating $1,000 in principal amount, or any multiple thereof, together with all unmatured coupons, if any, thereto belonging, shall be surrendered for exchange for registered bonds without coupons, the Company shall issue, and the Trustee shall authenticate and in exchange for such coupon or temporary bond or bonds shall deliver, a like principal amount of registered bonds without coupons of the same series and maturity date as the surrendered bond or bonds, which shall bear endorsed thereon a distinctive number or numbers. Whenever in person or by his duly authorized attorney the registered holder of any registered bond or bonds without coupons of the same series, shall surrender the same for transfer, accompanied by a written instrument of transfer in form approved by the Trustee, the Company shall issue, and the Trustee shall authenticate and in exchange for such registered bond or bonds without coupons shall deliver, a new registered bond or bonds without coupons, of the same series and maturity date as the surrendered bond or bonds and for a like aggregate principal amount, in the name of the transferee. Whenever any registered bond without coupons, accompanied by a written instrument of transfer in form approved by the Trustee, executed by the registered holder or by his duly authorized attorney, shall be surrendered for exchange for one or more coupon bonds, the Company shall issue, and the Trustee shall authenticate and in exchange for such registered bond shall deliver, a like principal amount of coupon bonds, each of the denomination of $1,000, of the same series and maturity date as the surrendered bond, bearing all unmatured coupons and bearing a distinctive number or numbers not bora by coupon bonds at the time outstanding.

All such transfers or exchanges shall be made at the office of the Trustee.

Section 7. The Company will maintain and keep bond registration and transfer books at the office of the Trustee, and the Trustee from time to time hereunder is hereby constituted and appointed the Registrar of the Company for the purpose of registering, transferring and exchanging the bonds secured hereby.

Section 8. Any coupon bond issued hereunder may be registered as to the principal thereof in the name of the holder on the books of the Company at the office of the Trustee, such registration being noted on the bond by the Registrar. After such registration no transfer of such bond shall be valid unless made on said books by the registered holder in person or his attorney duly authorized in writing and similarly noted on the bond, but the same may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored, but such bond may from time to time again be registered or transferred to bearer as before. Such registration shall not affect the negotiability of the coupons, which shall continue to be transferable by delivery.

Section 9. Whenever any coupon bond or bonds, together with all unmatured coupons thereto appertaining, shall be surrendered to the Trustee for exchange for a like principal amount of coupon bonds of other denominations of the same series and maturity date, the Company shall execute, and the Trustee shall authenticate and deliver in exchange therefor, a like aggregate principal amount of coupon bonds of the same series and maturity date and of such other denomination or denominations as shall be designated, bearing all unmatured coupons.

Section 10. Upon every exchange of coupon bonds for registered bonds without coupons, or of registered bonds without coupons for coupon bonds or for other registered bonds without coupons, or of coupon bonds for other coupon bonds of other denominations, and upon any transfer of registered bonds without coupons the Company may make a charge therefor sufficient to reimburse it for any stamp or other tax or governmental charge required to be paid by the Company or the Trustee, and in addition may charge a sum not exceeding one dollar for each bond issued upon any such exchange which shall be paid by the party requesting such exchange as a condition precedent to the exercise of the privileges conferred by this Article. No charge shall be made for the registration, or transfer to bearer, of coupon bonds. The Company shall not be required to make exchanges or transfers of bonds for a period of ten days next preceding an interest day thereof.

SECTION 11. Whenever subsequent to the furnishing of the opinion contemplated in Section 1 of this Article with respect to the use of the designation "First Mortgage Gold Bond," any bonds shall be in any way exchanged for any other bonds hereunder, the Company shall deliver in exchange for the bonds surrendered, bonds of the same series as those so surrendered, bearing the name "First Mortgage Gold Bond," with such additional descriptive words as may be permitted under the provisions of Section I of this Article. All coupons attached to any bond issued hereunder shall bear the same name as the bond to which they are attached, and all bonds delivered, as provided in this Article, in exchange for outstanding bonds, shall evidence the same debt as the bond or bonds so surrendered.

SECTION 12. In every case of an exchange of bonds hereunder the Trustee forthwith shall cancel the surrendered bonds, and all coupons appertaining thereto, and shall deliver the same to the Company.

SECTION 13. The Company and the Trustee may treat the bearer or the registered holder of any coupon bond hereby secured, and the bearer of any coupon, as the absolute owner of such bond or coupon for the purpose of receiving payment therefor and for all other purposes whatsoever, whether such bond or coupon be overdue or not, and neither the Company nor the Trustee shall be affected by any notice to the contrary.

ARTICLE II.
RELATING TO ISSUANCE OF BONDS.

SECTION 1. The provisions of this article and pertinent provisions of subsequent articles refer to the primary execution, authentication and issue of bonds, and not to the execution and authentication of bonds in substitution or exchange for other bonds theretofore issued and outstanding hereunder.

Bonds may be issued hereunder without limit as to the aggregate amount thereof, or as to the amount of any series, save as is herein provided or as may be provided by the resolution creating any series, or as may be provided by law. This mortgage shall be a continuing lien to secure the full payment of the principal and interest of all bonds executed, authenticated and delivered pursuant to the terms hereof without priority as to the security afforded by this mortgage of any bond over any other bond by reason of series, date of issue, date of maturity, or any other characteristic whatsoever.

Prior to authentication by the Trustee of bonds of any series whereof no bonds shall have been theretofore authenticated, there shall be deposited with the Trustee a certified copy of a resolution of the Board of Directors of the Company in respect of the bonds of such proposed series fixing and setting forth (a) the date, (b) date of maturity, or, in respect of any series of bonds maturing serially, the serial maturities thereof expressed in substantially average percentages of bonds to be from time to time authenticated or in such other manner as the Board of Directors may determine, (c) rate of interest and dates of payment thereof, (d) place or places of payment of principal and interest, (e) the letter or other distinguishing character by which such series is to be designated, (f) the name by which the bonds of such series shall be known, (g) redemption provision, if any, (h) sinking fund provision, if any, (i) conversion provisions, if any, and (j) any and all other provisions within the contemplation of Section 1, of Article I hereof, that may be desired, and (k) the text of all paragraphs to be inserted in the general bond forms hereinbefore set forth for the purpose of making the same correctly evidence the special provisions created or undertaken by the Company in respect of the bonds of that series; and each and every bond of each such series shall conform to the terms and provisions of such resolution.

There shall be filed with the Trustee with each such copy of resolution an opinion of counsel selected or approved by the Trustee, who may be counsel for the Company, to the effect that bonds of the series proposed will, when and as issued pursuant to the terms of such resolution and of this mortgage, and of any indenture supplemental hereto deemed necessary or advisable by such counsel, be entitled to the benefit and security of this mortgage in like manner and to the same extent as bonds theretofore issued. The Company covenants that it will make, execute and deliver and cause to be recorded in each county wherein any part of the mortgaged property shall be located such mortgage or indentures supplemental hereto as shall

be deemed necessary or advisable by counsel or by the Trustee for the purpose of evidencing the undertakings of the Company in respect of any proposed series or of any series of which bonds may have been issued.

SECTION 2. The bonds of Series A shall be unlimited as to aggregate principal amount, shall be dated January 1, 1922, be due and payable January 1,1942, bear interest at the rate of six and one-half per cent per annum, payable semi-annually on the first day of July and the first day of January in each year, be payable both as to principal and interest at the office of Continental and Commercial Trust and Savings Bank in Chicago, Illinois, or at the option of the holder at the office of First National Bank of New York in the City and State of New York; and each bond of said series shall be subject to redemption at any time subsequent to December 31,1926, upon upon notice given in accordance with the terms and conditions prescribed in this mortgage and upon payment of the principal amount thereof and accrued interest, plus a premium on said principal amount (a) of five per cent if redeemed on or before June 30, 1932, (b) of two and one-half per cent if redeemed after June 30, 1932, and on or before June 30,1937, (c) of two per cent if redeemed after June 30,1937, and on or before June 30, 1938, (d) of one and one-half per cent if redeemed after June 30,1938, and on or before June 30,1939, (e) of one per cent if redeemed after June 30,1939, and on or before June 30,1940, and (f) of one-half of one per cent if redeemed after June 30, 1940, and on or before June 30,1941. No premium shall be required if redeemed after June 30,1941.

Bonds of Series A shall be substantially of the tenor and purport of the form of bond hereinbefore set forth and shall in addition to the text of such form contain the following paragraphs:

Both the principal and interest of this bond are payable at the office of the Continental and Commercial Trust and Savings Bank in the City of Chicago, Illinois, or at the option of the holder at the office of First National Bank of New York, in the city and state of New York, and, so far as may be lawful, such interest shall be paid without deduction for any tax or taxes upon the income of the holder hereof (except such portion of any income tax with respect to income derived from such interest as shall be excess of two per centum) which the Company or the Trustee hereinafter mentioned or anyone acting in behalf of them or either of them may be required or permitted to pay or deduct from such interest under or by reason of the present or any future income tax law of the United States.

It is provided in the mortgage hereinafter referred to that the Company will upon the conditions and in the manner therein set forth, reimburse the owner hereof for any taxes imposed under the laws of the Commonwealth of Pennsylvania upon this bond or upon the said owner as a resident of said commonwealth by reason of the ownership of this bond, and by said owner paid, not in excess, however, of four mills per dollar of the principal amount hereof in any year.

At the option of the Company and upon the notice, in the manner and with the effect provided in said mortgage, this bond may be redeemed at any time or times subsequent to December 31,1926, by the payment of the principal amount hereof and accrued interest, plus a premium on said principal amount (a) of five per cent if redeemed on or before June 30,1932, (b) of two and one-half per cent if redeemed after June 30,1932, and on or before June 30, 1937, (c) of two per cent if redeemed after June 30,1937, and on or before June 30,1938, (d) of one and one-half per cent if redeemed after June 30,1938, and on or before June 30,1939, (e) of one per cent if redeemed after June 30,1939, and on or before June 30,1940, and (f) of one-half of one per cent if redeemed after June 30,1940,, and on or before June 30,1941. No premium shall be required if redeemed after June 30, 1941.

SECTION 3. Bonds of Series A or an aggregate principal amount of $2,500,000 shall forthwith be executed and delivered by the Company to the Trustee and shall be authenticated and delivered to or upon the written order of the President or a Vice President of the Company, as follows:

(a) $1,550,000 in principal amount at any time and from time to time upon receipt by the Trustee of copies of orders of the Railroad Commission of Wisconsin and of the Michigan Public Utilities Commission, respectively, authorizing the execution and delivery of this mortgage and the issuance of said bonds.

(b) $950,000 in principal amount of said bonds upon receipt by the Trustee of copies of orders of the Railroad Commission of Wisconsin and of the Michigan Public Utilities Commission, respectively, authorizing the issuance of said bonds , and upon deposit and pledge with the Trustee of

(1) $791,000 in principal amount of the First Mortgage Five Per Cent Gold Coupon Bonds of Ironwood and Bessemer Railway and Light Company issued under and secured by the mortgage dated February 1,1911, executed by said company to American Trust Company and Charles H. Bowen, as Trustees, and all mortgages supplemental thereto; and

(2) $159,000 in principal amount of the First Mortgage Five Per Cent Gold Coupon Bonds of Ashland Light, Power and Street Railway Company issued under and secured by the mortgage dated January 1, 1909, executed by said company to Chicago Savings Bank and Trust Company and Leverett Thompson, as Trustees,

SECTION 4. Additional bonds of Series A and/or bonds of any other series created pursuant to the terms of this mortgage may from time to time subsequent to the recordation of this mortgage in therespective offices of the recorders of the several counties wherein the properties described herein are situated, be issued as in this section provided.

In case the Company (a) shall acquire and own all the properties of the Ironwood and Bessemer Railway and Light Company, a Wisconsin corporation, subject only to the lien of the mortgage dated February 1, 1911, executed by that company to American Trust Company and Charles H. Bowen, as Trustees, to secure First Mortgage Five Per Cent Gold Coupon Bonds of said company, and (b) shall acquire and own all the properties of the Ashland Light Power & Street Railway Company subject only to the lien of the mortgage dated January 1, 1909, executed by that company to Chicago Savings Bank and Trust Company and Leverett Thompson, as Trustees, to secure First Mortgage Five Per Cent Gold Coupon Bonds of said company, and (c) shall deposit and pledge with the Trustee hereunder for the security of the bonds issued and to be issued hereunder $791,000 in aggregate principal amount of said bonds of the Ironwood and Bessemer Railway and Light Company and $159,000 in aggregate principal amount of said bonds of Ashland Light Power and Street Railway Company then and thereafter the following bonds, to wit:

(1) $1,557,000 in principal amount of the First Mortgage Five Per Cent Gold Coupon Bonds of Ironwood and Bessemer Railway and Light Company issued under and secured by the mortgage dated February 1, 1911,executed by said company to American Trustee Company and Charles H. Bowen, as Trustees, and all mortgages supplemental therete (not including any of the $791,000 of said bonds to be deposited with the Trustee hereunder), and

(2) $759,000 in aggregate principal amount of the First Mortgage Five Per Cent Gold Coupon Bonds of Ashland Light Power and Street Railway Company issued under and secured by the mortgage dated January 1, 1909, executed by said company to Chicago Savings Bank and Trust Company and Leverett Thompson as Trustees (not including any of the $159,000 of said bonds to be deposited with the Trustee hereunder),

shall be and become "underlying bonds" as that term is used herein.

In case the company shall subsequent to January 1, 1922, acquire other property of the character for which expenditures on account of its acquisition may be the basis for the issuance of bonds under the provisions of Section 5 of this Article, and

(a) such property shall at the time of its acquisition by the Company be encumbered by a mortgage or mortgages securing bonds or indebtedness then outstanding; and

(b) the cost to the Company or the fair value of such property at the time of its acquisition (as determined by and engineer under the provisions of subparagraph (g) of this Section), whichever shall be less, shall be not less than a sum equal to 133-1/3 per cent of the aggregate principal amount of all bonds or other indebtedness outstanding under the mortgage or mortgages then a lien on such property, or

(c) if such cost to the Company or such fair value at the time of the acquisition of such property (whichever shall be less) shall be less than a sum equal to 133-1/3 per cent of the aggregate principal amount of all such bonds or indebtedness (i) the Company shall have made after such acquisition expenditures for property of the character specified in Section 5 of this Article for ~~for~~ or on account of which bonds could have been but were not and will not be authenticated and delivered under the provisions of said Section 5 to such an amount that the sum of such expenditures plus said cose or value (whichever shall be less) of the property so acquired is not less than a sum eQual to

133-1/3 per cent of the aggregate principal amount of all such outstanding bonds or in debtedness or (2) the Company shall have deposited hereunder with the Trustee in canceled or uncanceled form such an amount of such outstanding bonds or indebtedness (for or on account of which no bonds shall have been or shall be issued hereunder) that said cost or value (whichever shall be less) of the said property will then be not less than a sum equal to 133-1/3 per cent of the aggregate principal amount of all such bonds and/or indebtedness not deposited hereunder and still outstanding,

then under such conditions the bonds and/or evidences of indebtedness secured by any mortgage or mortgages upon such subsequently acquired property, which shall not have been deposited, but which shall be outstanding after the Company shall have complied with such conditions, shall also be considered "underlying bonds" within the meaning of this section. The words "underlying mortgage " wherever used in this mortgage shall mean a mortgage securing underlying bonds.

Upon compliance by the Company with all the conditions and restrictions of this Article relating to the issuance of bonds under this section and for the purpose of acquiring, paying, redeeming or refunding any of said underlying bonds the Company may execute such additional bonds hereunder and deliver the same to the Trustee for authentication and the Trustee shall authenticate and deliver the same to or upon the order of the President or a Vice President of the Company upon receipt by the Trustee of:

(a) A certified copy of a resolution passed by the board of directors of the Company (1) authorizing the execution and authentication of such additional bonds and (2) stating the series as a part of which such additional bonds shall be issued if they are to be issued as a part of a series then existing, and if they are not to be issued as a part of a series then existing, stating the desired characteristics of such series in accordance with the provisions of Sections I of this Article and of Section 1 of Article I hereof and (3) authorizing the delivery and pledge hereunder of a specified amount of underlying bonds upon deposit of which such additional bonds are to be authenticated or (4) identifying the underlying bonds theretofore paid or redeemed, or, simultaneously with the authentication of such additional bonds, to be paid, called for redemption, or redeemed; and

(b) Certified copies of orders issued by the Railroad Commission of Wisconsin and by the Michigan Public Utilities Commission, respectively, or such official or officials or other body or bodies as shall at the time exercise the power and authority at the date hereof vested in the said Commissions, respectively, authorizing the issue of an aggregate principal amount of bonds under this mortgage at least equal to the principal amount of the bonds authentication whereof is desired, or an opinion of counsel selected by the Company and acceptable to the Trustee, who may be counsel for the Company, to the effect that no such order or orders, is or are required in respect of such bonds; and

(c) A principal amount, equal to the principal amount of the bonds whereof authentication is desired under this section, of underlying bonds, whether matured or unmatured and in canceled or uncanceled form, and if coupon bonds, with all unmatured interest coupons appertaining thereto, provided, however, that in lieu of any such underlying bonds there may be deposited (1) a certificate of the trustee under the mortgage securing such underlying bonds establishing that funds in an amount sufficient to redeem same have been deposited with such trustee and (2) an opinion of counsel selected by the Company and acceptable to the Trustee hereunder who may be counsel for the Company, to the effect that such underlying bonds have been effectively redeemed or called for redemption; and

(d) A certificate, signed by the President, or a Vice President, and by the Treasurer or an Assistant Treasurer of the Company, and verified by the affidavit of such Treasurer or Assistant Treasurer, stating (1) that such bonds or other evidences of indebtedness were not acquired, redeemed, or paid by or through the operation of any insurance or partial release provision hereof or of any indenture constituting a lien on the mortgaged property or any part thereof prior to the lien of this mortgage, or with the proceeds of the sale of or insurance upon any property subject to to the lien hereof as a first or as a junior lien, or through the operation of any sinking fund established pursuant to the provisions hereof; (2) that no bonds secured by lien prior to the lien hereof on any part of the property of the Company have been issued on account of the acquisition, redemption or payment of such bonds or other evidences of indebtedness; (3) that no bonds have been theretofore authenticated under any of the terms of this mortgage on account of the acquisition, redemption or payment of such bonds or other evidences of indebtedness; (4) that no lien prior to the lien hereof has subsequent to January 1, 1922, accrued or been created or imposed upon any property of the Company save and except liens for taxes and assessments not due, or if due, in the course of contest and secured by sufficient bond, judgments in course of appeal or otherwise in contest and secured by sufficient bond, liens arising out of proceedings in court in course of contest, and liens existing on properties at the date of acquisition thereof by rhw Company subsequent to January 1, 1922, (5) that such bonds or other evidences of indebtedness as may be, under the terms hereof, deposited with the Trustee uncanceled are the property of the Company and are subject to no lien, charge or contract of sale of any character or description; (6) that the Company is not in default in respect of any of the covenants, agreements or provisions of this mortgage; (7) that any recording or other tax or taxes required by law in connection with the issuance of such bonds or for the effectiveness of the lien of this mortgage for the security thereof have been paid, stating the amount thereof, or that no such tax or taxes are required to be paid; and (8) that any restriction as to the authorized amount of indebtedness of the company, as then fixed by law, will not be exceeded by the issuance of the bonds requested to be authenticated.

(e) An opinion of counsel selected by the Company and acceptable to the Trustee (who may be counsel for the Company) stating (a) that the amount shown by such certificate to have been paid on account of any recording or other tax or taxes is the full amount required for such purpose, or that the payment of any such tax or taxes is not required by law on account of the issuance of said bonds or to make effective the lien of this mortgage for the security of said bonds and (b) that no restriction on the authorized amount of indebtedness of the Company, as then fixed by law, will be exceeded by the issuance of said bonds,

and, in case the underlying bond or bonds deposited are other than the bonds of the Ironwood and Bessemer Railway and Light Company or of the Ashland Light Power and Street Railway Company above specified, upon the receipt by the Trustee of the following additional certificates:

(f) A certificate, signed by the President or a Vice President and by the Treasurer or an Assistant Treasurer of the Company and verified by the affidavit of such Treasurer of Assistant Treasurer, stating the following facts: That subsequent to January 1, 1922, the Company has acquired through purchase, consolidation or otherwise as and for a part of its permanent or fixed investment for its business in addition to the properties then owned by the Company, any other public utility property, or property useful, and to be used by the Company for, public utility purposes and located in the State of Wisconsin and/or the State of Michigan, subject to the lien of a mortgage or mortgages , describing in reasonable detail such property and such mortgage or mortgages, the actual cost of such property to the Company, and the actual cost of any additions, extensions, betterments or improvements made thereon since its acquisition, and the principal amount of mortgage indebtedness then outstanding under any and all mortgages thereon prior in lien to this mortgage (after deducting any amount held by the Trustee hereunder) and the principal amount, if any, of bonds issued under this mortgage on account of the acquisition, payment, redemption, or refunding of any such mortgage indebtedness;

(g) A certificate signed by an engineer selected by the Company (who may be an engineer of the Company) and acceptable to the Trustee, stating that he has examined the property described in the statement referred to in the preceding paragraph (f) and has considered the same in relation to the business of the Company; that in his opinion the fair value of such property is the sum therein stated and that no part of such property consists of repairs, replacements or renewals necessary to keep the plants and property of the company in satisfactory operative condition except to the extent permitted by subdivision (d) of Subsection 2 of Section 5 of this Article.

All such bonds and other evidences of indevtedness received by the Trustee uncanceled shall be held by the Trustee under the terms of this Article. All canceled instruments shall be delivered to the Treasurer of the Company or on his written order.

The Trustee shall have the right, but shall not be required, to demand an opinion of counsel selected or approved by it, who may be counsel for the Company, revealing whether in the opinion of such counsel the existence of any lien for taxes, judgment or proceedings in court mentioned in the certificate provided for in subparagraph (d) of this section, or otherwise known to the Trustee, is effective materially to impair the security afforded hereby for the protection and benefit of the

holders of the bonds issued hereunder including those the authentication whereof is desired; and in the event that any such lien, judgment or proceeding does, in the opinion of such counsel, materially impair the security so afforded, the Trustee shall not authenticate such bonds unless and until such taxes be paid or such judgment be discharged or proceedings in court dismissed or such other proceedings as be suggested by such counsel be had, and such counsel shall render to the Trustee an opinion to the effect that such lien, judgment and proceeding does not at the date thereof materially impair the security so afforded.

Each underlying obligation deposited hereunder with the Trustee shall have attached thereto at the time of deposit all unmatured interest coupons thereunto appertaining, and, if a registered bond without coupons or a coupon bond registered as to principal only, shall be duly endorsed by the registered holder thereof or by his attorney in fact thereunto duly authorized; provided, however, that in case any unmatured coupon or coupons belonging to any bond tendered to the Trustee for deposit, as in this Section provided, shall be missing at the time of any such tender to the Trustee, the Trustee may nevertheless accept subh bond without such coupon or coupons provided (1) there shall have been deposited with the trustee under the underlying mortgage by which said bond is secured or with the Trustee hereunder, cash sufficient for the payment of such missing coupon or coupons, or (2) such bond shall have been called for redemption and, by the provisions of the underlying mortgage securing the same, such missing coupons are not collectible after the date of redemption. All uncanceled bonds and cash received by the Trustee under the provisions of this section shall be held by the Trustee under this mortgage for the further security of the holders of bonds issued under this mortgage, and all such bonds shall be held by it uncanceled, except as hereinafter provided. Until the discharge and release of the underlying mortgage securing any underlying bonds so deposited with the Trustee under the provisionsof this section such underlying bonds shall retain their respective priority, rights, benefits and privileges and shall be secured by such underlying mortgage, and the Trustee hereunder may, as the holder of such bonds, take such action to enforce the same or any of the rights of the bondholders under such underlying mortgage, or join in any proceedings authorized under such underlying mortgage, whenever and in such manner as it may deem necessary and proper for the protection of the holders of the bonds hereby secured, and for that purpose the Trustee is hereby appointed the agent of the holders of the bonds issued hereunder with full and adequate powers in the premises.

Each and every uncanceled underlying bond received by the Trustee under the provisions of this section, or any other provision of this mortgage, shall be by it stamped with the words:

"Held in trust under the provisions of the mortgage of the Lake Superior District Power Company to Continental and Commercial Trust and Savings Bank, as Trustee, and William P. Kopf, as Co-Trustee, dated as of the first day of January, 1922."

Neither the principal of nor the interest on any underlying bond at any time held by the Trustee hereunder shall be required to be paid unless one or more of the events of default described in Section 2 of Article VII of this mortgage shall occur and shall continue for the period therein specified, or proceedings shal have been instituted to enforce the lien of the underlying mortgage securing such underlying bond, but upon the happening of any such event of default hereunder or the institution of any such proceedings, all such underlying bonds then held by the Trustee hereunder and all interest maturing on such bonds on and subsequent to the date upon which such default was made hereunder, or to the date upon which the default was made in respect whereof such proceedings were instituted, as the case may be, shall become payable and may forthwith be collected and payment thereof may be enforced ratably and equally with all of the other bonds secured by such underlying mortgage and not deposited with the Trustee hereunder. All interest maturing on underlying bonds prior to the happening of any such event of default or the commencementof proceedings to enforce the lien of the underlying mortgage securing the same, shall be deemed to have been paid and satisfied, and upon the request of the Company therefor, the coupons representing such interest shall be canceled by the Trustee and delivered to the Company.

Whenever all of the underlying bonds secured by any underlying mortgage, except lost or destroyed bonds for which satisfactory indemnity may have been given, shall be deposited with the Trustee hereunder, or whenever all thereof except those then on deposit hereunder shall be paid or otherwise discharged, or whenever an amount sufficient to pay all thereof except those then on deposit hereunder shall have been deposited with the trustee under such underlying mortgage securing the same, the Trustee hereunder, in its discretion may, and at the request of the Company shall, provided that immediately thereupon the underlying mortgage securing the same shall be canceled and discharged of record, surrender all underlying bonds secured by such underlying mortgage then in its hands to the trustee under such underlying mortgage for cancellation.

A certificate delivered to the Trustee, signed by the President or a vice President and by the Treasurer or an Assistant Treasurer of the Company, and verified by the affidavit of such Treasurer or AssistantTreasurer, as to anything appertaining to the right of the Company under this section to the authentication and delivery of bonds, may be received by the Trustee as conclusive evidence thereof to the Trustee and shall be full authority for action by the Trustee in accordance therewith, except where specific provision is made for the evidence upon which the Trustee may act.

Any money received by the Trustee under the provisions of this section on account of underlying bonds deposited hereunder shall be held and applied as provided in Article VIII hereof with respect to moneys in the reserve fund provided by that Article.

SECTION 5. Additional bonds of Series A, or of any other series at the time existing or then created hereunder, may from time to time be issued and shall be authenticated by the Trustee upon the written request of the Company, and delivered by the Trustee to or upon the written order of the President or a Vice President of the Company, in accordance with the provisions and subject to the restrictions and conditions of this Section 5 and of the succeeding sections of this Article.

Whenever the Company shall have made or acquired subsequent to January 1, 1922, any additions, extensions, betterments or improvements upon, of, or to its plants, properties and/or equipment, or shall have acquired subsequent to said date through construction, purchase, consolidation or otherwise, as and for a part of its permanent and fix investment for its business, in addition to the properties then owned by the Company any other public utility property, or property useful, and to be used by the Company, for public utility purposes, and located in the State of Wisconsin and/or the State of Michigan (said additions, extensions, betterments, improvements and other property being hereinafter referred to as property), bonds may be issued and authenticated hereunder to the extent of seventy-five per cent of the actual cost to the Company of of the fair value (as shown by the engineer's certificate provided for in subdivision (b) of subsection (4) of this Section) or such property (whichever shall be less), provided, however, that:

(1) No bonds shall be authenticated and delivered to the company under the provisions of this section prior to April 1, 1923;

(2) No bonds shall be issued under this section for or on account of the acquisition of any of the following described property, to wit:

(a) Any property acquired as substituted property under the provisions of this mortgage in reference to the release of property from the lien hereof, or property acquired with the proceeds of any property so re leased, or subject to the lien hereof;

(b) Any property acquired with insurance money received in payment of losses;

(c) Any property acquired with moneys received as compensation for property taken by exercise of the power of eminent domain;

(d) Any property acquired as replacements or renewals of old and worn-out property, except to the extent that the cost or fair value (whichever is less) of such replacements or renewals exceeds the cost when new of such old or worn-our property;

(e) Any property which has previously been made the basis for the certification and delivery of any bonds hereunder, or which has been made the basis for the withdrawal of cash under any provisions of this mortgage;

(f) Any property (excepting any property acquired from the Ironwood and Bessemer Railway and Light Company and/or the Ashland Light, Power and Street Railway Company) on which there shall exist at the time of its acquisition any lien or liens securing any bonds or other mortgage indebtedness, unless, at the time of the initial request for the authentication of any bonds hereunder on account of the acquisition of such property and/or of any additions, extensions, improvements or betterments in respect thereof,

the cost or fair value at the time of acquisition (whichever shall be less) of such property, plus the cost or fair value (whichever shall be less) of any and all additions, extensions, improvements or bette rments made in respect of such property since its acquisition, shall exceed 133-1/3 per cent of the sum of (1) the principal amount of any mortgage indebtedness, secured by any such lien or liens and outstanding at the time of such request (excepting any such mortgage indebtedness the evidences of which are then held by the Trustee hereunder) and (2) the principal amount of any bonds issued under Section 4 hereof on account of the acquisition, payment, redemption or refunding of any such mortgage indebtedness; and then only to the extent of seventy-five per cent of such excess;

(g) Any property acquired with moneys out of any fund provided for in Article VIII hereof or applied by certificate to the requirements of said Article or or Section 4 of this article or acquired through the operation of any sinking fund established pursuant to the provisions of this mortgage;

(h) Any property used or to be used for street railway or interurban railway purposes (except additions, extensions, improvements or betterments made in respect of the street and/or interurban railways now owned by the Ironwood and Bessemer Railway and Light Company and/or the Ashland Light, Power and Street Railway Company, provided all the properties of said companies are first acquired by the Company);

(i) Any property consisting of stocks, bonds, notes or other securities;

(j) The properties of the Ironwood and Bessemer Railway and Light Company and/or of the Ashland Light Power and Street Railway Company as the same shall have existed at the date of the acquisition thereof by the Company;

(k) The hydroelectric development to be constructed and located on the land described in subparagraph 1 of paragraph I of the granting clause hereof consisting of a dam creating a fifty-foot hydraulic head and a power house with two 4,000-horsepower generating units installed therein and with structural capacity for the installation of an additional 4,000-horsepower generating unit therein; an 88,000-volt steel tower transmission line to be constructed from said hydroelectric development to Ironwood, Michigan; and a 33,000-volt transmission line to be constructed from said development to Ladysmith, Wisconsin (excepting that bonds not exceeding the aggregate principal amount of $100,000 may be certified under the provisions of this section on account of the acquisition prior to April 1, 1923, of any of the property hereinbefore in this subdivision (k) described); or

(l) Any property acquired or constructed with any of the $2,500,000 of bonds issued under the provisions of Section 3 of this Article or with the proceeds of any of said bonds.

(3) No bonds shall be issued and authenticated under the provisions of this section unless the net income of the Company as defined in subparagraph (a) of subsection (4) of this section for twelve consecutive calendar months ending within ninety days immediately preceding the date of the request for the authentication of such bonds shall have been at least equal to one and three-fourths times the annual bond interest charges of the Company as defined in said subparagrpph (a), except that bonds may be issued and authenticated at any time after Aprill 1, 1923, and before April 1, 1924, provided the net income of the Company as so defined for six consecutive calendar months ending within ninety days immediately preceding the date of any request for the authentication of bonds hereunder shall have been at least equal to one and three-fourths times the bond interest charges (computed as provided in said subparagraph (a) of the Company for a period of six months.

(4) No bonds shall be issued or authenticated under this section except upon receipt by the Trustee of:

(a) A certificate, signed by the President or a Vice President and by the Treasurer or an Assistant Treasurer of the Company and verified by the affidavit of such Treasurer or Assistant Treasurer, stating (1) that subsequent to January 1, 1922, the Company has made or acquired additions, extensions, betterments, or improvements upon, of or to its plants, properties and/or equipment, and/or had acquired through construction, purchase, consolidation or otherwise, as and for a part of its permanent and fixed investment for its business, in addition to the properties theretofore owned by the Company, any other public utility property, or property useful and to be used by the Company for public utility purposes, located in the State of Wisconsin and/or in the State of Michigan, describing in reasonable detail such property and stating the actual cash costs thereof to the Company, respectively, and that such costs were reasonable; (2) that none of the pr perty so acquired is of the character prohibited by subdivisions, a, b, c, d, e, f, g, h, i, j, k and/or l of subsection 2 of this section; (3) the

principal amount of mortgage indebtedness, if any, existing on any part of such property and secured by a lien or liens prior to the lien of this mortgage, setting forth and describing each such lien in reasonable detail, and stating the principal amount of outstanding indebtedness secured by each and also the principal amount of any such indebtedness then pledged with the Trustee hereunder; (4) that all of such property is subject to the lien of this mortgage subject only to the lien or liens therein above set forth and described, to the liens for taxes and assessments not due, or if due, in the course of contest and secured by sufficient bond, to the liens of judgments in course of appeal or otherwise in contest and secured by sufficient bond, and to liens arising out of proceedings in court in course of contest; (5) that no lien prior to the lien of this mortgage has subsequent to January 1, 1922, accrued or been created or imposed upon any property of the Company save and except liens for taxes and assessments not due or if due in the course of contest and secured by sufficient bond, judgments in course of appeal or otherwise in contest and secured by sufficient bond, liens arising out of proceedings in court in course of contest and liens existing on properties at the date of acquisition thereof by the Company subsequent to January 1, 1922; (6) in case of the initial request for the authentication of bonds hereunder on account of any such property (except property acquired from Ironwood and Bessemer Railway and Light Company and/or Ashland Light, Power and Street Railway Company) acquired subject to any mortgage in debtedness existing thereon at the date of its acquisition, that the sum of (a) the principal amount of any such mortgage indebtedness outstanding at the date of such certificate (less the amount of any such mortgage indebtedness pledged with the Trustee hereunder), (b) the principal amount of any bonds authenticated under Section 4 of this Article on account of the acquisition, payment, redemption or refunding of any such mortgage indebtedness and (c) the principal amount of the bonds requested to be authenticated hereunder on account of the acquisition of such property or any additions, extensions, betterments or improvements in respect thereof, does not exceed seventy-five per cent of the cost or fair value (determined as provided in subdivision (b) of this subsection (4) at the time of the acquisition of such property (whichever shall be less), plus the cost or fair value (whichever shall be less) of any additions, extensions, betterments or improvements of or to such property made or acquired since the date of its acquisition; (7) in reasonable detail the gross earnings of the Company derived from the operation of its properties subject to the lien of this mortgage and/or from the conduct of its public utility business during the period of twelve consecutive calendar months ending within ninety days prior to the date of such certificate, or if such certificate be filed after April 1, 1923, and before April 1, 1924, during the period of any six consecutive calendar months ending within ninety days prior to the date of such certificate, including in such gross earnings the gross earnings derived during the period covered from the operation of any properties acquired within such period or to be acquired simultaneously with the authentication of bonds then applied for although such earnings may have accrued to prior owners of such properties; (8) the operating expenses of the Company for the period covered, and of any such properties during such period or to be so simultaneously acquired, including in such operating expenses all taxes, insurance, rentals and actual and reasonable charges for maintenance and repairs; (9) the net amount remaining after deducting from the gross earnings so stated the operating expenses so stated, such net amount being sometimes herein referred to as the net income of the Company; (10) the total annual interest charged of the Company on (a) all bonds or other indebtedness secured by any mortgage or mortgages prior in lien to the lien of this mortgage and existing on any part of the Company's property (excepting and excluding any such bonds and/or other evidences of indebtedness deposited with the Trustee under this mortgage or deposited with the trustee under any mortgage prior in lien to this mortgage on any part of the Company's property), (b) bonds issued and outstanding under this mortgage and (c) the bonds requested to be authenticated, the total annual interest charge so calculated being sometimes referred to herein as the annual bond interest charge; (11) that any recording or other tax or taxes required by law in connection with the issuance of such bonds, or for the effectiveness of the lien of this mortgage for the security thereof, have been paid, stating the amount thereof, or that no such tax or taxes are required to be paid; and (12) that any restriction as to the authorized amount of indebtedness of the Company, as then fixed by law, will not be exceeded by the issuance of the bonds requested to be authenticated.

(b) A certificate signed by an engineer appointed by the Board of Directors of the Company and who may be and engineer of the Company, and approved by the Trustee, stating that he has examined the property described in the statement referred

to in the certificate provided for in the preceding paragraph and has considered the same in relation to the business of the Company; that in his opinion the fair value of such property is a sum to be therein stated; and that no part of such property consists of repairs, replacements, or renewals necessary to keep the plants and property of the Company in satisfactory operative condition, except to the extent permitted by subdivision (d) of subsection (2) of this Section.

(c) Such instruments of conveyance, assignment or transfer as may be necessary in the opinion of counsel, approved by the Trustee, who may be counsel to the Company, to vest in the Trustees hereunder, all of the right, title and interest of the Company in and to the property with respect to which the authentication of bonds shall have been requested, or the opinion of such counsel that no such instruments are necessary for such purposes; and also the opinion of such counsel to the effect that the Company has title to such property free and clear of all liens and encumbrances (except as contemplated by subdivisions (3) and (4) of paragraph (a) of subsection (4) of this Section). Taxes for the then current year affecting such property shall not be considered an encumbrance within the meaning of this section.

(d) A certified copy of a resolution of the Board of Directors of the Company requesting the authentication of the bonds and stating the series in which they are to be issued and, if not a part of any series of bonds then existing, setting forth the characteristics of said series in accordance with the provisions of Section 1 of Article I, and of Section 1 of Article II hereof.

(e) Certified copies of orders issued by the Railroad Commission of Wisconsin and by the Michigan Public Utilities Commission, respectively, or such governmental authority or authorities as shall at the time exercise the power or authority at the time hereof vested in the said commissions, respectively, authorizing the issue of an aggregate principal amount of bonds under this mortgage at least equal to the principal amount of the bonds, authentication whereof is desired or an opinion of counsel selected by the Company and acceptable to the Trustee (who may be counsel for the Company) to the effect that no such order or orders is or are required in respect of such bonds; and

(f) An opinion of counsel selected by the Company, and acceptable to the Trustee (who may be counsel for the Company), stating (a) that the amount shown by such certificate to have been paid on account of any recording or other tax or taxes is the full amount required for such purpose, or that the payment of any such tax or taxes is not required by law on account of the issuance of said bonds or to make effective the lien of this mortgage for the security of said bonds; and (b) that no restriction on the authorized amount of indebtedness of the Company as then fixed by law, will be exceeded by the issuance of said bonds.

SECTION 6. The statements, certificates, reports, resolutions, opinions and other instruments provided for in this Article may be accepted by the Trustee as satisfactory and conclusive evidence as to the statements therein contained and shall be full authority and protection to the Trustee for the certification and delivery of bonds hereunder, but before authenticating and delivering any bonds under this Article the Trustee in its discretion may, and, if requested in writing so to do by the holders of not less than ten per centum in amount of the bonds then outstanding and furnished with security and indemnity satisfactory to it, shall cause to be made such independent investigation as it may see fit or as said bondholders may suggest, and the expense thereof shall be paid by the Company, or if paid by the Trustee shall be repaid by the Company upon demand.

SECTION 7. The Company may execute and the Trustee shall, from time to time upon the order or orders of the Company evidenced by a certified copy of a resolution adopted by the Board of Directors of the Company, and upon compliance with the provisions of Section 8 of this Article, authenticate and deliver additional bonds of Series A, or of any other series at the time existing or then created hereunder, upon deposit with the Trustee by the Company of cash equal to the aggregate principal amount of bonds so ordered to be authenticated and delivered. Such cash so deposited with the Trustee will hereinafter be referred to as "deposited moneys" and shall at all times be held by the Trustee as a part of the mortgaged property subject to the lien hereof until paid out as hereinafter provided. Whenever the Company shall become entitled to the delivery of bonds under the providions of Section 5 of this Article, the Trustee shall pay over to the Company, or upon its order and request, evidenced as aforesaid, in lieu of any bonds to the delivery of

which the Company may then be entitled, an amount of such cash equal to the principal amount of such bonds. Until withdrawn, such cash shall draw interest at a rate to be agreed upon by the Trustee and the Company, such interest to be paid by the Trustee to the Company or upon its order.

SECTION 8. No bonds shall be authenticated under this Article unless there shall have been delivered to the Trustee

(a) certified copies of orders of the Railroad Commission of Wisconsin and of the Michigan Public Utilities Commission, respectively (or of such other governmental authority or authorities as shall at the time exercise the respective powers and authorities with respect to the issuance of bonds by the Company which at the date hereof, are vested in such commission, respectively), authorizing or consenting to the issue of bonds under this mortgage in an aggregate principal amount at lease equal to the principal amount of the bonds which the Trustee is then requested to authenticate, or an opinion of counsel approved by the Trustee (who may be counsel to the Company) that no such order, authorization or consent is necessary;

(b) a certificate, signed by the President or a Vice President and by the Treasurer or an Assistant Treasurer of the Company and verified by the affidavit of such Treasurer or Assistant Treasurer, stating (1) that any authorized amount of the indebtedness of the Company as then fixed by law will not be exceeded by the issuance of the bonds applied for, (2) that any recording or other tax or taxes required by law in connection with the issuance of such bonds, or for the effectiveness of the lien of this mortgage for the security of said bonds, have been paid, stating the amount thereof, or that no such tax or taxes are required by law to be paid, and (3) that no lien prior to the lien of this mortgage has subsequent to January 1, 1922, accrued or been created or imposed upon any property of the Company save and except liens for taxes and assessments not due or if due in the course of contest and secured by sufficient bond, judgments in course of appeal or otherwise in contest and secured by sufficient bond, liens arising out of proceedings in court in course of contest and liens existing on properties at the date of acquisition thereof by the Company subsequent to January 1, 1922;

(c) an opinion of counsel selected by the Company and acceptable to the Trustee (who may be counsel for the Company), stating (1) that the amount shown by such certificate to have been paid on account of any recording or other tax or taxes is the full amount required for such purpose, or that the payment of any such tax or taxes is not required by law on account of the issuance of said bonds or to make effective the lien of this mortgage for the security of said bonds and (2) that no restriction on the authorized amount of indebtedness of the Company as then fixed by law will be exceeded by the issuance of said bonds; and

(d) A certified copy of a resolution of the Board of Directors of the Company requesting the authentication of the bonds and stating the series in which they are to be issued, and, if not a part of any series of bonds then existing, setting forth the characteristics of said series in accordance with the provisions of Section 1 of Article I and of Section 1 of this Article.

SECTION 9. Whenever the Company shall surrender to the Trustee for cancellation any bonds of any series then outstanding hereunder, with all unmatured coupons thereunto appertaining, and shall deliver to the Trustee showings responsive to Section 8 of this Article, the Trustee shall, upon the written request of the Company signed by its President or Treasurer, certify and deliver in exchange for the bonds so surrendered for cancellation an equivalent aggregate principal amount of bonds of any series at the time existing or then created hereunder. The Trustee shall deliver the bonds and coupons so canceled to the Company upon its written order.

SECTION 10. Whenever bonds issued hereunder shall be about to mature, or the Company shall have called for redemption bonds issued hereunder and subject to redemption, the Trustee, at the request of the Company, signed by its President or one of its Vice Presidents or by its Treasurer or one of its Assistant Treasurers shall authenticate and deliver to the Company, upon compliance by the Company with the provisions of Section 8 of this Article, bonds secured hereby to an aggregate principal amount equal to the aggregate principal amount of the bonds so about to mature or so called for redemption, upon the surrender to the Trustee, of such bonds so about to mature or so called for redemption, uncanceled

and with all unmatured coupons attached, or upon the surrender to the Trustee of a part of such bonds uncanceled and with all unmatured interest coupons attached and the deposit with the Trustee of an amount of money equal to the aggregate principal amount or the redemption price, as the case may be, of the bonds not so surrendered and making provision satisfactory to the Trustee for the payment of interest on the bonds about to mature to the date of mautrity, or on the bonds to be redeemed to the date of redemption. The bonds so authenticated and delivered may be of any series at the time existing or then created hereunder. Upon delivery by the Company thereafter from time to time to the Trustee for cancellation of any of the bonds so about to mature, or called for redemption, with all unmatured interest coupons attached, the Trustee shall repay to the Company, out of the moneys deposited with the Trustee for the purpose of such payment or redemption, the face amount or the redemption price, as the case may be, and accrued interest(if deposited with the Trustee), of the bonds so surrendered. All bonds and coupons so surrendered to the Trustee shall be canceled by it and all said surrendered bonds and coupons when canceled shall on written order of the Company be delivered to the Company.

SECTION 11. In the event that any bond or bonds bearing the designation "First Mortgage Gold Bond, Series ....." shall at any time be issued under this mortgage, then and thereafter, anything in the mortgage to the contrary notwithstanding, so long as any bond bearing such designation shall be outstanding hereunder (excepting any bond called for redemption, or any bond not surrendered for payment at maturity), no bond shall be issued or authenticated under the provisions of Section 4 of this Article; nor shall any bond be issued or authenticated under the provisions of Section 5 of this Article, except upon receipt by the Trustee of a certificate responsive to the requirements of paragraph (a) of Subsection (4) of said Section 5 stating, in lieu of the matter required by Subdivisions (3), (4) and (5) of said paragraph (a), the following: That all the additions, extensions, betterments and improvements made and/or the property acquired, on account of which bonds are requested to be authenticated, are subject to the lien of this mortgage, subject only to the liens of taxes and assessments not due, or if due in the course of contest and secured by sufficient bonds, and to the liens of any judgments in course of appeal, or otherwise in contest and secured by sufficient bond, and to liens arising out of proceedings in court in course of contest; and that no lien prior to the lien of this mortgage exists upon any property of the Company on account of the acquisition or improvement of which any bond outstanding hereunder has been issued or authenticated save and except liens for taxes and assessments not due, or if due in the course of contest and secured by sufficient bond, judgments in course of appeal or otherwise in contest and secured by sufficient bond, and liens arising out of proceedings in court in course of contest.

SECTION 12. As soon as practicable after the Company shall be entitled to the release and discharge of record of any underlying mortgage securing any underlying bonds, it shall procure such release and discharge.

ARTICLE III.

REDEMPTION AND PURCHASE OF BONDS.

SECTION 1. Whenever there shall be any moneys held by the Trustee hereunder applicable to the purchase or redemption of bonds, or whenever the Company shall deposit with the Trustee hereunder funds for that purpose, the Company may, at its option, proceed either to purchase or to redeem bonds issued hereunder. In case of a purchase of bonds, offers of bonds may be invited as follows: The Board of Directors of the Company shall pass a resolution setting forth its decision to purchase bonds under offers, the one or more series of which any bonds are to be purchased, the limit of price to be paid therefor, not exceeding the respective redemption prices preserbed in the bonds so to be purchased (if such bonds are then redeemable) and accrued interest, and the amount of cash held by the Trustee, if any, to be applied and/or the amount to be otherwise provided for that purpose.

On receipt by the Trustee of a certified copy of said resolution, and the cash, if any, to be provided for the purpose of purchasing bonds, the Trustee shall then invite offers of bonds in the following manner:

The Trustee shall publish a notice once a week for two (2) successive weeks in a daily newspaper of general circulation published in the City of Chicago, Illinois, the first publication to be not less than fifteen (15) nor more than twenty (20) days prior to the date set for receiving offers therein specified, which notice shall state the one or more series of which any bonds are to be purchased, the amount of moneys then on hand which the Board of Directors of the Company have decided to apply to the purchase of bonds, and shall invite sealed offers to be made to the Trustee for the sale of bonds of such series on or before the date specified in said notice.

The Trustee may also invite offers in any other usual manner in its discretion.

From the bonds so offered for sale, the Trustee shall purchase on behalf of the Company, at the lowest price at which the said bonds shall be offered, but at prices not to exceed the limit, as to each series, set forth in said resolution of the Board of Directors, sufficient bonds to exhaust as far as possible the moneys so applicable to such purchase. If at any time sufficient bonds shall not be offered, in response to any such notice, to exhaust the moneys then applicable to such purchase, the moneys set aside therefor and not so used shall, at the option of the Company, be used in the redemption of bonds as provided in this Article, or retained by the Trustee and included in the next following offer for the purchase of bonds. Any bonds purchased under the provisions hereof shall be forthwith canceled by the Trustee and, upon its written request, delivered to the Company, and shall not be reissued.

SECTION 2. In the event the Company shall decide to redeem any or all of the bonds issued hereunder and subject to redemption, such bonds may be redeemed by the Company at the times and at the respective redemption prices prescribed in the bonds. If the Company shall elect to redeem any or all of said bonds, it shall notify the Trustee at least seventy days prior to the day on which it is proposed to redeem said bonds, of the principal amount and series of the bonds which the Company desires to redeem, and shall on or before the redemption date deposit with the Trustee a sum sufficient to redeem said bonds with the accrued interest thereon to the date of redemption.

Notice of the Company's intention to redeem said bonds shall be given by the Trustee or by the Company by publication in a newspaper of general circulation published in the City of Chicago, Illinois, once a week for six successive calendar weeks prior to the date of redemption, the first publication to be made not less than sixty nor more than seventy days prior to such redemption date. Such notice shall also state that the interest on the bonds to be redeemed will cease on such redemption date and shall require such bonds to be then presented for payment and redemption at the office of the Trustee. If any of the bonds to be redeemed are registered bonds without coupons or coupon bonds registered as to principal, a copy of said notice shall be mailed at lease six weeks before the date of redemption to the registered holder at his address appearing upon the bond registry books.

If the Company shall elect to redeem less than all of the bonds then outstanding, or less than all of the bonds of any series, the Trustee shall draw by lot from the issue numbers of all outstanding bonds, or of the outstanding bonds of the series to be redeemed, in such manner as it may determine, bonds up to the principal amount of bonds which the Company so desires to redeem. Such notice shall specify the bonds so drawn for redemption by their issue numbers and series letters (or other distinguishing data). If less than the whole principal amount of any registered bond without coupons shall be called for redemption, such notice shall also specifically state the portion of the principal amount thereof which is to be redeemed and that, upon the presentation of such registered bond for redemption, there will be issued in lieu of the unredeemed portion of the principal amount thereof, a new registered bond or bonds without coupons of an aggregate principal amount equal to such unredeemed portion.

In any drawing by lot under the provisions of this section, each registered bond without coupons of a denomination equal to any multiple of $1,000 shall be represented by as many numbers as shall equal such multiple.

SECTION 3. If on or before such redemption date the Company shall deposit with the Trustee a sum sufficient for the redemption of the bonds that shall have been so called for redemption in the published notice, such bonds so called for redemption shall be considered redeemed and they shall become and be payable on the date of redemption specified in such notice, at the office of the Trustee, at the specified price prescribed in said bonds so to be redeemed, together with interest to the date of redemption. On and after the redemption date specified in such notice the Trustee shall take up and pay at the rate aforesaid, out of the moneys which shall be so deposited

deposited by the Company, the bonds which shall have been specified in such notice as called for redemption, including the interest accrued to the redemption date. Such payment by the Trustee of the sum payable for the principal and for accrued interest not represented by coupons matured on or prior to such redemption date, and for the premium, if any, of each bond called for redemption, shall be made to the bearer of such bonds, unless it shall then be registered, in which case such payment shall be made to the registered holder or his assigns, but in either case only upon the surrender of such bond and all coupons for interest thereon unmatured at the date of redemption specified in the published notice. All unpaid interest installments represented by coupons which shall have matured on or prior to the date of redemption specified in the notice shall continue to be payable to the bearers, severally and respectively. Upon surrender of a registered bond without coupons of which only a a portion of the principal amount is to be redeemed, the Company, without charge therefor, shall issue, and the Trustee, anything herein to the contrary notwithstanding, shall authenticate and deliver, in lieu of the unredeemed portion of such principal amount, a new registered bond or bonds without coupons of an aggregate principal amount equal to such unredeemed portion.

On and after the redemption date when any bonds called for redemption become payable as aforesaid, the moneys deposited by the Company for the payment and redemption thereof shall be held by the Trustee upon trust for the payment of such bonds in the manner specified, and from and after such redemption date, if such moneys shall have been so deposited, no further interest shall accrue upon any such coupon bonds or the portion of the principal of any registered bonds without coupons, so called, and any coupons appertaining to such bonds for interest maturing after such date shall become and be null and void, anything in such bonds or in such coupons or in this mortgage to the contrary notwithstanding, and the holders of such bonds shall be bound to look solely to the funds in the hands of the trustee for the payment thereof. All bonds so redeemed and paid by the Trustee out of the moneys deposited by the Company or held by the Trustee as aforesaid shall be canceled by the Trustee and delivered to the Company and shall not be reissued.

SECTION 4. In case all bonds issued and outstanding hereunder shall at any time be called for redemption pursuant to the provisions of this Article, all moneys then held by the Trustee under the provisions of this mortgage shall, upon request of the Company, expressed in a resolution of its Board of Directors, a certified copy whereof shall be delivered to the Trustee, be applied by the Trustee to the redemption and payment of the bonds so called for redemption, and any such moneys in excess of th e amount necessary for such redemption and payment shall be payable to the Company.

ARTICLE IV.

PARTICULAR COVENANTS OF THE COMPANY.

The Company hereby covenants and agrees:

SECTION 1. That except as to that part of the mortgaged property which may be hereafter acquired, it is lawfully seized and possessed of all of its aforesaid mortgaged premises, property, rights and privileges, that it has good right and lawful authority to mortgage the same as provided in and by this mortgage and that this mortgage and that this mortgage is a valid lien thereon, that said premises and property are free and clear of any mortgage, lien, charge or encumbrance thereon, or affecting the title thereto, prior to this mortgage, except any mortgage or mortgages on any property hereafter acquired by the Company, which may exist at the time of the acquisition of such property by the Company, and that it will forever warrant the title to the real estate and premises hereinbefore described in this mortgage.

SECTION 2. That it will promptly pay the interest and principal on the bonds issued hereunder, at the time and in the manner specified in said bonds and in the coupons thereto annexed, and if so provided in any such bonds, such payment will, to the extent so provided, be made without deduction for taxes.

SECTION 3. That it will, from time to time, pay and discharge all taxes, assessments, imposts and governmental charges, lawfully imposed upon any of the real property, plants, franchises and all other property at any time subject to the lien of

this mortgage, or upon the income or profits thereof, or upon the lien or interest of the Trustees or the holders of the bonds with respect to the mortgaged property, so that the lien and priority of this mortgage shall be fully preserved in respect of all the property covered hereby; provided, however, that nothing contained in this section shall require the Company to pay any such tax, assessment, impost or charge so long as the Company shall, in good faith and by appropriate legal proceedings, contest the validity thereof, or of such tax, assessment, impost or governmental charges being a charge on the property covered by this mortgage, and so long as such delay in payment shall not subject the mortgaged property to forfeiture or sale. If the Company shall fail to keep this covenant, the Trustee, without prejudice to any of its other rights resulting from such default, may, and, upon request of the holders of any one or more of the bonds, secured hereby and upon being provided with adequate funds for that purpose, shall, pay such tax, assessment, impost or charge; and all amounts so paid, with interest thereon at six per centum per annum, shall be a lien upon the property hereby mortgaged prior to the bonds secured hereby; but no such payment shall be deemed to relieve the Company from any default hereunder.

The Company will also pay and discharge any and all taxes, imposts and charges for or in connection with the recording and registering of this mortgage that may be lawfully imposed or required.

SECTION 4. That in order to prevent any accumulation of coupons of any bond secured hereby, the Company expressly covenants that it will not directly or indirectly extend, or assent to the extension of, the time for the payment of any such coupon, and the Company will not directly or indirectly be a party to or approve of any such arrangement by purchasing or funding said coupons in any other manner. Any coupon on any bond which shall have been extended in contravention of the provisions of this section or any coupon which shall have been transferred or pledged separate or apart from the bond to which it relates, shall not be entitled, in any case of a default hereunder, to any benefit of or from this mortgage, except after the prior payment in full of the principal of all the bonds and of the coupons not so extended, transferred or pledged.

SECTION 5. That all property of every kind comprehended in any manner in the granting clauses of this mortgage, immediately upon the acquisition thereof by the Company and without any further conveyance or assignment, shall become and be subject to the lien of this mortgage as fully and completely as though now owned by the Company and specifically described in the granting clauses hereof; but at any and all times the Company will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all and every such further acts, deeds, conveyances, transfers and assurances in the law, for the better assuring, conveying, assigning and confirming unto the Trustees all and singular the estates and property, interest, rights privileges and immunities by this mortgage conveyed or assigned, or intended so to be, or which the Company may be or hereafter become bound to convey or assign to the Trustees, as the Trustees shall reasonably require.

SECTION 6. That it will not voluntarily create, or suffer to be created, any debt, lien or charge which would be prior to the lien of this mortgage upon the mortgaged property, or any part thereof, or upon the income thereof; and, within three (3) months after the same shall accrue, it will pay or cause to be discharged, or will make adequate provision to satisfy and discharge, all lawful claims and demands of materialmen, mechanics, laborers and others, which, if unpaid, may by law be given precedence to this mortgage as a lien or charge upon the trust estate or any part thereof, or the income thereof; provided, that nothing in this section contained shall require the Company to pay any such debt, lien or charge so long as it shall, in good faith, contest the validity thereof, unless thereby the trust estate or some part thereof will be lost, forfeited or materially endangered.

SECTION 7. That it will diligently preserve and maintain all the rights, privileges and franchises to it granted and upon it conferred, and will, at all times, maintain, preserve and keep its properties, fixtures and appurtenances and all equipment and every part and parcel thereof in good repair, working order and condition, and will from time to time thereto make all needful and proper repairs, renewals and replacements and useful and proper alterations, additions, betterments and improvements; but the Company may accept and consent to any amendment or amendments of, or substitute

or substitutes for, any or all ordinances or municipal grants or licenses now or at any time hereafter held or owned by, it, and may surrended any such ordinance, grant or license whenever the best interests of the Company shall, in its judgement require such surrender.

SECTION 8. That it will cause this mortgage and every indenture supplemental thereto which shall be executed pursuant to the terms hereof, to be registered, recorded and filed as a mortgage of real and personal property in every county and other proper political subdivision, in which any of the real and personal property subject thereto shall be permanently situated on the date of the execution and delivey hereof, in so far as, and elsewhere if, required by law to perfect and maintain the lien hereof, and as any such property shall be acquired from time to time in other counties or places the Company will cause this mortgage to be there and elsewhere registered, recorded and filed as may be so required, and will at all times cause this mortgage to be kept and filed as a mortgage of real property and as a mortgage of personal property in such manner and in all such places, and will do all such other acts, as may be required by law in order to maintain this mortgage as a valid enforcible lien upon the properties and rights of the Company hereby mortgages or pledged or agreed to be mortgaged or pledged, fully to protect the holders of the bonds and the rights of the Trustees.

SECTION 9. That it will keep proper and correct books of account and allow the Trustee and every person appointed by it for such purpose free access to all of the same at all reasonable times during business hours, and will give to the Trustee or any person appointed by it any information which it or they may reasonably require relating to the business and accounts of the Company; but the Trustee shall be under no duty to make any such inquiry.

SECTION 10. That it will keep reasonably and properly insured against loss or damage by fire, either by means of policies issued by responsible insurance companies, or, at the Company's election, by means of an adequate insurance fund set aside and maintained by it out of its own earnings or in conjunction with other companies under an insurance trust or other agreement, all the mortgaged property which is of a kind that is usually insured by companies owning and operating similar properties, and will cause all policies or other instruments of insurance to be so drawn as to make the loss, if any, payable to the Trustee hereunder, or to the trustees under any underlying mortgages, as their interests may appear. A list of all such policies or other instruments of insurance shall be delivered to the Trustee annually on the first day of September and at any other time on its demand, which list shall set forth the names of the insurers, the number, amount and expiration date of each policy or other instrument of insurance, the property covered thereby, and such other information with respect thereto as the Trustee may require. In lieu of furnishing such policies or list thereof, the Company may, at its option, furnish the Trustee with duplicate policies or instruments or certificates respecting such policies or instruments issued by the insurers. Any appraisement or adjustment of any loss and settlement or payment of indemnity therefor which may beagreed upon between the Company and any insurer shall be consented to and accepted by the Trustee, and the Trustee shall be in no way liable or responsible for the adjustment of any loss or for the collection of any insurance in case of any loss. In the event of any such loss or damage by fire, the Company shall have the right to demand, by resolution of its Board of Directors, and to receive from the Trustee, or Trustees, from time to time such part or all of such insurance money received by the Trustee or Trustees, as the Company shall theretofore have invested or shall determine thereafter to invest in improvements betterments, extensions and additions to its property, or in repairs of damages caused by fire, or replacements of the buildings or machinery destroyed or injured. The affidavits of the President or Vice President, respectively, and the Treasurer or Assistant Treasurer, respectively, of the Company, setting forth the necessity of the Company for said money and the improvements, extensions, betterments or additions, repairs, or replacements in which it has been or is intended to be invested, shall be sufficient evidence upon which such insurance money shall be paid to the Company to the amount so stated to have been or to be intended to be invested, and such resolutions and affidavits shall constitute full protection to the Trustee or Trustees in making payment in accordance therewith. The Company agrees to apply all

moneys so received by it to the purposes stated in such affidavits. No duty in respect to insurance or the form of policy or instrument of insurance shall rest upon the Trustee other than to receive such policies or instruments or statement relative thereto as may be handed to it by the Company.

All sums of money paid to the Trustee or Trustees under the provisions of this Article and not called for within one year by the Company for the purposes above named, shall be applied by the Trustee, at the option of the Company, to the redemption or purchase of bonds of any one or more series in accordance with the provisions of Article III hereof.

SECTION 11. That it will comply with the terms and conditions of any and and all leases whether now owned or hereafter entered into by it; that so long as any bonds are outstanding hereunder it will preserve its corporate organization and its right to transact business in every state in which it owns any property, and will do no act by which it might incur a forfeiture of its corporate existence or its right to so transact business, and that it will comply with all lawful statutes, acts and regulations affecting the Company or the mortgaged property.

SECTION 12. That it will not issue, or permit to be issued any bonds hereby secured in any manner other than in accordance with the provisions of this mortgage, and will not suffer or permit any default to occur under this mortgage, or under any underlying mortgages, but will faithfully observe and perform all the conditions, covenants and requirements hereof and thereof.

SECTION 13. That it will, whenever it desires to pledge hereunder as additional security for bonds to be issued hereunder, any corporate stock, bonds or notes, make, execute and deliver to the Trustee an indenture in writing, supplemental hereto, transferring to and pledging with the Trustee such stock, bonds or notes as additional security for the bonds to be issued hereunder. Such instrument of transfer and pledge may set forth in detail the terms and provisions concerning the sale exchange or other disposition of the stocks, bonds or notes so pledged.

SECTION 14. THat the principal and interest of all underlying bonds and other indebtedness that may be hereafter secured by any underlying mortgage upon any part of any property that may be hereafter acquired by the Company, will be paid at or before the respective maturities of such bonds and other indebtedness; and that all of the covenants, conditions and agreements of any such underlying mortgages, will be in all respects fully complied with.

SECTION 15. That in case the Company shall hereafter acquire additional property subject to the lien of any mortgage, under the provisions of which any additional bonds might be issued, the Company will, upon such acquisition, execute with the trustee under such mortgage a supplemental indenture closing such mortgage so that no additional bonds may thereafter be issued thereunder.

ARTICLE V.

Sinking Fund

The Company may, in the discretion of its Board of Directors, establish as to any series of bonds a fund to be known as the sinking fund, and provide for that purpose for annual or other payments to such sinking fund, on such day or days, in such amount or amounts and during such period or periods as shall be determined by the Board of Directors of the Company at the time such series is created and shall be expressed in the bonds of such series. All moneys in the sinking fund as to each or any series shall be held separately by the Trustee and paid out by it as provided in the resolution of the Board of Directors creating such series; but unless otherwise so provided such moneys shall be paid out by the Trustee at the request of the Company as follows:

(a) It shall be paid to the Company in the same manner and under the same restrictions and for the same purposes as are set forth and specified for the payment of deposited moneys, as provided by Section 7 of Article II hereof, except that such moneys may be paid out for the purposes specified in Section 5 of said Article without the net income requirements specified in said Section, or

(b) It shall be paid out forthe purchase or redemption of any or all of the bonds belonging to the series for which it is created, as the Company may elect, in accordance with the provisions of Article III hereof.

ARTICLE VI.

Release of Property.

The Company, while it shall be in possession of the mortgaged premises, and not in default hereunder, may, without the consent of the Trustees and without the execution of any instrument of release from the lien hereof, sell or dispose of, free from the lien hereof, all manufactured commodities acquired by it for sale or lease in the ordinary course of business, and all equipment, machinery, tools, implements, materials and personal property, which shall at any time become unfit or unnecessary for use in the conduct of the business of the Company.

The Company may also, while it shall be in possession of the mortgaged premises and not in default hereunder, sell, exchange or otherwise dispose of any other property (other than underlying bonds at any time pledged with the Trustee hereunder) at any time subject to the lien hereof, and the Trustees shall release the same from the lien hereof, upon the receipt by them of;

(1) A certified copy of a resolution adopted by the Board of Directors of the Company requesting such release and describingthe property to be sold or exchanged and setting forth the consideration in cash or other property to be paid or received therefor;

(2) A certificate signed and verified by the President or by any Vice President of the Company and by an engineer or engineering corporation appointed by the Board of Directors of the Company, and approved by the Trustee, made and dated not more than thirty days prior to the date of the application for such release, setting forth:

(a) that the retention of such property by the Company is no longer necessary or advantageous to the conduct of the business of the Company;

(b) that the Company has sold or contracted to sell, or to exchange for other property, the property to be released, specifying the property to be released and setting forth the price to be paid therefor if such property is to be sold for cash, or, if it is to be exchanged for other property, a description and the fair value of the property to be received in exchange; that the proceeds realized or to be realized from the sale of the property to be released is the full fair value thereof, or that the fair value of the property to be received in exchange is at least equal to the fair value of the property to be released will not injuriously affect the conduct of the business of the Company; and in case of exchange of property,

(c) that the property so to be received in exchange is necessary or advantageous to the conduct of the business of the Company and is free from any mortgage or other lien.

The proceeds of any such sale shall be paid to the Trustee unless otherwise required to be paid by the provisions of any underlying mortgage (such requirements and the fact of payment pursuant thereto to be set forth in the certificate hereinbefore in this section provided for).

All moneys received in consideration of any such sale or received as compensation for any property subject to this mortgage taken by the exercise of the right of eminent domain shall be applied by the Trustee, at the option of the Company, to the purchase or redemption of bonds in accordance with the provisions of Article III hereof, or may, upon the further option of the Company, be withdrawn for the same purposes and under the same provisions as set forth and specified for the payment of deposited moneys, as provided by Section 7 of Article II hereof, except that such moneys may be paid out for the purposes specified in Section 5 of said Article without the net in come requirements specified in said Section.

Such resolution and certificate shall be full authority to the Trustees for making any such release, but before making any such release, the Trustee may, and if requested in writing by the holders of ten (10) per cent in amount of the outstanding bonds and furnished by them with indemnity satisfactory to it, shall, make such independent investigation of the statements made in said instruments as it may see fit, and unless satisfied of the truth of such statements, may refuse to give such release.

The decision of the Trustee thereupon shall be binding and conclusive on all the parties. Securities (other than underlying bonds) at any time pledged with the Trustee hereunder may be released in accordance with the provisions of this Article unless and to the extent otherwise provided in any supplemental indenture providing for the deposit and pledge thereof.

ARTICLE VII.

Rights and Remedies of Trustee and Bondholders.

SECTION 1. If (1) default shall be made in the paayment of any interest on any bonds hereby secured, and any such default shall continue for ninety days, or (2) default shall be made in the payment of the principal of any of the bonds secured hereby, when the same shall become due and payable, either by lapse of time, by acceleration or otherwise, or (3) default shall be made in the observance or performance of any other of the covenants, agreements or conditions on the part of the Company in this mortgage contained, and such last named default shall continue for ninety days after written notice to the Company by the Trustee or by the holdersof not less than five per centum in amount of the bonds hereby secured and then outstanding, or (4) the Company is adjudged bankrupt, or (5) a receiver of the Company or its property is appointed, or (6) the Company shall make an assignment for the benefit of its creditors, or (7) and order shall be made by a court of competent jurisdiction, or corporate action shall be taken by the Company, for winding up or liquidating the businessof the Company, or (8) the Company shall voluntarily wind up or liquidate its business, or (9) any default shall be made under any underlying mortgage existing at any time on any part of the Company's property the Trustee may, and if thereunto requested in writing by the holders of twenty-five per cent in amount of the bonds then outstanding hereunder, and if indemnified to its satisfaction, shall, by written notice to the Company, declare the principal of all bonds then outstanding to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this mortgage or in said bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that if at any time after the principal of said bonds shall be so declared to be due and payable, and before any sale of the mortgaged property shall have been made, all arrears of interest upon all of said bonds, except interest accrued on all of the charges and expenses of the Trustee, shall have been paid in full, and all other indebtedness secured hereby shall have been paid in full,(except the principal of all bonds which would not have become due otherwise than by such declaration), or the amount thereof shall be deposited with the Trustee for the benefit of those entitled thereto, and all other defaults under this mortgage shall have been made good to the reasonable satisfaction of the Trustee, then and in every such case the holders of a majority in amount of the bonds hereby secured then outstanding, by written notice to the Company and to the Trustee, may rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any rights consequent thereon.

SECTION 2. If one or more of the following events, hereinafter called "events of default," shall happen: (1) default shall be made in the payment of any interest on any bonds hereby secured, and any such default shall continue for ninety days, or (2) default shall be made in the payment of the principal of any of the bonds secured hereby, when the same shall become due and payable, whether by lapse of time, by declaration or otherwise, or (3) default shall be made in the observance or performance of any other of the covenants, agreements or conditions on the part of the Company in this mortgage contained, and such last named default shall continue for ninety days after written notice to the Company by the Trustee or by the holders of not less than five per cent in amount of the bonds hereby secured and then outstanding, or (4) the Company is adjudged bankrupt, or (5) a receiver of the Company or its property is appointed, or (6) the Company shall make an assignment for the benefit of its creditors, or (7) an order shall be made by a court of competent jurisdiction, or corporate action shall be taken by the Company, for winding up or liquidating the business of the Company, or (8) the Company shall voluntarily wind up or liquidate its business, or (9) any default shall be made under any underlying mortgage, then the Company, upon demand of the Trustee, shall forthwith surrender to the Trustees the actual possession of, and it shall be lawful for the Trustees, by such officer or agent

as they may appoint, to take possession of all the property hereby conveyed or transferred, or intended to be (with the books, papers and accounts of the Company), and to hold, operate and manage the same, and from time to time to make all needful repairs, and such additions, extensions, betterments and improvements as they shall deem wise; and to receive the rents, income, issues and profits thereof; and out of the sameto pay all proper costs and expenses of so taking, holding and managing the same including reasonable compensation to the Trustees, their agents and counsel, and any charges of the Trustees hereunder, and any taxes and assessments and other charges prior to the lien of these presents which the Trustees may deem it wise to pay, and all expenses of such repairs, additions, extensions, betterments and improvements, and to apply the remainder of the moneys so received, first, to the payment of the interest installments, which are due and unpaid, in the order of their maturity with interest after maturity at the rates prescribed in the bonds of the different series hereunder (save and except as otherwise provided with regard to extended and pledged coupons in Section 4 of Article IV of this mortgage); and thereafter, if the principal and accrued interest thereon prorata without any preference or priority whatever. Whenever all that is due upon such interest installments and upon the principal of said bonds, and under any of the terms of this mortgage, shall have been paid and all defaults made good, the Trustees shall surrender possession to the Company , its successors or assigns. The same right of entry, however, shall exist upon any subsequent default.

if any of said bonds is due for the payment paid prior to

SECTION 3. In case of any event or default hereunder and its continuance for the period, if any, specified in Section 2 of this Article, it shall be lawful for the Trustees, by such officer or agent as the Trustees may appoint, with or without entry, to sell to the highest bidder all and singular the property which they shall be held by the Trustees or in any manner shall be subject to thismortgage, at any such place or places and at such time or times and upon such notice and terms as the Trustees may fix and specify and as may be required by law. In case of such sale of any of the property subject to this mortgage, notice of s uch sale shall first be given by publication in at least one daily newspaper published in the city in which the sale is to be made, at least once a week beginning on any day of the week for four successive weeks next preceding such sale, and by like publication in at least one daily newspaper published in Chicago, Illinois, and any other notice which may be required by law, and upon such sale the Trustees may make and deliver to the purchaser or purchaser s a good and sufficient deed or deeds for the same, which sale shall be a perpetual bar, both at law and in equity, against the Company, and all persons and corporations lawfully claiming, or to claim by, through or under it. Such sale, however, shall be made subject to all unsatisfied underlying mortgages, if any, then existing on any part of the property of the Company.

SECTION 4. In case of event of default hereunder and its continuance for the period, if any, specified in Section 2 of this Article, the Trustees shall have the right and power to take appropriate judicial proceedings for the protection and enforcement of their rights and the rights of the bondholders hereunder, and may either after entry as hereinbefore provided, or other entry or without entry, proceed by suit or suits at law or in equity or by other appropriate remedy, to enforce the specific performance of any covenant, condition or agreement herein contained or to enforce payment of the bonds hereby secured and to foreclose this mortgag e and to sell the mortgaged premises and all property covered by this mortgage under a judgment or decree of acourt or courts of competent jurisdiction, and it shall be obligatory upon the Trustees to take action either by such proceedings or by the exercise of their powers with respect to entry or sale, as the Trustees may determine, upon being requested to do so by the holders of twenty-five per centum in amount of the bonds hereby secured and then outstanding, and upon being indemnified as hereinafter provided.

SECTION 5. In case the Trustees shall have proceeded to enforce any rights under this mortgage by foreclosure, sale or otherwise, and such proceedings shall have been discontinued or abandoned, or shall have been determined adversely to the Trustees, then nd in every such case the Company and The Trustees shall be restored to their former respective positions and rights hereunder in respect to the property mortgaged and pledged hereunder, and all rights remedies and powers of the Trustees and ~~the~~ the bondholders shall continue as though no such proceedding had been taken.

SECTION 6. In case of an event of default hereunder and its continuance for the period, if any, specified in Section 2 of this Article, and in case a bill in equity shall bee filed or any other judicial proceedings commenced to enforce any right of the Trustees, or of the bondholders under this mortgage or otherwise, then and as a matter of right, the Trustees shall be entitled without notice to the Company to the appointment of a receiver of the property mortgaged and pledged hereunder and of the earnings, income or revenue, rents, issues and profits thereof, with such powers as the court making such appointment may confer.

SECTION 7. In the event of any sale, whether made under the power of sale hereby granted and conferred, or under or by virtue of judicial proceedings, or of a judgment or decree of foreclosure and sale, the whole of the property mortgaged and pledged hereunder shall be sold in one lot and as an entirety, unless the holders of a majority in amount of the bonds then outstanding shall, in writing, request the Trustees to cause said property to be sold in separate lots (in which case the sale shall be made in such lots as shall be specified in such request), or unless such sale as an entirety is impossible or impracticable by reason of some statute or otherwise.

SECTION 8. The Trustees may from time to time adjourn any sale to be made by them hereunder by announcement at the time and place for such sale or for such adjourned sale; and without further notice or publication maymake such sale at the time and place to which the same may be so adjourned.

SECTION 9. In case of any such sale of the mortgaged property, or any part thereof, any bondholder or bondholders or committee of bondholders or the Trustees, or either of them, may bid for and purchase such property, and upon compliance with the terms of sa e may hold, retain, possess and dispose of such property in the absolute right of the purchaser or purchasers without further accountability, and shall be entitled, for the purpose of making settlement or payment for the property purchased, to use and apply any bonds and any matured and unpaid coupons hereby secured by presenting such bonds and coupons in order that there may be credited thereon the sum apportionable and applicable thereto out of the net proceeds of such sale; and thereupon such pruchaser or purchasers shall be credited on account of such purchase price payable by him or them, with the sum apportionable and applicable out of such net proceeds to the payment of or as credit on the bonds and coupons so presented.

SECTION 10. The purchase money, proceeds, or avails of any sale of property under this Article, together with any cash then held by the Trustees or Trustee, hereunder, shall be applied by the Trustee as follows:

First. To the payment of the costs, expenses, fees and other charges of such sale, and a reasonable compensation to the Trustees, their agents and attorneys, and to the discharge of all expenses and liabilities incurred, and advances or disbursements made, by the Trustees hereunder, and to the payment of all taxes, assessments or liens prior to the lien of this mortgage, except any taxes, assessments, or liens subject to which the property shall have been sold.

Second. Any surplus then remaining to the payment of the whole amount then due or unpaid upon the bonds secured hereby and then outstanding, for principal and interest, with interest at the rates prescribed in the bonds of the different series on the overdue installments of interest and on the overdue principal, and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the bonds, then to the payment of such principal and interest ratably according to the aggregate amount due on all bonds then outstanding without preference or priority of principal over interest or of interest over principal (except as otherwise in Section 4 of Article IV hereof provided).

Third. Any surplus then remaining, to the Company, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same.

SECTION 11. In case of a sale under anyof the foregoing provisions of this Article, whether made under the power of sale herein granted or under or by virtue of judicial proceedings, the principal of all bonds issued hereunder and then outstanding, if not previously due, shall immediately thereupon become due and payable, anything in said bonds or in thismortgage to the contrary notwithstanding.

SECTION 12. The Company covenants that (1) in case of any event of default hereunder and its continuance for the period, if any, specified in Section 2 of this Article, and the consequent declaration of the maturity of the bonds secured hereby in the manner hereinbefore provided, or (2) upon a sale of the mortgaged property hereunder, as hereinbefore provided, then, upon demand of the Trustee, the Company will pay to the Trustee, for the benefit of the holders of the bonds and coupons hereby secured, then outstanding, the whole amount which shall then have become due and payable on all such bonds and coupons then outstanding for interest or principal, or both, as the case may be; and, in case the Company shall fail to pay the same forthwith upon such demand, the Trustees in their own names, and as Trustees of an express trust shall be entitled to recover judgment for the whole amount so due and unpaid.

The Trustees shall be entitled to recover judgment as aforesaid, either before or after or during the pendency of any proceedings for the enforcement of the lien of this mortgage, unless otherwise prescribed by the law of the jurisdiction where such lien is being enforced, and the right of the Trustees to recover such judgment shall not be affected by any entry or sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this mortgage or the foreclosure of the lien hereof; and in case of a sale of the property subject to this mortgage, and of the application of the proceeds of sale to the payment of the debt secured by this mortgage, the Trustees in their own names, and as trustees of an express trust, shall be entitled to enforce payment of and to receive all amounts then remaining due and unpaid upon any and all of the bonds issued under this mortgage and then outstanding, together with interest thereon, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the debt remaining unpaid with interest. No recovery of any such judgment by the trustees and no levy of any execution under any such judgment upon property subject to this mortgage, or upon any other property of the Company, shall in any manner or to any extent affect the lien of this mortgage upon the property or any part of the property subject to this mortgage, or any rights, powers or remedies of the Trustees hereunder, or any lien, rights, powers or remedies of the holders of the bonds hereby secured, but such lien, rights, powers and remedies of the Trustees and of the bondholders shall continue unimpaired as before. Any money thus collected by the Trustees under this Section shall be applied by the Trustees first, to the payment of the expenses, disbursements and compensation of the Trustees and their attorneys; second, to the payment of the amounts then due and unpaid on such bonds and coupons in respect of or for the benefit of which such money shall have been collected, ratably, without any preference or priority of any kind according to the amounts due and payable upon such bonds and coupons, respectively, upon presentation of the several bonds and coupons and stamping thereon such payment, if only partially paid, and upon surrender thereof if fully paid, save and except, however, as otherwise provided with respect to extended and pledged coupons in Section 4 of Article IV of this Mortgage.

Section 13. The remedies herein conferred upon or reserved to the Trustees or to the holders of bonds hereby secured are not intended to be exclusive of any other remedy, but every remedy here n provided shall be cumulative, and shall be in addition to every other remedy given hereunder o now or hereafter existing, and every power and remedy hereby given to the Trustee or Trustees or to the holders of bonds issued hereunder may be exercised from time to time and as often s may be deemed expedient. No delay or omission of the Trustee or Trustees, or of any holder of bonds issued hereunder to exercise any right or power arising from any default hereunder shall impair any such right or power or shall be construed to be waiver of any such default or an acquiescence therein.

SECTION 14. Anything in this mortgage contained to the contrary notwithstanding, the holders of a majority in amount of the bonds hereby secured and then outstanding shall have the right by an instrument in writing deliverd to the Trustee to direct and control the Trustee and Trustees as to themethod of taking any and all proceedings for any sale of any or all of the property subject hereto, or for the foreclosure of this mortgage, or for the appointment of a receiver, or for the purpose of taking any other action or proceeding hereunder, and may at any time cause any proceeding authorized by the terms hereof to be so taken or tobe discontinued or delayed;

provided, however, that such holders shall not be entitled to cause the Trustee or Trustees to take any proceedings which, in its or their opinion, would be unjustly prejudicial to nonassenting bondholders.

SECTION 15. Until an event of default shall have occurred as hereinbefore provided, the Company, its successors and assigns, shall be permitted to possess and enjoy the said mortgaged premises and property with all the appurtenances and all and singular the rights and franchises hereinbefore described, and to receive, take and use the tolls, revenues, incomes, earnings and profits thereof as fully in all respects as if this mortgage had not been made.

SECTION 16. No holder of any bond or coupon hereby secured shall have any right to institute any suit, action or proceeding in equity or at law for the foreclosure of this mortgage, or for the execution of any trust hereunder or for the appointment of a receiver or for any other remedy hereunder unless such holder previously shall have given the Trustees written notice of any default and of the continuance thereof as hereinbefore provided; nor unless, also the holders of twenty-five per cent in amount of the bonds hereby secured, then outstanding, shall have made written request upon the Trustees and shall have afforded to the Trustees a reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in their own names, nor unless also they shall have offered to the Trustees indemnity satisfactory to the Trustees against the costs, expenses and liabilities to be incurred therein or thereby; nor unless the Trustees shall refuse or neglect to act upon such notice, request and indemnity; it being understood and intended that no one or more holders of bonds and interest obligations shall have any right in any manner whatever by his or their action to affect, disturb, or prejudice the lien of this mortgage, or to enforce any right hereunder except in the manner herein provided, and that all proceedings in law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of such outstanding bonds.

In any suit or action by the Trustees arising under this mortgage, or on all or many of the bonds or coupons issued hereunder, the Trustees shall not be required to produce such bonds or coupons, but shall be entitled in all things, to conduct any such suit or action, without their production.

SECTION 17. Upon any sale made under the terms of this Article, the receipt of the Trustees or of the court officer conducting such sale shall be a sufficient discharge to the purchaser or purchasers at any such sale for his or their purchase money, and such purchaser or purchasers, his or their assigns or personal representatives, shall not, after paying such purchase money and receiving such receipt, be obliged to see to the application of such purchase money, or be in anywise answerable for any loss, misapplication or nonapplication thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

ARTICLE VIII.

Maintenance and Reserve Fund.

The Company covenants and agrees that during each calendar year so long as any bonds issued under and secured by this mortgage shall be outstanding, it will, except as hereinafter provided, expend an amount which shall be not less than twelve and one-half per centum of the gross earnings (as defined in paragraph (a) of subsection (4) of Section 5 of Article II hereof) of the Company derived during such year from the operation of the properties upon which this mortgage is or shall be a lien, for some one or more of the following purposes :

(a) The making of repairs, renewals and replacements in respect of its properties as required by Section 7 of Article IV hereof; or

(b) The construction or acquisition of additions, extensions, betterments, or improvements to its plants, equipment and other property embraced in its permanent and fixed investment; or

(c) The acquisition of new or additional property as and for a part of its permanent and fixed investment for its business; or

(d) The redemption or purchase of any bonds issued under and secured by this mortgage; but any bonds so purchased shall be forthwith canceled and shall not be

reissued.

If in any such calendar year the Company shall make expenditures or incur an indebtedness for some one or more of said purposes in an amount in excess of said twelve and onehalf per centum of such gross earnings of the Company for such year, it shall be entitled to be credited, to the extent of such excess, on account of the expenditures required under the provisions of this Article to be made in any subsequent calendar year or years.

ON or before April 1st in each year beginning with Aprill 1, 1923, the Company shall deliver to the Trustee a certificate signed in the name of the Company by its President or Vice President and verified by the affidavit of its Treasurer or an Assistant Treasurer, setting forth in reasonable detail (1) the amount of such gross earnings of the Company for the calendar year next preceding; (2) the amount of its expenditures during such calendar year for any one or more of the purposes above mentioned which it desires to have applied to the requirements of this Article for such year; and (3) in the event it desires to have any excess of expenditures for any of said purposes made in any preceding calendar year applied to the requirements of this Article for the year next preceding the date of the certificate, the amount of its expenditures during any preceding calendar year (but not prior to the calendar year 1922) for any of the above mentioned purposes in excess of an amount equal to twelve and one-half per centum of such gross earnings of the Company for such preceding calendar year, and the amount of such excess, if any, which it desires to have applied to the requirements of this Article for the calendar year next preceding.

No expenditures for any of the purposes specified in subparagraphs (b) and (c) of this Article shall be applied for the purpose of complying with the provision of this Article except expenditures on account of which the Company is entitled under the provisions of Section 5 of Article II hereof to have bonds authenticated and issued, and on account of which no bonds have been authenticated or issued under any provision of this mortgage.

If in any calendar year the Company shall not expend for the purposes set forth in subparagraphs (a), (b), (c) and/or (d), the full amount required by this Article to be expended during such calendar year, or shall not be entitled to be during such year with such required amount (on account of excess expenditures made in some preceding year), it shall pay in cash to the Trustee on or before April 1st next succeeding the expiration of such calendar year the difference between the amount expended for such purposes (or for which the Company shall be entitled to be and shall be credited) and such required amount. All sums received by the Trustee under this Article shall be held as a special reserve fund and applied by it as hereinafter provided.

Whenever the Company, in any calendar year subsequent to the calendar year 1922, shall have acquired any property on account of which it shall be entitled under the provisions of Section 5 of Article II hereof to have bonds hereunder authticated and issued (except for the net income requirements of said Article which may be disregarded so far as the provisions of this Article are concerned) the Trustee shall out of such special reserve fund repay to the Company the actual cost or fair value (whichever shall be less) of such property so acquired upon receipt by the Trustee of

(1) A certificate signed by the President or any Vice President and by the Treasurer or any Assistant Treasurer of the Company and verified by the affidavit of such Treasurer setting forth (a) a description in reasonable detail of the property so acquired; (b) the date of acquisition and the actual cost of same; (c) that such property is subject to the lien of this mortgage subject only to the lien of current taxes and the lien of any underlying mortgage (as hereinbefore defined) and other liens in course of contest and secured by sufficient bonds; and (d) that such property is not property of the character prohibited by subdivisions (a),(b), (c),(d),(e),)f),(g),(h),(i),(j),(k) and/or (l) of subsection 2 of Section 5 of this Article; and

(2) A certificate of an engineer setting forth the facts required by subdivision (b) of subsection (4) of Section 5 of Article II of thismortgage.

Any moneys in said special reserve fund not repaid to the Company under the foregoing provisions hereof shall from time to time at the request of the Company be used by the Trustee for the purpose of retiring bonds, issued under and secured by this mortgage, by purchase and/or redemption under the provisions of Section 1 and/or 2 of Article III hereof or by private purchase at a price not exceeding that at which the bonds so purchased might at that time have been redeemed (if then redeemable).

The Trustee shall be under no dut y to make any other examination or investigation with relation to the facts states in any certificate furnished as in this Article provided, but shall be entitled to rely upon such certificates both with respect to the sums to be deposited with it hereunder and the sums to be repaid by the Trustee to the Company, and it shall not be in any way liable for any act, matter or thing by it done in reliance thereon, and said certificates shall, respectively, be full warrant and authority for any action taken by the Trustee in accordance therewith, but theTrustee in its discretion may require other or further evidence.

ARTICLE IX.

Pledged Securities and Deposited Cash

SECTION 1. The Company may from time to time hereafter by an indenture, or indentures, supplemental hereto pledge and deliver or cause to be pledged and delivered to the Trustee as and for additional security for bonds issued or to be issued hereunder, and upon terms and provisions set forth in such indenture, any corporate or other bonds, notes, stocks or securities (sometimes hereinafter collectively referred to as "securities"). The Trustee is hereby authorized to execute any such supplemental indenture and to receive any such securities and to hold and dispose of the same pursuant to the terms of any such indenture not in conflict with any provision of this mortgage.

Unless otherwise provided in any indenture pledging any such securities (and in such case only) the same shall be held, dealt with and disposed of pursuant to the following provisions of this Section; provided, however, that the provisions of this Section shall not apply to any underlying bonds at any time deposited with the Trustee, all of which underlying bonds shall be held and disposed of as provided in Section 4 of Article II hereof. Excepting as and to the extent herein expressly limited, the Trustee shall have full power and authority to deal with any such securities pledged hereunder as it may deem best for the security and protection of the holders of the bonds outstanding hereunder of the series for the security of which they shall be pledged, including the power and authority to receive cash or to substitute other securities of any kind or character in exchange for the securities at any time on deposit with the Trustee pursuant to the provisions of this Section, or to compromise with any corporation whose securities may be so deposited, provided that, if the Company is in no way in default under this mortgage, no such substitution, exchange or compromise shall be made by the Trustee except upon the request of the Company manifested by resolution of its Board of Directors. The Trustee may cause to be transferred into its name as Trustee hereunder or into the name of its nominee, all shares of stock pledged and deposited with it pursuant hereto, but all certificates for any such shares standing in the name of any nominee of the Trustee shall at all times be held by the Trustee endorsed in blank by such nominee. The Trustee may at any time do whatever may be necessary for the purpose of maintaining, preserving, renewing or extending the corporate existence of any corporation whose stock shall at any time be pledged hereunder, and for such purpose from time to time it may sell for a nominal consideration or assign, transfer and deliver so many of such shares as may be necessary to qualify persons to act as directors or officersof such corporation. So long as there shall be no default in the payment of the principal or interest of any of the bonds hereby secured or in the due performance or observance of any of the covenants or conditions herein required to be kept or performed by the Company, the Company shall be entitled to receive and collect from time to time all dividends, except stock dividends, and all income and interest which may arise or accrue from any stock bonds or other securities pledged with the Trustee hereunder, and the Trustee shall execute and deliver or cause to be executed and delivered to the Company upon the written order of its President or Vice President assignments of or orders for any dividends, except stock dividends, or interest which may be payable upon any pledged securities registered in the name of the Trustee or any nominee of the Trustee; and so long as it shall not be in default as aforesaid, the Company shall have the right to vote or assent in respect to all shares of stock pledged hereunder for all purposes not contrary to its covenants herein contained or otherwise inconsistent with the provisions or purposes hereof and with the same force and effect as though such shares were not subject hereto;

and from time to time upon the demand of the Company the Trustee forthwith shall execute and deliver or shall cause to be executed and delivered to the the Company, or its nominee, suitable powers of attorney or proxies to vote, or assent in respect to any shares of stock which may be registered in the name of the Trustee or any nominee of it at any meeting or meetings of the Company or companies which shall have issued the same. In case there shall be a default as aforesaid, then during the continuance of such default in addition to the other remedies herein provided, the Trustee may revoke any such proxy or proxies and vote any such shares of stock, and may collect and receive all dividends, interest and income arising or accruing from the securities pledged hereunder and all sums so received shall be applied to the payment of interest on the bonds hereby secured, but after any such default shall have been made good or shall have been waived, as herein provided, the right of the Company to collect and receive the dividends, interest and income from the pledged securities and to vote or assent in respect to, any such shares, and the obligation of the Trustee to execute such proxies or cause the same to be executed shall revive and shall continue as though no such default had taken place. In case any sum shall be paid on account of the principal of any bonds or other securities pledged hereunder, or in case any sum shall be paid on account of the interest upon any such bonds or securities out of the proceeds of sale of property covered by a mortgage securing such bonds or securities, or in case upon the liquidation or dissolution of any company or upon the reduction of its capital stock any sum shall be paid upon any stock, bonds or other securities of such company pledged hereunder, then in every such case any such sum shall be paid to and received by the Trustee and shall be disposed of as hereinbefore provided in respect to proceeds of property released from the lien hereof under the provisions of Article VI hereof. The Trustee may receive and act upon the statement of the Company as to whether any such payment is made in case of liquidation or dissolution of any such company. In case default shall be made in the payment of the principal or interest of any of the bonds which shall be held by the Trustee under the provisions of this Section, or of any bonds then secured by the same mortgage as the bonds so held by the Trustee, then if the Company is in no way in default hereunder, the Trustee, at the written request of the Company , shall or if the Company is so in default the Trustee in its discretion, may cause proper proceedings to be instituted and prosecuted in some court of competent jurisdiction, to foreclose or enforce the mortgage by which such bonds in default are secured, or to enforce the payment of such bonds. The Trustee shall not be responsible for any act done by it in good faith under the provisions of this Section.

SECTION 2. Any cash at any time held by the Trustee under any provision of this mortgage, excepting only any cash deposited for the payment of the principal of any outstanding bonds, the redemption or purchase of any such bonds and any cash at any time held by the Trustee and which by the terms of any supplemental indenture hereafter executed shall be expressly excepted from the provisions of this Section, shall at the request of the Company and on the conditions hereinafter stated be applied to the purchase of interest-bearing obligations of the United States of America. Upon the request of the Company, signed by the President or any Vice President and the Treasurer or any assistant Treasurer of the Company, designating the amount and class of obligations to be purchased and the price to be paid therefor the Trustee shall, if such obligations can be obtained at prices not exceeding those designated in such written request, apply any cash then held by the Trustee(with the exceptions above stated) to the purchase of interest-bearing obligations of the United States of America; and upon like written request of the Company designating the obligations to be offered for sale and the prices to be asked therefor, the Trustee shall offer for sale the obligations designated at the prices so designated, and, if such offer shall be accepted, shall sell the same for cash. If the amount of cash held by the Trustee shall at any time become depleted because of the purchase and sale of interest-bearing obligations of the United States, the Company will forthwith upon written request of the Trustee, pay to the Trustee in cash the amount of any such depletion. Any income from such cash or obligations held by the Trustee shall be paid to the Company by the Trustee upon the written order of the Company signed by the President or any Vice President.

ARTICLE X.

Discharge of mortgage.

When all of the bonds and coupons hereby secured shall have been paid or redeemed or the Company shall have provided for such payment or redemption by depositing in cash with the Trustee the entire amount necessary for such payment or redemption, and shall also have paid, or caused to be paid, all sums accrued and payable hereunder by the Company, then and in that case the Company, if it shall so request in writing, shall be entitled to have all the mortgaged and pledged property revert to it, and to have the estate, rights, title and interest of the Trustees in respect thereof cease, determine and become void; and the Trustees in such case, upon the cancellation of all bonds and coupons for the payment of which cash shall not have been deposited in accordance with the provisions of this mortgage, shall, upon request of the Company and at its cost and expense, execute and deliver to the Company or its order proper instruments acknowledging satisfaction of this mortgage, and the Trustees shall surrender to the Company or its order all cash and deposted securities which shall then be held hereunder as a part of the mortgaged property. Cash deposited for the payment of bonds and coupons under the provisions of this mortgage, shall be held by the Trustee as a special trust fund for the account of the holder or holders of said bonds and coupons, and so far as necessary for such purposed shall be applied to the payment of such bonds and coupons upon presentation and surrender thereof; and thereafter said bonds and coupons shall not be entitled to any benefits of this mortgage.

In the absence of a request by the Company to have the mortgaged property revert to it and to have the lien of these presents canceled and discharged, the fact that all indebtedness secured by this mortgage shall have been fully paid and satisfied shall not render this mortgage inoperative or prevent the Company from again and from time to time issuing bonds hereunder pursuant to the terms and conditions hereof.

ARTICLE XI.

Proof of Ownership of Bonds.

The Trustee shall have the right to require the person or persons presenting any request under this mortgage to furnish proof by affidavit as to the ownership of the bonds presented by him or them; and if such proof be so requred, said request shall be without effect until such proof shall have been furnished; but the Trustee shall be under no obligation to require such proof.

Any request or other instrument which this mortgage may require or permit to be signed and executed by the bondholders may be in any number of concurrent instruments of similar tenor, and may be signed or executed by the bondholders in person or by attorney duly appointed in writing. Proof of the execution of any such request or other instrument, and of the holding by any person of bonds, shall be sufficient for any purpose of this mortgage, if made in the following manner:

(a) The execution by any person of any such request or other instrument in writing may be proved by acknowledgment before any notary public or other public officer authorized to take acknowledgments of deeds, or by affidavit of a witness of such execution;

(b) The amount of bonds transferable by delivery held by any person executing such request or other instrument as a bondholder may be proved for the purposes of this mortgage by the exhibition by the person executing such request to the Trustee of the bonds specified in such request, or the certificate of any bank or bankers, trust company or safe deposit company, that the bonds specified in such request have been exhibited to it or them by the person making such request, or are held by it for the account of such person.

For all purposes of this mortgage and of any proceedings for the enforcement thereof, such person shall be deemed to continue to be the holder of such bond until the Trustee shall have received notice in writing to the contrary. The ownership of registered bonds shall be proved by the bond register.

At all times while any of the bonds secured hereby are outstanding, the Trustee shall be the agent of the Company upon which notices and demands in respect of the bonds and coupons or under this mortgage may be served or made, and presentation and demand

may be made and notice served at the office of the Trustee, in the City of Chicago Illinois, which shall be deemed and be the representative of the Company for such purpose; but the Trustee shall be under no duty or obligation with respect to any such notice, presentation, demand or process.

It shall be sufficient service of any notice, request, consent, demand or other paper on the Company by the Trustee, or either of them, if the same shall be duly mailed to the Company addressed to Lake Superior District Power Company, Ashland Wisconsin.

ARTICLE XII.

Waiver of Personal Liability.

It is expressly agreed by the parties hereto, and by the respective holders of the bonds secured by this mortgage, that no liability what ever shall attach to any incorporator, officer, director or stockholder, present or future, of the Company, its successors or assigns, for the payment of the principal or interest of said bonds or any part thereof. Nor shall there be any recourse whatever under or upon any obligations, covenants or agreements of this mortgage, or of any bond hereby secured against any incorporator, stockholder, officer or director of the Company, either directly or indirectly, through the Company or any receiver, assignee or trustee thereof, or by enforcement of any assessment, or by any legal or equitable proceeding or by virtue of any constitution or statute.

ARTICLE XIII.

Waiver by Company.

In case one or more of the events of default as defined in Article VII of this mortgage shall happen, neither the Company, nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisement, valuation stay, extension or redemption laws now or hereafter in force in any locality where any property subject to the lien hereof may be situated, in order to prevent, hinder or delay the enforcement or foreclosure of thismortgage, or the absolute sale of the property hereby conveyed, or the final and absolute putting into possession thereof, immediately after such sale, of the purchaser or purchasers thereat, and the Company, for itself and all who may claim through or under it hereby waives the benefit of all such laws, and further waives any and all rights to have the estate, comprised in the security intended to be created hereby, marshalled upon any foreclosure of the lien hereof.

ARTICLE XIV.

Surrender of Property.

The Company, at any time when it shall deem it expedient for the better security of the bonds hereby secured, although there then be no default entitling the Trustees to enter into possession, with the consent of the Trustee,may surrender and deliver to the Trustees the full possession of the whole or any part of the property, premises and interest hereby conveyed and mortgaged, or intended so to be, for any period fixed or indefinite, and upon such surrender and delivery to the Trustees, with their consent, the Trustees may enter into and upon the premises so surrendered and delivered, and may take and receive possession thereof for such period, fixed or indefinite, as aforesaid.

ARTICLE XV.

The Trustees.

SECTION 1. The Trustees, for themselves, and their respective successors, hereby accept the trust under this mortgage, but only on the terms and conditions here of.

SECTION 2. In case the Trustees upon the happening of an event of default as hereinbefore provided in Section 2 of Article VII hereof, shall commence proceedings against, or make sale of the property mortgaged and pledged hereunder, in pursuance of any of the provisions hereinbefore set forth, any and all of the books of account, records and other papers of the Company, upon request, shall be available to the Trustee for its inspection.

SECTION 3. Should the Trustee hereunder consolidate with, or merge with any other company or companies, such consolidation or merger shall in nowise affect the rights of the parties hereto or the holders of any of the bonds secured hereby, and such succeeding corporation shall be the Trustee hereunder with the same powers and with the same force and effect as if originally named herein.

SECTION 4. The Trustees shall not be answerable for any act, default, neglect or misconduct of any of their agents or employees by them appointed or employed in connection with the execution of any of the trusts hereunder nor in any way answerable or accountable under any circumstances whatsoever, except for gross negligence or wilful misconduct. The recitals herein contained, or in the bonds as to priority of lien, due authorization, or any other matter whatsoever, are made by and on the part of the Company, and the Trustees assume no responsibility for the correctness of the same, or for the validity of this mortgage, or of any of the bonds issued or to be issued hereunder, or for the execution and acknowledgment hereof, or as to the amount or extent of the security afforded hereby, or by the property hereby assigned, transferred and conveyed; nor shall the Trustees be under any duty to see to the performance by the Company of any covenant or agreement made by it. The Trustees shall not be responsible for the use of any bonds delivered to the Company or for the application of the proceeds thereof. It shall be no part of the duty of the Trustees to vile or record this mortgage or to procure any further, other or additional instrument or further assurance, or to do any other act which may be necessary, suitable or proper to be done for the continuance of the lien hereof, or for giving notice of the existence of such lien, or for extending or supplementing the same, nor shall it be any part of their duty to effect insurance against fire on any portion of the Mortgaged property or to renew any policies of insurance, or to keep themselves informed as to the payment of any taxes or assessments, or to require such payments to be made, except as hereinbefore set forth; but the Trustees, or either of them, may in their discretion do any or all of these things. The Trustees may acquire, hold and dispose of bonds secured hereby with the same right as if they were not Trustees.

Except as herein otherwise provided, any moneys received by the Trustee under any provision of this mortgage may be treated by it as a general deposit until it is required to pay out the same conformably hereto without any liability for interest, save such as it may agree with the Company to pay thereon. Any interest so allowed shall be added to the moneys or fund from which such interest is derived.

The Trustees shall be reimbursed and indemnified against any liability or damage which they or either of them may sustain or incur in the premises and shall have a lien upon the trust estate under this mortgage preferential to the bonds, for their compensation and expenses, and also for any such liability or damage.

The Trustees, or either of the, may advise with legal counsel, and shall be fully protected in any action under mortgage taken or suffered in good faith by them, or either of them, in accordance with the opinion of such counsel, and such action so taken shall be conclusive on the Company and on all holders of the bonds hereby secured.

Any action taken by the Trustee, Trustees, or either of them, pursuant to this mortgage upon the request or with the consent of any person who at any time is the owner of any bond or bonds secured hereby, shall be conclusive and binding upon all future owners of the same bond or bonds.

The Trustees, or either of them, shall not be under any obligation to take any action towards the execution or enforcement of the trusts hereby created, which, in its or their opinion, shall be likely to involve it or them in expense or liability, unless it or they shall be furnished with reasonable indemnity satisfactory to it or them against such expense or liability; nor shall the Trustee or Trustees be required to take notice of any default unless notified thereof in writing by one or more bondholders, or to take any action in respect to any default unless requested to take such action by a writing signed by the holders of not less than twenty-five per cent in amount of the bonds hereby secured then outstanding, and tendered reasonable indemnity

satisfactory to the Trustees as aforesaid, anything herein contained to the contrary notwithstanding; nor shall the Trustee or Trustees be required to take any action to protect the rights of the bondholders in the mortgaged properties hereunder, unless requested in writing by the holders of not less than twenty-five per cent in amount of the bonds then outstanding and furnished with indemnity satisfactory to the Trustees; but neither any such notice or request, nor this provision therefor, shall affect any discretion herein given to the Trustee or Trustees, or either of them, to take action in respect of such default, or to take action without such request.

SECTION 5. The Trustees shall be entitled to reasonable compensation for all services rendered hereunder or in connection with the trust, which compensation, together with any and all necessary and reasonable expenses, charges, counsel fees and other disbursements incurred by either of them in the discharge of their duties as such, shall be paid by the Company and are hereby made a first lien on the mortgaged property. The compensation of the Trustees shall not be limited by any provision of law in regard to the compensation of trustees of an express trust. The Trustees, or either of the, shall be protected in acting upon any order, notice, request, consent, certificate, bond, resolution or other paper or document believed by them, or either of them, to be genuine and to be signed or presented by the proper person.

SECTION 6. The Trustees shall not be bound to recognize any person as a bondholder unless his bonds are submitted to the Trustee for inspection, if required, or his title satisfactorily established in the manner provided in Article XI hereof.

SECTION 7. The Trustees, or either of them, may accept a copy of a resolution or resolutions of the Board of Directors of the Company, certified by its Secretary or an Assistant Secretary, as due proof of the adoption thereof.

SECTION 8. Where the Trustees have demanded or received indemnity under the provisions of this mortgage, and it shall afterwards appear, in the judgment of the Trustees, or either of them, that the indemnity so demanded or received is, or may become insufficient, the Trustees shall not be required to take any further action hereunder until additional indemnity shall have been furnished to the Trustees.

SECTION 9. The Trustees shall not be liable for any release or releases improvidently executed by them in supposed compliance with the terms of this mortgage, but any such release or releaseswhich may be executed by the Trustees, where the Company shall not be entitled to receive the same, shall, as against the Company, be null, void, and of no effect.

SECTION 10. Unless otherwise expressly provided herein, any certificate request, notice or communication required or permitted under the terms of this mortgage, to be made or given by the Company or the bondholders to the Trustees shall be deemed sufficient if made or given to the Trustee only, and any action provided for in this mortgage, relative to the authentication, registration, redemption, cancellation or deposit of bonds issued or to be issued hereunder, or relative to the release of mortgaged property hereunder, or relative to the enforcement of any right s against the Company as herein conferred, shall be deemed sufficient if taken by the Trustee with or without the concurrence of the Co-Trustee.

ARTICLE XVI.

Resignation and Removal of Trustees.

The Trustees, or either of them, for the time being hereunder may resign as such Trustee, or Trustees by written resignation delivered to the Company, such resignation to take effect at the expiration of thirty (30) days after such delivery unless before such expiration a successor or successors, duly appointed hereunder, shall have accepted the trusteeship resigned, in which case such resignation shall take effect at the time of such acceptance. The Trustees, or either of them, for the time being hereunder may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee or Trustees sought to be removed and to the Company, signed by the holders of a majority in amount of the bonds then outstanding hereunder or by the attorney in fact of such holders, and upon payment to such Trustee or Trustees of its, his or their charges and disbursements hereunder. In case the Trustee or its successor shall resign or be removed, or otherwise be or become incapable of acting as Trustee, then in either such event, a successor or successors may be appointed by the holdersof a majority in amount of the bonds hereby secured and then outstanding, by an instrument or concurrent instruments in writing, signed by such holders or by their attorneys in fact, duly authorized; but if at any time there shall be a vacancy in the trusteeship of the Trustee or Co-Trustee hereunder, the Company, by an instrument executed by order of its Board of Directors, may appoint a Trustee or Trustees to fill the same until a new Trustee or Trustees shall be appointed by the bondholders, as aforesaid, and when any such new Trustee or Trustees shall be so appointed by the bondholders any Trustee or Trustees theretofore appointed by the Company shall thereupon by such appointment of the bondholders be superseded and retired. Each successor to or substitute for the Trustee hereunder shall be a corporation having lawful power to act as Trustee hereunder. In case the Co-Trustee shall die, shall resign, or be removed, or become incapable of acting as Co-Trustee, then in any such event the Trustee or its successor shall appoint the Co-Trustee. It shall be the duty of the Company to cause to be recorded in the same manner as this mortgage shall have been redorded, each resignation and acceptance of the trusteeship and each appointment as Trustee or Co-Trustee hereunder. Whenever a new Trustee or Trustees shall succeed to the Trusteeship under this instrument, such new Trustee or Trustees shall, without any further act, deed or conveyance, be and become vested with all the estate, properties, rights, powers, duties and trusts of its predecessor or their predecessors in the trust hereunder, with like effect as if originally named as the Trustees or one of the Trustees herein; but the retiring Trustee or Trustees shall, nevertheless, upon written demand of the new Trustee or Trustees, execute and deliver to the new Trustee or Trustees such proper conveyances and make such transfers as will legally transfer the mortgaged property and the trusts hereunder. Should any deed, conveyance, or instrument in writing from the Company be required by any new Trustee or Trustees for more fully and certainly vesting in and confirming to such new Trustee or Trustees the said estates, properties, rights, trusts and duties, then any and all such deeds, conveyances and instruments in writing shall, on request of such new Trustee or Trustees, be executed, acknowledged and delivered by the Company.

ARTICLE XVII.

Rights and Duties of Co-Trustees.

SECTION 1. If by any present or future law in any jurisdiction in which it may be necessary to perform any act in the execution of the trusts herein created, the Trustee, or its successor or successors, may be incompetent or disqualified or unwilling to act as such Trustee, then all the acts required to be performed in such jurisdiction in the execution of the trusts hereby created shall and will be performed by the Co-Trustee, or his successor or successors, acting alone. Except as it may be deemed necessary, as aforesaid, for said Co-Trustee, acting alone, to execute the trusts hereby created, the Trustee, or its successor or successors, may alone have and exercise the powers and shall alone be charged with th e performance of the duties hereinbefore dedlared to be held, exercised or performed on the part of the Trustees, Any request in writing by the Trustee, its successor or successors, to the Co-Trustee hereunder, or to any Co-Trustee appointed in succession to him, shall be sufficient warrant for the Co-Trustee, or his successors, to take such action as may delegate to the Trustee, its successor or successors, the, exercise of any power, discretionary or otherwise, conferred by any provisions of this mortgage, The Trustee and its successors in the trust shall have the power at any time, by instrument in writing, duly executed by its President or Vice President, under its seal, to remove the Co-Ttustee, or his successor in the trust, from his position as one of the Trustees hereunder, and to appoint some other officer of the Trustee as successor in trust to the Co-Trustee.

Each and every estate, right, title, interest, lien, claim, demand and cause of action expressed or intended by this mortgage to be vested in or conveyed to the Trustees shall (whether or not the same shall be lawfully conveyed to or vested in Comtinental and Commercial Trust and Savings Bank, and its successors in trust hereunder) in any event hereby vest in and be conveyed to William P. Kopf, and his successors in trust hereunder, and each and every covenant or obligation expressed or intended by this mortgage to run in favor of, and each and every right, power, remedy,

and duty expressed or intended by this mortgage to be conferred upon or enforceable by, the Trustees shall(whether or not the same shall lawfully run in favor of or be conferred upon or be enforceable by Continental and Commercial Trust and Savings Bank and its successors hereunder) in any event run in favor of and be enforceable by William P. Kopf, and his successors in trust hereunder, with like effect, in each and every such case, as though this mortgage were originally entered into between the party of the first part and the said William P. Kopf, as sole Trustee.

SECTION 2. In case the Co-Trustee, or any successor to him as Co-Trustee, shall die, become incapable of acting, resign, or be removed, all the estate, properties, rights powers, trusts, duties and obligations of the Trustees hereunder so far as permited by law shall vest in and be exercised by the Trustee for the time being, until the appointment of a new CO-Trustee, as hereinbefore provided.

ARTICLE XVIII.

Merger,Consolidation or Sale

Nothing in this mortgage contained shall prevent any consolidation or merger of the Company with or into, or any conveyance or transfer, subject to this mortgage, of all the mortgaged property as an entirety to, any corporation lawfully entitled to acquire and operate the mortgaged property, provided, however, that such consolidation, merger, conveyance or transfer shall be upon such terms as in no respect to impair the lien of this mortgage, or any of the rights or powers of the Trustee or Trustees, or the bondholders hereunder; and provided further that, upon any such consolidation, merger, conveyance or transfer, the due and punctual payment of the principal and interest of all said bonds according to their tenor, and the due and punctual performance and observance of all the terms, covenants and conditions of this mortgage to be kept or performed by the Company, shall be assumed by the corporation formed by such consolidation, or into which such merger shall have been made, or the corporation formed by such consolidation, or into which such merger shall have been made, or the corporation acquiring all the property subject to this mortgage as an entirety as aforesaid And the successor corporation formed by such consolidation, or into which the Company shall have been merged, or which shall have received a conveyance or transfer as aforesaid, shall also forthwith execute and deliver to the Trustees and record a proper instrument whereby such successor corporation shall assume the due and punctual payment of the principal and interest of the bonds secured by this mortgage and the performance of all the covenants and conditions of this mortgage on the part of the Company, and thereupon shall succeed to and be substituted for the Company with the same effect as if it had been named herein as party of the first part hereto.

The successor corporation thereupon may cause to be signed, issued and delivered, either in its own name or in the name of Lake Superior District Power Company, any or all bonds issuable hereunder which shall not theretofore have been signed by the Company and authenticated by the Trustee, and upon the order of the successor corporation in lieu of the Company, and subject to all the terms conditions and restrictions in this mortgage prescribed, touching the authentication and issuance of bonds, the Trustee shall authenticate and deliver any of such bonds which shall have been previously signed and delivered by the officers of the Company to the Trustee for authentication, and any of such bonds which the successor corporation shall thereafter, in accordance with the provisions of this mortgage cause to be signed and delivered to the Trustee for such purpose. All the bonds so issued shall in all respects have the same legal rank and security as the bonds theretofore or thereafter issued in accordance with the terms of this mortgage as though all of said bonds had been issued at the date of the execution hereof.

Provided, however, that as a condition precedent to the execution by the successor corporation and the authentication by the Trustee of any such additional bonds hereunder in respect of the purchase by the successor corporation of any additional property or the making of any extensions or additions to or about its plant and property, the indenture with the Trustees to be executed and caused to be recorded by the successor corporation as in this Article provided, shall contain a conveyance or transfer and mortgage in terms sufficient to include such additional property or extensions and additions, and to give to the Trustees a lien not only upon such additional property or extensions and additions, but also upon any property and franchises which may be necessary in the use and operation of such additional property or extensions and additions; and provided, further, that the lien created thereby shall have similar force, effect and standing as the lien of this mortgage would have if the Company should not be consolidated with or merged into such other corporation or should not convey or transfer, subject to this mortgage, all the property subject to this mortgage as an entirety, as aforesaid, to the successor corporation, and should itself acquire such additional property or make such extensions, and additions, and request the authentication and delivery of bonds under the provisions of this mortgage in respect thereof.

The Trustee may receive the certificate of any counsel (who may be counsel to the Company) appointed by the Board of Directors of the Company and approved by the Trustee, as conclusive evidence that any such mortgage complies with the foregoing conditions and provisions of this section.

ARTICLE XIX.

Limitation of Trust.

This mortgage shall not be construed to creat any right, trust, liability or obligation to or in favor of any person, firm or corporation except the Company, its officers, directors and stockholders and their and each of their successors, the Trustees, or their successors in the trust, and the present or future holders of the bonds hereby secured.

ARTICLE XX.

Miscellaneous.

SECTION 1. The words "Trustee," except when limited by the context, shall for all purposes be taken to mean the corporation which shall, for the time being and from time to time, be charged with the execution of the trusts hereby created. The word "Co-Trustee" means the Co-Trustee for the time being whether original or successor. The word "Trustees" includes the Trustee and the Co-Trustee for the time being, or either of them, whether either or both be original or successors. The words "bond," "bondholder" and "holder" shall include the plural as well as the singular number, and the word"amount," where used with reference to the bonds issuable hereunder, shall signify the principal amount, whether or not so expressed.

SECTION 2. All the conveyances, stipulations, covenants, undertakings and agreements herein contained to be performed by the Company shall be binding upon its successors and assigns whether herein so expressed or not.

The descriptive headings of the various Articles of this mortgage were formulated, used and inserted in this mortgage for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

This mortgage may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

In witness whereof, the Lake Superior District Power Company has caused its corporate name and seal to be hereto affixed, and this mortgage to be signed by its President, or by one of its Vice Presidents, and this mortgage to be countersigned and said seal to be attested by its Secretary or one of its Assistant Secretaries, for and in its behalf; and the Continental and Commercial Trust and Savings Bank, to evidence its acceptance of the trusts hereby created, has caused its corporate name and seal to be hereunto affixed, and this mortgage to be signed by one of its Vice Presidents and this mortgage to be countersigned and said seal to be attested by its Secretary or one of its Assistant Secretaries; and the said William P. Kopf, to evidence his acceptance of the trusts hereby created, has signed and sealed this instrument, all as of the first day of January, A.D. 1922.

Lake Superior District Power Company,

By.....C..E..Myers.....

.....President.

Countersigned;

Attested:
...William.H.P..Weston....
.....Secretary.
Executed by Lake Superior District Power
Company in the presence of:
....H..C..Wille.....
....A..E..Soergel.....
Witnesses.

(CORPORATE SEAL)

Continental and Commercial Trust and Savings Bank,
By....Henry.C..Olcott....
.Vice....President.

Countersigned:
Attested:
.....Kinney.Smith.....
Assistant Secretary.
Executed by Continental and Commercial Trust and Savings Bank,
in the presence of
.....E..D..Cameron.....
.....E..F..Somkup.....
Witnesses.

.....William.P..Kopf.....(SEAL)

(CORPORATE SEAL)

Executed by William P. Kopf, in the
presence of
.....E..D..Cameron.....
.....E..F..Somkup.....
Witnesses.

State of Illinois,) ss:
County of Cook.)

I,.....P..L..Miller.....,a Notary Public in and for said County in the state aforesaid, do hereby certify that.L..E.Myers,.....the..... President of Lake Superior District Power Company, a Wisconsin corporation, and William.H..P..Weston,. the ..... Secretary of said corporation, who are bothepersonally known to me to be the same persons whose names are subscribed to the foregoing instrument as such .....President and.....Secretary, respectively, and who are both personally known to me to be the.....President and .....Secretary, respectively, of said corporation, appeared before me this day in person and severally acknowledged that the seal affixed to the said instrument is the corporate seal of the said Lake Superior District Power Company and was affixed by order of the board of directors of said corporation and that they signed, sealed and delivered the said instrument as their free and voluntary act as such ..... President and .....Secretary, respectively, of said corporation, and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this .25th.. day of.May,...A.D. 1922.

.....P..L..Miller.....
Notary Public.
(My commission expires
August 24, 1925)

(NOTARY SEAL)

State of Illinois,)
County of Cook) ss:

I,.....D..P..Conover....., a Notary Public in and for said County in the state aforesaid, do hereby certify that.Henry.C..Olcott,.the .Vice...President of Continental and Commercial Trust and Savings Bank, an Illinois Corporation, and ..Kinney.Smith...., the .....Asst....Secretary of said corporation, who are both personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such ..Vice..President and ..Asst...Secretary, respectively, and who are both personally known to me to be the Vice...President and..Asst.. Secretary, respectively, of said corporation, appeared before me this day in person and severally acknowledged that the seal affixed to the said instrument is the corporate seal of the

said Continental and Commercial Trust and Savings Bank and was affixed by order of the board of directors of said corporation, and that they signed, sealed and delivered the said instrument as their free and voluntary act as such.Vice....President and Asst...Secretary, respectively, of said corporation, and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this ..26th. day of .May...,A.D.1922.

.....D..P..Conover.....
Notary Public.
(My commission expires Jan 3,1924)

(NOTARY SEAL)

State of Illinois,)
County of Cook.) ss:

I,..D..P..Conover,.....,a Notary Public in and for said County in the state aforesaid, do hereby certify that William P. Kopf, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

Given under my hand and notarial seal this .26th..day of.....May,A.D.1922.

.....D..P..Conover.....
Notary Public,
(My commission expires Jan.5,1924)

(NOTARY SEAL)

We, the undersigned, being respectively the President and Assistant Secretary of the Lake Superior District Power Company, a Wisconsin corporation, do hereby certify that the foregoing mortgage was consented to by the holders of all the capital stock of said corporation by vote at a meeting of said stockholders, called for that purpose upon the same notice as that required for the annual meetings of said corporation.

In Witness Whereof, we have hereunto subscribed our respective names and affixed the seal of said corporation

.....C..E..Myers.....
.....W..T..Leander.....

(CORPORATE SEAL)

State of Illinois,)
County of Cook.) ss:

I, ..P..L..Miller., a Notary Public in and for said County in the State aforesaid, do hereby certify that L. E. Myers, President of Lake Superior District Power Company, a Wisconsin corporation, and W. T. Leander, the Assistant Secretary of said corporation, who are both personally known to me to be thesame persons whose names are subscribed to the foregoin certificate as such President and Assistant Secretary, respectively, and who are both personally known to me to be the President and Assistant Secretary, respectively, of said corporation, appeared before me this day in person and severally acknowledged that they subscribed their names to said certificate as their free and voluntary act as such President and Assistant Secretary, respectively, of said corporation and that the seal thereto affixed is the seal of said corporation.

Given under my hand and notarial seal this .25th day of .May.., A.D. 1922.

.P..L..Miller.....
Notary Public.
(My commission expires Aug. 24,1925)

(NOTARY SEAL)

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 24th day of
June A D 1922 at 10
o'clock A.M and recorded in Vol.
21 of Railroad Mortgages
on page 191
Endorsed
Assistant Secretary of State.

WARRANTY DEED

THE ASHLAND LIGHT, POWER & STREET RAILWAY COMPANY

TO

LAKE SUPERIOR DISTRICT POWER COMPANY

Dated June 16th, 1922

KNOW ALL MEN BY THESE PRESENTS: That THE ASHLAND LIGHT POWER & STREET RAILWAY COMPANY, a Wisconsin corporation, with its principal office at Ashland, Wisconsin, grantor herin, for and in consideration of the sum of One Dollar ($1.00) and of other good and valuable considerations, the receipt whereof by said grantor is hereby acknowledged, hereby conveys and warrants, transfers, assigns, and sets over unto LAKE SUPERIOR DISTRICT POWER COMPANY, a Wisconsin corporation, with its principal office at Ashland, Wisconsin, its successors and assigns forever, the following described property and rights:

First. All cash of the grantor on hand and on deposit with banks or trust companies.

Second. All contracts, accounts receivable, bills receivable, credits, choses in action of every kind whatsoever now belonging to or owing to or hereafter accruing to the said grantor, hereby authorizing the said Lake Superior District Power Company in the name of the grantor, or otherwise, to collect, receive, sue for and receipt for, any and all moneys which may be due or may hereafter become due to said grantor on said accounts receivable, bills receivable, credits, contracts, choses in action, or any of them.

Third. All and singular the electrical plants and transmission and distribution systems, electric street and interurban plants and systems, and gas plants and systems, wherever located, togetner with all leases, equipment, rights of way, structures, buildings, engines, boilers, condensers, pumps, generators, meters, machinery, appliances, tools, lines, tracks, cars, rolling stock, mains, pipes, conduits, insulators, dynamos, poles, wires, lamps, supplies, property, contracts, ordinances, franchises, rights, privileges, appurtenances, and easements in anywise appertaining to said plants and systems, or any of them, and the operation thereof.

Fourth. The following described real estate, together with all tenements, hereditaments, and appurtenances thereunto belonging or appertaining:

A. In Ashland County, Wisconsin.

1. Lots eighteen (18) to twenty-one (21), both inclusive, in Block fifty-nine (59); Lots thirteen (13) to twenty-four (24), both inclusive, in Block sixty-four (64), and the east twenty-five (25) feet of Lots nine (9) to twelve (12), both inclusvie, in Block one hundred and ten (110), all in Ellis Division in the City of Ashland.

2. All of Block ten (10)(being Lots one (1) to thirty-two (32), both inclusive) in Commercial Addition to the City of Ashland.

In Township forty-six (46) North, Range four (4) West, of the Fourth Principal Meridian.

3. The west half of the northwest quarter of the northwest quarter (except that part thereof conveyed to West W Wilson by deed recorded on page 280 of Volume 95 of Deeds in the office of the Register of Deeds of Ashland County) in Section five (5).

4. That part of the north half of the north half of the northeast quarter lying east and south of the Sanborn road through said description (except that part of the northeast quarter of the northeast quarter conveyed to West W. Wilson by above mentioned deed) in Section six (6).

5. The northeast quarter of the southwest quarter of the northeast quarter of Section six (6).

6. That part of the southeast quarter of the northeast quarter, lying west of Sanborn road of Section six (6).

In Township forty-seven (47) North, Range four (4) West, of the Fourth Principal Meridian.

7. That part of Government Lot two (2), of Section five (5), bounded and described as follows, to wit: Commencing at a point at which the westerly line of Fourteenth avenue intersects the center line of Front street in the City of Ashland; running thence easterly along the center line of Front street the distance of about three hundred and thirty-one (331) feet to a point on said line thirty-five (35) feet west of the intersection of said line with the westerly line of Beaser avenue extended; running thence northerly, on a line parallel with said westerly line of Beaser avenue extended, to the shore of Lake Superior; thence in a westerly direction, along the shore of said lake to the intersection of said shore line and the easterly line of block one hundred and one (101) of the division of Ashland proper, extended; thence southerly along the easterly line of said Block one hundred and one (101) as extended to the point of beginning.

8. The north five (5) acres of the south fifteen (15) acres of the northeast quarter of the southeast quarter of Section seven (7).

9. All rights, privileges, franchises, easements, licenses, permits, grants and reservations of the Company howsoever conferred or acquired to flow, flood or overflow by means of any dam or dams now or hereafter constructed or maintained in Bad River the following described lands, to wit:

In Township forty-five (45) North, Range two (2) West, of the Fourth Principal Meridian.

The Northwest quarter of the northeast quarter (except the south quarter thereof); the entire west half of Section four (4).

The northeast quarter of the southeast quarter of Section five (5).

10. All rights, privileges, franchises, easements, licenses, permits, grants and reservations of the Company howsoever conferred or acquired to flow, flood or over flow by means of any dam or dams now or thereafter constructed or maintained in White River, the following described lands, to wit:

In Township forty-six (46) North, Range four (4) West, of the Fourth Principal Meridian.

The north half of the northwest quarter of Section five (5).

(Except the southeast quarter thereof) the northeast quarter and (except the south quarter thereof) the entire west half of Section six (6).

In Township forty-seven (47) North, Range four (4) West, of the Fourth Principal Meridian.

The northwest quarter of the southeast quarter (except the northwest quarter thereof); the northeast quarter and (except the northeast quarter of the northwest quarter and the southeast quarter of the southwest quarter) the entire west half of Section twenty-five (25).

The entire southeast quarter, and that part of the southwest quarter lying east of the right of way of the Wisconsin Central Railway Company, of Section twenty six(26).

The south half of the southeast quarter of Section twenty-seven (27).

The south half of the southeast quarter of Section thirty-two (32).

(Except the north half of the southwest quarter) the entire south half and the southeast quarter of the northeast quarter of Section thirty-three (33).

The east half of the northeast quarter and (except the south quarter thereof) the entire west half of Section thirty-four (34).

B. In Bayfield County, Wisconsin.

In Township forty-six (46) North, Range five (5) West, of the Fourth Principal Meridian.

1. The northeast quarter of the southeast quarter of Section one (1).

2. The southwest quarter of the northwest quarter of Section eleven (11).

3. All rights, privileges, franchises, easements, licenses, permits, grants and reservations of the Company howsoever conferred or acquired to flow, flood or overflow by means of any dam or dams now or hereafter constructed or maintained in White River the following described lands, to wit:

In Township forty-six (46) North, Range five (5) West, of the Fourth Principal Meridian.

The south half of the northeast quarter; the northeast quarter of the southwest quarter; the south half of the southwest quarter; the northwest quarter of the southeast quarter and that part of the southeast quarter of the northwest quarter described in deed recorded in Volume 56 of Deeds, page 167, in the office of the Register of Deeds in the County and State aforesaid in Section one (1).

(Except the southeast quarter thereof) the entire northeast quarter and (except the southwest quarter of the northwest quarter) the entire west half of Section eleven (11).

The entire northwest quarter of Section twelve (12), together with the right to build and construct, operate and maintain canals or transmission lines over, across, upon or through any or all of the lands hereinabove described in Sub-section No. three (3).

The northwest quarter of the southwest quarter of Section one (1).

The southeast quarter of the southeast quarter of Section two (2).

Fifth. All and singular the property, real, personal, and mixed, wherever situated, patents, franchises, rights, licenses, privileges and easements now owned by or belonging to or hereafter accruing to the said grantor and not hereinabove mentioned, it being the intention of the grantor to convey, transfer and assign by this deed all the assets, property and rights of the grantor of every description wheresoever situated, and that the enumeration or description herein of any specific property shall not limit or restrict the generality of this property shall not limit or restrict the generality of this conveyance.

This conveyance is made subject to the mortgage dated January 1, 1909, executed by The Ashland Light, Power & Street Railway Company to Chidago Savings Bank and Trust Company and Leverett Thompson, as Trustees, securing an authorized issue of One Million Dollars ($1,000,000) in principal amount of First Mortgage Five Per Cent Gold Coupon Bonds of said The Ashland Light, Power & Street Railway Company, dated January 1, 1909, due January 1, 1939, of which there are outstanding at the date hereof bonds in the aggregate principal amount of Nine Hundred Eighteen Thousand Dollars ($918,000).

This deed is made by the grantor pursuant to the authority of a resolution adopted by its Board of Directors, and also pursuant to the authority of a resolution adolpted at a meeting of the stockholders of the grantor adopted by the affirmative vote of more than three-fourths of the outstanding capital stock of the grantor.

In witness whereof said The Ashland Light, Power & Street Railway Company, has caused this instrument to be signed in its corporate name by its President or one of its Vice Presidents and to be countersigned by its Secretary or an Assistant Secretary and to be sealed with its corporate seal this 16th day of June, 1922.

The Ashland Light, Power & Street Railway Company,

By L. E. Myers
President.

(CORPORATE SEAL)

William H. P. Weston
Secretary.

Executed by The Ashland Light, Power & Street Railway Company, in the presence of:

W. T. Leander

D. A. Miller
Witnesses.

State of Illinois,) ss.
County of Cook)

I, D. A. Miller, a Notary Public in and for said County in the State aforesaid, do hereby certify that L. E. Myers, the _____ President of The Ashland Light, Power & Street Railway Company, a Wisconsin corporation, and William H. P. Weston, the _____ Secretary of said corporation, who are both personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such _____ President and _____ Secretary, respectively, and who are both personally known to me to be the _____ President and _____ Secretary, respectively, of said corporation, appeared before me this day in person and severally acknowledged that the seal affixed to the said instrument is the corporate seal of the said The Ashland Light, Power & Street Railway Company and was affixed by order of the Board of Directors of said corporation, and that they signed, sealed and delivered the said instrument as their free and voluntary act as such _____ President and _____ Secretary, respectively, of said corporation, and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this 16th day of June, A.D. 1922.

D. A. Miller
Notary Public.

My commission expires Mar. 24, 1924

(NOTARY SEAL)

State of Wisconsin
DEPARTMENT OF STATE,
Received this 24th day of July A.D. 1922 at 2:00 o'clock P.M. and recorded in Vol. 21 of Railroad Mortgages Indexed on page 236-239
Lancelot A. Gordon
Assistant Secretary of State

WARRANTY DEED

IRONWOOD AND BESSEMER RAILWAY AND LIGHT COMPANY

TO

LAKE SUPERIOR DISTRICT POWER COMPANY

Dated June 16th, 1922

KNOW ALL MEN BY THESE PRESENTS: That IRONWOOD AND BESSEMER RAILWAY AND LIGHT COMPANY, a Wisconsin corporation, with its principal office at Ashland, Wisconsin, grantor herein, for and in consideration of the sum of One Dollar ($1.00) and of other good and valuable considerations, the receipt whereof by said grantor is hereby acknowledged, hereby conveys and warrants, transfers, assigns, and sets over unto LAKE SUPERIOR DISTRICT POWER COMPANY, a Wisconsin corporation, with its principal office at Ashland, Wisconsin, its successors and assigns forever, the following described property and rights:

First. All cash of the grantor on hand and on deposit with banks or trust companies.

Second. All contracts, accounts receivable, bill receivable, credits, choses in action of every kind whatsoever now belonging to or owing to or hereafter accruing to the said grantor, hereby authorizing the said Lake Superior District Power Company in the name of the grantor, or otherwise, to collect, receive, sue for and re ceipt for, any and all moneys which may be due or may hereafter become due to said grantor on said accounts receivable, bills receivable, credits, contracts, choses in action, or any of them.

Third. All and singular the electrical plants and transmission and distribution systems, electric street and interurban plants and systems and water plants and systems, wherever located, together with all leases, equipment, rights of way, structures, buildings, engines, boilers, condensers, pumps, generators, meters, machinery, appliances, tools, lines, tracks, cars, rolling stock, mains, pipes, conduits, insulators, dynamos, poles, wires, lamps, supplies, property, contracts, ordinances, franchises, rights, privileges, appurtenances and easements in anywise appertaining to said plants and systems, or any of them, and the operation thereof.

Fourth. The following described real estate, together with all tenements, hereditaments, and appurtenances thereunto belonging or appertaining:

A. In Iron County, Wisconsin.

1. That part of Lot one (1) in Block eight (8) of Northern Chief Iron Company's Addition to the Village of Hurley, described as commencing at a point on the easterly line of said lot twelve (12) feet south of the northeast corner of said lot, running thence southwesterly in a line parallel with the northerly line of said lot to a point where said line intersects the southerly line of said lot, running thence westerly, alone said southerly line of said lot to the point of intersection of said southerly and northerly lines of said lot, thence northeasterly along the northerly line of said lot to the northeast corner thereof, thence southerly along the easterly line of said lot, a distance of twelve (12) feet, to the point of beginning.

In Township forty-six (46) North, Range two (2) East of the Fourth Principal Meridian.

2. The south quarter of the southeast quarter of Section seventeen (17).

3. That part of the northwest quarter of the northwest quarter of Section twenty-five (25) described as follows: To establish the starting point, commence at the northwest corner of said Section twenty-five (25), and run thence south on the section line between Section twenty-five (25) and twenty-six (26)

of said Township and Range aforesaid five hundred sixty-eight and five-tenths (~~568.5~~ 568.5) feet; thence at an angle of ninty (90) degrees to a point six hundred and eleven (611) feet east of said section line, which point is the northwest corner of the tract of land hereby intended to be conveyed; and running thence south at an angle of ninety (90) degrees two hundred seventy-five (275) feet to the southwest corner of said tract; thence east at an angle of ninety (90) degrees three hundred (300) feet to the southeast corner of said tract; thence north at an angle of ninety (90) degrees two hundred and seventy-five (275) feet to the northeast corner of said tract; thence west at an angle of ninety (90) degrees three hundred (300) feet to the place of beginning, being the same premises conveyed to the Gogebic Water & Gas Supply Co., by the Northern Chief Iron Company by quitclaim deed dated August 19, 1887, recorded in the office of the Register of Deeds in and for Ashland County, of which county the present County of Iron was at said time a part, on page 171, in Book 32.

In Township forty-seven (47) North, Range one (1) East, of the Fourth Principal Meridian.

4. (Except the south five hundred (500) feet thereof) Government Lot one (1) in section twenty-one (21).

5. Government Lots three (3), four (4) and that part of Lot two (2) lying north of the line described as follows: Commencing at a point five hundred (500) feet south of the intersection of the north and south quarter line of said Section twenty-one (21) and the south bank of Montreal River; running thence in a southerly and westerly direction in a line parallel with the present bank of the said river, and five hundred (500) feet distant therefrom, to the point at which said line intersects the west eighth line between said Lots one (1) and two (2) in said section.

6. Government Lot one (1) in Section twenty-two (22).

In Township forty-five (45) North, Range one (1) West, of the Fourth Principal Meridian.

7. That part of the northeast quarter of the southwest quarter lying north of the right of way of the Minneapolis, St. Paul and Sault Ste. Marie Railroad Company, in Section twenty-eight (28).

8. All the rights, privileges, franchises, easements, licenses, permits, grants, and reservations of the Company howsoever conferred or acquired to flow, flood or overflow by means of any dam or dams now or hereafter constructed or maintained in the Montreal River, the following described lands, together with the right to build construct, operate and maintain transmission lines over, across and upon any or all of the following described premises, to wit:

In Township forty-seven (47) North, Range one (1) East, of the Fourth Principal Meridian.

Government Lots one (1) and two (2) and the southwest quarter of the southwest quarter of Section seven (7).

Government Lot two (2) of Section fifteen (15).

Government Lot one (1) in Section seventeen (17).

Government Lots three (3) and four (4) in Section twenty-two (22).

B. In Ashland County, Wisconsin.

In Township forty-five (45) North, Range two (2) West, of the Fourth Principal Meridian.

1. Southwest quarter of the southwest quarter of Section sixteen (16).

2. The entire east half of Section seventeen (17).

3. The entire southeast quarter and the south four hundred (400) feet of the southwest quarter of the northeast quarter, lying east of the right of way of the Wisconsin Central Railroad Company and the Minneapolis, St. Paul and Sault Ste. Marie Railway Company, in Section thirty (30).

4. All rights, privileges, franchises, easements, licenses, permits, grants, and reservations of the Company howsoever conferred or acquired to flow, flood or overflow by means of any dam or dams now or hereafter constructed or maintained in the Bad River, the following described lands, together with the right to build, construct, operate and maintain transmission lines over, across and upon any or all of the following described premises, to wit:

In Township forty-five (45) North, Range two (2) West, of the Fourth Principal Meridian.

South half of the southeast quarter of Section five (5).

Northeast quarter of the southwest quarter and the entire east half of Section eight (8).

The southeast quarter of the northwest quarter and the southeast quarter of the southwest quarter of Section fifteen (15).

The undivided three-fourths of the northeast quarter of the northeast quarter; the undivided three-fourths of the northwest quarter of the northwest quarter; the undivided three-fourths of the northeast quarter of the southeast quarter; the southwest quarter of the northwest quarter; and the northwest quarter of the south west quarter of Section sixteen (16).

The east half of the northwest quarter and the entire southwest quarter of Section seventeen (17).

The northeast quarter of the southeast quarter and the entire southwest quarter of Section eighteen (18).

(Except the west half of the southwest quarter thereof) all of Section nineteen (19).

(Except the southwest quarter thereof) all of Section twenty (20).

The north half of the northeast quarter and the entire west half of Section twenty-one (21).

The northeast quarter of the northeast quarter; the southwest quarter of the northeast quarter and the south half of the northwest quarter of Section twenty-two (22).

The southwest quarter of the northwest quarter of Section twenty-three (23);

The southwest quarter of the northeast quarter; the southeast quarter of the northwest quarter and the northeast quarter of the southwest quarter of Section twenty-nine (29).

The entire northeast quarter (except the south four hundred (400) feet of the southwest quarter thereof lying east of the right of way of the Wisconsin Central Railway Company and the Minneapolis, St. Paul and Sault Ste. Marie Railway Company), of Section thirty (30).

That part of the east half of the northeast quarter, east of the right of way of the Minneapolis, St. Paul and Sault Ste. Marie Railway Company, of Section thirty-one (31).

Beginning at a point one hundred and fifty (150) feet north of the southwest corner of Section thirty-two (32), Township and Range aforesaid, thence in a northerly direction along the said section line to the northwest corner of the southwest quarter of said Section thirty-two (32) thence east to the center of the road now known as Butlerstreet, in Cordy's Addition to the City of Mellen; thence along the center of the said street in a southwesterly direction to a point one hundred and fifty (150) feet north of the south line of said Section thirty-two (32); thence in a westerly direction parallel with and one hundred and fifty (150) feet distant from the said south line of said section to the place of beginning.

C. In Gogebic County, Michigan.

1. That part of Lots seven (7) and eight (8) in Block one (1) and of Lots one (1), two)2) and three (3) in Block two (2) of West Bessemer, so called, in the Village, now City, of Bessemer, according to the recorded plat thereof recorded in the office of the Register of Deeds in and for the county aforesaid, lying northerly of a line drawn parallel with and forty (40) feet distant northerly from the center line of Gogebic and Montreal River Railroad, so called, as the same is now located, constructed and operated over and across said lots respectively.

2. Lots one (1), two (2), thirteen (13) and fourteen (14) in Block six (6) Canal Company's Addition to the City of Ironwood.

3. Lot fifteen (15) in Block twenty-one (21) in original plat of Ironwood.

4. Lots six (6) to fourteen (14), both inclusive, in Block three (3) in Norrie Addition to the city of Ironwood.

5. Lot four (4) in Block one (1); Lot ten (10) in Block five (5); Lots one (1) to ten (10), both inclusive, in Block six (6) and the vacated street or strip of land lying between Blocks five (5) and six (6), all in the plat of Monticello according to the plat thereof recorded in the office of the Register of Deeds in and for the county aforesaid.

In Township forty-seven (47) North, Range forty-six (46) West, of the Michigan Meridian.

A parcel of land in Section nine (9), described as follows: Beginning at the point in the south line of Section nine (9), at which said line is intersected by the westerly line of Hematite street, as said street is delineated on the plat of the Canal Company's addition to the Village of Bessemer, and thence running west on said

section line about two hundred (200) feet to the point of intersection of the easterly line of the location or right of way of the Milwaukee, Lake Shore and Western Railway, with said section line, thence northeasterly by said line or said location or right of way to the point at which the same is intersected by the westerly line of said Hematite street, as the same is delineated on said plat and thence south by the west line of said street two hundred and sixty-six (266) feet to said point of beginning, all in the city of Bessemer.

In Township fortyeight (48) North, Range forty-eight (48) West of the Michigan Meridian.

7. That part of Government Lots one (1) to four (4) both inclusive, lying south and east of a contour line drawn along the Montreal River, the height of said contour line being twenty (20) feet above the crest of the dam at what is known as Saxon Falls Development on said river in Section twenty-four (24), Township forty-eight (48) North, Range forty-nine (49) West, as maintained on the first day of June, 1919, in Section nineteen (19).

In Township forty-eight (48) North, Range forty-nine (49) West, of the Michigan Meridian.

8. Government Lots one (1), two (2) and four (4) in Section fifteen (15).

9. (Except the north six hundred (600) feet feet thereof) Government Lot one (1) in Section twenty-four (24).

10. That part of Government Lot two (2) in Section twenty-four (24) lying south of the line described as follows: Commencing at a point on the west eighth line of said section six hundred (600) feet south of the northeast corner of said Lot one (1); running thence in a northeasterly direction to a point on the north and south quarter line of said Section one thousand (1000) feet south of the nnortheast corner of said Lot two (2).

11. That part of Government Lot three (3) in Section twenty-four (24) lying south of a line described as follows; Commencing at a point one thousand (1000) feet south of the northwest corner of said lot; running thence in a northeasterly direction to the point at which the east boundary line of said lot intersects a contour line drawn along the north bank of the Montreal River, the height of said contour line being twenty (20) feet above the crest of the dam at what is known as Saxon Falls Development on the Montreal River, in said section, as maintainednon the 1st day of June, 1919.

12. That part of Government Lot four (4) in Section 24, lying south of a contour line drawn through said lot on the north side of said Montreal River at the height hereinbefore mentioned.

13. All the rights, privileges, franchises, easements, licenses, permits, grants, and reserves of the Company howsoever conferred or acquired to flow, flood or overflow by means of any dam or dams now or hereafter constructed or maintained in the Montreal River, the following described lands, together with the right to build, construct, operate and maintain transmission lines over, across and upon any and all of the following described premises, to wit:

In Township forty-eight (48) North, Range forty eight (48) west, of the Michigan Meridian.

Government Lots one (1) to four (4) both inclusive in Section nineteen (19).

In Township forty-eight (48) North, Range fortynine (49) West, of the Michigan Meridian.

Government Lots one (1) to four (4), both inclusive; the northeast quarter of the northwest quarter and (except the southwest quarter of the southeast quarter) the entire east half, of Section twenty-three (23).

Government Lots one (1) to four (4), both inclusive; the entire northeast quarter; the northwest quarter of the northwest quarter and the northwest quarter of the southwest quarter of Section twenty-four (24).

Entire Fractional Section twenty-six (26).

Fifth. All and sigular the property, real, personal and mixed, wherever situated, patents, franchises, rights, licenses, privileges and easements now owned by or belonging to orhereafter accruing to the said grantor and not hereinabove mentioned, it being the intention of the grantor to convey, transfer and assign by this deed all the assets, property and rights of the grantor of every description wheresoever situated, and that the enumeration or description herein of any specific property shall not limit or restrict the generality of this conveyance.

This conveyance is made subject to the mortgage dated February 1, 1911, executed by Ironwood and Bessemer Railway and Light Company to American Trust Company

and Charles H. Bowen, as Trustees, securing an authorized issue of Two Million Five Hundred Thousand Dollars ($2,500,000) First Mortgage Five Per Cent Gold Coupon Bonds of the said Ironwood and Bessemer Railway and Light Company dated February 1, 1911, due February 1, 1936, of which there are outstanding at the date hereof bonds in the aggregate principal amount of Two Million Three Hundred Forty-eight Thousand Dollars ($2,348,000).

This deed is made by the grantor pursuant to the authority of a resolution adopted by its Board of Directors, and also pursuant to the authority of a resolution adopted at a meeting of the stockholders of the grantor adopted by the affirmative vote of more than three-fourths of the outstanding capital stock of the grantor.

In Witness Whereof, said Ironwood and Bessemer Railway and Light Company has caused this instrument to be signed in its corporate name by its President or one of its Vice Presidents and to be countersigned by its Secretary or an Assistant Secretary and to be sealed with its corporate seal this 16th day of June, 1922.

Ironwood and Bessemer Railway and
Light Company,

By C. E. Myers.
_____President.

William H. P. Weston.
_____Secretary.

Executed by Ironwood and Bessemer
Railway and Light Company, in
the presence of:

(CORPORATE SEAL)

W. T. Leander.

D. A. Miller
Witnesses.

State of Illinois,)
County of Cook.) ss.

I, D. A. Miller, a Notary Public in and for said County in the state aforesaid, do hereby certify that L. E. Myer, the _____ President of Ironwood and Bessemer Railway and Light Company, a Wisconsin Corporation, and William H.P. Weston the _____ Secretary of said corporation, who are both personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such _____President and _____Secretary, respectively, and who are both personally known to me to be the _____President and _____Secretary, respectively, of said corporation, appeared before me this day in person and severally acknowledged that the seal affixed to the said instrument isthe corporate seal of the said Ironwood and Bessemer Railway and Light Company and was affixed by order of the Board of Directors of said corporation, ant that they signed, sealed and delivered the said instrument as their free and volunatary act as such _____ President and _____Secretary, respectively, of said corporation, and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this 16th day of June, A. D. 1922.

D. A. Miller
Notary Public.

(NOTARY SEAL)

My commission expires Mar. 24, 1924

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 24th ~~10th~~ day of July ~~Aug~~ A. D. 1922 at 2:00 o'clock P. M. and recorded in Vol 21 of R. R. Myts. on page 240-244.
Lancelot G. Gordon
Assistant Secretary of State

Indexed

THE PULLMAN COMPANY

To

CHICAGO, MILWAUKEE & ST. PAUL RY. CO.

RELEASE OF CONDITIONAL SALE
AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, On the 2nd day of November, 1921, Haskell and Barker Car Company, Inc., a corporation of the State of New York, as "Vendor," and Chicago, Milwaukee & St. Paul Railway Company, as "Vendee," entered into an agreement by which the Vendor agreed to sell and deliver to the Vendee, fifteen hundred (1500) steel underframe steeel composite gondola cars of 50-tons capacity, to be numbered 303000 to 304499, both inclusive, which said agreement is of record in the office of the Secretary of State of WISCONSIN and recorded JANUARY 20, 1922, in VOLUME 22 of RAILROAD MORTGAGES, page 101; and

WHEREAS, Said Haskell and Barker Car Company, Inc., on January 16, 1922, assigned all ~~and~~ its interest in said agreement of conditional sale, and in the cars referred to therein, to said The Pullmann Company, which assignment was assented to in writing by said Railway Company on March 27, 1922, and is of record in the public office aforesaid and recorded May 19, 1922, in Volume 21 of Railroad Mortgages on pages 169 and 170; and

WHEREAS, On the 19th day of July, 1922, said The Pullman Company and said Railway Company entered into an agreement to rescind and cancel said agreement of conditional sale, and that each of the partiestherete should execute and deliver such further instruments as might be necessary to carry out the agreement of cancellation and to release the record of said agreement of conditional sale in all public offices where the same may have been filed or recorded;

NOW THEREFORE, The Pullman Company hereby acknowledges that said agreement of conditional sale dated November 2, 1921, has been rescinded and cancelled, and this instrument is executed for the purpose of releasing the same, and the record thereof in the public office aforesaid.

IN WITNESS WHEREOF, The Pullman Company has caused this instrument to be executed by its Vice-President and its corporate seal to be hereto affixed and attested by its Secretary, this ..15th.day of August, 1922.

THE PULLMAN COMPANY,
By D. A. Sanford
Vice-President.

(CORPORATE SEAL)

J. F. Kane
Secretary.

In the presence of:
W. J. Butler

A. W. Lorenz

STATE OF ILLINOIS)
COUNTY OF COOK) ss.

On this 15th day of August A.D.1922 before me, a Notary Public in and for the county and state aforesaid, personally appeared D. A. Crawford and J. F. Kane, to me personally known to be, respectively, the Vice-President and Secretary of The Pullman Company, the corporation that is described in and that executed the within and foregoing instrument and each of whom, being by me duly sworn, did say (that he is such officer of the said The Pullman Company and on oath stated that he was authorized to) execute said instrument, and that the same was signed, sealed and executed by him in behalf of said The Pullman Company, by authority of its Board of Directors, and that the seal affixed

to the said instrument is the corporate seal of said The Pullman Company; and each of the officers above named, acknowledged to me the said instrument to be the free and voluntary act and deed of said corporation, and that such corporation executed the same for the uses and purposes therein mentioned.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

Albert A. Lorenz
Notary Public, Cook County
Illinois, residing at
Chicago therein.

(NOTARIAL SEAL)

My Commission expires--

September 22, 1923

State of Wisconsin
DEPARTMENT OF STATE
Received this 16th day of August A. D. 1922 at 10 o'clock A.M. and recorded in Vol 21 of R.R. Mtgs. on page 245
Elmer S. Hall
Secretary of State

Indexed
R.R. Mtge
Compared

WISCONSIN PUBLIC SERVICE
CORPORATION

TO

FIRST WISCONSIN TRUST COMPANY
As Trustee

FIRST LIEN AND REFUNDING MORTGAGE

Dated October 2, 1922

Securing
First Lien and Refunding Mortgage
Gold Bonds

THIS INDENTURE, dated the 2nd day of October 1922, but actually executed this 19th day of October, 1922, made and entered into by and between WISCONSIN PUBLIC SERVICE CORPORATION, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter commonly referred to as the "Company") and FIRST WISCONSIN TRUST COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter commonly referred to as the "Trustee"),

WITNESSETH:

Whereas, the Company is authorized to borrow money for its corporate purposes, to issue its bonds therefor, and to mortgage its properties to secure the payment of said bonds, and to that end its Board of Directors and Stockholders, at meetings duly and regularly held, have duly authorized an issue of bonds and the execution of a Mortgage or Deed of Trust to secure the payment thereof, substantially in the form of these presents; and

Whereas, at the time the mortgagor acquired certain of its properties there were outstanding and remained unpaid certain obligations secured by liens upon certain of said properties as follows:

(a) Two Million Four Hundred Thirty-eight Thousand Dollars ($2,438,000) in principal amount of First Mortgage and Refunding 5% Gold Bonds of Wisconsin Public Service Company, outstanding in the hands of the public, plus One Million Three Hundred Eight Thousand Dollars ($1,308,000) in principal amount of said bonds which are owned by the Company and are deposited in pledge with the Trustee hereunder as hereinafter provided;

(b) Four Hundred Twenty-seven Thousand Dollars($427,000) in principal amount of First and Refunding Mortgage 5% Gold Bonds of Green Bay Gas & Electric Company outstanding in the hands of the public, plus Two Hundred Twenty-eight Thousand Dollars ($228,000) in principal amount of said bonds which are pledged with the trustee under the mortgage of Wisconsin Public Service Company securing the Corporation's First Mortgage and Refunding Bonds;

(c) Three Hundred Thousand Dollars ($300,000) in principal amount of First Mortgage 6% Gold Bonds of Peninsular Service Company;

(d) Two Hundred Fifty Thousand Dollars ($250,000) in principal amount of First Mortgage 5% Gold Bonds of Sheboygan Gas Light Company;

(e) One Hundred Forty Thousand Dollars ($140,000) in principal amount of First Mortgage 5% Gold Bonds of Manitowoc & Northern Traction Company.

All of said obligations secured by liens as aforesaid, and actually outstanding in the hands of the public aggregate Three Million Five Hundred Fifty-five Thousand Dollars ($3,555,000) in principal amount; and are hereinafter referred to as "underlying

obligations" and are more particularly described.

And Whereas, the Company has duly determined, in accordance with these presents, to issue its First Lien and Refunding Mortgage Gold Bonds (hereinafter referred to as the "bonds"), to be secured by a Mortgage or Deed of Trust (hereinafter referred to as the "Mortgage") of the properties of the Company, as hereinafter provided, to be issued in one or more series from time to time, commencing with Series A, the bonds of each series to be in coupon form with interest coupons attached (hereinafter referred to as "coupon bonds"), and also, at the option of the Company, in fully registered form, without interest coupons (hereinafter referred to as "registered bonds"), to contain such provisions for tax exemption, sinking fund, redemption or conversion, and other appropriate provisions, not inconsistent with the provisions and terms of this Mortgage, to bear such date, to be payable on suchdate, and at such place or places, to bear interest at such rate, payable on such dates as to each particular series, as may be determined by the Board of Directors of the Company at the time of authorizing the original issue of bonds of such series, to be signed by the President or a Vice-President of the Company, impressed with its corporate seal, attested by its Secretary or an Assistant Secretary, to be authenticated by the certificate of the Trustee thereon endorsed, and the coupon bonds to have interest coupons attached, executed with the facsimile of the signature of the Treasurer of the Company; and

Whereas, each of the coupon bonds to be issued hereunder is to be substantially in the following general form, to-wit:

Form of Coupon Bond.

UNITED STATES OF AMERICA

State of Wisconsin

WISCONSIN PUBLIC SERVICE CORPORATION

First Lien and refunding Mortgage.....%

Gold Bond

No..... Series..... $.....

Wisconsin Public Service Corporation, a Wisconsin corporation (hereinafter called the "Company," which term shall include any successor corporation as defined in the Mortgage hereinafter referred to), for value received, hereby promises to pay to the bearer, or, if this bond be registered as to principal, then to the registered holder hereof, the sum of.....Dollars, on the 1st day of.....,19....., and to pay interest on said sum from.....until the same shall be paid, at the rate of.....per cent. per annum, payable half-yearly on the 1st day of.....and the 1st day of..... in each year. Until the maturity of this bond such interest shall be paid only in accordance with and upon presentation and surrender of the annexed interest coupons as they severally become due. Both principal and interest of this bond shall be payable in gold coin of the United States of America of or equal to the standard of weight and fineness, as it existed on.....19.....at the office of First Wisconsin Trust Company in the City of Milwaukee, Wisconsin, or , at the option of the holder, at the office or agency of the Company in the City of Chicago, State of Illinois, or at the office or agency of the Company in the Borough of Manhattan, City of New York, State of New York, and the interest hereon shall be paid without deduction for any tax or taxes upon the income of the holder hereof (except such portion of any income tax, with respect to income derived from such interest, as shall be in excess of two per cent.), which the Company or the Trustee hereinafter mentioned, or any one acting in behalf of them, or either of them, may be required or permitted to pay on, or to deduct from, such interest under or by reason of any present or future income tax law of the United States

The Company will, upon application, refund and repay to the owner of this bond, if a resident of the State of Pennsylvania, or the State of Connecticut, the amount of any lawful personal property tax hereon paid by him, in and for any year, not exceeding (but only to the extent that the rate of his residency does not exceed) four-tenths (4/10ths) of one per centum (1%) of the principal hereof, and the Company will, upon application, refund and repay to the owner of this bond, if a resident of the State of Massachusetts, the amount of any lawful income tax upon the interest hereon paid by him, in and for any year, to the State of Massachusetts, not exceeding six per centum(6%) of such interest, provided such owner shall present to the Company his application in writing for such refund within sixty (60) days after payment of any such tax, together with evidence satisfactory to the Company, showing payment of such tax.

This bond is one of the First Lien and Refunding Mortgage Gold Bonds of the Company, all issued and to be issued in series, from time to time, under and in accordance with and, irrespective of the time of issue, equally secured by the First Lien and Refunding Mortgage (hereinafter called the "Mortgage"), dated October 2,1922, given by the Company to First Wisconsin Trust Company (at Milwaukee, Wisconsin), as Trustee, to which Mortgage reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the rights thereunder of the holders of said bonds, and the terms and conditions governing the issuance and security of said bonds.

At the option of the Company, and upon the notice and in the manner and with the effect provided in the Mortgage, any or all of the bonds of this Series..... may be redeemed by the Company on any date by the payment of principal, accrued interest and a premium, if any, as follows:

(Here insert redemption premium or schedule of premiums, if any.)

In case of certain events of default specified in the Mortgage, the principal of this bond may be declared or may become due and payable in the manner and with the effect provided in the Mortgage.

No recourse shall be had for the payment of the principal or interest of this bond or for any claim based hereon, or otherwise, in respect hereof, or of the Mortgage, to or against any incorporator, stockholder, officer or director, past, present or future of the Company, either directly or through the Company, under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, stockholders, directors and officers being released by the holder hereof by the acceptance of this bond, and being likewise waived and released by the terms of the Mortgage.

This bond shall pass by delivery unless registered as to principal in the holder's name at the office of First Wisconsin Trust Company, in the City of Milwaukee, Wisconsin, or, at the option of the holder, at the office or agency of the Company in the City of Chicago, State of Illinois, or, at the option of the holder, at the office or agency of the Company in the Borough of Manhattan, City of New York, State of New York, on registry books to be kept for the purpose at such places, such registration being noted hereon, as provided in the Mortgage. After such registration no further transfer of this bond shall be valid, unless made on said books by the registered holder in person or by an attorney duly authorized, and similarly noted hereon; but this bond may be discharged from registry by being in like manner transferred to bearer whereupon transferability by delivery shall be restored, and this bond may again and from time to time be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the attached coupons, which shall always be transferable by delivery and be payable to bearer.

Bonds of this series are interchangeable as to denominations in the manner and upon the conditions prescribed in the Mortgage. Couponsbonds and registered bonds without coupons, of any series, are interchangeable in the manner and upon the conditions prescribed in the Mortgage.

This bond shall not be entitled to any security or benefit under the Mortgage and shall not become valid or obligatory for any purpose until it shall have been authenticated by the execution of the certificate, herein endorsed, by the Trustee, or its successor in trust, under the Mortgage.

In Witness Whereof, Wisconsin Public Service Corporation has caused this bond to be executed in its name by its President or by a Vice-President, and has caused its corporate seal to be hereto affixed, attested by its Secretary or by an Assistant Secretary, and has caused the interest coupons hereto annexed to be authenticated by the facsimile of the signature of its Treasurer, this.....day of.....19....

WISCONSIN PUBLIC SERVICE CORPORATION,

By_____

_____President.

Attest:

_____

_____Secretary.

And Whereas, at the time of the issue thereof, there are to be attached to each of the coupon bonds hereby secured interest coupons representing the future installments of interest from time to time to become due thereon, and each coupon is to be substantially in the following form, to-wit:

Form of Coupon

NO..... $.....

On the 1st day of....., 19...., unless the bond herein mentioned shall have been called for previous redemption, Wisconsin Public Service Corporation will pay to bearer, at the office of First Wisconsin Trust Company, Milwaukee, Wisconsin, or, at the option of the holder, 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,.....Dollars in gold coin, being six months' interest then due on its First Lien and Refunding Mortgage....% Gold Bond, Series.....No.....

.....
Treasurer.

And Whereas, each of the registered bonds without coupons, to be issued hereunde is to be substantially in the following form, to-wit:

Form of Registered Bond Without Coupons.

UNITED STATES OF AMERICA
State of Wisconsin
WISCONSIN PUBLIC SERVICE CORPORATION
First Lien and Refunding Mortgage....% Gold Bond

No..... Series..... $.....

Wisconsin Public Service Corporation, a Wisconsin corporation (hereinafter called the "Company," which term shall include any successor corporation as defined in the Mortgage hereinafter referred to), for value received, hereby promises to pay to....., or registered assigns, the sum of..... .....dollars on the 1st day of....., 19....., and to pay to the registered holder interest on said sum from the date hereof, until the same shall be paid, at the rate of.....per centum per annum, payable half-yearly on the 1st day of.....and the 1st day of.....in each year. Both principal and interest of this bond shall be payable in gold coin of the United States of America of or equal to thestandard of weight and fineness as it existed on..... 19....., at the office of First Wisconsin Trust Company in the City of Milwaukee, Wisconsin, or, at the option of the registered holder, at the office or agency of the Company in the City of Chicago, State of Illinois, or, at the office or agency of the Company, in the Borough of Manhattan, City of New York, State of New York, and the interest hereon shall be paid without deduction for any tax or taxes upon the income of the holder hereof (except such portion of any income tax, with reppect to income derived from such interest, as shall be in excess of two per cent.), which the Company or the Trustee hereinafter mentioned, or any one acting in behalf of them or either of them, may be required or permitted to pay on, or to deduct from, such interest under or by reason of any present or future income tax law of the United States.

The Company will, upon application, refund and repay to the owner of this bond, if a resident of the State of Pennsylvania, or the State of Connecticut, the amount of any lawful personal property tax hereon paid by him, in and for any year, to the state of his residence, not exceeding four - tenths (4/10ths) of one per centum (1%) of the principal hereof, and the Company will, upon application, principal hereof and the Company will, upon application, refund and repay to the owner of this bond, if a resident of the State of Massachusetts, the amount of any lawful income tax upon the interest hereon paid by him, in and for any year, to the State of Massachusetts, not exceeding six per centum (6%) of such interest, provided such owner shall present to the Company his application in writing for such refund within sixty (60) days after payment of any such tax, together with evidence satisfactory to the Company, showing payment of such tax.

This bond is one of the First Lien and Refunding Mortgage Gold Bonds of the Company

all issued and to be issued in series, from time to time, under and in accordance with and, irrespective of the time of issue, equally secured by the First Lien and Refunding Mortgage (hereinafter called the "Mortgage"), dated October 2, 1922, given by the Company to First Wisconsin Trust Company (at Milwaukee, Wisconsin), as Trustee, to which Mortgage reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the rights thereunder of the holders of said bonds, and the terms and conditions governing the issuance and security of said bonds.

At the option of the Company, and upon the notice and in the manner and with the effect provided in the Mortgage, any or all of the bonds of this Series..... may be redeemed by the Company on any date by the payment of principal, accrued interest and a premium as follows:

(Here insert redemption premium or schedule of premiums, if any.)

In case of certain events of default specified in the Mortgage, the principal of this bond may be declared or may become due and payable in the manner and with the effect provided in the Mortgage.

No recourse shall be had for the payment of the principal or interest of this bond, or for any claim based hereon, or otherwise in respect hereof, or of the Mortgage, to or against any incorporator, stockholder, officer or director, past, present or future of the Company, either directly or through the Company, either directly or throughth the Company, under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, stockholders, directors and officers being released by the holder hereof by the acceptance of this bond, and being like wise waived and released by the terms of the Mortgage.

This bond is transferable by the registered holder hereof, in person or by attorney duly authorized, at the office of First Wisconsin Trust Company in the City of Milwaukee, Wisconsin, or, at the option of the registered holder, at the office or agency of the Company in the City of Chicago, State of Illinois, or in the Borough of Manhattan, City of New York, State of New York, upon surrender and cancellation of this bond, and thereupon a new registered bond without coupons of the same amount and series, having endorsed thereon the same coupon bond serial numbers as are endorsed hereon, will be issued to the transferee in exchange herefor.

Bonds of this series are interchangeable as to denominations in the manner and upon the conditions prescribed in the Mortgage. Coupons bonds and registered bonds without coupons, of any series, are interchangeable in the manner and upon the conditions prescribed in the Mortgage.

This bond shall not be entitled to any security or benefit under the Mortgage and shall not become valid or obligatory for any purpose until it shall have been authenticated by the execution of the certificate, hereon endorsed, by the Trustee, or its successor in trust, under the Mortgage.

IN WITNESS WHEREOF, Wisconsin Public Service Corporation has caused this bond to be executed in its name by its President or by a Vice President, and has caused its corporate seal to be hereto affixed, attested by its Secretary or by an Assistant Secretary, this . . . . . day of . . . . . 19.....

WISCONSIN PUBLIC SERVICE CORPORATION,
By .....
.....President.

Attest:

.....
.....Secretary.

And Whereas, every registered bond shall bear thereon in appropriate form an endorsement or notation setting forth that such bond is issued in lieu of, or in exchange for, a coupon bond or coupon bonds, the numbers and series of which shall be stated thereon, none thereof being then outstanding contemporaneously with such registered bond; and

WHEREAS, on each of the bonds there is to be endorsed a certificate to be executed by the Trustee, which certificate is to be substantially in the following form, to-wit:

(FORM OF TRUSTEE'S CERTIFICATE)

This bond is one of the bonds of the series designated therein, referred to and described in the within mentioned Mortgage.

FIRST WISCONSIN TRUST COMPANY, TRUSTEE

By.....

Assistant Secretary.

AND WHEREAS, the bonds of each series, and the interest coupons to be attached to the coupon bonds of any such series, are to be substantially in the forms above set forth, respectively, with such modifications thereof and additions thereto or eliminations therefrom, authorized or permitted by this Mortgage as to any particular series, as in the opinion of the Trustee and the Board of Directors of the Company at the time may be necessary or appropriate by reason of the terms under which the bonds of any such serds are issued; and

WHEREAS, all things necessary to make the bonds, when authenticated by the Trustee and issued as in this Mortgage provided, valid, binding and legal obligation of the Company; and to constitute this Mortgage a valid mortgage or deed of trust to secure the payment of the principal and interest of all bonds issued hereunder, have been done and performed, and the creation, execution and delivery of this Mortgage and the creation, execution and issue of bonds subject to the terms hereof have in all respects been duly authorized;

NOW THEREFORE, in consideration of the premises, and of the acceptance and purchase of the bonds by the holders thereof, and of the sum of One Dollar duly paid by the Trustee to the Company, and for other good and valuable considerations, the receipt whereof is hereby acknowledged, and for the purpse of securing the due and punctual payment of the principal and interest of all bonds which shall be issued hereunder, and for the purpse of securing the faithful performance and observance of all the covenants and conditions hereinafter set forth, the Company has given, granted, bargained, sold, transferred, assigned, pledged, mortgaged, warranted and conveyed, and by these presents does give, grant, bargain, sell, transfer, assign, pledge, mortgage, warrant and convey unto the First Wisconsin Trust Company, as Trustee, as herein provided, and its successor in the trust hereby created, all and singular the plants, rights, franchises, privileges, easements and property, real, personal and mixed, now owned by the Company or which may hereafter be acQUIRED by it, together with the rents, issues and profits thereof, excepting, however, (and there are hereby expressly reserved from the lien and effect of this Mortgage) all supplies, machinery, appliances, goods, wares, and other movable property now or at any time handled by the Company for sale as merchandise or not in use or connected as fixtures with its own plants; and excepting also all bonds, stocks and other securities now owned or which may hereafter be owned by the Company and which are not deposited under this Mortgage; and excepting also the last day of each of the demised terms created by any lease of property now leased to the Company, and the last day of any demised term under each and every lease hereafter acquired by the Company and under each and every renewal of any lease, - the last day of each and every such demised term being hereby expressly reserved to and by the Company.

Without in any way limiting or restricting the generality of the foregoing there is included in this conveyance, and the Company hereby expressly gives, grants, bargains, sells, transfers, assigns, pledges, mortgages, warrants and conveys the following described property, together with all tenements, hereditaments and appurtenances thereunto belonging or appertaining, owned by the Company, to-wit:

FIRST

Property formerly known as OshkOsh Gas Light Company Property.

The following described real estate in the County of Winnebago, State of Wisconsin, to-wit:

Commencing at the northeast corner of Lot Thirty-one (31) of White, Wright and Jenkins' Subdivision of Lot One (1) of Block Six (6) according to Randall's Map, in the First Ward, of the City of OshkOsh, thence sOutherly One Hundred and Seventy-fOur (174) feet to a point that is Six-tenths (6/10) of a foot east of the east line of said Lot Thirty-one (31), thence southwesterly at an agnle of 55 degrees to the right Fifty-eight and

Eight-tenths (58.8) feet more or less to the United States Dock line of Fox River, thence south 68 degrees and 42' east to a point on the United States Dock line of Fox River where said Dock line intersects the extended easterly line of Lot Thirty-two (32) of said Subdivision, thence northerly along the extended easterly line and the the easterly line of said Lot Thirty-two (32) to the northeast corner of said Lot Thirty-two (32) thence northwesterly Twenty-six and Four tentsh (26.4) feet to the place of beginning, being a part of said Lots Thirty-one (31) and Thirty-two (32) of said Subdivision.

The East ½ of Lot Six (6), except the northerly Six Hundred and Fifteen and Six-tenths (615.6) feet and all of Lot Seven (7) of Block Eighteen(18) except the northerly Six Hundred and Firteen and Six-tenths (615.6) feet, in L. M. Miller's First Addition, in the Eighth Ward of the City of OshkOsh.

The East ½ of LOt Ten (10) and all of LOts Eleven (11) and Twelve (12) of BlOck Eighteen(18) in L.M.Miller's Firs Addition, in the Eighth Ward of the City of OshkOsh, except the nOrtherly Six Hundred and Fifteen and Six-tenths (615.6) feet.

Lots Three (3), Four (4) and the West ½ of Lot Five (5) of Block Eighteen (18) in L. M. Miller's First Addition in the Eighth Ward of the City of Oshkosh.

The East ½ of Lot Five (5) and the West ½ of Lot Six (6) in Block Eighteen in L. M. Miller's First Addition, in the Original Second (now Eighth) Ward of the City of OshkOsh, except the NOrth TwO Hundred and Fifty-five (255) feet.

The North Two Hundred and Fifty-five (255) feet of the East ½ of Lot Five (5) and the North Two Hundred and Fifty-five (255) feet of the West ½ of Lot Six (6) in Block Eighteen (18) in L. M. Miller's First Addition in the English Ward of the City of OshkOsh.

Lots One (1) and Two (2) of Block Eighteen (18) in L. M. Miller's First Addition, in the Eighth Ward of the CityoS OshkOsh.

Lots Eight (8) and Nine (9) and the west ½ of Lot Ten (10) of Block Eighteen (18) in L. M. Miller's First Addition in the Eighth Ward of the City of OshkOsh, except the nOrtherly Six Hundred and Fifteen and Six-tenths (615.6) feet.

Lot 2 of Block Six (6) in the First Ward of the City of OshkOsh per Leach's Map.

Together with all electric light, gas, steam and power, plants, transmission lines, buildings, barns, shops, power houses, substations, engines, boilers, mains, cables, poles, wires, motors, apparatus, appliances, electrical devices, equipment, fixtures, machinery, supplies and materials situated thereon, appurtenant thereto, or used in connection therewith in the production and distribution of steam, gas, or electricity, including all ordinances, franchises, permits, licenses, easements, privileges and immunities.

SECOND

Property acquired from Wisconsin Public Service Company.

A. The following described real estate in Brown County, State of Wisconsin, formerly owned by Green Bay Gas & Electric Company, to-wit:

All of Lots Three Hundred and Fifty-nine (359), Three Hundred and Sixty (360), Three Hundred and Sixty-one (361), Three Hundred and Sixty-two (362), and the South half of Lot Three Hundred and Sixty-three (363) the East Twenty-seven (27) feet of the North half of Lot Three Hundred and Sixty-three (363), the South half of Lot Three Hundred and Sixty-four (364) and the East Ten (10) feet of the South half of Lot Three Hundred and Sixty-six (366), all of Lots Three Hundred and Sixty-seven (367), Three Hundred and Seventy-seven (377) and Three Hundred and Seventy-eight (378), in the City of Green Bay according to the recorded plat of Navarino. The following parts of Lot Five (5) and Six (6) in Block Three (3) in the plat of Astor in the City of Green Bay, commencing at the easterly boundary line of said Lot Five (5) and Four (4) feet northerly from the southeast corner thereof; thence running westerly at right angles to said easterly boundary line to the dock line on the Fox River; thence running southerly along said dock line to a point where a line drawn parallel to the northerly boundary line of said Lot Six (6) and Forty (40) feet and Two (2) inches southerly therefrom when extended will intersect said dock line; thence running easterly

along said imaginary line and parallel to said northerly lot line Two Hundred Twelve (212) feet, Ten and One-half (10-1/2) inches; thence running northerly at right angles to said imaginary line Ten (10) feet, Six (6) inches; thence running easterly on a line parallel to said northerly lot line to the easterly boundary line of said lot Six (6); thence running northerly to the place of beginning. Lot Fifteen (15) in Block Ninety-seven (97) and Lot Six (6) in Block Ninety-eight in Business Men's Association Addition; Lot Three (3) in Block Ninety-nine (99), Lot Twenty-eight (28) in Block One Hundred and One (101) and Lot Seven (7) in Block One Hundred and Three (103) in Business Men's Association Second Addition; all in the City of Green Bay. Together with all buildings, fixtures, machinery, equipment, mains and transmission lines, tools and appliances of every kind, nature and description used in the production and distribution of gas and electricity owned by said Green Bay Gass & Electric Company and conveyed by it to Wisconsin Public Service Company including all its easements, licenses, permits, ordinaces, franchises (except its corporate franchise) privileges and immunities.

B. The following lands in Marinette County, State of Wisconsin, to-wit:

Lots One (1), Two(2), Three (3), Four (4), Five (5), Six (6), Seven (7) Eight (8), and Nine (9), and the west half (W.1/2) of the Northeast quarter (N.E.1/4) of Section One (1); the north half (N.1/2) of the southeast quarter (S.E.1/4); all of the northeast quarter (N.E.1/4) and all of the northwest quarter (N.W.1/4) of Section Two (2); the east half (E.1/2) of of the northeast quarter (N.E.1/4) of Section Three (3), all in Town Thirty two (32) north of Range Eighteen (18) east; Lots Three (3), Four (4), and Five (5) of Section Eleven (11); Lots one (1), Two (2), Three (3), Four (4) Five (5), Six (6), Seven (7), and Eight (8), and southeast quarter (S.E.1/4 of the southwest quarter (S.W.1/4) of Section Twelve (12); Lots One (1), Two (2), Three (3), Four (4), Five (5), and Six (6), and the southeast quarter (S.E.1/4) of the northwest quarter (N.W.1/4), the southwest quarter (S.W.1/4) or the southeast quarter (S,E,1/4) and northwest quarter (N.W.1/4 of the southeast quarter (S.E.1/4) of Section Thirteen (13); Lots One (1) Two (2), Three (3), Four (4) and Five (5) and southeast quarter (S.E.1/4) of the northeast quarter (N.E.1/4) of Section Twenty-four (24); Lots One (1), Two (2), Three (3), Four (4), Five (5), Six (6), Seven (7) and Eight (8), the west half (W.1/2, of the southwest quarter (S.W.1/4) and the east half (E.1/2) of the northeast quarter (N.E.1/4) of Section Twenty-five(25) the northeast quarter (N.E.1/4) of the southeast quarter (S.E.1/4) and the south half (S.1/2) of the south east quarter (.S.E.1/4) of Section Thirty-four (34); the southeast quarter (.S.E.1/4); the northeast quarter (N.E.1/4) and the southeast quarter (S.E.1/4) of the southwest Quarter (S.W. 1/4) and Five (5) acres in square form in the southwest corner of the southwest quarter (S.W. 1/4) of Section Thirty-five (35), and Lots One (1) Two (2), Three (3), Four (4), Five (5), Six (6), Seven (7), and Eight (8); the southeast quarter (S.E.1/4); and the east half (E.1/2)of the northeast quarter of Section Thirty-six (36), all in Town Thirty-three (33) north, Range Eighteen (18) east; the southwest quarter (S.W.1/4) of the southwest quarter (S.W.1/4) in Section Seven (7); the west Sixty (60) acres of the west half (W.1/2), of the northwest quarter (N.W.1/4), the southwest quarter (S.W.1/4) or the southwest QUARter (S.W.1/4) and, Lot Two (2) of Section Eighteen (18); Lots One (1), Two (2), Three (3), and Four (4) of Section Nineteen (19), the southwest quarter (S.W.1/4) of the northwest quarter (N.W.1/4) and the northwest quarter (N.W.1/4) and the northwest quarter (N.W. 1/4) of the southwest quarter (S.W.1/4) of Section Thirty-one (31); all in Town Thirty-three (33), north of Range Nineteen (19) east; all that certain strip or land, Sixty-three by Eighty feet (63' x 80') situated in the northeast quarter of the northeast quarter of Section Eleven (11) Town Thirty (30), north of Range Twenty (20) east, located in the Village of Pound, described as follows: Commencing at a point in the north line of Section Eleven (11) aforesaid, Nine Hundred Thirty-eight (938) feet west of the northeast corner thereof, thence west along said north Section line Eighty feet (80') thence south at right angles to the North Section line, Sixtythree feet (63), thence east parallel with the north Section line Eighty feet (80') thence north Sixtythree (63) feet to the Section line and place of beginning, containing 0.116 acres.

Also all rights, privileges and easements to flood and overflow lands not herein specifically described in Section Three (3) in Township Thirty-

two (32) north, Range Eighteen (18) east and Sections Two (2), Eleven (11) Twelve (12), Thirteen (13), Twenty-four (24), Twenty-five (25), Thirty-four (34) and Thirty-five (35) in Township Thirty three (33) north, Range Eighteen (18) east; and in Sections Seven (7), Eighteen '18), Nineteen (19), Thirty (30) and Thirty-one (31), in Township Thirty-three (33) north, Range Nineteen (19) east, and which now are or may be flooded and overflowed by the backwater above the present dam of the Company at High Falls on the Peshtigo River, resting on Lots Three (3) and Six (6) in Section One (1), Town Thirty-two (32) north, Range Eighteen (18), east, Marinatte County, Wisconsin, when the water is maintained above said dam at the sufficient level for an Eighty-five (85) foot head at the said dam.

C. Also the following described lands in Oconto County, State of Wisconsin, to-wit:

A strip of land Fifty (50) feet wide running north and south across the northwest quarter (N.W.1/4) of the southwest quarter (S.W.1/4) of Section Thirty-four (34), Township Twenty-six (26) north, Range Twenty (20) east.

D. Also the following described lands in Brown County, State of Wisconsin, to-wit:

The southwest quarter (S,W.1/4) of the northeast quarter (N.E. 1/4) and the southwest quarter (S.W.1/4) of the southeast quarter (S. E. 1/4) of Section Thirty-three (33), Township Twenty-five (25) north, Range Twenty (20) east; a Twenty-five (25) foot strip across lots Ninety-eight (98), One hundred and three (103), One hundred and four (104) of the Fort Howard Military Reserve; a Twenty-five (25) foot strip across lots Twenty-nine (29) Thirty (30) and Thirty-one (31) and lots Thirty-eight (38), Thirty nine (39) and Forty-one (41) of Dousman &Elmore's Second Subdivision; a Fifty (50) foot strip across the southwest corner of Lot Forty-two (42) adjoining the Chicago, Milwaukee & St. Paul Railroad right of way in Dousman & Elmore's Second Addition to the City of Ft. Howard, now Green Bay; a Fifty (50) foot strip adjoining the Chicago, Milwaukee & St.Paul Railroad across that part of private claim No. 1, north of Shawano avenue;

Also a Fifty (50) foot strip adjoining the Chicago, Milwaukee & St. Paul Railway on the east across parts of private claim No. 1, south of Shawano Avenue, including one and one-half (1-1/2) acre piece south of Nick Herring east of the Railwodd and west of Oneida Street:

Also a Fifty (50) foot strip adjoining the Green Bay & Western Railroad Company on the Northeast extending east from Oneida Street to Oak Street all in said private claim No. 1, south of Shawano Avenue;

Also Lots Seven (7), Eight (8), Nine (9), and Ten (10) in Block C; Lots One (1) and Two (2) in Block D, and Lot Twelve (12) in Block A, in Cady & Burdon's addition to the City of Green Bay; Lot Twelve (12) in Block (2) and Lots. Twelve (12) and Nineteen (19) in Block One (1), Elwood Addition to the City of Green Bay; Lot Twenty-two (22), Hope's Addition to the City of Green Bay;

A part of Block Four (4) in said Block; that part of Block Three (3) in Hansen's Addition to Green Bay north of a line drawn parallel to the north boundary of Lot Four (4) in said Block Three (3) and fifty-six (56) feet north of its north boundary; that part of Block Two (2) in said Hansen's Addition to Green Bay lying north of that part of the alley north of Lot Five (5) in said Block Two (2) except forty (40) feet next to the alley; also a forty (40) foot piece lying between Lot Five (5) in said Block Two (2) and the parcel last above described; all of Lot Four (4) in Block Two (2) in Hansen's Addition to Green Bay, and that part of Vacant strip north of Lot Four (4) to the Center of Slough; all of Block one (1) in Hansen's Addition to the City of Green Bay;

Lot One (1) in Block Four (4), Arndt's First Addition to the City of Ft. Howard, now Green Bay; also all that part of Lot Five (5) in Block Two (2) in said Arndt's First Addition to the City of Ft. Howard, now Green Bay, bounded on the north by Bridge Street; on the south by a line parallel to Bridge Street, and Twenty (20) feet distant; on the east by a line perpendicular to Bridge Street and Sixty (60) feet from the dock line of Fox River; on the west by a line fifty (50) feet west from and parallel to the east boundary.

A parcel described as follows: Beginning at the quarter section corner

between Sections No. 5 and No. 8, of Town 21 North, Range 20 East, 4th Wis. P. M. Lying in the center line of Day Street of the Village of Greenleaf, Brown County, Wisconsin, if prolonged west and running south along the north and south center line of said Section 8, 184 feet to a starting point thence west 24.75 feet to a point in the west line of the Askeaton Road, marked by an iron bolt (5/8'' o, 12'' long); thence in same direction 134 feet and 7 inches to a point; thence north 25 feet to a point; thence east 134 feet 7 inches to an iron bolt; thence in same direction 24.75 feet to a point in the above mentioned north and south center (quarter) line of said Section 8; thence south along last line 25 feet to the starting point; subject as to the easterly 24.75 feet thereof to use for highway purposes.

A parcel described as follows: A strip of land fifty (50) feet wide across the southwest quarter (.S.W.1/4) of the northeast quarter (N.E.1/4) ~~of the northeast quarter (N.E.1/4)~~ and a strip of land fifty (50) feet wide across the southwest quarter (S.W.1/4) of the southeast quarter (S.E.1/4) of Section Thirty-three (33), Township Twenty-five (25) north, Range Twenty (20) east.

E. Also the following described lands in Manitowoc County, State of Wisconsin, to-wit:

A. small parcel or lot of land in the northern part of the southeast quarter of the sotheast quarter of Section 15, Town 20 north, Range 23 east, near Francis Creek, Manitowoc County, Wisconsin, and more particularly described as follows:

Beginning at a point in the westerly line of the highway known as the Green Bay-Manitowoc Road at a distance of three hundred and thirty-two and one-half feet (5321/2 feet) measured northwestwardly alond said westerly line from the west line of anouther road on the east line of said Section 15 produced southwardly to meet the said first mentioned westerly line of road, thence westwardly twenty feet (20), thence eastwardly at right angles to the last described line, thirty-one and one half feet (21-1/2 feet) to the said westwardly line ofthe first mentioned road; thence northwestwardly along said westerly line of said road, twenty-three feet and two inches (23' 2"] to the place of beginning and containing o.o12 acres.

Also a certain small lot or parcel of land located in Section 23, Township 21 north, Range 22 east, more particularly described as follows:

Beginning at a point in the east line of the Highway running north and south along the west line of said Section 23, at a distance of Seventeen Hundred Eighty-three (1783) feet south of the north line of said Section 23 thence in a southeasterly direction parallel to the south line of the lot of land sold by Ellen Wotruba to Mrs Mary Doubeck by deed, dated May 13, 1915, and recorded in Vol. 106, Page 301, of the Register of Deeds office ~~office~~ in said county, for a distance of Seventy-three (73) feet; thence southwesterly at right angles to the last described line for a distance of Twenty (20) feet; thence northwesterly at right angles for a distance of Twenty (20 feet; thence northwesterly to a point in the east line of said road, said point being Sixteen (16) feet south of the beginning point; thence north along the east line of said road Sixteen (16) feet to the place of beginning and containing about Three one-hundredths (0.03) acres-- said lot being a part of the southwest 1/4 of the northwest 1/4 of said Section 23.

F. Also all grants, rights, privileges and easements over, upon and across any lands in the counties of Marinette, Oconto, Brown, Calumet, Outagamie and Manitowoc, State of Wisconsin.

G. Also the following described lands in Brown County, State of Wisconsin, to-wit:

Lots Three (3), Four (4), Five (5), Six (6) and the north half of Lot Seven (7), in Block Three (3), according to the recorded plat of Astor in the City of Green Bay, except the following parts of Lots Five (5) and Six (6) in Block Three (3) in the said plat of Astor in the City of Green Bay, commencing at the easterly boundary line of said Lot Five (5) and Four (4) feet northerly from the southeast corner thereof; thence running westerly at right angles to said easterly boundary line to the dock line on the Fox River; thence running southerly along said dock line to a point where a line drawn parallel to the northerly boundary line of said Lot Six (6) and Forty

(40) feet and Two (2) inches southerly therefrom when extended will intersect said dock line; thence running easterly along said imaginary line and parallel to said northerly lot line Two Hundred Twelve (212) feet, Ten and One-half (10-1/2) inches; thence running northerly at right angles to said imaginary line Ten (10) feet, Six (6) inches; thence running easterly on a line parallel to said northerly lot line to the easterly boundary line of said Lot six (6); thence running northerly to the place of beginning. Lot One (1) in Block Thirty-four (34), C. L. A. Tank's Sixth Addition to the City of Ft. Howard, now Green Bay ; Lots Four (4), Five (5), Six (6) and seven (7) in Block Three (3), South Broadway Subdivision No. Two (2) to the City of Green Bay; Lot Ten (10) in Block One Hundred (100), and Lots Five (5) and Ten (10) in Block Ninety-nine (99), Business Men's Association, Second Addition to the City of Green Bay.

Also, that part of lots Four (4), Five (5), Seven (7), Eight (8) and Nine (9) of Block Seven (7) of the Village of Wrightstown - West side of the Fox River, described as follows: All that part of lot Four (4) lying southwesterly of a line drawn at right angles to the Wrightstown Road fRom a point Thirty (30) feet from the southwest corner of said lot Four (4), and extending northwestwardly seventy-five (75) feet. All of lot Five (5) except the northerly or extreme rear of twenty-eight (28) feet along the north line of said lot and forty-two (42) feet southerly from the northeast corner of said lot and twenty-eight (28) feet parallel to the easterly line of lot Five (5). All that part of lot Seven (7), commencing at the most northeasterly corner of lot Seven (7), thence southwest fifty-nine (59) feet, thence southeast eleven (11) feet, thence northeasterly along the south line of lot Seven (7) to the southeast corner of same, thence northeasterly to the place of beginning. All of lot Right (8) except twenty-five (25) feet at the front on the Wrightstown Road from the southwest corner of said lot, thence to a point on the west line of the said lot Eight (8), ninety-three (93) feet from the twenty-five (25) foot point being triangular in shape. A small triangular piece of lot Nine (9) being four feet eight inches (4'8") at the northeast corner of said lot and extending to a point fourteen (14) feet southwardly on the east line of said lot Nine (9).

Also Lots Twenty-nine (29), Thirty-one (31), Thirty-three (33) and Thirty-five (35) in Block Twelve (12), De Pere Company's Addition to the City of West DePere.

Also that part of Private Claim No. 19, lying west of the State Road, between Green Bay and DePere on the east side of the Fox River, in the Town of Allouez, described as follows:

Commencing at the intersection of the center line of the said Private Claim No. 19 with the west line of the said State Road; thence along the said center line of Private Claim No. 19, north Sixty-three degrees, Nineteen minutes (63°19') west, a distance of 531.86 feet, thence south Twenty six degrees Forty-one minutes (26°41') west, parallel with the State Road 160.64 feet, thence south Sixty-three degrees, Nineteen minutes (63°19') east, parallel with the before mentioned center line 531.86 feet to the west line of the State Road, thence north Twenty-six degrees, Forty-one minutes (26°41') east, along the west line of the State Road 160.64 feet to the place of beginning and containing 2.00 acres.

Also the private right of way from the City of Green Bay to the City of Kaukauna as the same is now laid out over, upon and across private claims Nos. Eleven (11), Twelve (12), Thirteen (13), Fourteen (14), Fifteen (15), Sixteen (16), Seventeen (17), Eighteen (18), Nineteen (19) Twenty (20) Twenty-one (21) Twenty-two (22) Twenty-three (23), Twenty-four

(24), Twenty-five (25), Twenty-six (26) and Twenty-seven (27); also over, upon and across Private Claim Thirty (30); and upon and across Lots One Hundred Eighty-five (185), One Hundred Eighty-six (186) and One Hundred Eighty-eight (188) of Assessor's subdivision to the City of DePere; and also upon and across Sections Twenty-eight (28), Twenty-nine (29) and Thirty-two (32), in Township Twenty-three (23), Range Twenty (20); and also upon and across Section Five (5), Town Twenty-two (22), Range Twenty (20); and also upon and across Lots Hundred Fifteen (115), One Hundred Sixteen(116), One Hundred Seventeen (117) One Hundred Eighteen (118), ONe Hundred Nineteen (119) One Hundred Twenty (120) One Hundred Twenty-One (121), One Hundred Twenty-two (122), One Hundred Twenty-Three (123), One Hundred Twenty-four (124), One Hundred Twenty-five (125) One Hundred Twenty-six (126), One Hundred Twenty-seven (127), One Hundred Twenty-eight (128), One Hundred Twenty-nine (129), One Hundred Thirty (130), One Hundred Thirty-one (131), One Hundred Thirty-two (132), One Hundred Thirty-three (133), One Hundred Thirty-four (134), One Hundred Thirty-five (135), One Hundred Thirty six (136), One Hundred Thirty-seven (137), One Hundred Thirty-eight (138), One Hundred Thirty-nine (139) and One Hundred Forty (140) in Williams' grant to the Town of Lawrence; and also Lots One (1), Two (2), Three (3), Four (4), Five (5) in the plat of Lawrence, also upon and across Sections Thirteen (13), Twenty-four (24), Twenty-five (25) and Thirty-five (35) in Township Twenty-two (22), Range Nineteen (19); and Sections Two (2) and Three (3), in Town Twenty-one (21), Range Nineteen (19); all in Brown County, Wisconsin.

II. Also the following described lands in Outagamie County, State of Wisconsin, to-wit:

The private right of way from the City of Green Bay to the City of Kaukauna, as the same is now laid out upon and across Sections Four (4), Five (5), Seven (7), Eight (8), Thirteen (13), Eighteen (18), all in Town Twenty-one (21), Range Nineteen (19); also upon and across Sections Thirteen (13) and Eighteen (18), in Town Twenty-one (21), Range Eighteen (18); also upon and across Private Claim Thirty-three (33), Town Twenty-one (21), Range Eighteen (18); also upon and across Lots Five (5), Eight(8), Nine (9), Ten (10), and Fourteen (14), in Block Four (4), Central Addition to the City of Kaukauna; also upon and across Lots B, C, D and E in Block Thirty-six (36) subdivision of the south Half of Private Claim Thirty-five (35) of First Ward in the City of Kaukauna, also all of Block Seven (7), Grignon's Addition to the Second Ward, in the City of Kaukauna; also Lot Ten (10) in Block Six (6) and Lots One (1), Two (2) and Three (3), in Block Eight (8), Grignon's Addition to the City of Kaukauna; also Lots One (1), Two (2), Three (3), Four (4), Five (5), Six (6) and Seven (7) in Block Eight (8), Neilson's Addition in the Second Ward to the City of Kaukauna; also Lots One (1) Two (2), Three (3) Four (4), Five (5) Six (6) and Seven (7) in Block Seven (7), Neilson's Addition in the Second Ward, to the City of Kaukauna, except the right of way of the Chicago & Northwestern Railway Company across said Block Eight (8) in Neilson's Addition, all in Outagamie County, Wisconsin.

Together with all and singular the railways, electric light, gas, steam, power, heat and water power plants, transmission lines and properties in the State of Wisconsin, and also all other railways, electric light, gas, steam, power, heat and water power plants, transmission lines and properties, and also their, and each of their, appurtenances and appenages, and also all franchises, privileges, easements, rights of way, water rights, dams, flumes, ditches, canals, buildings, barns, shops, tenements, real estate, power houses, sub-stations, engines, boilers, mains, tracks, ties, cables, poles, wires, motors, apparatus, appliances, electrical devices, cars, equipments, patents, tools, implements, fixtures, machinery, fuel, supplies and materials for constructing,

maintaining, operating, repairing, replacing and renewing any and all, each and every the said plants, railways and lines or any part thereof; also all other estate, property and right, of every and any kind and class, whether of the same or of a different nature, and also all charters, permits, rights and immunities owned, held, possessed or enjoyed by, or in any manner conferred upon, The Wisconsin Public Service Company, except its corporate franchise, acquired from the State of Wisconsin, or any other state, or from any governmental agency or department thereof or from any city, county, municipality, town, township or village therein, or from any person or persons, corporation or corporations, or from any other source whatever, it being the intention hereof to include herein all the property, real, personal and mixed, in possession or expectancy, together with all and singular the tenements, hereditaments, rights, franchises, easements, privileges, immunities and appurtenances of such property and premises herein expressed to be conveyed, also all the estate, right, title and interest, property possession, claim and demand whatsoever, as well in EQUITY as in law, of the Company in and to the same, and every and any part thereof acquired by the Company from Wisconsin Public Service Company. The property above described formerly belonging to Green Bay Gas & Electric Company, being subject to a mortgage or deed of Trust of Green Bay Gas & Electric Company to Wisconsin Trust Company, dated May 1, 1905, recorded in the Office of the Register of Deeds of Brown County, Wisconsin, in Vol.94 of Mortgages at page 141, and all the property above described in this division Second being subject to the Amended and Supplemental Mortgage or Deed of Trust of Wisconsin Public Service Company to Wisconsin Trust Company, Trustee, dated Jan. 1, 1912, and recorded in the Office of the Register of Deeds of Brown County, Wisconsin, in Vol. 133 of Mortgages at page 313.

THIRD

Property acquired from Calumet Service Company.

The following described real estate in Calumet County, State of Wisconsin:

All that part of the hereinafter described premises lying and being east of the east line of Manitowoc River and west of Main Street (formerly Sircher Street), in the city of Chilton, to-wit: A part of Lot No. Seven (7), in Section No. 18, Town 18, Range 20 east, and described as all the land deeded by George Reblitz and wife, and John Reblitz and wife, to Louis WebeR, by deed bearing date Sept. 25, 1886, and recorded in the Office of the Register Of Deeds of Calumet COunty, Wisconsin, Sept. 28, 1886, in vol. 19, of Deeds on Page 40, lying south of a line commencing at the southeast corner of Block No. 2 in Lehner's Addition to the City of Chilton, thence running east to the west line of lands formerly owned by Henry Siegrist and lying east of lands formerly conveyed by Jacob Lehner to Hugh Wilson, it being a strip of land lying on both sides of the Manitowoc River; being so much (as above indicated) of the same piece of land as described in deed executed by Catherine Lenner to S.H. James by deed bearing date May 17, 1864, and recorded in Vol. "S" of Deeds, page 331. Excepting and reserving all that part excepted and reserved in Deed Jos. B. Reynolds and wife to Emil Jenson, and also excepting and reserving the premises now occupied by the Water Reservoir now situated on said premises including ingress to an egress from said Reservoir Building.

Together with all buildings, fixtures, machinery, tools, appliances and equipment, of every kind, nature and description, situated on said real estate appurtenant thereto or used in connection therewith in the distribution of electricity, including all easements, licenses, permits, ordinances, franchises, privileges and immunities, except its corporate franchise, acquired from Calumet Service Company.

FOURTH

Property acquired from Manitowoc & Northern Traction Company.

The following described real estate in Manitowoc County, State of Wisconsin:

A parcel described as follows: Beginning at a point Three Hundred Nineteen and Ninety-one One-hundredths feet northeasterly from the southwest corner and along the southeasterly boundary line of Lot No. Four (4) of the subdivision of Government Lot No. Two (2) of Section No. Twenty (20) of Township No. Nineteen (19) Range No. Twenty-four (24), thence running norht Twenty-one degrees and Thirty-three minutes west, a distance of Two Hundred Thirty-five and Seventy One-hundredths feet; thence running north, Sixty-one degrees and Thirty minutes east, and parallel to the so-called Two Rivers road, a distance of One Hundred Nine and Six-tenths feet; thence north Forty-four degrees east and parallel to the aforesaid road or southeasterly boundary of said Lot Four (4) a distance of Three Hundred Ninety-one and Ninety-four One hundredths feet to an intersection with the northeasterly boundary line of said Lot Four (4); thence southeasterly and along the northeasterly boundary of said Lot No. Four (4) a distance of Two Hundred Forty-nine and Twenty-one One-hundredths feet to the southeasterly corner of said Lot Four (4); thence south Forty-four degrees west and along the southeasterly boundary line of the aforesaid Lot No. Four (4) a distance of Three Hundred Forty-five and Seventeen One-hundredths feet; thence south, Sixty-one degrees and Thirty minutes west and along the said southeasterly boundary line of said Lot No. Four (4) a distance of One Hundred Seventy-three and Eight-tenths feet to the place of beginning.

Said parcel of land contains Two and One-third acres exclusive of a strip Thirty-three feet in width along its southwesterly boundary line and which strip is now used for road purposes.

Also a parcel described as follows: All that part of the southwest quarter (S.W.¼) of the southwest quarter (S.W.¼) of Section No. Ten (10) and all that part of the northwest quarter (N.W.¼) of the northwest quarter (N.W.¼) of Section No. Fifteen (15) all in Township No. Nineteen (19) north, of Range No. Twenty-four (24) east, lying south of the center of the so-called "The Manitowoc and Two Rivers Toll Road," leading from the City of Manitowoc to the City of TwoRivers, as at present located and travelled.

Also a parcel described as follows: A strip of land being a part of Government Lot No. 1 in Section No. 10, Township No. 19, Range No. 24 east:

Beginning at a point, being the intersection of the east line of said Lot Number One and also the east line of said Section 10 and the south line of the highway leading from Manitowoc to Two Rivers in said county, thence south 55° 55' west along the southerly line of said highway for a distance of 894 feet, thence north easterly and parallel to and 10 feet southerly at right angles from the center line of the existing track of the Manitowoc and Northern Traction Company for a distance of 846.50 feet to the intersection with the east line of said Lot 1 and said Section 10, thence northerly along said east line last mentioned, 102 feet to the place of beginning, and containing in said strip, which is triangular in form, 0.883 acres.

Together with all buildings, fixtures, machinery, tools and equipment of every kind, nature and description, situated on said real estate, appurtenant thereto, or used in connection therewith in the operation of an electric railway system, all cars, ties, rails, poles and all other things used in connection therewith, including all easements, licenses, permits, ordinances, franchised, privileges and immunities, except its corporate franchise, acquired from Manitowoc and Northern Traction Company, subject to a mortgage or deed of Trust of said Manitowoc and Northern Traction Company to Wisconsin Trust Company, as Trustee, dated Jan. 1, 1906, and recorded in the office of the Register of Deeds of Manitowoc County, Wisconsin, in Vol. 65 of Mortgages, page 409.

FIFTH.

Property acquired from Wisconsin Securities Company.

The following described real estate in Manitowoc County, State of Wisconsin;

That part of Government Lot Three (3), in Section Nineteen (19), Township Nineteen (19)north, Range Twenty-four (24) east, described as follows: Commencing at a point on the southwesterly boundary line of the right of way of the Chicago & Northwestern Railway Company, as now located across said Government Lot Three (3), where said southwesterly boundary line would intersect the southeasterly boundary line of Spring Street (as said Spring Street was located and laid down in Alexander W. Buel's plat of said Government Lot Three (3) and other property, recorded in the office of the Register of Deeds of Manitowoc County in Volume R. of Deeds on page 60 and 61), if said southeasterly boundary line of Spring Street were extendd southwesterly, thence south Fifty-one degrees and Forty-five minutes east in a southeasterly direction along said southwesterly direction along said southwesterly boundary line of said right of way, Thirty-one (31) feet and Eight (8) inches to the place of beginning; thence south Thirty-eight degrees and Fifteen minutes west to the Manitowoc River; thence in a southeasterly and easterly course along the north bank of the Manitowoc River to a point where the southwesterly boundary line of said railway right of way intersects the east boundary line of said Government Lot Three (3); thence north Fifty-one degrees and Forty-five minutes west along said southwesterly boundary line of said railway right of way to the place of beginning; subject to dock lines heretofore established.

Together with all buildings, fixtures, machinery, tools and equipment, of every kind, nature and description, situated on said real estate, appurtenant thereto, or used in connection therewith, in the production of electricity, including easements, licenses, permits, ordinances, privileges and immunities belonging thereto, except its corporate franchise, acquired from Wisconsin Securities Company.

SIXTH.

Property acquired from Sheboygan Gas Light Company.

The following described real estate in Sheboygan County, State of Wisconsin, to-wit:

Lots One (10, Two (2), Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), and Eleven (11), in Block No. One Hundred Forty-nine (149) in the City of Sheboygan.

Together with all buildings, fixtures, machinery, tools and equipment, of every kind, nature and description situated on said real estate, appurtenant thereto, or used in connection therewith in the production and distribution of gas for lighting, heating, cooking and other purposes, mains, pipes and all other things used in such distribution, also easements, licenses, permits, ordinances, privileges and immunities, except its corporate franchise, acquired from Sheboygan Gas Light Company, subject to a mortgage or deed of Trust of said Sheboygan Gas Light Company to Union Trust Company of Detroit, Michigan, as Trustee, dated July 1, 1901, and recorded in the office of the Register of Deeds of Sheboygan County, Wisconsin, in Vol. 50 of Mortgages, page 554.

SEVENTH.

Property acquired from Peninsular Service Company.

The following described real estate in Kewaunee County, State of Wisconsin, to-wit:

Beginning at the N.E. corner of the N. E. 1/4 of the N.E.1/4 of Section 33, Town 24, Range 23, then extending due west 428 feet to point of beginning, then due south Sixty-four (64) feet, then due west Forty (40) feet, then da due north Sixty-four (64) fe t, then due east Forty (40) feet to a point of beginning--a tract extending 64 feet north and south and 40 feet east and west and containing 2,560 square feet.

Also the following described real estate in Door County State of Wisconsin, to-wit:

Starting at the northwest corner of the northwest quarter of the northwest quarter of Section Thirty-five Town Twenty-six, Range Twenty-five then going due south Sixty-four (64) feet, then due east Fifty-four (54) feet, then due west Fifty four (54) feet to point of beginning--a tract containing 3,456 square feet or slightly less then 1/13 acre.

Also a parcel starting at a point of beginning Fifty-four (54) feet due east of the northwest corner of the northwest quarter of Section Thirty-five (35), Town Twenty-six (26), Range Twenty-five (25), thence going due south Sixty-four (64) feet, thence due east Ten (10) feet, thence due north Sixty-four (64) feet, thence due west Ten (10) feet to a point of beginning. Being a tract of Six Hundred Forty square feet of (640), or about One Sixty-seventh part (1/67) of an acre, and being adjacent and to the east of the tract deeded to the Peninsular Service Company, June 18, 1920.

Together with all buildings, fixtures, machinery, tools and equipment of every kind, nature and description situated on said real estate, appurtenant thereto, or used in connection therewith in the distribution of electricity, all transmission lines, rights of way, apparatus, appliances and electrical devices used in such distribution, also easements, licenses, permits, ordinances, privileges and immunities, except its corporate franchises, acquired from Peninsular Service Company, subject to a mortgage or deed of trust of said Peninsular Service Company to First Wisconsin Trust Company, as Trustee, dated March 1, 1920, and recorded in the office of the Register of Deeds of Kewaunee County, Wisconsin, in Vol. 1, Misb., at page 51; of Door County, Wisconsin, in Vol. 8, Misc., at page 90, and of Brown County, Wisconsin, in Vol. 2, Misc., at page 21.

And also any and all stock, bonds, obligations and other like securities from time to time hereafter, by delivery or by writing of any kind, for the purposes hereof pledged, assigned or transferred to the Trustee by the Company or by any one on its behalf, or with its written consent, and the Trustee is hereby authorized to receive any such property at any and all times as and for additional security. Any such pledge, assignment or transfer by the Company or by any one on its behalf, pursuant to the provisions of this clause, as and for additional security, may, notwithstanding anything herein contained, be made subject to any reservations, limitations, conditions and provisions which shall be set forth in an instrument in writing then to be executed by the Company, or the person or corporation assigning, mortgaging, pledging or transferring the same, and by the Trustee, respecting the use, management and disposition of the property so pledged, transferred or assigned.

To have and to hold all saiddproperty hereby conveyed, assigned, pledged or mortgaged, together with the rents, issues and profits thereof, unto the Trustee, its successor or successors in trust, and to its assigns forever;

Subject, However, to the liens of the respective existing mortgages securing the underlying bonds specifically hereinafter mentioned in Section 5 of Article III, but only to the estent that such mortgages respectively are liens upon any portions of the property covered by this mortgage.

And also as to any property hereafter acquired by the Company and becoming subject to the lien of this mortgage subject to any lien thereon existing at the time of such acquisition, and to any liens for unpaid portions of the purchase money placed thereon at the time of such acquisition.

But in Trust, Nevertheless, for the equal and proportionate benefit and security of the holders of all bonds and interest coupons now or hereafter issued hereunder, pursuant to the provisions hereof, and for the enforcement of the payment of said bonds

and coupons when payable and the performance of and compliance with the covenants and conditions of this Mortgage, without any preference, distinction or priority as to lien or otherwise of any bond or bonds over others by reason of the difference in time of the actual issue, sale or negotiation thereof; but so that each and every bond now or hereafter issued hereunder shall have the same lien, and so that the interest and principal of any such bond shall, subject to the terms hereof, be equally and proportionately secured hereby, as if it had been made, executed, delivered, sold and negotiated simultaneously with the execution and delivery hereof.

And it is expres sly declared that all bonds issued and secured hereunder are to be issued, authenticated and delivered, and all said property hereby mortgaged or pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipplations, covenants, agreements, trusts, uses and purposes hereinafter espressed, that is to say:

ARTICLE I.

The Bonds.

SECTION 1. The issue of bonds hereunder shall not be limited in respect of their aggregate principal amount, except as the Company may otherwise provide in respect of any particular series at or before the time of the issue thereof, and except as otherwise provided in this Mortgage, and except that the total amount of bondsoutstanding at any time shall not, in any event, exceed the amount at that time permitted by law.

SECTION 2. THe bonds to be issued hereunder shall be designated as the Company's "First Lien and Refunding Mortgage.....% Gold Bonds," and shall be issued in series, from time to time, as the Board of Directors of the Company shall determine. Each series at the time of its creation shall be authorized for some maximum principal amount to be determined by the Board of Directors at the time and the entire authorized principal amount thereof may be issued at once or in parts from time to time as the Board of Directors may from time to time determine. Upon the creation and issuance of any subsequent series, the Company may, as to any prior series as to which less than the maximum authorized principal amount have been issued, close such series against the authentication of further bonds thereof. The several series may consist of different aggregate amounts and the maximum principal amount of bonds issuable of any series shall be fixed by the Board of Directors of the Company in the resolution adopted by such Board providing for the issue thereof, and such mixiumum amount may be expressed in the bonds of such series. The bonds of each series shall be in the English Language and shall be designated by a distinguishing letter or letters of the English alphabet. All bonds of any one series at any time simultaneously outstanding shall be identical in tenor and effect, except that the same may be of different denominations and may consist in part of coupon bonds and in part of registered bonds without coupons and may contain such variations of tenor and effect as are incidental to such differences of denomination and form, including variations in the provisions for interchange of bonds of differentforms and denominations and in the provisions for the registration and transfer of bonds. All coupon bonds of any one series, whenever issued shall bear the same date. All registered bonds shall be dated as of the date of the semi-annual interest day thereof next preceding the date of issue, unless issued on an interest day, in which event it shall be dated as of the date of issue, Registered bonds shall bear interest from the day of the date thereof, respectively.

SECTION 3. The coupon bonds and the coupons appertaining thereto and the registered bonds to be issued under this Mortgage, and the certificate of the trustee upon all bonds, shall be, respectively, substantially of the tenor and purport of the coupon, bond, coupon, registered bond, and Trustee's certificate, respectively, hereinabove recited, except as otherwise provided in this Mortgage, and except

(1) That the Company by a resolution of its Board of Directors may make such changes in or additions to the provisions of any bonds issued hereunder as may be necessary or incidental to the exercise by the Company of any rights hereby reserved to it in respect of the terms and provisions thereof, provided that such changes are approved as to form by the trustee; and

(2) That the Company by a resolution of its Board of Directors may make such changes in respect of any bonds issued hereunder or endorsements thereon as may be necessary in order to conform to the requirements for listing on any exchange or exchanges, provided that such changes are approved as to form by the Trustee; and

(3) That any bonds shall contain such provisions, if any, and bear such endorsements, if any, in lieu of or in addition to those herein provided,

concerning registration and transfer and the interchange of coupon bonds, registered bonds of the same series, and bonds of differentdenomination, but of the same series as shall be considered advisable by the Board of Directors of the Company and shall be approved as to form by the Trustee; and

(4) That any bonds may bear, if appropriate, a legend indicating that the federal stamp tax has been paid by stamps affixed to and canceled upon this Mortgage or otherwise, and any bonds issued in exchange for other bonds may bear, if appropriate, a legend indicating that such tax has been paid by stamps affixed to and canceled upon the bonds in direct or indirect exchange for which such bonds are issued; and

(5) That any bonds may bear, if approprate, a legend indicating that such bonds or the issue thereof have been authorized by any Commission or other governmental agency, whether state or federal having jurisdiction to regulate the issue of such bonds.

SECTION 4. In each series coupon bondsmay be issued in denominations of $1,000 $500 or $100, and registered bonds may be issued in the denomination of $1,000 or any multiple thereof, as the Board of Directors of the Company may from time to time authorize.

In each series coupon bonds for $1,000 shall be numbered M-1 and consecutively upwards, and coupon bonds for $500 shall be numbered D-1 and consecutively upwards, and coupon bonds for $100 shall be numbered C-1 and consecutively upwards, and registered bonds shall be numbered R-1 and consecutively upwards.

SECTION 5. Bonds secured hereby shall be divided into such series, shall bear such date or dates, shall bear interest at such rate or rates, payable semi-annually, or at such other intervals shall contain such provisions, if any, for redemption, for sinking fund, and for the payment or reimbursement of taxes, shall have such maturity or maturities, shall be in such denominations and forms herein authorized, shall be s so interchangeable, shall contain such provisions, if any, not inconsistent with the terms of the Mortgage, for the conversion thereof into bonds of other series issued hereunder or into capital stock of the Company, and shall be payable and entitled to be registered, transfered or exchanged at such places or places as, consistently with the provisions hereof, shall be fixed and determined by resolution of the Board of Directors of the Company prior to the issue thereof, all as hereinafter more fully set forth, which series, date, rate of interest, intervals for payment thereof, percentage or percentages of premuim upon which the same may be redeemed, if redeemable, due date, and other provisions, shall be designated or referred to in said bonds, when issued.

SECTION 6. Whenever any bond secured by this Mortgage of the denomination of One Thousand Dollars ($1,000) expressed to be so exchangeable, shall be surrendered, with all unmatured coupons thereto attached, at any time before the fixed maturity thereof (unless publication of notice of redemption thereof shall have previously been begun), for cancellation in exchange for a like principal amount of bonds se - cured by this Mortgage of smaller authorized denominations, the Company shall execute and the Trustee shall authenticate and deliver bonds of such smaller authorized denominations as requested by the holder to the same aggregate principal amount of the same series and date of maturity as the bond surrendered; and whenever any bonds secured by this Mortgage of an aggregate principal amount of One Thousand Dollars ($1,000), but of smaller authorized denominations and all of the same series and date of maturity, expressed to be so exchangeable, shall be surrendered, with all unmatured coupons attached thereto, at any time before the fixed maturity thereof (unless publication of notice of redemption thereof shall have previously been begun), for cancellation in exchange for a bond secured by his Mortgage of the denomination of One Thousand Dollars ($1,000), the Company shall execute and the Trustee shall authenticate and deliver a bond of the denomination of One Thousand Dollars ($1,000) of the same series and date of maturity as the bonds surrendered in exchange therefor. All bonds so executed by the Company and authenticated by the Trustee, upon any such exchange as aforesaid, shall have all unmatured interest coupons thereto attached. Upon making any sUch exchange of bonds as aforesaid the Trustee forthwith shall cancel the surrendered bond or bonds and

coupons, and upon written demand shall deliver the same to the Company. For any such exchange the Company, at its option, may require the payment of a sum sufficient to reimburse, it for any stamp tax or other governmental charge, or other expense connected therewith, and also a further sum not exceeding One Dollar ($1.00)for each new bond issued upon such exchange.

Whenever any registered bond shall be issued hereunder, there shall be reserved unissued a coupon bond or bonds, each of the denomination of $1,000, of the same series of a like aggregate principal amount, and the serial number or numbers of the coupon bond or bonds so reserved unissued shall be endorsed on such registered bond. Whenever in person or by his duly authorized attorney the registered holder of any registered bond or bonds of the same series shall surrender the same for transfer, accompanied by a written instrument of transfer in form approved by the Trustee, the Company shall issue, and the Trustee shall authenticate and in exchange for such registered bond or bonds shall deliver, a new registered bond or bonds of the same series as the surrendered bond or bonds of a like aggregate principal amount, which shall bear endorsed thereon the same serial number or numbers of coupon bonds which were endorsed upon the registered bond or bonds so surrendered. Whenever any registered bond, accompanied by a written instrument of transfer in form approved by the Trustee, executed by the registered holder, shall be surrendered for exchange for one or more coupon bonds, the Company shall issue, and the Trustee shall authenticate and in exchange for such registered bond shall deliver, the coupon bond or bonds of the same series as the surrendered bond, bearing the coupon bond serial number or numbers endorsed upon the registered bond so surrendered and with interest coupons attached, maturing on and after the next ensuing interest date. Whenever any coupon bond of the denomination of $1,000, or any coupon bonds of the same series each of the denomination of $1,000, together with all unmatured coupons thereto belonging, shall be surrendered for exchange for registered bonds, the Company shall issue, and the Trustee shall authenticate and in exchange for such coupon bond or bonds shall deliver, a registered bond or bonds of the same series as the surrendered bond or bonds, of a like aggregate principal amount, which shall bear endorsed thereon the serial number or numbers of the coupon bond or bonds surrendered for exchange.

All such transfers or exchanges shall be made at the office of the Trustee, or at the office or agency of the Company, either in the City of Chicago, State of Illinois, or in the Borough of Manhattan, City of New York, State of New York.

SECTION 7. The Company shall keep at the office or agency of the Company in the City of Chicago, State of Illinois, and in the Borough of Manhattan, City of New York, State of New York, books for the registration, transfer and exchange of bonds issued hereunder, which, at all reasonable times, shall be open for inspection by the Trustee, and upon presentation for such purpose at any such office the Company will register or cause to be registered, transferred or exchanged therein, as herein provided and under such reasonable regulations as it may prescribe, any bonds issued under this Mortgage and entitled to be registered, transferred or exchanged at such office.

SECTION 8. The holder of any coupon bond issued hereunder may have the ownership thereof registered, as to principal only, on such registry books to be kept at the places aforesaid, and such registration noted on the bond. After such registration no further transfer shall be valid unless made on the said books by the registered holder in person or by his duly authorized attorney and similarly noted on the bond; but the bond may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; and such bond may again, from time to time, be registered, or transferred to bearer, as before. Such registration, however, shall not affect the negotiability of the coupons, but every such coupon shall continue to be transferable by delivery merely, and shall remain payable to bearer.

SECTION 9. Upon every exchange of coupon bonds for registered bonds, or of registered bonds for other registered bonds, or for coupon bonds for other coupon bonds of other denominations, and upon any transfer of registered bonds the Company

may make a charge therefor, sufficient to remburse it for any stamp or other tax or governmental charge required to be paid by the Company or the Trustee, and in addition may charge a sum not exceeding one dollar for each bond issued upon any such exchange, to be paid by the party requesting such exchange as a condition precedent to the exercise of the privileges conferred by this Article. No charge shall be made for the registration, or transfer to bearer, of coupon bonds.

In case of any such exchange or transfer the Trustee shall forthwith cancel the surrendered bonds and their interest coupons (if any), and shall deliver the same to the Company, upon its written reQUEST therefor, except that upon surrender of coupon bonds for registered bonds the Trustee may retain such surrendered coupon bonds uncancelled for re-exchange for registered bonds upon a subsequent surrender thereof.

The Company shall not be required to make exchanges or transfers of bonds for a period of ten days next preceding an interest day thereof.

SECTION 10. All the bonds issued hereunder shall, from time to time, be executed on behalf of the Company by its President or one of its Vice Presidents and by its Secretary or one of its Assistant Secretaries, or by such other form of execution as shall be prescribed by statute, by law, or by vote of the Board of Directors of the Company, and shall be sealed with its corporate seal. The interest coupons to be attached to coupon bonds issued hereunder shall be authenticated by the facsimile signature of the present Treasurer of of any future Treasurer of the Company, and the Company may also adopt and use for that purpose the facsimile signature of any person who shall have been such Treasurer, notwithstanding the fact that he may have [redacted] ceased to be such Treasurer at the time of the execution thereof or at the time when such bonds shall be actually authenticated and delivered.

In case any of the officers who shall have signed and sealed any bonds shall cease to be such officers before the bonds so signed and sealed shall have been actually authenticated by the Trustee and delivered to the Company, such bonds nevertheless may be issued, authenticated and delivered with the same force and effect as though the person or persons who signed and sealed such bonds had not ceased to be such officer of officers of the Company.

SECTION 11. No bond shall be secured hereby unless there shall be endorsed thereon the certificate of the Trustee, substantially in the form hereinbefore recited, that it is one of the bonds (or temporary bonds) herein described; and such certificate on any bond shall be conclusive evidence as against the Company that it is duly issued and is secured hereby.

At any time when the Company shall be in default hereunder, to the knowledge of the Trustee, the Trustee shall not authenticate or deliver any additional bonds under this Mortgage.

SECTION 12. Until definite engraved or lithographed bonds of any series are ready for delivery, there may be issued, authenticated and delivered in lieu of any thereof and subject to the same provisions, limitations and conditions, temporary typewritten, printed or lithographed bonds in bearer or registered form substantially of the same tenor, except that coupons may be omitted from temporary bonds, but with such appropriate omissions, insertions and variations as may be determined by the Treasurer or Assistant Treasurer of the Company and approved by the Trustee, and such temporary bonds may be in such denominations as the Treasurer of the Company may determine.

As soon as definite engraved or lithographed bonds are ready for delivery in exchange therefor, the holders of such temporary bonds may surrender the same to the Company for cancellation at the office of the Trustee in the City of Milwaukee, or at the office or agency of the Company, either in the City of Chicago, State of Illinois, or in the Borough of Manhattan, City of New York, State of New York, together with unmatured coupons (if any) thereto appertaining, and shall be entitled to receive in exchange such definite engraved or lithographed bonds either in the form of coupon bonds with all unmatured coupons attached, or in the form of registered bonds, of the same series and of like aggregate principal amount. Such exchange will be made by the Company at its own expense and without making any charge therefor, and the Company will prepare and execute the definitive engraved

or lithographed bonds with all reasonable dispatch. Such temporary bonds, upon surrender as aforesaid, shall be cancelled by the Company. Until exchanged for definitive bonds, such temporary bonds shall be entitled to the same lien and security of this Mortgage as the definitive bonds to be issued and authenticated hereunder. When and as interest is paid upon temporary bonds, the fact of such payment shall be noted thereon, unless made upon presentation and surrender of a coupon appertaining thereto. Until such definitive bonds are ready for delivery, the holder of one or more temporary bonds, upon the surrender thereof to the Company for cancellation, may exchange the same for, and shall be entitled to receive, temporary bonds of the same series and of like aggregate principal amount in any denomination or denominations indicated by him and provided for herein.

The Trustee shall authenticate and deliver definiative bonds for issue as aforesaid in exchange for temporary bonds duly authenticated and outstanding hereunder, and shall also authenticate and deliver temporary bonds for exchange as aforesaid for other temporary bonds of like aggregate principal amount duly authenticated and issued hereunder, provided that in either such case the Trustee shall be satisfied of the cancellation of the temporary bonds surrendered in exchange.

SECTION 13. Upon receipt by the Company and the Trustee of evidence satisfactory to them of the loss or destruction of any outstanding temporary or definitive bond hereby secured, and of indemnity satisfactory to them, or, in case of the mutilation of any such outstanding bond, upon surrender and cancellation of such bond and upon receipt of indemnity satisfactory to them, if requested, the Company in its discretion may execute, and the Trustee may authenticate and deliver, a new bond of the same series and denomination and of like tenor and bearing the same issue number (to which the Trustee may add a distinguishing mark), in lieu of such lost, destroyed or mutilated bond, as the case may be. Upon the issue of any sUbstitute bond, the Company may, in its discretion, require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge or other expense connected therewith, and also a further sum, not exceeding Ten Dollars, for each bond so issued in substitution.

SECTION 14. As to all registered bonds without coupons and all coupon bonds registered as to principal, the person in whose name the same shall be registered shall be deemed and regarded as the owner thereof for all purposes of this Mortgage, and payment of or on account of the principal of such bond if it be a registered coupon bond, and of the principal and interest, if it be a registered bond, shall be made only to or upon the order in writing of such registered holder thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bonds to the extent of the sum or sums so paid. The Company and the Trustee, each in its discretion, may deem and treat the bearer of any coupon bond, which shall not at the time be registered as to principal, and the bearer of any coupon for interest on any bond, whether such bond shall be registered or not, as the absolute owner of such bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and neither the Company nor the Trustee shall be effected by any notice to the contrary.

SECTION 15. Whenever all mortgages upon all or any part of the property of the Company superior in lien to this Mortgage shall have been discharged and released of record, the Company may, at its option and upon complying with the terms hereof, thereafter designate all bonds of each and every series issued hereunder as its "First Mortgage Gold Bonds," to which the Board of Directors may add such additional appropriate description as it may determine. If the Company shall desire to exercise such option, it shall furnish to the Trustee (a) a copy of a resolution of its Board of Directors changing the designation of the bonds to "First Mortgage Gold Bonds" (with such additional appropriate description as said Board may determine) and (b) an opinion of counsel, selected or approved by the Trustee, to the effect that, at the date of such opinion, there is no mortgage upon any part of the property of the Company superior in lien to this Mortgage; and, thereupon, the designation of the bonds shall be changed accordingly, and the Trustee, upon presentation to it for authentication of any bonds designated as theCompany's First Mortgage Gold Bonds(with

such additional appropriate description as said Board may determine) shall authenticate and deliver the same in the manner and subject to the terms and conditions herein provided for the authentication and delivery of bonds hereunder.

In case of the change or designation above provided for, the Company shall cause notice of such change or designation to be published once a week for four successive weeks in one daily newspaper published in the City of Milwaukee, State of Wisconsin, in one daily newspaper published in the City of Chicago, State of Illinois, and also in one daily newspaper published in the Borough of Manhattan, City and State of New York, and shall cause a copy of such notice to be mailed to the respective registered owners of any bonds, at their addresses appearing upon the bond registry books. Such notice shall offer to all holders of bonds theretofore issued the opportunity to surrender the same to the Trustee in exchange for bonds bearing the new designation.

In case of the change of designation above provided for, the holder of any bond or bonds of any series previously issued and then outstanding may surrender such bond or bonds to the Trustee, at any time, with (in case of coupon bonds) all unmatured interest coupons attached, and duly endorsed, if a registered bond, and for bonds of the same series, denomination or denominations, and bearing the same serial numbers as the bond or bonds so surrendered and substantially of the same tenor, except that such bonds shall be designated and referred to as "First Mortgage Gold Bonds" (with such additional appropriate description as the Board of Directors may determine.) All bonds (and coupons thereof, if any) so surrendered for exchange shall forthwith be cancelled by the Trustee and delivered to the Company on its written request therefor.

ARTICLE II.

BONDS OF SERIES A.

SECTION 1. The first series of bonds to be issued hereunder shall be known as Series A.

Definitive bonds of Series A shall be issued as coupon bonds only, and may be issued in any one or more of the denominations provided in Article I. hereof, as may be requested in writing by the President or a Vice-President or the Treasurer of the Company at the time of issuance; and they and the interest coupons to be attached thereto shall be substantially in the forms for coupon bonds and coupons hereinbefore recited, respectively, with such appropriate additions thereto and or ommissions therefrom as may be appropriate to give effect to the terms of such Series A bonds hereinafter recited. Bonds of Series A shall be dated October 2, 1922, irrespective of the date of the actual execution and issue thereof. The aggregate authorized principal amount of the bonds constituting said Series A shall be Fifteen Million Dollars ($15,000,000).

SECTION 2. Bonds of Series A shall mature October 1, 1952, and shall bear interest from October 1, 1922 at the rate of six per cent per annum, payable semi-annually on the 1st day of April and the 1st day of October in each year, until the principal of said bonds is paid. The interest on bonds of Series A shall be paid without deduction for any tax or taxes upon the income of the holder thereof (except such portion of any income tax, with respect to income derived from such interest, as shall be in excess of two percent.) which the Company or the Trustee, or any one acting in behalf of them, or either of them, may be required or permitted to pay on, or to deduct from, such interest under or by reason of any present or future income tax law of the United States.

SECTION 3. The Company will refund and repay to the owner of any bond of Series A, if a resident of the State of Pennsylvania, the amount of any lawful personal property tax thereon for any year paid by him to the State of Pennsylvania, not exceeding four-tenths (4/10ths) of one per centum of the principal thereof; and the Company will refund and repay to the owner of any bond of Series A, if a resident of the State of Connecticut, the amount of any lawful personal peoperty tax thereon for any year paid by him to the State of Connecticut, not exceeding four-tenths (4/10ths) of one per centum of the principal thereof; and the Company will refund and repay to the owner of any bond of Series A, if a resident of the State of Massachusetts

the amount of any lawful income tax upon the interest thereon for any year paid by him to the State of Massachusetts, not exceeding six per centum of such interest; provided that, with in sixty (60) days after the date of the payment of any such tax, such owner shall file with the Company at its office in the City of Milwaukee, State of Wisconsin, or at its office or agency, either in the City of Chicago, Illinois or in the Borough of Manhattan, City and State of New York, a certificate in writing, verified by such owner or his agent, setting forth the respective serial numbers and denominations of the Series A. bonds on which such tax was paid, the fact and date of such payment, and certifying to the fact of his ownership thereof on the date on which the said tax was assessed against him or upon said bonds, and requesting reimbursement of the amount thereof; provided further that the Company shall not be liable to reimburse any owner of any bond for the amount of any such taxpayment, unless request be made therefor within the said period of sixty (60) days, and that in no event shall the Company be liable to reimburse any such owner for any interest or penalty assessed or paid in addition to the amount of the tax, as originally assessed.

SECTION 4. Any or all of the bonds of Series A. shall be redeemable at any time, at the option of the Company, in the manner hereinafter provided in Article VII hereof, by the payment of principal, accrued interest, and a premium as follows: If redeemed prior to October 1, 1932, a premium of seven and one-half per cent. (7-1/2%); if redeemed on or after October 1, 1932, but prior to October 1, 1942, a premium of five per cent. (5%); if redeemed on or after October 1, 1942, but prior to October 1, 1943, a premium of four per cent. (4%); if redeemed on or after October 1, 1943, but prior to October 1, 1944, a premium of three and one-half per cent. (3-1/2%); if redeemed on or after October 1, 1944, but prior to October 1, 1945, a premium of three per cent. (3%); if redeemed on or after October 1, 1945, but prior to October 1, 1946, a premium of two and one-half per cent. (2-1/2%); if redeemed on or after October 1, 1946, but prior to October 1, 1947, a premium of two per cent. (2%); if redeemed on or after October 1, 1947, but prior to October 1, 1948, a premium of one and one-half per cent. (1-1/2%); if redeemed on or after October 1, 1948, but prior to October 1, 1949, a premium of one per cent (1%); if redeemed on or after October 1, 1949, but prior to October 1, 1950, a premium of one-half of one per cent. (1/2 of 1%); and if redeemed on or after October 1, 1950, but before fixed maturity, without premium.

SECTION 5. Bonds of Series A shall be interchangeable as to denomination in the manner and upon the terms set forth in Section 6 of Article I hereof relating to the interchangeability between denominations of coupon bonds.

ARTICLE III.

Issue of Bonds.

SECTION 1. Upon the execution of this Mortgage, the Company will execute and deliver to the Trustee, Five Million Four Hundred Ninety-five Thousand Dollars ($5,495,000) aggregate principal amount of bonds of Series A, and the Trustee shall thereupon, without waiting for the recording or filing of this Mortgage, authenticate the said bonds and deliver the same to or upon the written order of the President or a Vice-President or the Tresurer of the Company.

SECTION 2. Two Hundred Fifty Thousand Dollars ($250,000), principal amount of bonds secured hereby, to be additional bonds of Series A. or bonds, of any other series, may from time to time be issued hereunder by the Company to provide funds with which to reimburse the treasury of the Company for expenditures made by the Company on account of the acquisition and/or construction of improvements, additions, betterments or extensions made to or upon the properties of the Company during the period between June 30, 1922 and October 1, 1922 (whether or not such properties were owned by the Company during such period if the same are owned at the time of the execution and delivery of this Mortgage); provided however, that such bonds may be issued to a principal amount equal to, but not in excess of, seventy-five per cent. (75%) of the expenditures made during the period and for the purposes aforesaid.

Before any bonds shall be authenticated and delivered under this Section 2, there shall be delivered to the Trustee:

(a) A copy of a resolution of the Board of Directors of the Company, requesting the Trustee to authenticate and deliver bonds, specifying the series and principal amount of bonds called for, and stating the amount of expenditures included in the certificate hereinafter in this section referred to;

(b) A certificate signed by the President or one of the Vice-Presidents, and also by the Treasurer or an Assistant Treasurer of the Company, setting forth:

(1) The expenditures for which such new bonds are requested, and a general description of the property acquired thereby;

(2) That said expenditures were actually made during the period and for the purposes above specified, and were not in excess of the value of such additions, improvements, extensions or betterments, and that none of such expenditures has been charged to operating expense or other cost of maintenance; and

(3) That no portion of said expenditures was previously used as a basis for the issue of bonds hereunder, or was made with insurance moneys received from the payment of losses, and that all property acquired through said expenditures has become subject to the lien of this Mortgage;

(c) An opinion of counsel (who may be of counsel for the Company) that the property, expenditures for which are sought to be made the basis for the issuance of bonds under this Section 2, is owned by the Company free of lien or encumbrance, except the lien of this Mortgage, the lien of any one or more of th underlying mortgages, which constitute a lien upon the specific property to which such additions, extensions, improvements or betterments were made, and the lien of current taxes.

SECTION 3. Bonds of any series may from time to time be issued hereunder by the Company in substitution for and in place of a like principal amount of bonds of any other series theretofore issued under any of the provisions of this Mortgage upon the receipt by the Trustee of:

(a) A copy of a resolution of the Board of Directors of the Company requesting the Trustee to authenticate and deliver bonds, specifying the series and principal amount of bonds called for and the series and principal amount of bonds in substitution for and in place of which such new bonds are to be issued.

(b) (1) An amount of bonds issued and outstanding hereunder, in place of which such new bonds are to be issued, equal in principal amount to the principal amount of such new bonds then applied for, or (2) an amount in cash equal to the principal amount, with interest thereon to maturity, of all outstanding bonds in place of which such new bonds are to be issued, to provide for the payment of such outstanding bonds and the interest thereon at maturity, or (3) an amount in cash sufficient to redeem before maturity, with interest thereon to the redemption date, and for the purpose of redeeming, all such bonds in place of which such new bonds are to be issued; provided, however, (1) that in lieu of the deposit of cash against the principal and interest of any particular outstainding bond or bonds, the Company may surrender such bond or bonds for cancellation, and (2) that the cash deposited against the principal and interest of any particular outstanding bond or bonds shall be returned to the Company upon surrender by the Company of such bond or bonds for cancellation.

Any bond (and its coupons) in substitution for and in place of which a new bond is issued under this section shall, when received by the Trustee, immediately be cancelled and surrendered to the Company. Any cash deposited with the Trustee under the provisions of this section shall be applied by the Trustee to the purposes for which such cash was so deposited.

SECTION 4. Bonds of any series may from time to time be issued hereunder by the Company in substitution for and in place of like principal amount of bonds of any other series theretofore authenticated under any of the provisions of this Mortgage upon receipt by the trustee of:

(a) A copy of a resolution of the Board of Directors of the Company requesting the Trustee to authenticate and deliver bonds, specifying the series and principal amount of bonds called for and the series and principal amount of bonds in substitution for and in place of which such new bonds are to be issued;

(b) An amount of bonds (in either temporary or definitive form) previously authenticated by the Trustee in accordance with any of the provisions of this mortgage and in place of which such new bonds are to be issued, equal in

principal amount to the principal amount of such new bonds then applied for.

Any bond (and its coupons, if any) in substitution for and in place of which a new bond is issued under this section shall, when received by the Trustee, immediately be cancelled and surrendered to the Company.

SECTION 5. Bonds of any series may from time to time be issued hereunder by the Company in the manner, and subject to the limitations and provisions of this section, for or on account of the acquisition, exchange, payment, or refundment at, before or after maturity of any of the following specified obligations, to-wit:

(A) Two Million Four Hundred Thirty-eight Thousand Dollars ($2,438,000) in principal amount of 5% First Mortgage and Refunding Gold Bonds of Wisconsin Public Service Company, issued under and secured by that Corporation's mortgage or deed of trust, dated January 1, 1912, executed by that Corporation to Wisconsin Trust Company ((Milwaukee, Wisconsin) as Trustee, and recorded in the office of the Register of Deeds for Brown County, Wisconsin, in Volume 123 of Mortgages, at pages 313ff, and constituting a lian upon the properties acquired by the Company from said Wisconsin Public Service Company, as hereinbefore identified and described, being all of the bonds now outstanding under said mortgage, except those bonds issued under said mortgage, which constitute part of the pledged securities hereunder, pursuant to the provisions of Section 1 of Article IX hereof.

(B) Four Hundred Twenty-seven Thousand Dollars ($427,000) in principal amount of First and Refunding Mortgage Five per cent Gold Bonds of Green Bay Gas and Electric Company, issued under and secured by that Corporation's Mortgage dated May 1, 1905, executed by that Corporation to Wisconsin Trust & Security Company, as Trustee, and recorded in the office of the Register of Deeds for Brown County, Wisconsin, in Volume 94 of Mortgages, at pages 141ff, and constituting a lien upon certain of the properties acquired by the Company from said Wisconsin Public Service Company, as hereinbefore identified and described, being all of the bonds now outstanding under said mortgage, except Two Hundred Twenty-eight Thousand Dollars ($228,000) par value of said bonds now held by First Wisconsin Trust Company (formerly Wisconsin Trust Company) as Trustee, under the mortgage of said Wisconsin Public Service Company dated January 1, 1912, described in the next preceding subparagraph (a) of this section.

(C) Three Hundred Thousand Dollars ($300,000) in principal amount of Six per cent. First Mortgage Gold Bonds of Peninsular Service Company, issued under and secured by that Corporation's mortgage dated March 1, 1920, executed by that Corporation to First Wisconsin Trust Company (Milwaukee, Wisconsin) as Trustee, and recorded in the office of the Register of Deeds for Kewaunee County, Wisconsin, in Volume 1, Misc. at page 51ff; in the office of the Register of Deeds for Brown County, Wisconsin, in Volume 2, Misc. at page 21ff, and in the office of the Register of Deeds for Door County, Wisconsin, in Volume 8, Misc. at page 90ff, and constituting a lien upon the properties acquired by the Company from said Peninsular Service Company, as hereinbefore identified and described, being all of the bonds now outstanding under said mortgage.

(D) Two Hundred Fifty Thousand Dollars ($250,000) in principal amount of First Mortgage 5% 30 year Gold Bonds of Sheboygan Gas Light Company, issued under and secured by that Corporation's mortgage, dated July 1, 1901, executed by that Corporation to Union Trust Company (Detroit, Michigan), as Trustee, and recorded in the office of the Register of Deeds for Sheboygan County, Wisconsin, July 1, 1901, in Volume 50, at page 554ff, and constituting a lien upon the properties acquired by the Company from said Sheboygan Gas Light Company, as hereinbefore identified and described, being all of the bonds now outstanding under said mortgage.

(E) One Hundred Forty Thousand Dollars ($140,000) in principal amount of First Mortgage 5% 20 Year Gold Bonds of Manitowoc and Northern Traction Company, issued under and secured by that Corporation's mortgage, dated January 1, 1906, executed by that Corporation to Wisconsin Trust Company, (Milwaukee, Wisconsin), as Trustee recorded in the office of the Register of Deeds of Manitowoc County, Wisconsin in Volume 65 of Mortgages, at page 409ff, and constituting a lien upon the property acquired by the Company from said Manitowoc and Northern Traction Company, as hereinbefore identified and described, being all of the bonds now outstanding under said mortgage.

(F) All obligations secured by a mortgage on property hereafter acquired by the Company if and whenever they shall be or become "specified obligations" under the following provisions of this subparagraph (F). In case the Company shall hereafter at any time make an acquisition of property, and all or any part thereof shall

be permanent property subject, at such time, to a mortgage, or mortgages securing outstanding obligations, then all such obligations shall be "specified Obligations" for or on account of which bonds may be issued under this section; provided, (1) that the aggregate principal amount of all such obligations shall not exceed seventy-five per centum (75%) of the cost or value at the time of such acquisition 'whichever is less) of all the permanent property included in the acquisition, or (2) that if said aggregate principal amount shall exceed seventy-five per centum (75%) of such cost or value, as the case may be, the Company after such acquisition shall have paid or otherwise discharged a principal amount of such obligations at lease equal to the excess, or shall have made expenditures amounting to one and one-third times the excess usable but not used as a basis for the issuance of bonds here under, and shall have certified such discharge or such expenditures to the Trustee to eliminate or compensate such excess.

The bonds and specified obligations described in the foregoing sub-paragraphs (A) to (F), both inclusive, of this section, are hereinafter sometimes referred to, individually and collectively, as, "underlying obligations," and the mortgages or other instruments respectively securing or providing for the issuance of the same are hereinafter sometimes referred to as"underlying mortgages." Any bond issued under any underlying mortgage, which is deposited under any other underlying mortgage or under this mortgage, shall not be deemed or considered, for thepurpose of the issuance of bonds under this section, an underlying obligation within the meaning of this section.

The term "cost" as used in this Article, with reference to any property, shall mean the actual value of the consideration (in cash or property) paid therefor to the vendor thereof at the time of its acquisition by the Company, added to the principal of the indebtedness (if any) secured by mortgage or other lien thereon existing at the time of the acquisition thereof, and subject to which such property was acquired; but if for any reason it is impracticable to ascertain or allocate the value of the consideration paid for any particular property, the value of the property shall be deemed the cost thereof.

Whenever the Company shall deliver or cause to be delivered to the Trustee the following instruments;

(a) A copy of a resolution of the Board of Directors of the Company, requesting the Trustee to authenticate and deliver bonds called for and the underlying obligations for or on account of the acquisition, exchange, payment or refundment of which new bonds are to be issued.;

(b) (1) uncancelled underlying obligations 'whether matured or unmatured), as specified in such resolution, equal in principal amount to the principal amount of such new bonds then applied for, or (2) evidence satisfactory to the Trustee showing that a principal amount of such underlying obligations for or on account of which bonds shall not have previously been issued under the provisions of this section, have been at any time paid, redeemed or otherwise discharged, or showing that provision for such payment, redemption or discharge has been made by the deposit of the necessary moneys with the trustee under the underlying, mortgages securing such underlying obligations; and

(c) In case it shall be necessary to ascertain the value of any property for the purpose of determining whether any such bonds are underlying obligations within the description of "specified obligations" contained in subparagraph (F), supra, of this section there shall also be delivered to the Trustee (1) a certificat signed by an engineer or firm of engineers, to be selected by the Company and to be acceptable to the Trustee, stating the value of such property at the time of its acquisition determined in like manner as provided in Section 6 of this Article for the valuation of property acquired by the Company in exchange for securities, and (2) a certificate signed by the President or one of the Vice Presidents, and also by the Treasurer or an Assistant Treasurer of the Company, setting forth the cost of such property and the amount of any bonds discharged or any expenditures made under the provisions of said subparagraph (F) to eliminate or compensate excess, and (3) evidence satisfactory to the Trustee, showing the aggregate principal amount of underlying obligations outstanding against such property at the date of axquisition and at the date of the passage of such resolution of the Board of Directors, thereupon the bonds of the series and to the aggregate principal amount specified in such resolution may be issued hereunder by the Company; provided that no bonds shall be issued under the provisions of this section on account of the discharge of any

obligations (1) certified to the Trustee to eliminate any excess of the nature described in subparagraph (F), supra, of this section, or (2) used as a basis for the with drawal of Deposited Cash under the provisions of Section 9 of this Article.

Each of the underlying obligations received by the Trustee, pursuant to the provisions of this section, shall be stamped by the Trustee with appropriate words setting forth that such underlying obligation is not negotiable and that it is held in trust for the purposes declared in this Mortgage, and such underlying obligation shall be held by the Trustee as purchaser thereof, uncancelled and without extinguishment or impairment of lien, as additional security for the payment of the bonds hereby secured until otherwise disposed of as hereinafter provided.

Whenever all the underlying obligations of any issue, except lost or destroyed bonds for which satisfactory indemnity shall have been given, shall have been acquired by the Trustee hereunder, or whenever a portion thereof shall have been so acquired and payment or redemption of the remainder shall either have been made or have been provided for by the deposit of the necessary moneys with the trustee under the underlying mortgage securing such issue, the Trustee hereunder shall, at the request of the Company, cancel and surrender to the Company all the underlying obligations of such issue then in its possession.

As soon as practicable after the Company shall be entitled to the release and discharge of record of any underlying mortgage securing any of the underlying obligations, it shall procure such release and discharge. If at the time of such release there shall be on deposit with the trustee of the underlying mortgage so released unmatured bonds secured by an underlying mortgage prior in lien to such released underlying mortgage, then, unless otherwise required by some mortgage on the Company's property superior in lien to this Mortgage, all bonds with all unmatured interest coupons thereunto appertaining so on deposit with such trustee shall immediately be deposited and pledged hereunder with the Trustee, and shall thereafter be held, treated and considered by the Trustee in like manner as underlying obligations deposited hereunder, except that no bonds may be issued under this Mortgage for or on account of the bonds so deposited with the Trustee hereunder.

So long as any bond deposited with the Trustee under the provisions of this section shall be held by the Trustee hereunder, neither the principal nor the interest thereof shall be collected nor be required to be paid unless or until foreclosure proceedings shall be instituted to enforce the underlying mortgage securing such bond by sale of the property thereby covered or to enforce any other mortgage superior to the lien hereof, covering all or any part of the same property, but upon the institution of any such proceedings the Trustee may take such steps to protect or enforce such deposited bond as it may deem proper; and any title, moneys and property which the Trustee may acquire or to which it may be entitled under or by mean s of any proceeding for the enforcement of such deposited bond the Trustee shall hold upon the trusts herein declared concerning the property hereby mortgaged, Until any such foreclosure proceedings shall be so instituted the Trustee shall, upon request of the Company , cancel and surrender to the Company all interest coupons of such deposited bond in the possession of the Trustee as such coupons from time to time mature.

In case any deposited bond in the possession of the trustee shall be called for redemption, payment or purchase, pursuant to any sinking fund provisions of the underlying mortgage securing the same, and the money necessary to redeem, pay or purchase such deposited bond shall be deposited with the Trustee under such underlying mortgage, then the trustee hereunder shall, upon request of the Company, surrender such deposited bond to the Company.

SECTION 6. In case the Company shall acquire after October 1, 1922, any permanent property, the Company may issue bonds hereunder to a principal amount equal to seventy-five per centum (75%) of any and all expenditures therefor, provided (1) that such property shall be subject to the lien of this Mortgage, and (2) that no bonds shall be issued under the provisions of this section for or on account of expenditures to retire or discharge mortgage indebtedness, if any, which existed upon such property at the time of such acquisition (provision for the retirement or discharge of such mortgage indebtedness being made by Section 5 of this Article), and (3) if such property was at the time of acquisition subject to a mortgage indebtedness, the amount of bonds which may be issued under the provisions of this section for or on account of the expenditures therefor (not including expenditures for any permanent improvements, additions or betterments to or about such acquired property made after its acquisition) shall not exceed the amount by which seventy-five per centum (75%) of the value of such

property at the time of its acquisition (as determined by an engineer or firm of engineers in like manner as provided in this section for the valuation of property acquired by the Company inexchange for securities) shall exceed the principal amount of such mortgage indebtedness; and (4) that no bond shall be issued under the provisions of this section for or on account of any expenditures which shall previously have been used as a basis for the authentication andissuance of bonds hereunder, or as a basis for the withdrawal of Deposited Cash under the provisions of Section 9 of this Article, or as a basis for the withdrawal of cash under the provisions of Article XI hereof, or which shall have been certified to the Trustee under the provisions of Section 5 of this Article to eliminate or compensate any excess of the nature described in subparagraph (F) of said Section 5, or which shall have been made with any insurance moneys received from the payment of losses or with moneys placed to the credit of the Maintenance, Depreciation and Improvement Fund, provided for in Article V hereof, or for or on account of expenditures for permanent property which shall have been used as a ddduction in computing the amount payable to siad Maintenance Fund.

The expression "permanent property" wherever used in this Mortgage includes any and all plant, equipment, additions, improvements, betterments, facilities or other property of any kind, or an interest therein, acquired through construction, purchase consolidation, exchange or otherwise, as and for a part of thepermanent or fixed investment for the business of the company making or acquiring the same;provided, however, that whenever old or worn out property is replaced by property costing more than the original cost to the company of such old or worn out property, then such excess of cost of such other property acquired to replace the old or worn out property, and such excess only, shall be deemed permanent improvements, extensions or additions for which bonds may be issued under this section;and provided further that permanent improvements, extensions and additions in process of construction or erection, and so far as actually constructed or erected and paid for, and placed under the lien of this Mortgage (or the mortgage of the Subsidiary, as the case may be), shall be deemed permanent improvements, extensions and additions within the meaning of this section.

If any such property shall be acquired at any time or times in exchange for, or by the issue and delivery of, securities instead of by the making of cash expenditures, its value at the time of acquisition, ascertained and certified to as hereinafter in this section provided, shall within the meaning of this Mortgage be deemed an expenditure by the acquiring company for such property. Whenever under any provision of this Mortgage it shall be necessary to determine the value of any property, such value shall be determined by an engineer or firm of engineers to be selected by the Company, and to be acceptable to the Trustee, and the Trustee shall be furnished with a certificate of such determination signed by such engineer or firm of engineers. Such engineer or firm of engineers may satisfy himself or themselves in respect of such value in such manner and by any means he or they may think reasonable and proper, but he or they shall include in his or their valuation, as a part of the property value, all rights and privileges appertaining thereto granted through ordinance or otherwise by any municipality or other like governing body, and in valuing property acquired as a part of a going concern, he or they shall give such weight as in his or their judgment he or they may think proper, to the fact that such property is a part of a going concern and to the good will, if any, which such going concern may have. In valuing a water power property, either developed or undeveloped he or they shall consider, in addition to the physical value, the fair intangible water power value appertaining to such property.

Subject to the restrictions in this section and in Section 10 of this Article set forth, bonds of any series may from time to time be issued hereunder by the Company, upon receipt by the Trustee of:

(a) A copy of a resolution of the Board of Directors of the Company requesting the Trustee to authenticate and deliver bonds, specifying the series and principal amount of bonds called for and stating the amount of expenditures included in the certificate in the next paragraph mentioned;

(b) A certificate signed by the President or one of the Vice-Presidents and also by the Treasurer or an Assistant Treasurer of the Company, setting forth (1) the expenditures for which such new bonds are requested and a general description of the property acquired thereby, and (2) that said expenditures were actually made and were not in excess of the value of such property, and that none of such expenditures has been charged to operating ex-

pense or other cost of maintenance, and (3) if said expenditures were for new or additional property encumbered by a mortgage indebtedness at the time of its acquisition the amount of such mortgage indebtedness, and (4) that no portion of said expenditures was previously used as a basis for the issue of bonds hereunder, or as a basis for the withdrawal of Deposited Cash under the provisions of Section 9 of this Article, or as a basis for the withdrawal of moneys under the provisions of Article XI hereof, or was made with insurance moneys received from the payment of losses, or was made for permanent property and used as a deduction in computing the amount payable to the Maintenance, Depreciation and Improvement Fund provided for in Article V of this Mortgage, or with moneys placed to the credit of said Fund, and (5) that no part of said expenditures was certified to the Trustee under the provisions of Section 5 of this Article to eliminate or compensate any excess of the nature described in subparagraph (F) of said Section 5, and (6) that all property acquired through said expenditures has become subject to the lien of this Mortgage:

(C) If said expenditures were made for new or additional property encumbered by any mortgage indebtedness at the time of its acquisition, or if such new and additional property was acquired in exchange for, or by the issue and delivery of, securities instead of by the making of cash expenditures, a certificate signed by an engineer or firm of engineers stating the value of such property, as hereinbefore in this section provided.

(d) An opinion of counsel, acceptable to the Trustee (who may be of counsel for the Company), stating; (1) the amount of the mortgage indebtedness, if any, which was an encumbrance upon the property so acquired at the time of its acquisition, and identifying and describing (including date, parties and data as to recording) the mortgage or mortgages constituting such encumbrance; (2) that at the time of acquisition of such property there existed upon said property no other encumbrance or lien (except the mortgage or mortgages in such opinion specifically stated to have existed as aforesaid, and the lien of current taxes); and (3) that such property so acquired has become subject to the lien of this Mortgage.

SECTION 7. Bonds of any series may from time to time be issued hereunder by the Company to the extent in principal amount of seventy-five per centum of any and all expenditures made by a Subsidiary (as hereinafter in Article IX defined) for permanent property acquired by it after the date upon which it became a Subsidiary, provided, (1) that no bonds shall be issued, under the provisions of this section for or on account of expenditures to retire or discharge mortgage at the time of such acquisition (provision for the retirement or discharge of such mortgage indebtedness being made by Section 8 of this Article); and (2) that if such acquired property was at the time of the acquisition subject to a mortgage or mortgages securing outstanding obligations, the amount of bonds which may be issued under the provisions of this section, for or on account of the expenditures for such property (not including expenditures for any permanent improvements additions or betterments to or about such acquired property made after its acquisition) shall not exceed the amount by which seventy-five per centum of the value of such property at the time of its acquisition (as determined by an engineer or firm of engineers in like manner as provided in Section 6 of this Article for the valuation of property acquired by the Company in exchange for securities) shall exceed the aggregate principal amount of such obligations; and (3) that no bonds shall be issued under the provisions of this section for or on account of any expenditures which shall previously have been used as a basis for the authentication and issuance of bonds hereunder, or as a basis for the withdrawal of Deposited Cash under the provisions of Section 9 of this Article, or which shall have been certified to the Trustee under the provisions of Section 8 of this Article to eliminate or compensate any excess of the nature described in subparagraph (c) of said Section 8, or which shall have been made with the proceeds of the sale of any property covered by, or released from, any mortgage securing any such obligations, or with the proceeds of any property taken by eminent domain, or with any insurance moneys received from the payment of losses, or with moneys required by any such mortgage to be placed to the credit of any depreciation account; and (4) that no bonds shall be issued under the provisions of this section unless at the time there shall be pledged hereunder with the Trustee obligations of such Subsidiary to the amount and of the kind prescribed by Section 5 of Article IX hereof as a condition for the issuance of such bonds.

Subject to the restrictions in this section and in Section 10 of this Article set forth, bonds of any series may from time to time be issued hereunder by the Com-

pany, upon receipt by the Trustee of:

(a) A copy of a resolution of the Board of Directors of the Company requesting the Trustee to authenticate and deliver bonds, specifying the series and amount of bonds called for and stating the amount of expenditures included in the certificate in the next subparagraph mentioned;

(b) A certificate signed by the President or one of the Vice-Presidents and also by the Treasurer or an Assistant Treasurer of the Company and of such Subsidiary, setting forth (1) the expenditures for which such new bonds are requested and a general description of the property acquired thereby, and (2) that such property was acquired after the date upon which such Subsidiary became a Subsidiary and that the expenditures therefor were not in excess of the value thereof, and that none of such expenditures has been charged to operating expense or other cost of maintenance, and (3) if said expenditures were for new or additional property encumbered by a mortgage indebtedness at the time of its acquisition the amount of such mortgage indebtedness, and (4) that no portion of said expenditures was previously made the basis for the issue of bonds hereunder, or for the withdrawal of Deposited Cash under the provisions of Section 9 of this Article or was made with the proceeds of the sale of any property covered by or released from any mortgage upon the property of such subsidiary, or with the proceeds of any property taken by eminent domain, or with insurance moneys received from the payment of losses, or with moneys placed to the credit of any depreciation account required by any such mortgage, and (5) that no part of said expenditures was certified to the Trustee to eliminate or compensate any excess of the nature described in subparagraph (c) of said Section 8, and (6) that all property acquired through said expenditures has become subject to the lien of the mortgage securing the obligations of such Subsidiary pledged with the Trustee as required by Section 3 of Article IX hereof.

(c) In case any new property described in the certificate provided for in paragraph (b) of this section shall be subject to a mortgage indebtedness at the time of acquisition, a certificate of an engineer or firm of engineers, certifying to the value of such property at the time of its acquisition, in like manner as provided in Section 6 of this Article for certifying the value of property acquired by the Company in exchange for securities,

(d) An opinion of counsel, acceptable to the Trustee (who may be of counsel for the Company), stating: (1) the amount of the mortgage indebtedness, if any, which was an encumbrance upon such property at the time of its acquisition by such Subsidiary, identifying and describing (including date, parties and data as to recording) the mortgage or mortgages constituting such encumbrance; (2) that, at the time of acquisition of such property, there existed upon said property no other encumbrance or lien (except the mortgage or mortgages in such opinion specifically stated to have existed as aforesaid and the lien of current taxes); and (3) that such property so acquired has become subject to the lien of the mortgage securing the obligations of such Subsidiary pledged with the Trustee, as required by Section 3 of Article IX hereof.

SECTION 8. Bonds of any series may from time to time be issued hereunder by the Company in the manner and subject to the limitations and provisions of this section and of Section 10 of this Article, for or on account of the acquisition, exchange, payment or refundment, at, before or after maturity, of any of the following specified obligations, to-wit:

(a) Obligations, not pledged hereunder, existing at the time any Subsidiary became such and secured by Mortgage upon any of its property;

(b) Outstanding funded obligations of a Subsidiary, not secured by mortgage upon its property, to an amount equal to the difference between (1) seventy-five per centum (75%) of the value of the permanent property of such Subsidiary at the time of the pledge of its stock hereunder, and (2) the aggregate principal amount of obligations outstanding at the time it became a Subsidiary secured by mortgage upon its property, provided that no bonds shall be issued under the provisions of this subparagraph (b) of this section for or on account of the acquisition, exchange, payment or refundment of any obligations of the Menominee and Marinette Light and Traction

Company. "Funded obligations of a Subsidiary" shall, for the purpose of this subparagraph (b), be taken to mean and include any obligation of a Subsidiary for which negotiable evidence thereof has been issued, whether in the form of bond, debenture, promissory note or otherwise;

(c) All obligations secured by mortgage on property acquired by any Subsidiary after it shall have become a Subsidiary and existing at the time of such acquisition, if and whenever they shall be or become "specified obligations" under the following provisions of this subparagraph (c) In case such Subsidiary shall at any time after the date upon which it became a Subsidiary make an acquisition of property, and all or any part thereof shall be permanent property subject, at such time, to a mortgage or mortgages securing outstanding obligations, then all such obligations shall be "specified obligations" for or on account of which bonds may be issued under this section, provided (1) that the aggregate principal amount of all such obligations shall not exceed seventy-five per centum (75%) of the value at the time of such acquisition of all the permanent property included in the acquisition, or (2) that if said aggregate principal amount shall exceed seventy-fiveper centum (75%) of such value, such Subsidiary, after such acquisition, shall have paid or otherwise discharged a principal amount of such obligations at least equal to the excess, or shall have made expenditures amounting to one and one-third times the excess usable but not used as a basis for the issuance of bonds under this Mortgage, and shall have certified such discharge or such expenditures to the trustee to eliminate or compensate such excess.

Whenever the Company shall deliver or cause to be delivered to the Trustee the following instruments:

(d) A copy of a resolution of the Board of Directors of the Company requesting the Trustee to authenticate and deliver bonds, specifying the series and principal amount of bonds called for and the obligations for or on account of the acquisition, exchange, payment or refundment of which such new bonds are to be issued;

(e) (1) Uncancelled obligations for or on account of the acquisition, exchange, payment or refundment of which new bonds are issuable under this section, equal in principal amount to the principal amount of such new bonds then applied for, or (2) evidence satisfactory to the Trustee showing that a principal amount of obligations for or on account of the discharge of which bonds are issuable under this section, have been at any time paid, redeemed or otherwise discharged, or showing that provision for such payment, redemption or discharge has been made by the deposit of the necessary moneys in a manner satisfactory to the Trustee;

(f) Such bonds as may be required to be pledged with the Trustee under the provisions of Section 3 of Article IX hereof.

(g) In case it shall be necessary to ascertain the value of any property for the purpose of determining whether any obligations are "specified obligations" within the meaning of subparagraph (c) supra, of this section, there shall also be filed with the Trustee (1) a certificate signed by an engineer or firm of engineers, to be selected by the Company, and to be acceptable to the Trustee, stating the value of such property at the time of its acquisition, determined in like manner as provided in Section 6 of this Article for the valuation of property acquired by the Company in exchange for securities, and (2) a certificate signed by the President or one of the Vice-Presidents and also by the Treasurer or an Assistant Treasurer of the Company and of such Subsidiary, setting forth the cost of such property and the amount of any obligations discharged or expenditures made under the provisions of Sub-paragraph (c) of this section to eliminate or compensate excess, and (3) evidence satisfactory to the Trustee showing the aggregate principal amount of mortgage obligations outstanding against such property at the date of acquisition and at the date of the passage of such resolution of the Board of Directors;

thereupon bonds of the series and to the aggregate principal amount specified in such resolution may be issued hereunder by the Company. The Company covenants that no discharge of obligations, and no expenditures, certified to the Trustee to eliminate or compensate any excess of the nature described in subparagraph (c) supra, of this section shall be used as a basis for the issuance of bonds hereunder or for the withdrawal of

Deposited Cash under the provisions of Section 9 of this Article. All obligations of a Subsidiary received by the Trustee under the provisions of this section shall be held and disposed of under the provisions of Article IX of this Mortgage.

SECTION 9. Bonds of any series may from time to time be issued hereunder by the Company, subject to the provisions of Section 10 of this Article, upon receipt by the Trustee of:

(a) A copy of a resolution of the Board of Directors of the Company requesting the Trustee to authenticate and deliver bonds, specifying the series and principal amount of bonds called for;

(b) A sum of money equal to the principal of the bonds then applied for.

Money received by the Trustee under the provisions of this section is sometimes referred to in this Mortgage as Deposited Cash. Whenever expenditures shall have been made or obligations shall have been discharged or obligations shall have been pledged hereunder for or on account of any of which the Company shall be entitled to the authentication and delivery of any bonds under the provisions of any section of this Article other than Sections 2 and 4, and the Trustee shall have in its possession Deposited Cash equal to the principal amount of such bonds, the Trustee shall, on the request of the Company, evidences by resolution of its Board of Directors, and in lieu of the authentication and delivery of such bonds, pay over to the Company on the order of its President, a Vice-President or its Treasurer an amount of Deposited Cash equal to the principal amount of such bonds, but only upon receipt by the Trustee of a resolution, certificate or certificates and opinion (if any) of the character required to be given for the authentication and delivery of such bonds but with such changes or differences as may be appropriate by reason of the fact that the Company's application is for Deposited Cash instead of for the authentication of such bonds. All moneys received by the Trustee under the provisions of this section shall, until paid out as aforesaid, be held by it as part of the mortgaged property. Until so paid out such moneys shall draw interest at a rate to be agreed upon by the Trustee and the Company, such interest to be paid by the Trustee to the Company upon its order, in the absence of an event of default.

SECTION 10. No bonds shall be authenticated by the Trustee and delivered to the Company for issuance hereunder, under the provisions of of Sections 6,7,8 and 9 of this Article, unless there shall also be delivered to the Trustee, together with the application by the Company for the authentication and delivery to it of such bonds, a certificate signed by the President or a Vice-President and the Treasurer or Assistant Treasurer of the Company, setting forth the amount of net earnings (calculated as hereinafter set out) for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the application for the certification and delivery of bonds and showing how the same have been calculated. Said certificate shall show the net earnings as thus determined, and that the same have been at least two times the sum of (a) the annual interest charges of the Company on all underlying obligations, as defined in Section 5 of this Article, then and thereafter to remain outstanding, ~~and (b) on all bonds then and thereafter to remain outstanding, and~~ (b) on all bonds then and thereafter to remain outstanding under this Mortgage and on the bonds, the authentication of which shall at the time be requested.

The net earnings of the Company (for the purpose aforesaid) shall be calculated by deducting from the gross income, during such twelve months' period, of the Company, from its properties (including securities) owned at the time of making such application for authentication and delivery of bonds (whether or not some part of such property shall have been otherwise owned during the whole or any portion of such twelve months' period) all ordinary operating expenses during such period, including as a part thereof either(1) the actual charges made for current maintenance or (2) a sum equal to six and one-quarter per cent (6-1/4%) of the gross earnings (excluding all non-operating revenues) of the Company for such period, whichever is the larger and also including as a part thereof taxes, insurance, and rentals, but not including any charges for depreciation made during such period; and there shall also be included in the net earnings of the Company for the purposes of this Article such proportion of the net earnings of any Subsidiary (as defined in Article IX hereof) during such period, calculated as hereinafter provided, as the amount of the capital stock of such Subsidiary, owned by the Company and deposited hereunder, bears to the total amount of the capital stock of such Subsidiary actually issued and outstanding. The net earnings of the Subsidiary referred to in this paragraph shall be ascertained as

follows: There shall be deducted from the gross income, during the twelve months' period in question, of the Subsidiary from its properties (including securities) owned at the time of making such application for the authentication and delivery of bonds, (whether or not some part of such property shall have been otherwise owned during the whole or any portion of such twelve months' period) all interest accrued during such period upon its obligations not pledged hereunder and all ordinary operating expenses of such Subsidiary during such period including as a part thereof, either (1) the actual charges made for current maintenance, or (2) a sum equal to six and one-quarter per cent (6-1/4%) of the gross earnings (excluding all non-operating revenues) of the Subsidiary for such period, whichever is the larger, and also including as a part thereof taxes, insurance and rentals, but not including any charges for depreciation made during such period.

SECTION 11. So long as there shall be in existence any commission or other governmental body either of the State of Wisconsin or of the United States which shall have power to regulate the issue of bonds under this Mortgage, the Company shall obtain and deposit with the Trustee prior to theissue of any bonds hereunder, a certified copy of the permission or authority given by each such commission or other governmental body for the issue of such bonds, or the opinion of counsel that such permission or authority is unnecessary.

SECTION 12. The Trustee shall receive the certificate of the Secretary or an Assistant Secretary of the Company, under the corporate seal of the Company, as conclusive evidence of the adoption by the Board of Directors of the Company of any resolution in this Mortgage provided for. The same officer or officers of the Company need not certify to all the facts required to be certified to under the provisions of this Article, but different officers may certify to different facts. The words "the opinion of counsel," wherever used in this Mortgage, shall mean the written opinion of counsel (who may be of counsel to the Company) approved by the Trustee. The resolutions, certificates, opinions and other statements required by this Article to be delivered to the Trustee as a condition of the authentication of bonds or the payment of Deposited Cash hereunder, may be received by the Trustee as conclusive evidence of any fact or matter therein set forth appertaining to its right or duty to authenticate or deliver bonds or pay such cash pursuant to any provisions of this Article, and shall be full warrant, authority and protection to the Trustee acting on the faith thereof for the authentication by it of such bonds or the payment of such cash, not only in respect of the facts, but also in respect of the opinions therein set forth.

SECTION 13. Whenever the Company shall be entitled to issue bonds of any series under the provisions of any of Sections 2 to 9, both inclusive, of this Article, upon and by compliance with such provisions, the Company may from time to time execute such bonds, in any denomination or denominations herein authorized and to any principal amount, and may deliver the same to the Trustee, accompanied by a written order of the Treasurer or an Assistant Treasurer of the Company specifying the denomination or denominations thereof, and, if of a new series, accompanied likewise by a copy of the resolution of the Board of Directors of the Company establishing such new series, together with an instrument in the nature of a Supplemental Indenture describing said new series and prescribing the terms thereof including the maximum authorized principal amount thereof and, if the Company elects so to do, closing any prior series under which less than the maximum authorized principal amount thereof has been issued against any further authentication of bonds of such series, and the Trustee shall thereupon authenticate and deliver such bonds to or upon the order of such Treasurer or Assistant Treasurer. Each such bond shall have attached thereto at the time of issue all unmatured interest coupons there unto appertaining. Any matured interest coupon appertaining to such bond shall be cancelled by the Trustee and be delivered to the Company at the time of the authentication and delivery of the bond.

Any obligation which may be deposited with the Trustee under the provisions of any section of this Article shall have attached thereto at the time of deposit with the Trustee all unmatured interest coupons thereunto appertaining, and, if a registered obligation without coupons or a coupon obligation registered as to principal only, shall be duly endorsed by the registered holder thereof or by his attorney in fact thereof or by his attorney in fact thereunto duly authorized; provided, however, that if any unmatured coupon or coupons belonging to any such obligation shall be missing at the time of such deposit, the Trustee may, nevertheless, accept such obligation without such coupon or coupons in case a sum of money equal to the face amount of the missing coupon or coupons shall have been deposited with the Trustee hereunder or with the trustee of the mortgage securing such obligation.

Any obligation deposited with the Trustee under the provisions of this Article or any other Article of this Mortgage may be in such temporary form as may be authorized

under the mortgage or trust deed under which such obligation is issued, and the Company may substitute hereunder for any such temporary obligation, and the Trustee shall accept in lieu thereof, and in exchange therefor, a definitive obligation authorized to be issued under such mortgage or trust deed in exchange for such temporary obligation.

SECTION 14. Wherever in this Mortgage the Company is permitted or required to deposit cash hereunder with the Trustee, the Company may deposit in lieu of cash an equal face amount of obligations of the United States Government. The Company may at any time withdraw any cash on deposit hereunder with the Trustee by depositing hereunder with the Trustee in substitution therefor an equal face amount of obligations of the United States Government. Any obligations so deposited shall hav attached thereto all unmatured interest coupons and shall be held by the Trustee in all respects as would be held the cash for which such obligations are so substituted Any obligations so deposited shall be sold by the Trustee upon written request of the Company at such prices as shall be fixed by the Company and approved by the Trustee, and if the proceeds from any such sale shall be less than the face value of the obligations sold, or if the market value of any obligations so deposited here under shall, in the judgment of the Trustee, at any time be less than theface value thereof, in either event the Company shall deposit hereunder with the Trustee cash sufficient to make up the deficiency; but the cash deposited to make up the deficiency in the market value of any obligations may at any time thereafter be withdrawn by the Company if at the time of withdrawal the market value of such obligations shall be not less than the face value of such obligations. The Trustee shall collect from time to time all interest upon the deposited obligations as such interest matures, and so long as the Company shall not be in default hereunder all such interest shall be paid by the Trustee to the Company as and when received. The proceeds of the deposited obligations shall be paid out and applied by the Trustee in like manner and for like purposes as is provided in this Mortgage in respect of the cash in lieu of which such obligations were deposited. The deposited obligations while held by the Trustee, and the prodeeds of the sale thereof, until such proceeds are so paid out and applied, shall be part of the mortgaged property.

ARTICLE IV.

Particular Covenants of the Company.

The Company hereby covenants and agrees with the Trustee and with the respective holders and owners of the bonds issued hereunder:

SECTION 1. That it is the lawful owner of the premises and property hereinbefore by it conveyed or transferred to the Trustee; that it has good right and lawful authority to mortgage the same, as provided in and by this Mortgage; that said premises and property are free from all liens and encumbrances not hereinbefore stated; that it will warrant and defend the title thereto against all claims and demands whatsoever.

SECTION 2. That it will not issue, or permit to be issued, any bonds hereby secured in any manner other than in accordance with the provisions of this Mortgage and the agreements in that behalf herein contained, and will not suffer or permit any default to occur under this Mortgage, but will faithfully preserve and perform all the conditions, dovenants and requirements hereof obligatory upon it.

SECTION 3. That it will pay the principal and interest of all the bonds duly issued hereunder, according to the terms thereof and of this Mortgage, and will pay interest on any overdue interest at the same rate per annum as such interest overdue bore to the principal of the bond on which it was payable; that so long as any of such bonds shall remain outstanding and unpaid, it will not directly or indirectly extend or assent to the extension of the time for the payment of any interest coupon or claim for interest of or upon any such bond, and will not directly or indirectly be a party to any arrangement therefor, either by purchasing or refunding or in any manner keeping alive such interest coupon or claim for interest, or otherwise; that in case the payment of any such interest coupon or claim for interest shall be so extended by or with or without the consent of the Company, then anything in this Mortgage contained to the contrary notwithstanding, such interest coupon or claim for interest so extended shall not be entitled, in case of default hereunder, to any benefit of or from this Mortgage, except after the prior payment

in full of the principal of all bonds issued hereunder and of such interest coupons and claims for interest as shall not have been so extended.

SECTION 4. That at all times while any bonds secured by this Mortgage shall be outstanding, which shall provide that the same are or may be, at the option of the holder thereof, payable at the office or agency of the Company in the City of Chicago, State of Illinois, and/or at the office or agency of the Company in the Borough of Manhattan, City and State of New York, the Company will maintain and office or agency in the City of Chicago, State of Illinois, and/or in the Borough of Manhattan, City and State of New York, where notices, presentations and demands to or upon the Company in respect of said bonds or their coupons may be given or made, and for the payment of the principal and interest thereof, and will keep books at such offices or agencies for the transfer and registration of bonds as hereinbefore provided. In case the Company shall provide for the payment of its bonds of any series, other than Series A, issued hereunder, at any place or places other than said City of Chicago, and/or said Borough of Manhattan, City of New York, it will also maintain in each such place a similar office or agency for similar purposesand will maintain at each such office or agency similar books for the transfer and registration of bonds of such series as hereinbefore provided. From time to time the Company will file with the Trustee notice in writing of the location, and of any change in the location, of each such office or agency. In case the Company shall fail to maintain such office or agency or shall fail to give notice of the location or change of the location thereof, presentation and demand may be made, and notices may be served, at the office of the Trustee in the City of Milwaukee, State of Wisconsin, but the Trustee shall be under no liability to the Company or to any other person or corporation in respect of any such presentation, demand or notice.

SECTION 5. That it will duly pay and discharge, as the same shall become due and payable, all real estate and personal property taxes, water rates, assessments and governmental and other charges lawfully levied and imposed by the United States of America or by any state, county or municipality upon the mortgaged premises, including the franchises or permits, earnings and business of the Company; and that it will not suffer any mechanics', laborers', statutory or other lien which might or could be held to be prior to the lien of this mortgage (other than the lien of underlying mortgages), to be created or to remain outstanding upon the property described in this Mortgage, or any part thereof, or upon any after-acquired property which may be made the basis of the issue of bonds hereunder, unless any and all obligations for on account of which any such lien, prior to the lien of this Mortgage, might exist, are pledged hereunder; provided, however, that nothing contained in this Article shall require the Company to pay, acquire or make provision for such tax, assessment, lien or charge so long as the Company in good faith shall contest the validity thereof.

SECTION 6. That it will keep all the property of a character usually insured by Companies similarly situated and which is at any time covered by this Mortgage, insured against loss or damage by fire, and to such amount as such property is usually insured for by companies similarly situated, in reputable insurance companies, or by any plan of co-operative insurance, or otherwise, loss, if any, to be made payable to the Trustee as its interests may appear, or to the trustee of an underlying mortgage on such property; that it will, if requested by the trustee, assign and deliver to it all such policies of insurance upon its property, unless required by the trustee of an underlying mortgage to deliver them to such trustee; that if the total amount received by the Trustee upon all policies shall, in the case of any one loss, be less than the sum of Ten Thousand Dollars ($10,000), the amount shall be paid forthwith to the Company by the Trustee, to be used by the Company to pay for replacements of or substitutions for the injured or destroyed property, but the Trustee shall not be obliged to see to the application thereof; that in all other cases the proceeds of any and all insurance on any part of the mortgaged property which may be received by the Trustee shall be held and applied by the trustee as hereinafter provided in Article XI of this Mortgage. The Company may, however, appropriate, set aside and maintain out of its earnings or surplus an insurance reserve fund to be held and applied by it to make good fire losses, and such reserve fund shall, so far as is customary in accordance with the most approved practice of other companies similarly situated, maintaining similar funds, be deemed for the pruposes of this section the equivalent of policies of fire insurance.

SECTION 7. That it will pay or cause to be paid, as the same shall become due and payable, the principal and interest of all underlying obligations(as defined in

Section 5 of Article III of this Mortgage) and all payments required to be made under any underlying mortgage securing any such bonds, and will not extend the time of payment of any of said principal or interest, and will faithfully perform all the terms, covenants and conditions to be performed by the mortgagor in such underlying mortgage.

SECTION 8. That it will at all times maintain, preserve and keep its property mortgaged hereunder, with the appurtenances and every part and parcel thereof, in thorough repair, working order and condition and equipped with suitable equipment and appliances, and from time to time make all needful and proper repairs, renewels and replacements thereof, so that at all times the value of the security for the bonds issued hereunder and the efficiency of the property of the Company hereby mortgaged shall be fully preserved and maintained , and, subject to the provisions hereof, will maintain and preserve all the rights, powers, privileges and franchises by it owned.

Nothing herein contained shall be construed to prevent the Company from ceasing to operate any of its plants or any other properties if in the judgment of the Company it is advisable not to operate the same for the time being, or, if the Company intends to sell or otherwise dispose of the same and within a reasonable time endeavors to effectuate such a sale; nor in any such event to prevent the Company from taking such action with respect to such plant or such other property as is proper and customary under the circumstances.

SECTION 9. That if it shall fail to perform any of the covenants contained in Sections 5,6,7 and 8 of this Article, the Trustee, or any receiver appointed hereunder, as herein provided, may make advances to perform the same in its behalf, and it hereby agrees to repay all sums so advanced in its behalf, on demand, with interest at the rate of six per centum (6%) per annum after demand, and all sums so advanced with interest as aforesaid shall be secured hereby, having the benefit of the lien hereby created, in priority to the indebtedness evidenced by said bonds and coupons; but no such advance shall be deemed to relieve the Company from any default hereunder.

SECTION 10. That in case of the acquisition in the future of the stock of any corporation, which shall become a Subsidiary, as hereinafter in Article IX defined, the Company will endeavor to acquire the balance of the issued and outstanding capital stock of such corporation which carries full voting rights, remaining in the hands of the public, and as acquired will cause the same (except shares reserved to qualify directors) to be deposited and pledged hereunder with the Trustee. The Company ~~Company~~ further covenants that there shall at all times be on deposit and pledged hereunder with the Trustee capital stock of each Subsidiary as follows : (a) not less than ninety (90) per cent of its outstanding capital stock having full voting rights, and (b) not less than seventy-five (75) per cent of each other class of its outstanding capital stock which by its then existing articles of incorporation or by then existing law may be entitled at any time or under any conditions to voting rights.

SECTION 11. That it will not hereafter issue or permit to be issued any additional bonds under any of the underlying mortgages other than in substitution for lost, destroyed, or mutilated bonds, as authorized by the underlying mortgage under which the same shall be issued. That it will acquire and will not sell but will pledge under this Mortgage all mortgage bonds of any subsidiary authenticated after the date upon which it became or becomes a Subsidiary.

SECTION 12. That it will cause this Mortgage and every additional instrument which shall be executed pursuant to the terms hereof at all times to be recorded and filed in such manner and in such places as may be required by law for the recordation and filing of a real estate mortgage, in order to fully preserve and protect the security of the bondholders and all rights of the Trustee.

SECTION 13. That it will, upon reasonable request, execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purposes of this Mortgage, especially to make subject to the lien hereof any property now owned or hereafter acquired by it, which it is herein provided shall be subject to the lien hereof, and to transfer to any new trustee the estate, powers, instruments and funds held in trust hereunder.

SECTION 14. That except as herein otherwise provided or permitted, either expressly or by implication, it will at all times do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence,

rights and franchises and the corporate existance rights and franchises of each Subsidiary; that it will comply and cause each Subsidiary to comply, with all the laws of the State of Wisconsin and of any other state or states of the United States of America applicable to the Company or to any such Subsidiary, and with all lawful rules and regulations of the Railroad Commission of Wisconsin, and of any other similar commission, board or public authority having jurisdiction in the premises, in such form and manner as counsel may advise; provided, that the Company and any Subsidiary may surrender any right, privilege or franchise, whenever the the Company, or such Subsidiary, shall contemporaneously, or as a part of the same transaction, obtain a new or at least equally advantageous right, privilege or franchise under which the Company, or such Subsidiary, as the case may be, may continue to perform the service and conduct the business theretofore performed or conducted under or by virtue of the right, privilege or franchise then surrendered, ~~or whenever the right, privilege or franchise to be surrendered~~, or whenever the right, privilege or franchises to be surrendered can no longer be profitably exercised or availed of and shall not be essential to the maintenance and continued use of the rest of the properties mortgaged hereunder, and consequently the security afforded by this Mortgage will not be substantially impairdd.

ARTICLE V.

Maintenance, Depreciation and Improvement Fund.

The Company hereby covenants that it will in the calendar year ending on December 31, 1923 and in each calendar year thereafter, while any of the bonds issued hereunder remain outstanding, expend or set aside, for maintenance and depreciation, out of its gross income for such year derived from every source a sum equal to twelve and one-half per centum (12-1/2%) of an amount ascertained by adding to the gross earnings(excluding non-operating revenue) of the Company for such year the gross earnings (excluding non-operating revenue) of the Menominee and Marinette Light and Traction Company for such year. Such fund shall be known as the Maintenance, Depreciation and Improvement Fund and is in this Mortgage called the "Maintenance Fund." All expenditures made by the Company and by the Menominee and Marinette Light and Traction Company during any such year properly and ordinarily chargeable to maintenance and depreciation of their respective properties shall be charged on their respective books to maintenance and depreciation, and the aggregate amount so expended for maintenance and depreciation by the Company and by the Menominee and Marinette Light and Traction Company in any such year shall be treated as a credit to the Maintenance Fund for such year. Any and all amounts set aside in any calendar year by the Company in compliance with the sinking fund requirements set forth in Section 11 of Article V of the mortgage or deed of trust of Wisconsin Public Service Company date January 1, 1912, which constitutes one of the "underlying mortgages" hereinbefore described, shall likewise be treated as a credit to said Maintenance Fund for such year.

On the first day of May next succeeding any such calendar year, the Company shall file with the Trustee a report signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company, verified by the affidavit of such Treasurer or Assistant Treasurer, stating (1) the amount of the gross earnings as hereinbefore defined of the Company and of the Menominee and Marinette Light and Traction Company during such year, and (2) the amount actually expended during such year for such maintenance and depreciation by each of said Corporations (other than from moneys held by the Trustee in the Maintenance Fund), and the amount set aside during such year in compliance with such sinking fund requirement as aforesaid, and (3), (if the total amount so expended for maintenance and depreciation, plus the amount so set aside in compliance with such sinking fund requirement as aforesaid, was less than such twelve and one-half per cent of the total amount of the gross earnings of the Company and of the Menominee and Marinette Light and Traction Company) the amount expended by the Company during such year and the first two months of the next succeeding calendar year for permanent property which has not been made the basis for the certification and issuance of any bonds hereunder or for the withdrawal of any moneys from the Trustee, or has not been acquired as substituted property under the provisions of this Mortgage with respect to the release of property from the lien of or with insurance moneys or moneys received as compensation for property taken under exercise of the power of eminent domain, or has not been certified to the Trustee as capital to eliminate or compensate any excess of the nature described in subparagraph

Section 5 of Article III of this Mortgage) and all payments required to be made under any underlying mortgage securing any such bonds, and will not extend the time of payment of any of said principal or interest, and will faithfully perform all the terms, covenants and conditions to be performed by the mortgagor in such underlying mortgage.

SECTION 8. That it will at all times maintain, preserve and keep its property mortgaged hereunder, with the appurtenances and every part and parcel thereof, in thorough repair, working order and condition and equipped with suitable equipment and appliances, and from time to time make all needful and proper repairs, renewels and replacements thereof, so that at all times the value of the security for the bonds issued hereunder and the efficiency of the property of the Company hereby mortgaged shall be fully preserved and maintained , and, subject to the provisions hereof, will maintain and preserve all the rights, powers, privileges and franchises by it owned.

Nothing herein contained shall be construed to prevent the Company from ceasing to operate any of its plants or any other properties if in the judgment of the Company it is advisable not to operate the same for the time being, or, if the Company intends to sell or otherwise dispose of the same and within a reasonable time endeavors to effectuate such a sale; nor in any such event to prevent the Company from taking such action with respect to such plant or such other property as is proper an customary under the circumstances.

SECTION 9. That if it shall fail to perform any of the covenants contained in Sections 5,6,7 and 8 of this Article, the Trustee, or any receiver appointed hereunder, as herein provided, may make advances to perform the same in its behalf, and it hereby agrees to repay all sums so advanced in its behalf, on demand, with interest at the rate of six per centum (6%) per annum after demand, and all sums so advanced with interest as aforesaid shall be secured hereby, having the benefit of the lien hereby created, in priority to the indebtedness evidenced by said bonds and coupons; but no such advance shall be deemed to relieve the Company from any default hereunder.

SECTION 10. That in case of the acquisition in the future of the stock of any corporation, which shall become a Subsidiary, as hereinafter in Article IX defined, the Company will endeavor to acquire the balance of the issued and outstanding capital stock of such corporation which carries full voting rights, remaining in the hands of the public, and as acquired will cause the same (except shares reserved to qualify directors) to be deposited and pledged hereunder with the Trustee. The Company ~~Company~~ further covenants that there shall at all times be on deposit and pledged hereunder with the Trustee capital stock of each Subsidiary as follows : (a) not less than ninety (90) per cent of its outstanding capital stock having full voting rights, and (b) not less than seventy-five (75) per cent of each other class of its outstanding capital stock which by its then existing articles of incorporation or by then existing law may be entitled at any time or under any conditions to voting rights.

SECTION 11. That it will not hereafter issue or permit to be issued any additional bonds under any of the underlying mortgages other than in substitution for lost, destroyed, or mutilated bonds, as authorized by the underlying mortgage under which the same shall be issued. That it will acquire and will not sell but will pledge under this Mortgage all mortgage bonds of any subsidiary authenticated after the date upon which it became or becomes a Subsidiary.

SECTION 12. That it will cause this Mortgage and every additional instrument which shall be executed pursuant to the terms hereof at all times to be recorded and filed in such manner and in such places as may be required by law for the recordation and filing of a real estate mortgage, in order to fully preserve and protect the security of the bondholders and all rights of the Trustee.

SECTION 13. That it will, upon reasonable request, execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purposes of this Mortgage, especially to make subject to the lien hereof any property now owned or hereafter acquired by it, which it is herein provided shall be subject to the lien hereof, and to transfer to any new trustee the estate, powers, instruments and funds held in trust hereunder.

SECTION 14. That except as herein otherwise provided or permitted, either expressly or by implication, it will at all times do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence,

and the corporate existance, rights and franchises, of each Subsidiary; that it will comply and cause each Subsidiary to comply, with all the laws of the State of Wisconsin and of any other state or states of the United States of America applicable to the Company or to any such Subsidiary, and with all lawful rules and regulations of the Railroad Commission of Wisconsin, and of any other similar commission, board or public authority having jurisdiction in the premises, in such form and manner as counsel may advise; provided, that the Company and any Subsidiary may surrender any right, privilege or franchise, whenever the Company, or such Subsidiary, shall contemporaneously, or as a part of the same transaction, obtain a new or at least equally advantageous right, privilege or franchise under which the Company, or such Subsidiary, as the case may be, may continue to perform the service and conduct the business theretofore performed or conducted under or by virtue of the right, privilege or franchise then surrendered, ~~or whenever the right, privilege or franchise to be surrendered~~, or whenever the right, privilege or franchises to be surrendered can no longer be profitably exercised or availed of and shall not be essential to the maintenance and continued use of the rest of the properties mortgaged hereunder, and consequently the security afforded by this Mortgage will not be substantially impaired.

ARTICLE V.

Maintenance, Depreciation and Improvement Fund.

The Company hereby covenants that it will in the calendar year ending on December 31, 1923 and in each calendar year thereafter, while any of the bonds issued hereunder remain outstanding, expend or set aside, for maintenance and depreciation, out of its gross income for such year derived from every source a sum equal to twelve and one-half per centum (12-1/2%) of an amount ascertained by adding to the gross earnings(excluding non-operating revenue) of the Company for such year the gross earnings (excluding non-operating revenue) of the Menominee and Marinette Light and Traction Company for such year. Such fund shall be known as the Maintenance, Depreciation and Improvement Fund and is in this Mortgage called the "Maintenance Fund." All expenditures made by the Company and by the Menominee and Marinette Light and Traction Company during any such year properly and ordinarily chargeable to maintenance and depreciation of their respective properties shall be charged on their respective books to maintenance and depreciation, and the aggregate amount so expended for maintenance and depreciation by the Company and by the Menominee and Marinette Light and Traction Company in any such year shall be treated as a credit to the Maintenance Fund for such year. Any and all amounts set aside in any calendar year by the Company in compliance with the sinking fund requirements set forth in Section 11 of Article V of the mortgage or deed of trust of Wisconsin Public Service Company date January 1, 1912, which constitutes one of the "underlying mortgages" hereinbefore described, shall likewise be treated as a credit to said Maintenance Fund for such year.

On the first day of May next succeeding any such calendar year, the Company shall file with the Trustee a report signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the company, verified by the affidavit of such Treasurer or Assistant Treasurer, stating (1) the amount of the gross earnings as hereinbefore defined of the Company and of the Menominee and Marinette Light and Traction Company during such year, and (2) the amount actually expended during such year for such maintenance and depreciation by each of said Corporations (other than from moneys held by the Trustee in the Maintenance Fund), and the amount set aside during such year in compliance with such sinking fund requirement as aforesaid, and (3), (if the total amount so expended for maintenance and depreciation, plus the amount so set aside in compliance with such sinking fund requirement as aforesaid, was less than such twelve and one-half per cent of the total amount of the gross earnings of the Company and of the Menominee and Marinette Light and Traction Company) the amount expended by the Company during such year and the first two months of the next succeeding calendar year for permanent property which has not been made the basis for the certification and issuance of any bonds hereunder or for the withdrawal of any moneys from the Trustee, or has not been acquired as substituted property under the provisions of this Mortgage with respect to the release of property from the lien hereof or with insurance moneys or moneys received as compensation for property taken by exercise of the power of eminent domain, or has not been certified to the Trustee to eliminate or compensate any excess of the nature described in subparagraph (F) of Sec;

tion 5 of Article III of this Mortgage, or has not been previously credited to the Maintenance Fund, or has not been certified to the trustee under the "underlying mortgage" of Wisconsin Public Service Company pursuant to the provisions of Section 11 of Article V of said mortgage as a basis for the repayment to the Company there under of moneys deposited with said trustee in compliance with the sinking fund requirements set forth in said same section of said "underlying mortgage;" and (4) the balance of such twelve and one-half per cent (12-1/2%) of such total amount of the gross earnings of the Company and of the Menominee and Marinette Light and Traction Company during such year not so expended for maintenance and depreciation or set aside in compliance with said sinking fund requirements as aforesaid and remaining after deducting the amount so expended during such period for such permanent property; and on said first day of May such ballance, if any shall be paid by the Company to the Trustee, to be held by it as additional security for the bonds issued and to be issued hereunder. Such unexpended balance may, at the option and upon the request of the Company, be applied by the Trustee to the purchase from time to time of bonds hereby secured at not exceeding their redemption price, which shall be held uncancelled by the Trustee as part of the Maintenance Fund, and the Company may from time to time , with the approval of the Trustee, sel any or all of such bonds so held as a part of the Maintenance Fund, in which case the proceeds of such sale shall be held and applied as part of the Maintenance Fund, in accordance with the provisions of this Article. Any cash deposited by the Company with the Trustee as a part of the Maintenance Fund, as hereinbefore provided, and any cash resulting from the sale of bonds held in the Maintenance Fund as hereinbefore provided, may be withdrawn from time to time by the Company as an offset , or to reimburse it, for ex enditures made for maintenance, renewals or replacements of its property or the property of the Menombnee and Marinette Light and Traction Company, or for expenditures for permanent property acquired by the Company after October 1, 1922, which has not been made the basis for the authentication and issuance of any bonds hereunder or for the withdrawal of any moneys from the Trustee, or has not been acquired as substituted property under the provisions of this Mortgage with respect to the release of property from the lien here of or with insurance moneys or moneys received as compensation for property taken by exercise of the power of eminent domain, or has not been certified to the Trustee to eliminate or compensate any excess of the nature described in sub-paragraph (F) of Section 5 of Article III of this Mortgage, or has not been previously credited to the Maintenance, Fund, or has not been certified to the trustee under the "underlying mortgage" of Wisconsin Public Service Company pursuant to the provision of Section 11 of Article V of said mortgage as a basis for the repayment to the Company thereunder of moneys deposited with said trustee in compliance with the sin sinking fund requirement set forth in said same section of said "underlying mortgage;" or any such cash may be withdrawn by the Company to reimburse it for expenditures made for the purchase or redemption and retirement of bonds issued under this Mortgage; but any bonds so purchased shall be pledged hereunder with the Trustee and shall be held uncancelled as part of the Maintenance Fund. Before the withdrawal of any such cash the Company shall deliver to the Trustee a certificate signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company, verified by the affidavit of such Treasurer or Assistant Treasurer, setting forth (a) the amount, if any, expended for such maintenance, renewals or replacements and a description thereof in reasonable detail and (b) the amount, if any, expended for permanent property and a description thereof in reasonable detail and that no part of such permanent property is within the excluded classes above enumerated and (c) the amount, if any, expended to purchase, or to re-deem and retire bonds issued under this Mortgage and a description of such bonds in reasonable detail, and (d) the amount of cash to be withdrawn on account of such expenditures. The amount of such cash which may be withdrawn to reimburse the Company for expenditures to purchase, or to redeem and retire bonds issued under this Mortg ge, shall not exceed the amount expended therefor or the principal amount thereof, whichever is less.

The Company may at any time apply for the certification and delivery of bonds under the provisions of Sections 6 and 10 of Article III hereof on account of the acquisition of permanent property, the expenditures for which shall have been charged to the Maintenance Fund, provided(1) th t the aggregate principal amount of bonds so certified and delivered shall not exceed seventy-five per cent. (75%) of

the cost or fair value, whichever is less, of such permanent property, and (2) that all other conditions of Sections 6 and 10 are complied with, including ratio of net earnings to annual interest requirements, and (3) that there shall be deposited with the Trustee, at or before the certification and delivery of such bonds, to be held as a part of the Maintenance Fund, an amount of cash at least equal to one and one-third (1-1/3) times the aggregate principal amount of the bonds so certified and delivered. Such cash shall be held by the Trustee as additional security hereunder and may be withdrawn by the Company from time to time for maintenance, renewals or replacements of the Company's property as hereinbefore provided.

Nothing in this section contained shall in any way limit or affect the obligations of the Company under the provisions of Section 8 of Article IV hereof.

ARTICLE VI

Conversion into Capital Stock or Other Bonds.

SECTION 1. The Board of Directors of the Company shall have the right to incorporate in the bonds of any series to be issued hereunder provisions for the conversion of such bonds into capital stock of the Company or into other bonds of the Company to be issued hereunder, in the manner provided in this Article. Bonds of such series shall contain appropriate language evidencing such right of conversion.

SECTION 2. The Company covenants and agrees that it will have ready shares of its capital stock sufficient to effect the conversion of the principal amount of the outstanding and unpaid bonds of any series containing the right of conversion into capital stock, and covenants and agrees that the holder of any bonds of such series may convert the same into capital stock of the Company by surrendering said bond or bonds of such series, together with all unmatured coupons thereto appertaining, at the office of First Wisconsin Trust Company in the City of Milwaukee, State of Wisconsin, or at any such office or agency of the Company as may be designated in said bond, and shall thereupon be entitled to receive in exchange therefor shares of such capital stock upon such terms as may be fixed by the Board of Directorsof the Company in the resolution establishing such series; provided, however, that as to such bond or bonds which may be called for redempt on, the right of the holder thereof to convert the same into capital stock of the Company must be exercised at least fifteen (15) days prior to the date fixed in the call for such redemption of said bond or bonds.

SECTION 3. The holder of any bond or bonds of any series containing the right of conversion into other bonds shall have the right to convert the same into other bonds of the Company to a like principal amount, to be issuedhereunder, by surrendering said bond or bonds of such series, together with all unmatured coupons thereto appertaining, at the office of First Wisconsin Trust Company in the City of Milwaukee, State of Wisconsin, or at any such office or agency of the Company as may be designated in said bonds, and shall thereupon be entitled to receive from the Company in exchange therefor such other bonds of the Company, to be issued hereunder, to a like principal amount, upon such terms as may be fixed by the Board of Directors of the Company in the resolution establishing the series containing such right of conversion; provided, however, that as to such convertible bond or bonds which may be called for redemption the right of the holder thereof to convert the same into other bonds of the Company as herein provided must be exercised at least fifteen days prior to the date fixed in the call for such redemption of said bond or bonds containing such right of conversion.

SECTION 4. Upon any such conversion either into capital stock or other bonds, the Company forthwith shall deliver all such surrendered bonds to the Trustee for cancellation, and thereupon the trustee shall cancel the same and the same shall be deemed to be and shall be satisfied and discharged, and no bond in place thereof shall be issued by the Company or be authenticated or delivered by the Trustee except as provided in Section 3 of this Article.

The Company shall promptly notify the Trustee as and when bonds are surrendered at any authorized office or agency of the Company in exchange for shares of capital stock of the Company, as provided in Section 2 of this Article.

ARTICLE VII

Redemption of Bonds

Section 1. The Company may provide in and by the resolution of its Board of Directors establishing any series of bonds to be issued hereunder, for the redemption of such bonds upon the terms stated in such resolution, and the bonds of such series shall contain appropriate references to their redeemability. All bonds issued hereunder containing a redemption privilege shall, if the privilege is exercised, be redeemed in accordance with the terms of redemption set forth in such resolution and in accordance with the provisions of this Article.

SECTION 2. In case the Company shall desire to redeem less than all the bonds of any series outstanding on the date on which it desires to make redemption, the Company shall notify the Trustee in writing of the face amount of the bonds which it desires to redeem, specifying the day (which shall not be less than seventy-five (75) days after such notification) on which it desires to make redemption. As soon as practicable thereafter the Trustee shall determine by lot the serial numbers of the coupon bonds of such series to be redeemed and shall certify to the Company the serial numbers of the bonds so determined. The Company shall thereupon publish in one daily newspaper of general circulation published in the City of Milwaukee, State of Wisconsin, and also in one daily newspaper of general circulation published in the City of Chicago, State of Illinois, and also in one daily newspaper of general circulation published in the Borough of Manhattan, City and State of New York, and in each other city, if any, where the bonds of such series arepayable, once a week for four successive weeks, the first publication to be not less than sixty (60) days before such redemption date, notice of such intended redemption, specifying the date of redemption and the series and serial numbers of the bonds to be redeemed, and requiring that the same be then surrendered at the office of the Trustee in the City of Milwaukee, State of Wisconsin, for redemption at the redemption price thereof stated in the bonds, and accrued interest; provided, that if any of the coupon bond serial numbers so drawn shall be the serial numbers of such registered bonds, and not the serial numbers of such reserved coupon bonds. If the serial numbers of all the coupon bonds reserved against any given registered bond shall not have been drawn, ~~so that less than the whole principal amount of any such registered bond shall not have been drawn,~~ so that less than the whole principal amount of any such registered bond shall be redeemable, said notice shall also specifically st ate the portion of the principal amount thereof which is to be redeemed and that, upon the presentation of such registered bond for redemption there will be issued in lieu of the unredeemed portion of the principal amount thereof, a new registered bond or bonds of an aggregate principal amount equal to such unredeemed portion. A similar notice shall also be mailed by the Company to the respective registered owners of any bonds called for redemption, at least sixty-(60) days prior to the redemption date, at their addresses appearing upon the registry books. In case the Company shall desire to redeem all the bonds of any series outstanding on the date on which it desires to make redemption, it shall give notice thereof in like manner by publication and mail, except that the notice need not specify the serial numbers of the bonds to be redeemed.

SECTION 3. Notice of redemption having been given by publication and mailing as provided in Section 2 of this Article, and a sum in cash sufficient to redeem the bonds so called for redemption, having been deposited with the Trustee on or before the redemption date, the bonds so called, or the specified portions thereof, shall, on the date designated in such notice, become due and payable at the said office of the Trustee at the redemption price stated in such bonds; and, upon the presentation and surrender thereof, with (in the case of coupon bonds) interest coupons maturing subsequently to the redemption date, and (in the case of registered bonds or of coupon bonds which shall at the time be registered as to principal) accompanied by duly executed assignments or transfer powers, such bonds, or the specified portions thereof, shall be paid and redeemed at their redemption price and accrued interest. Upon the surrender of a registered bond, of which only a portion of the principal is to be redeemed, the Company, without charge therefor, shall issue, and the Trustee, anything herein to the contrary notiwthstanding, shall authenticate and deliver, in lieu of the unredeemed portion of such principal amount

equal to such unredeemed portion. After the date so fixed for redemption, the bonds, or the portions of the principal of any registered bonds so called, shall cease to bear further interest; but all interest coupons appertaining to coupon bonds which shall have matured prior to the redemption date shall continue to be payable to the respective holders thereof, but without interest thereon.

SECTION 4. All bonds redeemed pursuant to the provisions of this Article, and all coupon bonds whose serial numbers shall be drawn for redemption while reserved against outstanding registered bonds, shall forthwith be cancelled by the Trustee and delivered to the Company upon its written request therefor; and no new bonds shall thereafter be issued in place thereof except in respect to the unredeemed portion of registered bonds, as hereinbefore provided.

SECTION 5. On deposit with the Trustee of the amount necessary to redeem all outstanding bonds secured by this Mortgage, together with proof that said notice of redemption has been given by publication and by mail as above provided, or on deposit with the Trustee of the amount necessary to redeem all outstanding bonds secured by this Mortgage, together with proof that notice of redemption by publication has been commenced and that notice by mail has been given as above provided, and on furnishing to the Trustee sufficient funds to pay the cost of the completion of the publication of such notice; then in either such case as aforesaid, on payment to the Trustee of all costs, charges and expenses in relation thereto, the Trustee shall cancel and satisfy this Mortgage and shall execute and deliver to the Company such instruments as may be necessary or appropriate to release and discharge of record this Mortgage at all places where it shall have been recorded. The Trustee shall apply the moneys so deposited with it to the payment of the bonds with accrued interest to the date designated for redemption, together with the premium thereon, if any, at such date.

ARTICLE VIII

Supplemental Indentures.

SECTION 1. When authorized by resolution of its Board of Directors, the Company and the Trustee from time to time, and at any time, subject to the restrictions in this Mortgage contained, may, and when so required by this Mortgage, shall enter into such indentures supplemental hereto as may or shall by them be deemed necessary or desirable for any one or more of the following purposes among others:

(a) To correct the description of any property hereby conveyed or pledged or intended so to be, or to assign, convey, mortgage, pledge, transfer and set over unto the Trustee, subject to such liens or other encumbrances as shall be therein specifically described, additional property or properties of the Company which may be now owned by the Company but through error omitted from the specific descriptions of property hereinbefore contained of acquired by the Company hereafter ~~contained or acquired by the company hereafter~~ by purchase, consolidation or merger, or otherwise, with the same force and effect as though included in the granting clauses hereof, all for the equal and proportionate benefit and security of the holders and owners of all bonds at any time issued and outstanding under this Mortgage.

(b) To add other limitations, conditions and restrictions to be thereafter observed to the limitations, conditions and restrictions upon the authorized issue and purposesof issue, authentication, total authorized amount of bonds under this Mortgage, or of any series of such bonds, terms, provisions and delivery of bonds specified in Articles I, II and III hereof, and/or to add to the covenants or agreements of the Company for the protection of the bondholders and of the trust estate other and additional covenants and/or agreements.

(c) To provide for the creation of any series of bonds other than Series A designating the series to be created and specifying the date of the bonds of such series, the maximum authorized principal amount, the date of maturity thereof, the place or places where payable, the rate of interest and the term and rate of optional redemption (if redeemable), the terms and conditions of any special sinking fund for the retirement of the bonds of such series, the form thereof and such other provisions and agreements, in respect thereof in this Mortgage provided or permitted, as the Company may determine.

(d) To provide a Sinking Fund for the purchase and/or redemption of all or any of the bonds of any one or more series, upon such terms and conditions as in

such supplemental indenture shall be stated.

(e) To provide additional or other restrictions and limitations upon the issue of any new series of bonds or additional covenants and undertakings of the Company thereon.

(f) To provide the terms and conditions of the exchange of bonds of one series for bonds of another or other series, or as to the exchange of bonds of one denomination for bonds of another denomination of the same series.

(g) To provide that the principal of the bonds of any particular series may be converted, at the option of the holders, into the capital stock of the Company, and the terms and conditions of such conversion.

(h) To evidence the succession of another corporation to the Company, or successive successions, and the assumption by such successor corporation of the covenants and obligations of the Company in the bonds hereby secured and in this mortgage and in any and every supplemental mortgage contained.

(i) To change the designation of the bonds issued hereunder to "First Mortgage Gold Bonds," in the manner and upon the conditions provided in Section 15 of Article I hereof.

(j) To close the further authentication of bonds of any series as to which the maximum authorized principal amount thereof shall not have been issued.

(k) For any other purpose not inconsistent with the terms of this mortgage, and which shall not impair the security of the same, or for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provision contained herein or in any supplemental indenture.

SECTION 2. In connection with the creation of any series of bonds hereunder, other than Series A, and prior to the authentication and issuance of any bonds of such series, subsequent to Series A, the Company and the Trustee shall enter into a Supplemental Indenture, which shall, among other things, cover the matters prescribed under sub-paragraph (c)a above, and in addition thereto, if the Company so elects, may close the further authentication of bonds of any prior series as to which the maximum authorized principal amount thereof shall not have been issued prior thereto.

SECTION 3. In each and every case provided for in this Article, except as provided in Section 2 of this Article, the Trustee shall be entitled to exercise its uncontrolled discretion in determining whether or not any proposed supplemental indenture, or any term or provision therein contained, is necessary or desirable, having in view the needs of the Company and the respective rights and interest of the holders of bonds theretofore issued hereunder; and the Trustee shall be under no responsibility or liability to the Company or to any holder of any bond, or to anyone whatever, for any act or thing which it may do or decline to do in good faith, subject to the provisions of this Article, in the exercise of such discretion.

SECTION 4. The Trustee is authorized to join with the Company in the execution of any such supplemental indenture, to make the further agreements and stipulations which may be therein contained, and to accept the conveyance, transfer and assignment of any such property thereunder.

Any supplemental indenture executed in accordance with any of the provisions in this Article shall thereafter form a part of this Mortgage; and all the terms and conditions contained in any such supplemental indenture as to any provision authorized to be contained therein shall be and be deemed to be part of the terms and conditions of this Mortgage for any and all purposes, and, if deemed necessary or desirable by the trustee, any of such terms or conditions may be set forth in reasonable and customary manner in the bonds of the particular series to which such supplemental indenture shall apply. In case of the execution and delivery of any supplemental indenture, express reference may be made thereto in the text of the bonds of any series issued thereafter, if deemed necessary or desirable by the Trustee.

SECTION 5. Any and every such supplemental indenture entered into as required or permitted by the provisions of this Article VIII, may be simultaneously executed in any number of counterparts for the purpose, among other things, of prompt and convenient recording, and all such counterparts executed and delivered each as an original shall constitute but one and the same instrument, and every such supplemental indenture shall forthwith, upon execution and delivery thereof, be recorded in the same manner and in the same place as this Mortgage shall have been recorded, unless in the opinion of counsel, satisfactory to the Trustee (who may be counsel for the Company) the recording of such supplemental indenture in the same manner or some of the places in which this Mortgage is recorded shall be unnecessary, and in that event such supplemental indenture shall be redorded only in those places which such opinion of counsel shall indicate as desirable and/or necessary, and the Company hereby covenants to attend to the prompt recording thereof at its own expense.

ARTICLE IX.

Concerning Pledged Securities and Subsidiary Companies.

SECTION 1. Concurrently with the execution of this Mortgage, the Company, being the owner thereof, has deposited with the Trustee at least ninety-nine per centum (99%) of the entire outstanding capital Stock of the Menominee & Marinette Light & Traction Company, and Three Hundred Ten Thousand Dollars ($310,000) in principal amount of the bonds of that Corporation, being all of the outstanding bonded indebtedness of said Corporation, and One Million Three Hundred Eight Thousand Dollars (1,308,000) in principal amount of the First Mortgage and refunding 5% Gold Bonds of Wisconsin Public Service Company, issued under and secured by that Corporation's mortgage or deed of trust given to Wisconsin Trust Company, as Trustee, dated January 1, 1912, all of which stock and bonds aforesaid, together with any such other or additional stock and bonds, and other securities of either or both of said Corporations, or of any other corporation, shall constitute pledged securities hereunder.

When and as soon as the Company shall request the Trustee to cancel and deliver to it or its nominee the Three Hundred Ten Thousand Dollars ($310,000) par value of existing bonds of Menominee and Marinette Light and Traction Company, pledged hereunder as above set forth, and shall with such request offer to the trustee for deposit and pledge hereunder in lieu of and in substitution for the Three Hundred Ten Thousand Dollars ($310,000) par value of existing bonds of Menominee and Marinette Light and Traction Company originally pledged hereunder an equal par amount of bonds issued under and secured by a new first mortgage of Menominee and Marinette Light and Traction Company to be executed by said corporation and to contain provisions for the issuance of securities to be incorporated in the first mortgage mentioned in Section 3 of this Article, together with an opinion of counsel satisfactory to the Trustee (who may be of counsel for the Company) that such bonds of Menominee and Marinette Light and Traction Company and the mortgage given to secure them are valid and binding obligations of the Menominee and Marinette Light and Traction Company of the character they purport to be, and that upon the release and discharge of the mortgage or mortgages securing the Three Hundred Ten Thousand Dollars ($310,000) par value of existing bonds of Menominee and Marinette Light and traction Company originally deposited in pledge hereunder the mortgage securing the bonds offered for deposit hereunder in lieu of and in substitution for said bonds so originally deposited as aforesaid will constitute the only mortgage lien upon the properties of Menominee and Marinette Light and Traction Company, the trustee shall forthwith accept such new bonds for deposit and pledge hereunder in lieu of and in substitution for the existing bonds of Menominee and Marinette Light and Traction Company originally deposited in pledge hereunder, and shall thereupon cancel and deliver to the Company or its nominee, as so requested as aforesaid, all of said Three Hundred Ten Thousand Dollars ($310,000) par value of existing bonds of Menominee and Marinette Light and Traction Company originally deposited in pledge as aforesaid, and thereafter said new bonds so received in pledge hereunder shall be deemed and treated for all purposes hereunder as if they had been originally deposited in pledge hereunder.

The Company, upon the cancellation and surrender to it or its nominee, as the case may be, of the Three Hundred Ten Thousand Dollars ($310,000) par value of existing bonds of Menominee and Marinette Light and Traction Company originally pledged hereunder, shall forthwith cause said cancelled bonds to be delivered to the Trustees respectively of the mortgages securing said bonds and procure the release and discharge of record of said mortgages.

SECTION 2. The Company may deliver to the Trustee and the Trustee shall receive, from time to time, bonds, certificates for shares of stock, and other securities of

any corporation so delivered to it by the Company.

If the Company shall deposit and pledge hereunder with the Trustee capital stock of any corporation as follows: (a) not less than ninety per cent. (90%) of its outstanding capital stock having full voting rights, and (b) not less than seventy-five per cent. (75%) of each other class of its outstanding capital stock, which by its existing articles of incorporation or by existing law may be entitled at any time or under any conditions to voting rights, and if at the time of, or at any time after the voting rights, and if at the time of, or at any time after, the making of such pledge, such corporation either shall have no mortgage debt at all or its total mortgage debt outstanding in the hands of the public shall not exceed seventy-five per centum (75%) of the value of its permanent property as of the date of the pledge such corporation shall become and be a Subsidiary, within the meaning of that term as used in this Mortgage, upon the filing by the Company with the Trustee of the following instruments, to-wit:

(a) A copy of a resolution of the Board of Directors of the Company designating such corporation as a Subsidiary of the Company under this Mortgage;

(b) A certificate signed by the President or one of the Vice-Presidents and also by the Treasurer or an Assistant Treasurer of the Company, setting forth the amount expended by the Company in acquiring the capital stock of such corporation pledged hereunder, and the amount of the entire indebtedness of such corporation, describing such indebtedness in reasonable detail and the amount of each class thereof and whether secured or unsecured;

(c) A certificate of the trustee under each mortgage, if any, upon any part of the property of such corporation, certifying to the aggregate principal amount of indebtedness issued and outstanding under such mortgage;

(d) A certificate signed by an engineer or firm of engineers, to be selected by the Company and to be approved by the Trustee, stating the value of the entire property of such corporation at the date of the pledge of its capital stock hereunder determined in like manner as is provided in Section 6 of Article III hereof for the valuation of property acquired by the Company in exchange for securities;

(e) An opinion of counsel stating that (1) such corporation is lawfully organized, and (2) the amount of its capital stock pledged hereunder is not less than the amount of its capital stock pledged hereunder ~~is not less than the amount above required to be pledged hereunder~~ in order to qualify it as a Subsidiary of the Company.

The date on which such corporation becomes a Subsidiary, within the meaning of this Mortgage, shall be the earliest date on which all the instruments above enumerated shall be in the possession of the Trustee.

As at least ninety-nine per cent. (99%) of the entire capital stock (except shares reserved to qualify Directors) of the Menominee and Marinette Light and Traction Company and all existing outstanding mortgage bonds of said Menominee and Marinette Light and Traction Company now issued and outstanding are pledged under this Mortgage contemporaneously with the execution hereof, said Menominee and Marinette Light and Traction Company shall, upon such execution hereof, become and be a Subsidiary within the meaning of that term as used in this Mortgage without the filing with the trustee of any resolution certificate or opinion.

All certificates for shares shall at the time of the delivery thereof be duly endorsed for transfer. The Trustee, from time to time, may, but shall be under no obligation to, transfer into its name as Trustee, or into the name or names of its nominee or nominees, any or all such shares of stock pledged hereunder and may cause all or any securities held by it hereunder to be registered in its name or in the names of its nominee or nominees. All bonds of a Subsidiary pledged hereunder shall have attached thereto at the date of pledge all unmatured interest coupons thereto appertaining, and, if in registered form, shall be properly endorsed for transfer or be accompanied by proper instruments of transfer.

The Trustee shall be under no obligation to accept a certificate for any shares of stock or any bonds of any Subsidiary, or to cause or permit a transfer thereof to to be made to it, if, in the opinion of the Trustee, such acceptance or transfer would involve it in, or render it liable to be subjected to, any liability or expense unless the trustee shall be indemnified to its satisfaction for so doing.

The bonds which may be pledged hereunder may be in temporary or definitive form,

may be with or without coupons, and may be unregistered or registered as to principal only or registered bonds without coupons, and may be in such denomination or denominations as the Company may elect. Any bond or bonds pledged hereunder may be withdrawn by the Company upon substituting therefor a bond or bonds of the same issue and equally secured to a like principal amount and in such denomination or denominations as the Company may elect. A substituted bond, if in coupon form, shall have attached all unmatured interest coupons thereto appertaining. Each bond and all its coupons, if any, withdrawn by the Company shall first be cancelled by the Trustee.

SECTION 3. No bonds shall be issued under the provisions of this Mortgage on account of expenditures made by a Subsidiary for permanent property, or on account of the payment or discharge of obligations of such Subsidiary or obligations secured by mortgage upon its property, unless such Subsidiary shall previously have executed and delivered a new mortgage (referred to in this Mortgage as a "demand mortgage") covering substantially all of the property then owned or thereafter to be acquired by it, provided that a Subsidiary shall not be required to make a demand mortgage, if substantially all its permanent property shall already be subject to one mortgage, and one mortgage only, constituting a First Mortgage Lien thereon and on all permanent property thereafter to be acquired, and all the bonds theretofore issued under such mortgage to the extent of at least seventy-five per centum (75%) of expenditures made or to be made by such Subsidiary for permanent property. Any such demand mortgage shall be made to such trustee and contain such provisions as may be satisfactory to the Trustee hereunder. Such demand mortgage may provide for the issuance of bonds thereunder for or on account of expenditures for permanent property thereafter acquired and for or on account of the refundment or retirement of indebtedness secured or unsecured, in each case equal in principal amount to the expenditures made or to the indebtedness refunded or retired.

The bonds issued under such demand mortgage will in this Mortgage sometimes be referred to as "demand mortgage bonds," and such bonds shall be payable on demand, shall bear interest at the rate of not less than five per centum (5%) per annum, and shall be deposited hereunder with the Trustee from time to time as issued. So long as the Company shall not be in default hereunder, to the knowledge of the Trustee, the Trustee shall not demand or be entitled to demand payment of the principal of any demand mortgage bonds except as otherwise provided in Section 15 of this Article.

Bonds at any time requested by the Company to be authenticated and delivered to it under Section 7 of Article III of this Mortgage on account of expenditures made by a Subsidiary which is not required under the provisions of this section to execute and deliver a demand mortgage shall not be authenticated and delivered unless the Company shall have previously delivered to and pledged hereunder with the Trustee a principal amount of the First Mortgage Bonds of such Subsidiary equal to or exceeding the principal amount of bonds previously authenticated under said Section 7 on account of expenditures made by such Subsidiary, plus the principal amount of the additional bonds so requested to be authenticated.

Whenever the Company shall issue any bonds under this Mortgage on account of expenditures made by any Subsidiary for permanent property or on account of the discharge of obligations of any Subsidiary, and such Subsidiary is one which is required by this section to execute and deliver a demand mortgage, the Company shall pledge with the Trustee hereunder bonds of such Subsidiary secured by its demand mortgage, or by some mortgage covering substantially all of its property senior in lien to such demand mortgage, or some of which shall be secured by such demand mortgage and the remainder by such senior mortgage, and the principal amount of the bonds so pledged shall, in the case of expenditures made for permanent property, be equal as near as may be, to the full amount of such expenditures, and shall, in the case of the discharge of obligations, be equal to the principal amount of the obligations so discharged.

Inasmuch as all of the bonds secured by any mortgage upon the property of the Menominee and Marinette Light and Traction Company are deposited under this Mortgage contemporaneously with the execution hereof, before any bonds shall be issued under the provisions of this Mortgage on account of expenditures made by the Menominee and Marinette Light and Traction Company ~~Company~~ for permanent property or on account of the payment or discharge of obligations of said Menominee and Marinette Light and Traction Company secured by mortgage upon property hereafter acquired by it said Menominee and Marinette Light and Traction Company shall execute its new first mortgage as provided in Section 1 of this Article, in lieu of any demand mortgage under the provisions of this Article.

SECTION 4. If at any time substantially all the permanent property of any Subsidiary shall be subject to one mortgage, and one mortgage only, constituting a First Mortgage Lien thereon, and all the bonds issued and outstanding under such mortgage are pledged with the Trustee hereunder, the Company may withdraw all such bonds from the lien hereof and from the possession of the Trustee upon depositing hereunder with the Trustee in substitution therefor other First Mortgage Bonds of such Subsidiary exceeding in aggregate principal amount the principal amount of the bonds withdrawn, which other bonds shall be secured by a new First Mortgage on substantially all of the property of such Subsidiary and shall constitute the entire issue of bonds under such mortgage. The mortgage securing the substituted bonds shall contain such terms and provisions as shall be approved by counsel acceptable to the Trustee, (who may be of counsel for the Company) and before the substitution the Company shall furnish to the Trustee an opinion of such counsel that the substituted bond are valid binding obligations of such Subsidiary and are secured by a mortgage which, upon the cancellation of the bonds proposed to be withdrawn and the release of the mortgage securing the same, will become and be a First Mortgage Lien upon substantially all the property of such Subsidiary. All bonds delivered to the Company under this section in substitution for new bonds pledged hereunder shall first be cancelled by the Trustee.

In case notice of any sale of the mortgaged property, whether judicial or otherwise, shall be given under the provisions of Article XII, of this Mortgage, and at the date of the first publication of such notice the aggregate principal amount of the substituted first mortgage bonds of such Subsidiary pledged hereunder with the Trustee shall exceed the aggregate principal amount of bonds issued under the provisions of Section 7 of Article III of this Mortgage on account of expenditures made by such Subsidiary, the Trustee shall, and it is hereby authorized and directed to, cancel a principal amount of such substituted first mortgage bonds equal to such excess.

SECTION 5. Unless in default hereunder, to the knowledge of the Trustee, the Company shall have the right, except as hereinafter limited, to vote any shares of stock pledged hereunder with the same force and effect as though such shares were not so pledged; and from time to time, in case said shares of stock pledged hereunder shall have been transferred into the name of the Trustee or its nominee or nominees the trustee, upon the request of the Company, evidenced by a resolution of its Board of Directors, certified by its Secretary of Assistant Secretary, shall execute and deliver, or cause to be executed and delivered, to the Company proper proxies for voting said stock. The Company shall not, however, use or vote or permit to be used or voted, any stock pledged hereunder to authorize, approve or assent to the creation of any lien on any of the property or assets, or theissue of any additional mortgage bonds or shares of stock, of any Subsidiary, unless effective provision be simultaneously made that all such additional bonds and shares of stock shall, when issued, forthwith be pledged hereunder.

The Company shall not use or vote, or permit to be used or voted, any stock pledged hereunder for any purpose contraryto its covenants herein contained or otherwise inconsistent with the provisions or purposes of this Mortgage.

SECTION 6. Unless in default hereunder, to the knowledge of the Trustee, the Company shall be entitled to receive all interest or cash dividends paid or declared in respect of any of the securities pledged hereunder, and from time to time upon request of the Company the Trustee shallforthwith deliver ot it, as they mature, the coupons for any such interest, in order that the Company may receive payment thereof for its own use, and shall deliver to the Company, if necessary, suitable orders in favor of the Company or its nominee or nominees, for the payment of such interest and/or dividends, and the Company may collect such interest and/or dividends, and the Trustee shall at once pay over to the Company any such interest and/or dividends which may have been collected or received by it; provided, however, that:

(1) The Company shall not sell, assign or transfer any coupon or right to such interest or dividends delivered or assigned ot it;

(2) It shall not collect any such coupons or interest by legal proceedings or by the enforcement of any security therefor without the prior written assent of the Trustee, nor in any manner which the Trustee shall deem prejudicial to the bonds issued hereunder;

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(3) Until actually apid or discharged, every such coupon or right to interest or dividend shall in all respects remain subject to the lien of this Mortgage;

(4) If any such coupons so delivered to the Company shall not forthwith be paid or canceled, the Company shall return the same to the Trustee, subject to the right to have the same redelivered to the Company for payment or cancellation, and in case of payment or cancellation of any such coupon or claim for interest, the Company shall, upon demand, furnish to the Trustee satisfactory evidence thereof.

The Trustee shall be entitled to assume that any interest received by it on any bond or other security, or any dividend received on any share of stock, constituting part of the pledged securities hereunder, is paid out of earnings or surplus derived from operation of the company, which is the obligor thereon, or issuer thereof, unless it is notified in writing to the contrary by any bondholder, and in the absence of any such written notification it shall conclusively be presumed, as between the Trustee and the bondholders, that the Trustee in making any payments thereof to the Company acted in good faith.

SECTION.7. The Trustee shall be entitled to receive all moneys paid on account of the principal of any bonds or other securities held in pledge by it, and all stock dividends on any shares of stock so held in pledge, and all moneys at any time payable in respect of shares of stock, bonds or other securities, constituting pledged securities hereunder, derived from any sale of the property of the corporation, which is the obligor thereon or issuer thereof, on foreclosure, or on dissolution or liquidation thereof, or upon any proceeding in condemnation, or from any other source. The shares of stock and all moneys so received shall be held by the Trustee, in trust, as additional security for the payment of principal and interest of the bonds issued under this Mortgage, and such moneys shall be disposed of by the Trustee under the provisions of Article XI hereof, except as in the next paragraph of this section otherwise provided.

The bonds of any corporation held by the Trustee, as part of the pledged securities hereunder, shall be subject to redemption through the operation of the sinking fund provisions (if any) of the mortgages or other instruments securing the same, respectively. Upon the written request of the Company, signed by its President or Vice-President, and its Treasurer or an Assistant Treasurer, accompanied by evidence satisfactory to the Trustee of the giving of notice of redemption of any bonds held by it in pledge hereunder, the Trustee shall, upon the payment to it of the redemption price thereof, deliver to the trustee of the mortgage securing the same the bonds held by the Trustee so called for redemption and described in said notice. So long as the Company shall not be in default hereunder, to the knowledge of the Trustee, any moneys received by the Trustee upon the redemption of any bonds held by it as part of the pledged securities hereunder, through the operation of a sinking fund, shall be paid over to or upon the written order of the Company, signed by its President or a Vice-President and its Treasurer or an Assistant Treasurer, upon the delivery to the Trustee of a certificate, in form satisfactory to it, executed by the trustee under the mortgage or other instrument securing such bonds, certifying that the bonds so redeemed have been redeemed only by the operation of the sinking fund provisions of the mortgage or other instrument securing the same.

SECTION 8. Unless the Company shall be in default hereunder, to the knowledge of the Trustee, the Trustee, upon the written request of the Company, shall consent to the extension or renewal of any securities which may then be held by the Trustee in pledge hereunder, and shall consent to the extension or renewal of any mortgages or liens securing such securities; but if the Company shall then be in default hereunder, the Trustee may give such consent without the request of the Company; and, in any case, the Trustee, in so far as it legally may, shall do and perform all acts and things which may be requisite and necessary to give effect to any such renewal or extension so consented to, including the delivery and exchange of pledged securities or the presentation of the same for appropriate endorsement; and the Trustee, upon the written request of the Company, may consent to the exercise by the Company of any other right, power or remedy, with respect to such securities, to which the Company may be entitled as ownerthereof, including the cancellation of any securities, or shares of the stock of a Corporation which has conveyed its property to the Company and subjected it to the lien hereof to the same extent that this Mortgage was a lien upon the securities and/or shares of stock so cancelled; provided that

the exercise of such right, power or remedy, as requested by the Company, shall not, in the opinion of the Trustee, be prejudicial to the bonds hereby secured; and the Company covenants that in exercising any such right, power or remedy, if permitted so to do by the Trustee , it will not in any way act prejudicially to the interests or rights of the Trustee or the holders of the said bonds.

SECTION 9. In case any Subsidiary shall have a demand mortgage, then whenever the entire issue of obligations secured by any mortgage superior in lien to such demand mortgage shall have been acquired by the Trustee, or whenevera portion of such obligations shall have been so acquired and payment or redemption of the remainder shall either have been made or have been provided for by the deposit of the necessary moneys with the trustee under the mortgage securing such issue, the Trustee shall, at the request of the Company, cancel and surrender to the Company all the obligations of such issue then in its possession; provided that the Company shall deliver to and pledge hereunder with the Trustee a like principal amount of the demand mortgage bonds of such Subsidiary. Upon any such cancellation and surrender of obligations the mortgage securing the same shall be released and discharged of record.

SECTION 10.The Company, during the continuance of the pledge hereunder of the stock of any Subsidiary, in so far as it legally may, by virtue of such stock ownership, shall maintain or cause to be maintained the due corporate organization of such Subsidiary, except in the case of the consolidation, merger or conveyance by such Subsidiary of all its property in the manner herein provided, and if the corporate existence of any such Subsidiary shall expire during the continuance of any such pledge, it shall take or cause to be taken all such steps as may be necessary or permitted, in so far as it legally may, to secure the extension of such corporate existence beyond the time when the principal of any bonds hereby secured becomes due according to the terms hereof, and it shall, during the continuance of any such pledge, duly and punctually pay, or cause to be duly and punctually paid, all taxes, water rates, assessments and governmental or other charges lawfully imposed upon the property, franchises, earnings, or business of any such Subsidiary; provided, however, that nothing contained in this section shall require the payment of any such tax, assessment or charge so long as the validity or enforceability thereof shall be contested in good faith.

The Company, during the continuance of the pledge hereunder of the stock of any Subsidiary, shall not permit any default to occur as to any of the securities of such Subsidiary, or in the terms, covenants or conditions of any instrument securing the same, or constituting a lien upon the property of such Subsidiary, and shall acquire and pledge hereunder or punctually pay and discharge, or cause to be punctually paid and discharged, as the same shall become due, all the lawful indebtedness of, and all claims, demands, liens or charges, including those of mechanics and laborers, on the property of any such Subsidiary, not pledged hereunder, which might impair the value of the pledged stock of such Subsidiary; provided, however, that nothing contained in this section shall require the payment of any such indebtedness, claims or demands so long as the validity or enforceability thereof shall be contested in good faith, or shall prevent the extension or renewal of any securities of a Subsidiary, under the provisions of Section 8 of this Article.

The Company shall cause every Subsidiary to insure, in reputable insurance companies, against loss or damage by fire, all of its property of a character usually insured by companies similarly situated, and to such amount as such property is usually insured for, loss, if any, to be made payable to the trustee of the mortgage upon the property of such Subsidiary as its interests may appear; and to apply the proceeds of any insurance upon any part of its property in accordance with the requirements of such mortgage or otherwise for the benefit of such Subsidiary in such manner that the security afforded by this Mortgage shall not suffer thereby. Such Subsidiary may, however, appropriate, set aside and maintain out of its earnings or surplus an insurance reserve fund to be held and applied by it to make good fire losses, and such reserve fund shall, so far as is customary in accordance with the most approved practice of other companies similarly situated, maintaining similar funds, be deemed for the purposes of this section the equivalent of policies of fire insurance.

The Company shall cause every Subsidiary at all times to maintain, preserve and keep its plants and properties in thorough repair, working order and condition and equipped with suitable equipment and appliances, and from time to time to make all needful and proper repairs, renewals and replacements thereof, and to maintain, preserve and renew all the rights, powers, privileges and franchises owned by such

Subsidiary; provided, however, that nothing herein contained shall be construed to prevent any Subsidiary from ceasing to operate any of its plants or other properties if, in the judgment of such Subsidiary, it is advisable not to operate the same for the time being, or such Subsidiary intends to sell or otherwise dispose of the same and within a reasonable time endeavors to effectuate such a sale; nor in any such event to prevent such Subsidiary from taking such action with respect to its plants or other properties as is proper and customary under the circumstances.

SECTION 11. The Company shall not permit any Subsidiary to sell, lease or otherwise dispose of its property and franchises, or any part thereof, except as provided in Article X hereof, or except in the ordinary course of business, or except to the Company, or to some other Subsidiary.

SECTION 12. The assignment or pledge hereunder of any shares of capital stock of any Subsidiary shall not prevent (a) the consolidation or merger of any such Subsidiary with or into any other Subsidiary or with or into the Company, nor (b) the sale or lease of the property and franchises of any such Subsidiary to any other Subsidiary or to the Company; provided that the relative interest and control represented by the stock and securities pledged hereunder shall not be diminished by any such merger, consolidation, sale, purchase or lease. In the event that any such consolidation, merger, lease or purchase shall take place, all shares of the capital stock and all securities issued on the completion of such transaction in exchange or substitution for shares of capital stock or securities pledged hereunder shall be deposited hereunder with the Trustee and become subject to the lien of this Mortgage as if expressly pledged hereunder, except that (a)in the event of any consolidation or merger of any Subsidiary and the Company, all shares of the capital stock of the corporation resulting from such consolidation or merger which are issued in exchange for the capital stock or other securities of the Subsidiary, or (b) in the event of the purchase of the entire property of any Subsidiary by the Company, all shares of the capital stock of the Company issued to the Subsidiary as the consideration for such purchase, shall, in either event, not be deposited with the Trustee hereunder and be subject to the lien of this Mortgage, and after any such consolidation, merger or sale all shares of capital stock of such Subsidiary pledged hereunder with the Trustee shall be surrendered by the Trustee to the Company and shall thereafter be discharged from the lien of this Mortgage. If all, or substantially all, the property of any Subsidiary shall in any manner be acquired by the Company and be subjected to the lien of this Mortgage, all securities not pledged hereunder which shall be secured by any and every mortgage upon all or any part of the property of such Subsidiary at the time of such acquisition shall thereupon become and be and shall be treated and considered as underlying bonds for or on account of which bonds may be issued under the provisions of Section 5 of Article III of this Mortgage, and all obligations of such Subsidiary previously deposited hereunder and then held by the Trustee shall be treated and considered in like manner as underlying obligations pledged hereunder, and no bonds shall be issued under this Mortgage against the obligations so previously pledged.

SECTION 13. If at any time, unless the Company shall be in default hereunder, to the knowledge of the Trustee, there shall be promulgated any plan for the reorganization of any Subsidiary or for the readjustment of the finances thereof, then, at the written request of the Company, the Trustee may, in its discretion, deposit the certificates for the shares of stock or securities of such Subsidiary, or any of them, under said plan and may become a party thereto; and in like manner, on like request, may make any exchange substitution, cancellation or surrender of securities and shares of stock required by any such reorganization or readjustment plan or for the purposes or for the accomplishment of any merger, consolidation or sale authorized by this Mortgage; and may take such action with respect to said shares of stock and securities so pledged hereunder, required by such plan of reorganization or readjustment, or for the accomplishment of such merger, consolidation or sale, as fully and to all intents and purposes as though it were the owner of said shares of stock and securities; provided, however, that the relative interest and control represented by the shares of stock and securities so deposited shall not be diminished by such readjustment, reorganization, merger or consolidation, except with relation to the rights of parties (other than the Company or any Subsidiary) who may have assisted in financing the reorganization on condition that they be given rights prior to those of the former parties in interest .

While and so long as the Company shall be in default hereunder, to the knowledge of the Trustee, the Trustee may exercise such powers by this section granted to it, in its discretion, with respect to the shares of capital stock and securities pledged hereunder and charged with the lien hereof, without any such request from the Company.

SECTION 14. The Trustee shall not consent to any sale, lease, merger, consolidation, or plan for reorganization of the kind mentioned in Sections 12 and 13 of this Article, until

(a) It shall have been advised by two persons, selected by it and paid by the Company and in the Trustee's opinion disinterested and competent, that the relative interest and control of the Trustee over the property, securities, shares of stock, or companies respectively sold, leased, merged, consolidated, or reorganized will not (except as permitted hereinafter in this section) be diminished or impaired by an such transaction or event.

(b) It shall have received an opinion of counsel(who may be of Counsel for the Company) that any such sale, lease, merger, consolidation, or reorganization proposed can be lawfully carried out in the manner proposed, and that the legal effect thereof will be to leave in the Trustee an interest and control over the property, securities, shares of stock or companies involved in such transaction at least equal to that which it had before the occurrence of such transaction, except, in the case of any such reorganization, with relation to the rights of parties (other than the Company or any Subsidiary) who may have assisted in financing the reorganization on condition that they be given rights prior to those of the former parties in interest . Before the Trustee shall accept any shares of stock or securities in exchange or substitution for shares of stock or securities held by it before the occurrence of any such transaction, it shall receive the further opinion of such counsel that he has examined all of the proceedings connected with such transaction, and that in his opinion said shares of stock or securities offered in exchange or substitution have been validly issued and that the title of the Trustee thereto upon acceptance thereof will be at least as good as its title to the shares of stock or securities which it is called upon to surrender.

The Company covenants, forthwith on the demand of the Trustee, to pay or satisfactorily provide payment for all expenses incurred by the Trustee, under any of the provisions of this section. The Trustee, in its discretion, may advance all such expenses or other moneys required, or may procure such advancement to be made by others, and for such advances made by the Trustee, at its option, it shall have a lien in priority to the bonds hereby secured on such stocks and the proceeds thereof.

SECTION 15. In case, at any time, default shall be made in respect of any of the covenants or conditions contained in any mortgage or other instrument securing or providing for the issue of any bonds or other securities which may at the time be pledged hereunder, or in case a receiver shall be appointed and be in possession of the property covered by any such mortgage or other instrument, the Trustee may, and upon the written request of the holders of twenty-five per centum (25%) in aggregate principal amount of the bonds then outstanding hereunder (other than bonds in the treasury of the Company), shall notify the trustee under the mortgage or other instrument in respect of which such default, and in case the said default shall continue for the period (if any) specified in such mortgage or other instrument, the Trustee may, and upon the written request of the holders of twenty-five (25%) in aggregate principal amount of the bonds then outstanding hereunder (other than bonds in the treasury of the Company), shall request the trustee under such mortgage or other instrument, to take such action thereunder, in pursuance of the terms thereof, as the Trustee hereunder, in its discretion, may deem advisable, in the interest of the holders of the bonds outstanding hereunder, and the Trustee may also and, upon like request of the holders of outstanding bonds, shall demand payment of the demand mortgage bonds then pledged hereunder, secured by any such mortgage in respect of which default shall have been made; provided, that no request in respect of any such mortgage or other instrument need be made by the

tion, except with relation to the rights of parties (other than the Company or any Subsidiary) who may have assisted in financing the reorganization on condition that they be given rights prior to those of the former parties in interest.

While and so long as the Company shall be in default hereunder, to the knowledge of the Trustee, the Trustee may exercise such powers by this section granted to it, in its discretion, with respect to the shares of capital stock and se-

Trustee hereunder, unless the holders of bonds outstanding hereunder shall furnish to the trustee under the mortgage or other instrument in respect of which such default shall have been made the security (if any) required to be furnished by the terms thereof; and provided, that, in case of any such default, the Trustee, in an appropriate case and subject to the terms and conditions contained in the mortgage or other instrument in respect of which such default shall have been made, may, and upon the written request of the holders of twenty-five per centum (25%) in aggregate principal amount of the bonds then outstanding hereunder (other than bonds in the treasury of the Company), shall, if the Company shall not at the time be in default hereunder, to the knowledge of the Trustee, waive any such default and its consequences, or rescind any demand for the payment of the principal of any demand mortgage bond.

The Trustee may make any demand or request or give any waiver pursuant to the provisions of this section, with like effect, for all intents and purposes, as if it were the absolute owner of the bonds or securities in respect which default shall have been made; and the Company hereby constitutes and appoints the Trustee its true and lawful attorney irrevocable, upon any default of the character described in this section, to make any such demand or request and to give any notice, consent, assent, waiver or direction pursuant to any of the terms of the mortgage or other instrument in respect of which such default shall have been made; provided, that no such demand, request, notice, consent, assent, waiver or direction need be made or given by the Trustee, except subject to the terms and conditions contained in this section.

The Trustee shall be entitled to receive any moneys which may become payable on account of the principal or any bonds or other securities pledged hereunder in respect of which default shall have been made; and any moneys so received by the Trustee shall be held by it, in trust, subject to the terms and conditions of this Mortgage, and shall be paid out, from time to time, in the manner provided in Article XI hereof, for the payment of the proceeds of sale of released property; and all the provisions of the said Article XI, so far as applicable, in the judgment of the Trustee, shall apply to the payment of moneys received by the Trustee in pursuance of the provisions of this section.

SECTION 16. The Trustee may do whatever may be necessary for the purpose of maintaining, preserving, renewing or extending the corporate existence of any Subsidiary, and for such purpose may, from time to time, sell, assign, transfer and deliver so many shares of the stock of any such Subsidiary as may be necessary to qualify persons to act as Directors thereof or in any other official relation to such Subsidiary. The Trustee may likewise, in its discretion, protect the properties of any Subsidiary by instituting or joining in judicial proceedings, by the purchase at judicial sale of the property of such Subsidiary, by joining in any reorganization of such property or of such Subsidiary, or in any other manner that the Trustee may deem expedient. Whenever the Company, while not in default hereunder, to the knowledge of the Trustee, shall in writing so request, which request shall be signed by the President or a Vice-President of the Company and its Secretary or an Assistant Secretary and shall state that the Company has no shares of stock available for that purpose under its control other than shares pledged under this Mortgage, the Trustee shall transfer or cause to be transferred to persons designated by the Company, a sufficient number of shares then held by the Trustee hereunder, to qualify such persons to act as directors or in any other official relation to any corporation whose stock is pledged hereunder; provided, that, in every such case, the Trustee shall make such arrangements as it shall deem proper or necessary for the protection of the trusts hereby created in respect of the shares of stock so transferred.

SECTION 17. Any new securities or shares of stock issued under any provision of this Article in exchange for securities or shares of stock subject to the lien hereof, shall be delivered to and held in pledge by the Trustee hereunder, except as in Section 14 of this Article otherwise provided.

ARTICLE X

POSSESSION, USE AND RELEASE OF MORTGAGED PROPERTY

SECTION 1. So long as the Company shall not be in default hereunder to the knowledge of the Trustee,

1. The Company shall be suffered and permitted by the Trustee to remain in full possession, enjoyment and control of all the properties, rights, privileges and franchises hereby mortgaged (other than cash or securities deposited or pledged hereunder) and shall be permitted to manage and operate the same, subject always to the observance of the covenants in this Mortgage with respect thereto, and to receive, receipt for, take, use, enjoy and dispose of all rents, tolls, earnings, surplus, profits, revenues and income thereof in the same manner and with the same effect as if this Mortgage had not been made;

2. The Company shall be permitted at all times and from time to time to sell or otherwise dispose of, free from the lien of this Mortgage, and without any release by the Trustee, any machinery, equipment, tools or implements upon replacing the same with new machinery, equipment, tools or implements (in such manner as to come under the lien hereof) of a value at least equal to the value of those so disposed of.

SECTION 2. The Company or any Subsidiary may sell or otherwise dispose of any of its property at any time covered directly or indirectly hereby (subject to therestrictions hereinafter in this section contained with reference to the sale of securities of a Subsidiary pledged hereunder with the Trustee), and the Trustee shall release the same from the lien hereof, and in the case of property belonging to a Subsidiary shall consent to the sale or disposal of such property by such Subsidiary, upon receipt by the Trustee of:

I. A copy of a resolution of the Board of Directors of the Company, requesting such release or consent;

2. A certificate signed by the President or a Vice President of the Company and by an engineer, approved by the Trustee, who may be an engineer of the Company, stating in substance as follows:

(a) that the retention of such property is no longer desirable in the conduct of the business of the Company (or of any such Subsidiary, in regard to its property), and that the security hereby afforded will not be impaired by such release or consent, and

(b) that the Company (or a Subsidiary where its property is concerned) has sold or exchanged, or contracted to sell or exchange, the property so to be released for a consideration representing, in the opinion of the signers, its full value to such company, which consideration may be cash, or other property, or partly cash and partly other property; such consideration to be set out in reasonable detail in such certificate;

3. Any money or other property stated in said certificate to have been received in consideration for any such release, or the certificate of the trustee under the underlying mortgage of the Company constituting a first lien upon the property released (or the certificate of the trustee of the mortgage of a Subsidiary in case its property is to be released), stating that it has received such money or other property; and if real estate or other property is included in the consideration for such release, deeds or other instruments of conveyance, assignment or transfer sufficient, in the opinion of counsel (who may be of Counsel for the Company), to subject the same to the lien of this Mortgage, subject only to current taxes and any underlying mortgage (or to subject the same to the mortgage of a Subsidiary, where its property is concerned), or an opinion of counsel (who may be of Counsel for the Company), to subject the same to the lien of this Mortgage, subject only to current taxes and any underlying mortgage (or to subject the same to the mortgage of a Subsidiary, where its property is concerned), or an opinion of counsel ((who may be of Counsel for the Company) to the effect that no instrument of conveyance, assignment or transfer is necessary to vest in the Company (or in the Subsi-

diary, where its property is concerned) the consideration received for such sale or exchange or to subject the same to the lien of this Mortgage (or the mortgage of the Subsidiary where its property is concerned in the manner stated;

4. An opinion of counsel (who may be of Counsel for the Company) to the effect that any obligations included in the consideration for such release are, in his or their opinion, valid obligations, and that any purchase money mortgage securing the same is sufficient to afford a first lien upon the property to be released, and that any deeds or other instruments of conveyance, assignment or transfer covering any property included in the consideration for such release, are sufficient to subject the same to the lien of this Mortgage (or the mortgage of a Subsidiary, where its property is concerned) with the same degree of priority which it possessed as a lien on the property to be leased.

Except as otherwise provided in Article IX of this Mortgage, no part of the capital stock or other securities of any Subsidiary pledged hereunder shall be released from the lien of this Mortgage unless the entire capital stock and all other securities of such Subsidiary pledged hereunder are simultaneously released. The Trustee shall not consent to any such release until it shall have received a written opinion of two persons, selected by it and paid by the Company and in the Trustee's opinion disinterested and competent, that the release of the securities of such Subsidiary from the lien hereof will not diminish or impair the security of the bonds issued hereunder, and also a certificate of an engineer or firm of engineers to be selected by the Trustee stating that the consideration to be received by the Company and pledged hereunder in substitution for such securities of such Subsidiary will not be less than the value of the securities to be released.

The resolutions, certificates, instruments and opinions hereinbefore provided for, shall be full warrant and authority to the Trustee for making any such release; but before making any such release the Trustee may, in its discretion, and shall, if requested in writing so to do by the holders of not less than ten per cent in amount of the outstanding bonds, and furnished with security and indemnity satisfactory to it, cause to be made such independent investigation as it may see fit, and, in that event, may decline to take action unless satisfied by such investigation of the truth and accuracy of the matters so investigated. The expense of any such investigation shall be paid by the Company, or if paid by the Trustee, shall be repaid by the Company upon demand, with interest after demand at the rate of six per cent per annum.

Any new property acquired by the Company by exchange or purchase, to take the place of any property released hereunder, shall forthwith and without further conveyance become subject to the lien of and be covered by this Mortgage; but if requested by the Trustee the Company shall convey the same to the Trustee by proper deeds upon the trusts and for the purposes of this Mortgage.

SECTION 3. If any property of the Company is taken by condemnation proceedings, the Trustee may accept any award made therein, if approved by the Company as representing its full value, and, if requested by the Company by resolution of its Board of Directors, if such award is accepted by the Trustee, it shall execute and deliver a release of the property so taken upon receipt by it of the consideration therefor, unless some other disposition thereof is required under some underlying mortgage. In any such proceedings the Trustee may be represented by counsel, who may be of counsel to the Company.

SECTION 4. No purchaser in good faith of property purporting to be released hereunder shall be bound to ascertain the authority of the Trustee to execute the release, or to inquire as to any facts required by the provisions hereof for the exercise of such authority; nor shall any purchaser of machinery or equipment be under obligation to ascertain or inquire into the occurrence of the event on which any any such sale is hereby authorized.

SECTION 5. In case the mortgaged property shall be in the possession of a receiver, the powers hereinbefore conferred upon the Company with respect to the sale or other disposition of property covered hereby may be exercised by such receiver; and if the Trustee shall be in possession of the mortgaged property under any provision of this Mortgage, then such powers may be exercised by the Trustee in its discretion.

"See page 302"

ARTICLE XI

APPLICATION OF MONEY RECEIVED BY THE TRUSTEE

All obligations received by the Trustee under the provisions of Article X of this Mortgage shall be collected and held by the Trustee in trust hereunder for the equal benefit of the holders and owners of the bonds issued hereunder, and such obligations, and all moneys collected thereon, shall be applied as hereinafter in this Article directed; but the Trustee shall be under no liability or accountability whatsoever for the collection thereof (interest as received thereon meanwhile to be paid over to the Company, not being then in default hereunder).

All moneys received by the Trustee as principal of such obligations or as proceeds of released property or of property taken by the power of eminent domain or as insurance money and all other moneys received by the Trustee, which under any other provision of this Mortgage are required to be paid out and disposed of under the provisions of this Article, shall be paid over from time time by the Trustee to the Company upon the order of the President, a Vice-President or the Treasurer of the Company to reimburse the Company for cash expended by it at any time after October 1, 1922, and whether prior or subsequent to the receipt of such money by the Trustee, (1) for permanent property of the Company such as might have been made the basis of an application for additional bonds under any of the provisions of this Mortgage, but no reimbursement shall be made in respect of any such permanent property to an amount in excess of one hundred per cent (100%) of the actual expenditures for such permanent property, or (2) for the replacement of property destroyed by fire (to the extent that insurance moneys arising from such loss are in the hands of the Trustee).

Such payments shall be made by the Trustee only upon receipt by it of:

(A) A copy of a resolution of the Board of Directors of the Company stating the expenditures made by the Company after October 1, 1922, for the permanent property (or replacement of property destroyed by fire) described in the certificate next hereinafter mentioned and requesting reimbursement of such expenditures.

(B) A certificate signed by the President or a Vice-President of the Company stating:

(a) that the Company after October 1, 1922, has acquired certain permanent property (describing the same with reasonable detail), or has made certain replacements of property destroyed by fire (describing the same with reasonable detail), and that such property (including any of such replacements) was not encumbered by any mortgage lien at the time of its acquisition by the Company and is subject to the lien of this Mortgage;

(b) that the Company has actually expended for such property the amount specified in the resolution last above mentioned as the cash cost thereof; and said certificate shall further distinctly specify whether any of such expenditures, and if so what portion, were expended to replace property destroyed by fire;

(c) that no part of such cash cost has been previously used as a basis for the issuance of any bonds or the withdrawal of any Deposited Cash under this Mortgage or to compensate excess of the nature described in sub-paragraph (F) of Section 5 of Article III hereof;

(d) that the Company is not, to the knowledge of the officer signing the certificate, in default in any of the terms, covenants or conditions of this Mortgage.

The resolution and certificate hereinbefore in this Article provided for, shall be full warrant and authority to the Trustee for the payment of any moneys as requested therein; but before making any such payment the Trustee may, in its discretion, cause to be made such independent investigation as it may see fit, and may decline to take action unless satisfied by such investigation of the truth and accuracy of the matters so investigated. The expense of any such investigation shall be paid by the Company, or, if paid by the Trustee, shall be repaid by the Company upon demand, with interest after demand at the rate of six per cent per annum.

Any such moneys in the hands of the Trustee, and not theretofore paid over or requested to be paid over to reimburse the Company, as aforesaid, shall on the

"See page 304"

election and in accordance with the request of the Company evidenced by a copy of a resolution certified to have been duly adopted by its Board of Directors, be applied by the Trustee to the purchase of bonds issued and outstanding hereunder at not exceeding their redemption price or to the redemption of bonds under and in accordance with the provisions of Article VII of this Mortgage.

ARTICLE XII
REMEDIES IN CASE OF DEFAULT

SECTION I. In case default shall be made in the payment of interest on any bond issued hereunder, and any such default shall continue for a period of sixty days; or in case default shall be made in the payment of the principal of any such bond when due; or in case default shall be made in the due observance or performance of any other covenant or condition herein required to be kept or performed by the Company, and any such last mentioned default shall continue for a period of sixty days after written notice thereof shall have been given to the Company by the Trustee, which may, in its discretion, give such notice, and shall do so upon the written request of the holders of twenty-five per cent in aggregate principal amount of the bonds then outstanding; then, and in each and every such case, the Trustee, either personally or by its agents or attorneys, may forthwith enter into and upon all or any part of the mortgaged properties, and may exclude the Company, its agents and servants, wholly therefrom and may use, operate, manage and control the same, and con duct the business thereof, either personally or by its superintendents, managers, receivers, agents, servants or attorneys, for the benefit of the holders and owners of the bonds issued hereunder, to the fullest extent authorized by law. Upon every such entry, the Trustee may, from time to time, at the expense of the mortgaged properties and of the Company, maintain, restore and insure, or keep insured, the tools, machinery, equipment, plants or other properties, buildings and structures of which it shall become possessed, as aforesaid; and likewise may, from time to time, at the expense of the mortgaged properties and of the Company, make all necessary or proper repairs, renewals, replacements, alterations, additions, betterments and improvements thereto and thereon, as to the Trustee may seem judicious. The Trustee, in case of such entry, shall have the right to manage the mortgaged properties and to carry on the business and to exercise all the rights, privileges and franchises of the Company, either in the name of the Company or otherwise, as the Trustee shall deem best. In such case the Trustee shall be entitled to collect and receive all tolls, dividends, earnings, incomes, rents, issues and profits of the mortgaged properties and of every part thereof. After deducting the expenses of operating the properties, and of conducting the business thereof, and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements, and all payments which may be made for taxes, assessments, insurance and other proper charges upon the properties, or any part thereof, as well as just and reasonable compensation for its own services and for the services of all counsel, agents and employes by it properly engaged and employed, the Trustee shall apply the moneys arising as aforesaid, subject to the provisions of Section 3 of Article IV hereof, as follows:

FIRST: In case the pRincipal of the bonds shall not have become due, to the payment of the interest in default thereon in the order of the maturity of the installments of such interest, with interest thereon at the rates specified in the respective bonds, such payments to be made ratably to the persons entitled thereto without any discrimination or preference, except as to the difference (if any) in the respective rates of interest; or

SECOND: In case the principal of the bonds shall have become due, by declaration or otherwise, to the payment of the accrued interest thereon (with interest on the overdue installments thereof at the rates specified in the respective bonds) in the order of the maturity of the installments, and, if any surplus remains, toward the payment of the principal of the bonds then due; such payments in every instance to be made ratably to the persons entitled thereto, without any discrimination or preference, except to the difference (if any) in the respective rates of interest.

Upon the payment in full, as above provided, of whatever sum or sums may be due for principal or interest, or both, or payable for other purposes, the mortgaged properties shall be returned to the Company, its successor or assigns, as though no default had occurred.

SECTION 2. If the Company shall make default in any of the respects specified in Section 1 of this Article, and such default shall continue for the period, if any, therein specified, then in each and every such case the Trustee shall cancel all assignments or orders for the payment of dividends or interest, and all proxies with respect to any of the pledged stock theretofore delivered by it to the Company, and the Trustee shall thereupon be entitled to receive and collect, for the benefit of the holders and owners of the bonds, all dividends that may thereafter be declared on any shares of stock pledged hereunder and all sums which may thereafter become due and payable as interest upon any bonds or other securities pledged hereunder or which may thereafter accrue upon any moneys deposited with the Trustee hereunder, and shall itself vote all shares of stock then pledged hereunder in such manner and for such purposes as it may in its discretion deem advisable. The Trustee, subject to the provisions of Section 3 of Article IV hereof, shall apply any and all moneys so received or collected by it in the same manner as hereinbefore provided in Section 1 of this Article for the Application of moneys arising from the operation of the mortgaged property.

Upon payment in full, as above provided, of any sum or sums which may have been due for principal or interest, or both, or payable for other purposes and upon the fulfillment and performance of all other obligations of the Company in respect of which it was in default under this Mortgage, the Company shall thereafter be entitled to receive the income from all stocks, bonds or other securities pledged hereunder, and to vote the pledged stock (unless such stock, bonds or other securities shall have been sold as in this Article provided) in the same manner and to the same extent as though no default had occurred.

SECTION 3. In case the Company shall make default in any of the respects specified in Section 1 of this Article, and at any time during the continuance of such default there shall be any existing judgment against it unsatisfied and unsecured by bond on appeal, or in case, in any judicial proceeding by any party other than the Trustee, a receiver shall be appointed for the Company, or a judgment or order entered for the sequestration of its properties, or any part thereof, orin case the Company shall file a voluntary petition in bankruptcy or shall make an assignment for the benefit of creditors, or upon filing a bill in equity, or upon other commencement of judicial proceedings by the Trustee to enforce any right under this Mortgage, the Trustee shall be entitled forthwith to exercise the right of entry herein conferred, without awaiting the prescribed period, if any, and also any all other rights, powers and remedies herein conferred and provided to be exercised by the Trustee upon the occurrence and continuation of a default as hereinbefore provided; and, as a matter of right, the Trustee shall thereupon be entitled to the appointment of a receiver of all the mortgaged properties and of the earnings, income, rents, issues and profits thereof, with such powers as the Court making such appointment may confer.

SECTION 4. In case the Company shall make default in any of the respects specified in Section I of this Article, and such default shall continue for the period, if any, therein specified, the Trustee may and, upon the written request of the holders of twenty-five per cent in aggregate principal amount of all the bonds then outstanding, regardless of series or maturity, shall, by notice in writing mailed or delivered to the Company, declare the principal of all the bonds then outstanding to be due and payable immediately; and upon any such declaration the same shall become and be immediately due and payable, anything in this Mortgage or in the said bonds contained to the contrary notwithstanding. This provision is, however, subject to the condition that if, at any time after the principal of the said bonds shall have been declared due and payable, and prior to the date of maturity thereof stated in the said bonds, all arrears of interest upon such bonds (with interest on overdue installments of interest at the rates specified in the respective bonds) and all expenses and charges of the Trustee be paid by the Company, or be collected out of the mortgaged properties before any sale thereof shall have been made, and every default in the observance or performance of any covenant or condition in the bonds or in this Mortgage contained shall have been made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in each and every case, the holders of a majority in aggregate principal amount of the bonds then outstanding, by written notice to the Company and to the

Trustee, may waive such default and its consequences, and obtain from the Trustee rescission of such declaration of the maturity of the principal of such bonds, as, except for such declaration, would nothave been or become do due and payable; but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 5. In case the Company shall make default in any of the respects specified in Section I of this Article, and such default shall continue for the period, if any, therein specified, then, and in each and every such case, the Trustee shall in its discretion, be forthwith entitled, with or without entry, either personally or by its agents or attorneys, to sell all and singular the mortgaged and pledged properties, including all shares of stock and all bonds or other securities then pledged hereunder, in the manner provided in Section 7 of this Article, or, in its discretion, the Trustee may forthwith proceed to protect and enforce its rights and the rights of the holders of the bonds under this Mortgage by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the foreclosure of this Mortgage, either for interest or for principal, or for both, or for the enforcement of any other appropriate legal or equitable remedy, as the Trustee, shall deem most effectual in support of any of its rights or duties hereunder.

SECTION 6. In case the Company shall make default in any of the respects specified in Section I of this Article, and such default shall continue for the period, if any, therein specified, then, in each and every such case, upon the written request of the holders of twenty-five per cent in aggregate principal amount of all the bonds then outstanding, and upon being indemnified as hereinafter provided, the Trustee shall take all steps needful for the protection and enforcement of its rights and the rights of the holders of the bonds, and shall exercise the powers of entry or sale herein conferred, or both, or take such appropriate judicial proceedings by action, suit or otnerwise, as the Trustee shall deem most expedient in the interest of the holders of the bonds.

SECTION 7. In the event of any sale under or by virtue of the power of sale herein contained, or by virtue of judicial proceedings, or of any judgment or decree of foreclosure and sale hereunder, the whole of the mortgaged properties shall be sold in one parcel, as an entirety, unless such sale as an entirety be impracticable by reason of some statute or other cause, or unless the holders of a majority in aggregate principal amount of all the bonds then outstanding shall in writing request the Trustee to cause the said properties or any part thereof to be sold in parcels; in which case, so far as lawfully may be, the sale shallbb made in such parcels as may be specified in such request.

Notice of any such sale shall state the time and place when and where the same is to be made, and shall contain a brief description of the properties to be sold, and shall be published once in each week for four consecutive weeks prior to such sale in one newspaper published in each of the counties in which such properties shall be located respectively, and in one daily newspaper published in the City of Milwaukee, State of Wisconsin, and in one daily newspaper published in the City of Chicago, State of Illinois, and also in one daily newspaper published in the Borough of Manhattan, City and State of New York; and such other notice shall also be given as may be required to comply with any statute or rule or order of court. The Trustee may adjorn any such sale, or cause the same to be adjorned, from time to time, by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, without further notice or publication, such sale may be made at the time and place to which the same shall be so adjourned, unless otherwise provided by law, In case or any sale of the mortgaged properties or any part thereof, the whole of the principal of the bonds, if not previously due, shall become immediately due and payable, anything in the bonds or in this Mortgage contained to the contrary notwithstanding.

Upon the completion of any sale or sales the Trustee shall execute and deliver to the accepted purchaser or purchasers a good and sufficient deed or deeds of conveyance, sale and transfer of the property sold, or shall execute and deliver, in conjunction with the deed or deeds of the court officer conducting such sale, a proper conveyance of such property. The Trustee, its successors and assigns, are hereby appointed the true and lawful attorney or attorneys irrevocable of the Company, in its name and stead, to make, execute and deliver all necessary deeds or acts of conveyance, sale assignment and transfer of such properties, and to substitute one or more persons or corporations with like powers, the Company hereby ratifying and confirming all that its said attorney, attorneys or such substitutes, shall lawfully do or cause to be done by virtue hereof, Nevertheless, the Company shall, if so requested by the Trustee, ratify andconfirm such sale, by executing and delivering to the trustee, or to such purchaser or purchasers, all such proper assignments, deeds conveyances and releases as may be designated in such request. Any such sale made under or by virtue of this mortgage, either under the power of sale hereby granted and conferred, or under the power of sale hereby granted and conferred, or under or by virute of judicial proceedings, shall divest all right, title, interest, estate, claim and demand whatsoever, either at law or in equity, of the Company in, of or to the properties sold and every part thereof, and shall be a perpetual bar, both at law or in equity, against the Company, its successors and assigns, and against any and all persons claiming or to claim the properties sold, or any part thereof, from, through or under the Company, its successors, or assgins, reppectively,

SECTION 8. In case of any sale of the mortgaged properties, whether under the power of ~~sale~~ sale hereby granted, or pursuant to judicial proceedings, the purchase money, proceeds or avails, together with any other sums which may then be held by or payable to the trustee under any of the provisions of this Mortgage as part of the security hereunder, shall be applied, subject to the provisions of Section 3 of of Article IV hereof, as follows:

First: To the payment of the costs, expenses, fees, and other charges of such sale, and a reasonable compensation to the Trustee, its agents and attorneys and to the payment of all expenses and liabilities incurred and advanced, or disbursements made, by the Trustee, and to the payment of all taxes, assessments or liens prior to the lien of this Mortgage, except any taxes, assessments or other superior liens subject to which such sale shall have been made;

Second: To the payment of the whole amount then due and unpaid either for principal or interest, or for both principal and interest, upon the bonds, with interest on the overdue installments of interest at the rates specified in the respective bonds; and, in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid, then to the payment of such principal and interest ratably, according to the aggregate of such principal and the accrued and unpaid interest, without preference or priority of any one series over any other series of bonds, or of principal over interest, or of interest over principal, or of of any installment of interest over any other installment of interest, except as to the difference (if any) in the respective rates of such interest; and

Third: To the payment of the remainder, if any, to the Company, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

SECTION 9. In case of any sale of the mortgaged properties, or of any part thereof, the purchaser, for the purpose of making settlement or payment for the property purchased, shall be entitled to apply towards the payment of the purchase price, and to be credited therewith, any bonds and any matured and unpaid interest coupons or claims for interest to the amount to which such bonds and interest coupons or claims for interest would be entitled upon a distribution among the holders of the bonds of the net proceeds of such sale, after making the deductions allowable under the terms hereof for the costs and expenses of the sale, or otherwise; but such bonds and interest coupons or claims for interest so applied in payment by the purchaser shall be deemed to be paid only to the extent so applied. At any such sale, the Trustee or any holder of any bond may bid for and purchase such property, and may make payment therefor, as aforesaid, and, upon compliance with the terms of sale, may hold, retain and dispose of such property, and may make payment therefor, as aforesaid, and, upon compliance with the terms of sale, may hold, retain and dispose of such property without further accountability. the receipt of the Trustee, or of the court officer conducting such sale, shall be a sufficient discharge for the purchase money to any purchaser of the properties or any part thereof sold as aforesaid; and no such purchaser, or his representatives, grantees or assigns, after paying such money and receiving such receipt, shall be bound to see to the application of such purchase money upon or for any trust or purpose of this Mortgage, or be answerable in any manner whatsoever for any loss, misapplication or nonapplication of any such purchase money, or any part thereof.

SECTION 10. The Company will not at any time insist upon or plead, or in any manner whatever claim or take the benefit or advantage of, any stay or estension law

now or at any time hereafter in force in any locality where the mortgaged properties or any part thereof may be situated; and it will not claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisement of the mortgaged properties or any part thereof prior to any sale or sales thereof made pursuant to any provision herein contained or the decree of a court of competent jurisdiction; and it will not, after any such sale or sales, claim or exercise any right under any law heretofore or hereafter enacted to redeem the property so sold or any part thereof. The Company hereby expressly waives all benefit and advantage of any such law or laws; and it covenants that it will not in any way hinder, delay or impede the execution of any power herein granted to the Trustee but it will suffer and permit the execution of every such power as if no such law or laws had been enacted.

SECTION 11. In case default shall be made in the payment of interest on any bond, and any such default shall continue for a period of sixty days; or in case default shall be made in the payment of the principal of any bond when the same shall become payable, whether at the maturity of the said bonds or pursuant to notice of redemption or by declaration, as authorized by this Mortgage, or by a sale of the mortgaged properties as hereinbefore provided, or otherwise, then, upon demand of the Trustee, the Company will pay to the Trustee, for the benefit of the holders of the bonds and interest coupons or claims of interest hereby secured then outstanding, a sum equal to the principal of all such bonds then due and payable, and the whole amount then due and payable for interest on such bonds, with interest upon the overdue principal and installments of interest at the rates specified in the respective bonds; and, in case the Company shall fail to pay the same forthwith upon such demand, the Trustee, in its own name, and as trustee of an express trust, shall be entitled to recover judgment against the Company for such amount. The Trustee shall be entitled to recover judgment, as aforesaid, either before or after or during the pendency of any proceedings for the enforcement of the lien of this Mortgage upon the mortgaged properties, and its right to recover such judgment shall not be affected by any entry or sale hereunder, or by the exercise of any powers conferred by any of the provisions of this Mortgage, or by the foreclosure of the lien hereof; and, in case of a sale of such properties, and of the application of the proceeds of sale to the payment of the mortgage debt, the Trustee, in its own name and as trustee of an express trust, shall be entitled to receive and to enforce payment of any and all deficiencies or amounts then remaining unpaid upon or on account of any or all of the bonds then outstanding, for the benefit of the respective holders thereof, and shall be entitled to recover judgment for any portion of the mortgage debt remaining unpaid, with interest. No recovery of any judgment by the Trustee and no levy of any execution under any such judgment upon property subject to the lien of the lien of this Mortgage, or upon any other property, shall in any manner or to any extent affect or impair the lien of the Trustee upon the mortgaged properties or any part thereof, or any rights, powers or remedies of the Trustee or of the holders of the bonds hereby secured; but such lien, rights, powers and remedies shall continue unaffected and unimpaired as before. Any moneys collected by the trustee under this Section 11 shall be applied by the Trustee, subject to the provisions of Section 3 of Article IV hereof, first, to the payment of the costs and expenses of the proceedings resulting in the collection of such moneys, and, second, to the payment of the amounts then due and unpaid upon such bonds and interest coupons or claims for interest, respectively, without any preference or priority of any kind, but ratably according to the amounts due and payable upon such bonds and interest coupons or claims for interest, respectively, at the date fixed by the Trustee for the distribution of such moneys.

SECTION 12. Anything in this Mortgage contained to the contrary notwithstanding the holders of a majority in aggregate principal amount of the bonds outstanding hereunder, from time to time, shall have the right, by an instrument in writing, executed and delivered to the Trustee, to direct the method of conducting any and all proceedings under this Article, for any sale of the mortgaged properties or for the foreclosure of this Mortgage or for the appointment of a receiver, or for any other purpose, and the Trustee shall not be responsible to anyone for any action taken or omitted by it pursuant to any such directions; provided, that such direction shall not be inconsistent with the terms of this Mortgage.

SECTION 13. Except as herein expressly provided to the contrary, no remedy herein conferred upon or reserved to the Trustee or to the holders of the bonds is

intended to be exclusive of any other remedy, but every remedy herein provided shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, or by statute; and every power and remedy given by this Mortgage to the Trustee or to holders of the bonds may be exercised from time to time, and as often as may be deemed expedient. No delay or omission by the Trustee, or by any holder of any bond to exercise any right or power arising from any default shall impair any such right or power, or shall be construed to be a waiver of any default or an acquiescence therein. In case the Trustee shall have proceeded to enforce any right under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned because of waiver, or for any other reason, or shall have been determined adversely, then, and in each and every such case, the Company and the Trustee shall severally and respectively be restored to their former positions and rights hereunder in respect of the mortgaged properties, and all rights, remedies and powers of the Trustee shall continue as though no such proceedings had been taken.

SECTION 14. No holder of any bond shall have the right to institute any suit, action or proceeding at law or in equity upon, or in respect of, this Mortgage, or for the execution of any trust or power hereof, or for any other remedy under or upon this Mortgage, unless such holder shall previously have given to the Trustee written notice of an existing default; nor unless, also, such holder or holders shall have tendered to the Trustee security and indemnity satisfactory to it against all costs, expenses and liabilities which might be incurred in or by reason of such action, suit or proceeding; nor unless, also, the holders of at least twenty-five per cent in aggregate principal amount of all the bonds then outstanding shall have requested the Trustee in writing to take action in respect of such default and the trustee shall have declined to take such action or shall have failed so to do within thirty days thereafter; it being understood and intended that no holder of any bond or interest coupon shall have any right in any manner whatever to affect, disturb or prejudice the lien of this Mortgage by his action, or to enforce any right hereunder, except in the manner herein provided, and that all proceedings hereunder shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of outstanding bonds.

ARTICLE XIII

EVIDENCE OF RIGHTS OF BONDHOLDERS

Any request or other instrument, which this Mortgage may require or permit to be signed and executed by the bond holders, may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such bondholders in person or by attorney appointed in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent, or of the holding by any person of the bonds or coupons appertaining thereto, shall be suffidient for any purpose of this Mortgage if made in the following manner:

(a) The fact and date of the execution by any person of such request or other instrument or writing may be proved by the certificate under his official seal of any notary public or other officer in any jurisdiction, who by the laws thereof has power to take acknowledgments of deeds to be recorded within such jurisdiction, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution;

(b) The amount of bonds transferable by delivery held by any person executing such request or other instrument as a bond holder, and the series and serial numbers thereof held by such person, and the date of his holding the same, may be proven by a certificate executed by any trust company, bank, bankers or other depositary wheresoever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with such depositary, the bonds described in such certificate. The Trustee may nevertheless in its discretion require further proof in cases where it deems further proof desirable. The ownership of registered bonds and of coupon bonds which shall at the time be registered as to principal shall be proved by the registry books as hereinbefore provided.

The Trustee shall not be bound to recognize any person as a bondholder unless and until his title to the bonds held by him is proved in the manner in this Article provided.

ARTICLE XIV

Release and Discharge of Mortgage.

Whenever the Company shall pay, or cause to be paid, the principal and interest due upon all the bonds hereby secured and then outstanding, or shall provide for full payment thereof by depositing with the Trustee hereunder, for the discharge of such bonds and coupons, the entire amount due and to become due thereon for principal and interest, and shall pay the Trustee in full for all services rendered by it hereunder, and all lawful claims accruing to it by virtue of this instrument, and shall well and truly keep and perform all of the things herein required to be kept and performed by it, according to the true intent and meaning of this Mortgage, then and in that event, these presents and the trust hereby created shall cease and terminate, and the premises and properties hereby conveyed shall revert to the Company and the estate, rights, title and interest of the Trustee shall thereupon cease, terminate and become void, except as to the moneys deposited for payment of principal and interest due or to become due on said bonds and coupons, which shall be held by the Trustee as a special trust fund for the account of the holders of such bonds and coupons, and shall be applied by said Trustee to the payment of such bonds and coupons upon the presentation and surrender thereof. Any such deposit shall discharge the liability of the Company on the bonds and coupons for payment of which such deposit shall be made, and thereafter such bonds and coupons shall not be entitled to any of the benefits of this Mortgage, and in case of full payment or said bonds and coupons and the discharge of all other obligations on the part of the Company, as herein provided, or in case of the deposit of a sufficient sum of money for the payment of said bonds and coupons, and the discharge of all other obligation on the part of the Company, as herein provided, the Trustee in either case shall execute and deliver to the Company, on demand, at the cost and expense of the Company, all proper instruments that may be necessary to evidence the satisfaction of this Mortgage and secure its release and discharge.

Further, whenever the Company shall present to the Trustee for cancellation all bonds (with all coupons thereunto appertaining) secured hereby, which have been authenticated by the Trustee and delivered to the Company, and have not previously been paid or redeemed, or otherwise retired and cancelled, and shall request the Trustee upon cancellation of such bonds and coupons to release and satisfy this Mortgage, and shall pay the Trustee in full for all services rendered by it hereunder and all lawful claims accruing to it by virtue of this instrument, then, and in that event, the Trustee shall execute and deliver to the Company all proper instruments that may be necessary to evidence the satisfaction of this Mortgage and secure its release and discharge.

ARTICLE XV

Immunity of Officers, Stockholders and Directors

No recourse under or upon any obligation, covenant or agreement contained in this Mortgage, or in any bond or coupon hereby secured, or under any judgment obtained against the Company, or by the enforcement of any assessment or penalty, or by any legal or equitable proceeding by virtue of any constitution or statute or rule or law or otherwise, or under any circumstances, under or independent of this Mortgage shall be had against any incorporator, stockholder, officer or director, past, present or future, of the Company, or of any successor corporation, either directly or through the Company, or otherwise, for the payment for or to the Company or any receiver thereof, or for or to the holder of any bond or coupon issued or secured hereunder or otherwise, of any sum that may ~~remain~~ due and unpaid upon the bonds and coupons hereby secured or any of them, is hereby expressly waived and released as a condition of and consideration for the execution of this Mortgage and the issue of such bonds and coupons.

upon any such bond or coupon and any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such incorporator stockholder officer or director for all payment for or to the Company or any receiver thereof or for or to the holder of any bond or coupon issued or secured hereunder or otherwise of any sum that may remain due and unpaid

ARTICLE XVI.

Consolidations, Mergers and Sales.

SECTION 1. Nothing in this Mortgage contained shall prevent any lawful consolidation or merger of the Company with or into any other corporation, or any conveyance or transfer, subject to this Mortgage, of all, or substantially all, the mortgaged property, as an entirety, to any corporation lawfully entitled to acquire and operate the same; provided, however, and the Company covenants and agrees, that such consolidation, merger, conveyance, or transfer shall be upon such terms as in no respect to impair the lien of this Mortgage, or any of the rights or powers of the Trustee or the bondholders hereunder; and that, upon any such consolidation, merger, conveyance or transfer, the due and punctual payment of the principal and interest of all of said bonds according to their tenor, and the due and punctual performance and observance of all the terms, covenants and conditions of this Mortgage to be kept or performed by the Company, shall be assumed in writing by the corporation formed by such consolidation or into which such merger shall have been made, or acquiring all, or substantially all, the property subject to this Mortgage as an entirety, as aforesaid.

SECTION 2. In case the Company shall be consolidated with or merged into any other corporation, or shall convey or transfer, subject to the lien of this Mortgage, all, or substantially all, the mortgaged property, as an entirety, the corporation resulting from such consolidation, or into which the Company shall have been merged, or which shall have received a conveyance or transfer, as aforesaid, (such corporation being hereinafter called the successor corporation) may thereafter issue bonds under this Mortgage, provided it shall first execute and deliver to the Trustee an indenture satisfactory to the Trustee, whereby the successor corporation shall assume and agree to pay the principal and interest of the bonds issued and/or to be issued hereunder and secured hereby in accordance with the provisions of said bonds and coupons and this Mortgage, and shall agree to perform and fulfill all the terms covenants and conditions of this Mortgage binding upon the Company. Upon the execution and delivery of such instrument the successor corporation shall succeed to and be substituted for the Company under this Mortgage, with the same effect as if it had been named herein as the Mortgager Company, and may thereafter issue bonds hereunder to the extent and for the purposes herein provided, but subject to all the terms, conditions and restrictions in this Mortgage prescribed. All the bonds so issued shall in all respects have the same legal rank and security as the bonds, theretofore issued in accordance with the terms of this Mortgage as though all of said bonds had been issued at the date of the execution hereof. Upon the execution and delivery by such successor corporation of the instrument in this section above mentioned, all permanent property owned by it immediately after it became such successor corporation (including the permanent property received from the Company), shall, within the meaning of the provisions of Article III of this Mortgage, be deemed to be permanent property acquired by such successor corporation at the date upon which it became such successor corporation for or on account of the expenditures for or value of which bonds may be issued hereunder.

The Trustee may receive the certificate of any counsel (who may be of counsel to the Company) appointed by the Board of Directors of the Company and approved by the Trustee, as conclusive evidence that such instrument complies with the foregoing conditions and provisions of this section.

SECTION 3. Every such successor corporation shall possess, subject to the terms and conditions of this Mortgage, and may, from time to time, exercise each and every right and power of the Company, in its name or otherwise; and any act, proceeding, resolution, or certificate by any of the terms of this Mortgage required or provided to be done, taken or performed, or made or executed, by any board or officer of the ~~it/~~ Company shall and may be done, taken and performed, or made and executed with like force and effect, by the corresponding board or officer of any such successor corporation.

SECTION 4. At any time prior to the exercise of any power by this Article reserved to the Company or a purchasing or successor corporation, the Company may surrender any power so reserved to the Company ~~it~~ or to such purchasing or successor corporation, provided that by so doing the lien of this Mortgage is in no wise affected, by delivering to the trustee an instrument in writing executed by its President or a Vice-President under its corporate seal attested by its Secretary or Assistant Secretary accompanied by the affidavit of its Secretary or Assistant Secretary that the execution of such instrument was authorized by the vote of two-thirds of the entire Board of Directors of the Company given at a meeting duly called and held, and thereupon the power so surrendered shall cease.

ARTICLE XVII

Concerning the Trustee

The Trustee accepts the trusts hereunder and agrees to perform the same upon the terms and conditions hereof, including the following;

SECTION 1. The Trustee shall not be required to take notice of any default hereunder unless specifically notified in writing of such default by the holders of not less than five per cent in amount of the bonds then outstanding hereunder, and, until so notified, the Trustee may assum that no default has happened. The Trustee shall not be under any obligation to take any action in respect of any default or otherwise, nor towards the execution or enforcement of any of the trusts hereby created, nor to institute, appear in or defend any suit or other proceeding in connection therewith, nor to make or advance any payments of money, unless requested in writing so to do by the holders of not less than twenty-five per cent in amount of the bonds then outstanding, and if in its opinion such action may tend to involve it in expense or liability, unless furnished from time to time as it may require with security and indemnity satisfactory to it; but this provision shall not affect any discretionary power herein given to the Trustee. For acting upon or in accordance with any notice, request, consent, certificate, bond, coupon or other document or paper believed by it to be genuine and to have been signed or presented by the proper person, or duly authorized or properly made, the Trustee shall not be liable to anybody. The Trustee may, however, in its discretion, require the production of any bond or bonds or other and further proof of the ownership thereof. Any request, consent or vote of the owner of any bond shall bind all future owners of the same instrument in respect of anything done or suffered by the Trustee in pursuance thereof.

The recitals and statements herein and in said bonds and coupons contained shall not be considered as made by or as imposing any obligation or liability upon the Trustee. The Trustee makes no representation as to the validity of this mortgage, or of any bonds or coupons issued hereunder, nor as to the security hereby afforded, nor as to the title of the Company to the property hereby mortgaged. The Trustee shall be under no obligation to see to the recording, registration, filing or refiling of this Mortgage or any instrument of further assurance, or to the giving of any notice thereof, or to see to the delivery to it of personal property intended to be mortgaged or pledged hereunder, or generally to see that any of the properity intended now or hereafter to be conveyed in trust hereunder is subject to the lien hereof. The Trustee shall not be accountable for the use of any bond delivered hereunder or the application of the proceeds of the same.

The Trustee shall be under no duty in respect to any tax which may be assessed against it or against the owners of bonds hereunder in respect to the property hereby conveyedn nor in respect to any other prior liens, nor to see to the insurance of any part of the property hereby conveyed, nor in respect to any other prior liens, nor to see to the insurance of any part of the property hereby mortgaged or pledged. The Trustee may select and employ hereunder suitable agents and attorneys, and for their acts and neglects, if selected with reasonable care, it shall be in no wise responsible. The Trustee shall not be liable for any error of judgment or the exercise of its discretion hereunder; but the Trustee, may, in its discretion, advise with legal counsel to be selected and employed by it at the expense of the Company and of the trust estate, and shall be fully protected in any action under this Mortgage taken by it in good faith in accordance with the opinion of such counsel. Finally, and generally, the Trustee, save for its own willful default or gross negligence, shall not be personally liable to anybody. Whenever a discretion is, by the terms of this Mortgage vested in the Trustee, the same may be exercised, so long as the Trustee is a corporation, by any one of its principal officers, or by an agent appointed for that purpose.

The Company agrees, from time to time, on demand, to pay to the Trustee reasonable compensation for its services, to reimburse the Trustee for all its expenditures, and to indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder; and for such indemnification, reimbursement and compensation a first lien is hereby imposed by the Company in favor of the Trustee upon the trust estate.

Whenever, in the administration of the trusts of this Mortgage, the Trustee

shall deem it necessary or desirable that any matter be proved or established prior to the Trustee taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by the President or a Vice-President and the Treasurer or Assistant Treasurer of the Company and delivered to the Trustee, and such certificate shall be full warrant to the Trustee for any action taken or suffered by it under the provisions of this Mortgage on the faith thereof; but in its discretion the Trustee may require such further or additional evidenceas to it may seem reasonable.

The Trustee shall allow and credit upon any moneys, which it amy at any time receive or hold under any of the provisions of this Mortgage, interest at such rates as may be agreed upon. The Trustee may buy, sell or deal in the bonds and coupons secured hereby as freely as if it were not Trustee hereunder, and no trust relationship shall arise hereunder as to any such bonds or coupons which may be owned by the Trustee.

SECTION 2. Any Trustee hereunder may resign and be discharged from the trusts created by this Mortgage by giving to the Company notice in writing, and to the bondholders notice by publication of such resignation, specifying a date when such resignation shall take effect, which notice shall be published at least once a week for four successive weeks prior to the date so specified, in one daily newspaper published in the City of Milwaukee, State of Wisconsin, in one daily newspaper published in the City of New York, State of New York, and in one daily newspaper published in the City of Chicago, State of Illinois. Such resignation shall take effect on the date specified in such notice, unless previously a successor trustee shall have been appointed by the Company or the bondholders, as hereinafter provided, in which event such resignation shall take effect immediately on the appointment of such successor trustee.

The Trustee may be removed at any time by an instrument in writing, appointing it successor, filed with the Trustee and executed by the holders of a majority in amount of bonds hereby secured and then outstanding.

SECTION 3. In case at any time the Trustee shall resign or shall be removed or otherwise shall become incapable of acting, a successor may be appointed by the holders of a majority in amount of the said bonds then outstanding, by an instrument in writing filed with the Trustee and executed by such bondholders; but until a new Trustee shall be appointed by the bondholders as herein authorized, the Company, by an instrument executed by order of its Board of Directors, shall appoint a trustee to fill such vacancy. After any such appointment by the Company, it shall cause notice of such appointment to be published once a week for two successive weeks, in one daily newspaper, of general circulation, published in the City of Milwaukee, in one daily newspaper of general circulation published in the City of New York and in one daily newspaper published in the City of Chicago, but any new Trustee so appointed by the Company shall immediately and without further act be superseded by a trustee appointed in the manner above provided by the holders of a majority in amount of said bonds, whenever such appointment by said bondholders shall be made.

Any Trustee appointed under any of the provisions of this Article shall always be a national banking association, bank or trust company doing business in the City of Milwaukee, Wisconsin, if there shall be such a banking association, bank or trust company willing and able to accept the trusts upon reasonable or customary terms.

If in a proper case no appointment of a successor trustee shall be made pursuant to the foregoing provisions of this Article within six months after either the resignation of the Trustee or any successor shall have taken effect, or the Trustee or any successor shall have become incapable of acting, the holder of any bond hereby secured or the retiring Trustee may apply to any court of competent jurisdiction in the State of Wisconsin to appoint a successor trustee. Said court may thereupon after such notice, if any, as such court may deem proper and prescribe, appoint a successor trustee.

Every successor trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor last in office, and also to the Company, and instrument accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall come vested with all the estates, properties, rights, powers, trusts, duties, and obligations of its predecessor in trust hereunder, with like effect as if originally named as such trustee herein, but the Trustee ceasing to act shall, upon payment to it of all sums due it hereunder, nevertheless,execute and deliver an instrument transferring to such successor trustee, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of the Trustee so ceasing to act and shall duly assign, transfer and deliver all properties and moneys held by such

Trustee to the successor trustee. In every case of the appointment of a successor trustee hereunder, the instrument transferring to the successor trustee all the estates, properties, rights, powers and trusts of the retiring trustee, together with the aforesaid written acceptance of such appointment hereunder by said successor trustee, shall, so far as subsequent purchasers or lienors are concerned, import absolute verity as to the fact and regularity of the appointment and qualifications of such successor trustee to act as such hereunder. It shall be the duty of the Company to cause to be recorded, in the same manner as this Mortgage shall have been recorded, each resignation, removal, appointment of a trustee, acceptance of a trusteeship and transfer of trustee's interest hereunder. Should any deed, conveyance or instrument in writing from the Company be required for more fully vesting in and confirming to such successor trustee such estate, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall upon request be made, executed, acknowledged and delivered by it.

SECTION 4. Any trust company into which the Trustee, or any successor to it in the trust created by this Mortgage, may be merged, or with which it or any successor to it may be consolidated, or any company resulting from any merger or consolidation to which the Trustee, or any successor to it shall be a party, shall be the successor trustee under this Mortgage without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE XVIII.

Miscellaneous provisions

Whenever in this Mortgage either of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all the covenants, promises and agreements in this Mortgage contained by or on behalf of the Company, or by or on behalf of the Trustee, shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

Except where the context otherwise requires, the word "Trustee" as used in this Mortgage shall be held and construed to mean the trustee for the time being under this Mortgage, whether original or successor, and the words "bond," "coupons," "registerdd bond," "coupon bond," "bondholder" and "holder" to include both the plural as well as the singular number, and the word "majority" to mean the majority amount.

Nothing in this Mortgage, expressed or implied, is intended or shall be construed to confer upon or give to any person or corporation, other than the parties hereto and the holders of the bonds and of coupons, any right, remedy or claim under or by reason of this Mortgage, or any covenant, condition or stipulation hereof, and all the covenants, stipulations, promises, agreements and conditions in this Mortgage contained, by or on behalf of the Company, shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, and of the holders of the bonds and of coupons.

The descriptive headings of the various articles of this Mortgage were formulated, used and inserted in this Mortgage for convenience only and shall not be deemed to affect the meaning or construction of any of theprovisions hereof.

This Mortgage may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

IN WITNESS WHEREOF SAID WISCONSIN PUBLIC SERVICE CORPORATION has caused this this instrument to be executed in its corporate name by its President, or one of its Vice Presidents, and its corporate seal to be hereto affixed, and attested by its Secretary or an Assistant Secretary, and said First Wisconsin Trust Company has caused this instrument to be executed in its corporate name by its President, or a Vice-President, and its corporate seal to be hereto affixed, and attested by its Secretary or an Assistant Secretary, all as of the day and year first above written

WISCONSIN PUBLIC SERVICE CORPORATION,

By Clement C. Smith

President

Attest:

Howard Greene

Secretary

Seal

FIRST WISCONSIN TRUST COMPANY,

By Charles M. Morris

Vice President.

Seal

Attest:

Hugo H. Hering

Asst. Secretary

Witnesses as to all signatures:
James B. Blake
Waldo F. Tobey

STATE OF WISCONSIN,)
MILWAUKEE COUNTY .)) SS.

Personally came before me this 19th day of October, A. D. 1922, Clement C. Smith to me known to be the President, and Howard Greene, to me known to be the Secretary of the above named WISCONSIN PUBLIC SERVICE CORPORATION, the corporation described in and which executed the foregoing instrument, and to me known to be the persons who as such officers executed the foregoing instrument in the name and behalf of said corporation, and acknowledged the same, and acknowledged that the seal affixed to said instrument is the corporate seal of said corporation, and that they signed, sealed and delivered said instrument in the name and behalf of said corporation by authority of its Board of Directors and Stockholders, and said Clement C. Smith and Howard Greene, then and there acknowledged said instrument to be the free act and deed of said corporation by each of them voluntarily executed.

Given under my hand and notarial seal this 19th day of October, A. D. 1922.

C. A. Ewing
Notary Public,
Milwaukee County, Wisconsin.

SEAL

My commission expires July 27th 1923.

Documentary Revenue Stamps amounting to $2747.75 have been affixed to one of the Counterpart originals of this Mortgage and have been duly cancelled.

MILWAUKEE COUNTY.)
) SS.
State of Wisconsin)

Personally came before me this 19th day of October A. D./922, Charles M. Morris, to me known to be the Vice President, and Hugo H. Hering to me known to be the Asst. Secretary of the above named FIRST WISCONSIN TRUST COMPANY, the corporation described in and which executed the foregoing instrument, and to me known to be the persons who as such officers executed the foregoing instrument in the name and behalf of said corporation, and acknowledged the same, and acknowledged that the seal affixed to said instrument is the corporate seal of said corporation, and that they signed, sealed and delivered said instrument in the name and behalf of said corporation by authority of its Board of Directors, and said Charles M. Morris and Hugo H. Hering then and there acknowledged said instrument to be the free act and deed of said corporation by each of them voluntarily executed.

Given under my hand and notarial seal this 19th day of October, A. D. 1922.

Margaret Vogelsang
Notary Public
Milwaukee County, Wisconsin

SEAL

My commission expires Sept. 19, 1926

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 22nd day of Oct A. D. 1922 at 10 o'clock A. M and recorded in Vol. 21 of R.R. Mortgages, etc on page 247-316.
Elmer S Ball
Secretary of State.

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BILL OF SALE
FROM THE
AMERICAN FOUNDRY COMPANY, to the
UNION REGRIGERATOR TRANSIT COMPANY

AGREEMENT made this 25th day of October, 1922, between AMERICAN CAR AND FOUNDRY COMPANY, a corporation of the State of New Jersey, (hereinafter called "Vendor") and UNION REFRIGERATOR TRANSIT COMPANY OF WISCONSIN, a corporation of the State of Wisconsin, (hereinafter called "Vendee");

By agreement in writing heretofore made (hereby referred to with the same effect as if here set forth at length) dated July 15, 1915, and recorded September 13, 1915, in the office of the Secretary of State of Wisconsin in Vol. 17 of R.R.M. & T.D. on page 591-597, Vendor agreed to construct for and sell to Vendee, and Vendee agreed to purchase from Vendor and to pay it therefor upon the terms and conditions in said agreement stated, certain railroad EQUIpment and rolling stock, to wit:

Five Hundred (500) 80,000# capacity Steel Underframe Refrigerator Cars, lettered "Union Refrigerator Transit Co." and numbered Forty Thousand (40000) to Forty Thousand Two Hundred Ninety-nine (40299); One Thousand Three Hundred (1300) to One Thousand Four Hundred Ninety-nine(1499), inclusive.

Vendee has paid to Vendor the full purchase price of said railroad equipment and rolling stock specified in said agreement of July 15, 1915.

THEREFORE, in consideration of the premises and of One Dollar to it paid by Vendee, receipt whereof is hereby acknowledged, said American Car and Foundry Company does hereby sell, assign, transfer and set over unto Union Refrigerator Transit Company of wisconsin all its (American Car and Foundry Company's) right, title and interest in and to the said railroad equipment and rolling stock described in the above recited agreement of July 15, 1915, to have and to hold the same unto said Union Refrigerator Transit Company of Wisconsin, its successors and assigns forever.

IN WITNESS WHEREOF, American Car and Foundry Company has caused these presents to be signed by its Asst. to President and its corporate seal to be hereunto affixed the day and year first above written.

(Corporate seal)

AMERICAN CAR AND FOUNDRY COMPANY,
By WM. M. HAGER,
Asst. to President.

Witness:
HORACE HAGER
B. VANDER BENGLE

Attest:
O. HARVEY
Asst. Secretary.

STATE OF NEW YORK,)
COUNTY OF NEW YORK.) ss.:

On this 25th day of October, 1922, before me personally came Wm. M. Hager, to me known, who, being by me duly sworn, did depose and say that he resides in State of New Jersey,; that he is the Ass't to President of the corporation American Car and Foundry Company, the corporation described in and which executed the foregoing instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order

of the Board of Directors of said corporation, and that he signed his name thereto by like order.

HARRY H. LIPP

Notary Public, Kings County
Kings Co. Clerk's No. 195, Register's No. 3020
New York Co. Clerk's No. 25, Register's No. 3012
Commission Expires March 30, 1928.

(Notarial seal)

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 26th day of Dec. A D 1922 at 10 o'clock A. M. and recorded in Vol. 21 of Railroad Mtgs on page 317-318
Edmer S. Hall
Assistant Secretary of State.

Indexed

THE MILWAUKEE ELECTRIC RAILWAY AND LIGHT COMPANY
EQUIPMENT TRUST OF 1920.

BILL OF SALE.

WHEREAS, The Milwaukee Electric Railway and Light Company, pursuant to the provisions of that certain Agreement bearing date the 1st day of October, 1920, between Wisconsin General Railway, party of the first part, Fidelity Trust Company, party of the second part, and The Milwaukee Electric Railway and Light Company, party of the third part, filed in the office of the Secretary of State of the State of Wisconsin on November 6, 1920, has heretofore deposited moneys for the the redemption on April 1, 1923, of all The Milwaukee Electric Railway and Light Company Equipment Trust of 1920 Ten-Year 8% Sinking Fund Equipment Trust Gold Certificates, issued under said Agreement, and then outstanding,

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the undersigned Fidelity Trust Company, a corporation of the Commonwealth of Pennsylvania, as Trustee under said Agreement, in consideration of the additional sum of One Dollar ($1.00) to it in hand paid by said The Milwaukee Electric Railway and Light Company, the receipt whereof is hereby acknowledged, hereby pursuant to the provisions of that certain Lease and Agreement bearing date the 1st day of October, 1920, between Wisconsin General Railway, party of the first part, and said The Milwaukee Electric Railway and Light Company, party of the second part, filed in the office of the Secretary of State of the State of Wisconsin on November 6, 1920, and pursuant to the provisions of said Agreement bearing date the 1st day of October, 1920, between Wisconsin General Railway, Fidelity Trust Company and said The Milwaukee Electric Railway and Light Company, sells, assigns, transfers, conveys, and sets over unto said The Milwaukee Electric Railway and Light Company, as its absolute property, all the railroad equipment and/or rolling stock described in said Lease and agreement dated October 1, 1920, to-wit:

40 Standard double end, Birney Safety Street Cars, for City use, length 28 feet and ½ inch, numbered 60 to 99, both inclusive;

99 Double end, City and Suburban Street Railway Cars, length 45 feet, numbered 801 to 899, both inclusive;

TOGETHER with all the equipment and appurtenances thereto appertaining.

IN WITNESS WHEREOF, said Fidelity Trust Company, as Trustee, has caused these presents to be signed in its name by its President or Vice-President thereunto duly authorized, and sealed with its corporate seal, attested by its Secretary or Assistant Secretary, this seventh day of October, 1922.

(Corporate seal)

FIDELITY TRUST COMPANY, as Trustee,
By J. C. Neff
Vice-President.

Attest:
H. W. Woodward
Assistant Secretary.

Signed, Sealed and Delivered
in the presence of:
G. H. Zacherle
John H. Wood

STATE OF PENNSYLVANIA)
COUNTY OF PHILADELPHIA) ss.:

On this 29th day of December, 1922, before me personally appeared J. C. Neff and H. W. Woodward to me personally known, who, being by me severally duly affirmed,

did say that J. C. Neff is Vice-President, and H. W. Woodward is an Assistant Secretary of Fidelity Trust Company, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said J. C. Neff and H. W. Woodward severally acknowledged said instrument to be the free act and deed of said corporation.

I am not a stockholder, Director or officer of said Trust Company

Notarial SEAL

G. H. ZACHERLE
Notary Public
Commission Expires at end of next Session of Senate.

Form No. 26

IN THE COURTS OF COMMON PLEAS OF PHILADELPHIA COUNTY

STATE OF PENNSYLVANIA)
County of Philadelphia) ss.

I, WILLIAM M. BUNN, Prothonotary of the Courts of Common Pleas of said County which are Courts of Record having a common seal, being the officer authorized by the laws of the State of Pennsylvania to make the following Certificate, do by my Second Deputy, Benton S. Bunn, authorized by Act of Assembly of May 24, 1917, Certify, That G. H. Zacherle Esquire before whom the annexed affidavit was made, was at the time of so doing a NOTARY PUBLIC for the Commonwealth of Pennsylvania, residing in the County of Philadelphia, duly commissioned and qualified to administer oaths and affirmations and to take acknowledgments and proofs of Deeds or Conveyances for lands, tenements and hereditaments to be recorded in said State of Pennsylvania, and to all whose acts, as such, full faith and credit are and ought to be given, as well in Courts of Judicature as elsewhere; and that I am well acquainted with the handwriting of the said NOTARY PUBLIC and verily believe his signature thereto is genuine, and that said oath or affirmation purports to be taken in all respects as required by the laws of the State of Pennsylvania.

The impression of the seal of the Notary Public is not required by law to be filed in this office.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Court, this 30th day of December in the year of our Lord one thousand nine hundred and twenty-two.

SEAL

WILLIAM M. BUNN, Prothonotary.

By BENTON L. BUNN
Second Deputy Prothonotary.
Durante Absentia, Secundum Legem.

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 19th day of Jan. A. D. 1923 at 2 o'clock P. M. and recorded in Vol. 21 of Railroad Mtgs on page 319-320
Lancelot A. Gordon
Assistant Secretary of State.

Indexed

INDENTURE OF
CHICAGO NORTH SHORE AND MILWAUKEE RAILROAD
TO
AKSEL K. BODHOLDT

Appointment of Trustee.

INDENTURE, dated the 4th day of December, 1922, by and between CHICAGO NORTH SHORE AND MILWAUKEE RAILROAD, a corporation duly organized and existing under the laws of the State of Illinois (hereinafter sometimes referred to as the "Company"), party of the first part, and AKSEL K. BODHOLDT, party of the second part.

WHEREAS, at a meeting of the Board of Directors of the CHICAGO NORTH SHORE AND MILWAUKEE RAILROAD, held on the 17th day of November, 1922, the following resolution was adopted:

WHEREAS, William T. Abbott, Individual Trustee under the Company's General Mortgage, dated August 1, 1916 (recorded in Cook County, Illinois, Book 14117, at page 192; in Lake County, Illinois, Book 179 of Mortgages at page 271; in Kenosha County, Wisconsin, Volume 62, No. 2; in Milwaukee County, Wisconsin, Vol. 799, at pages 368 to 409; in Racine County, Wisconsin, Volume 98 of Mortgages, No. 11; Department of State of Wisconsin Book 17 of Railroads, at page 6224) died on May 29, 1922;

NOW, THEREFORE, BE IT RESOLVED, that pursuant to the provisions of Section 2, Article X of said General Mortgage, the officers of the Company be and they are hereby authorized, empowered and directed to execute and deliver an instrument appointing Aksel K. Bodholdt, Individual Trustee under said General Mortgage, as successor in trust to the said William T. Abbott, and that the officers of the Company are further authorized, empowered and directed to do any and all things necessary or proper in their judgment to effect the appointment of said Aksel K. Bodholdt as Individual Trustee under said General Mortgage.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

1. That pursuant to the foregoing resolution and to the provisions of Article X of said General Mortgage, the Company hereby appoints Aksel K. Bodholdt, Individual Trustee under the said General Mortgage as successor in trust to the said William T. Abbott, which said appointment shall continue until the holders of a majority in amount of the outstanding bonds secured by said General Mortgage shall, in the manner provided in said Article X, appoint a new Individual Trustee to act thereunder.

2. That said Aksel K. Bodholdt hereby acknowledges and declares his acceptance of said appointment as Trustee (as successor in trust to William T. Abbott) under said General Mortgage, and hereby accepts the trust and assumes the duties imposed by the terms of said General Mortgage and agrees to perform the same, subject to and upon the terms and conditions set forth in said General Mortgage, and to evidence such acceptance, does hereby execute, acknowledge and deliver this instrument.

IN WITNESS WHEREOF, the Company has caused this instRument to be signed in its corporate name by its President, to be sealed with its corporate seal, countersigned by its Secretary and to be witnessed by two witnesses, and the said Aksel K. Bodholdt has signed and sealed this instrument as of the 4th day of December, 1922.

(Corporate seal)

CHICAGO NORTH SHORE AND MILWAUKEE RAILROAD,
By Britton I. Budd
President.

COUNTERSIGNED:
William Griffin
Secretary.

Executed by CHICAGO NORTH SHORE AND
MILWAUKEE RAILROAD in the presence of:
F. M. O'Donnell
Winifred Joan Connors
Witnesses

AKSEL K. BODHOLDT (Seal)

Executed by Aksel K. Bodholdt
in the presence of:
A. C. Jeppe
L. B. Druska
Witnesses

STATE OF ILLINOIS)
COUNTY OF COOK.) ss.

I, HELEN F. CURRY, a Notary Public in and for said County in the State aforesaid, do hereby certify that Britton I. Budd, President of the CHICAGO NORTH SHORE AND MILWAUKEE RAILROAD, an Illinois corporation, and William V. Griffin, Secretary of said corporation, who are both personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary, respectively, of said corporation, appeared before me this day in person and severally acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act as such President and Secretary, respectively, of said corporation, and the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 4th day of December, 1922.

HELEN F. CURRY
Notary Public.

(Notarial Seal)

My commission expires May 20, 1923.

STATE OF ILLINOIS)
COUNTY OF COOK) ss.

I, Robert P. McArdle, a Notary Public in and for said County and State aforesaid, do hereby certify that AKSEL K. BODHOLDT, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 23rd day of January, 1923.

ROBERT P. McARDLE
Notary Public

(Notarial Seal)

My commission expires Nov. 4, 1925.

State of Wisconsin
DEPARTMENT OF STATE
Received this 2nd day of
Feb. A. D. 1923 at 12
o'clock A. M. and recorded in Vol.
23 of Railroad Mtgs
on page 321-322
Lancelot A. Gordon
Assistant Secretary of State.

Interest

MORTGAGE
EASTERN WISCONSIN ELECTRIC COMPANY
TO
CONTINENTAL AND COMMERCIAL TRUST AND
SAVINGS BANK
AND
WILLIAM P. KOPF,
TRUSTEES

Dated December 1, 1922

THIS INDENTURE, dated the first day of December, 1922, but actually executed this 19th day of January, 1923, made and entered into by and between EASTERN WISCONSIN ELECTRIC COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter commonly referred to as the "Company"), and CONTINENTAL AND COMMERCIAL TRUST AND SAVINGS BANK, a corporation organized and existing under the laws of the State of Illinois, (hereinafter commonly referred to as the "Co-Trustee," the Trustee and Co-Trustee being hereinafter commonly referred to as the "Trustees",

Trustee and Co-Trustee being hereinafter commonly referred to as the "Co-Trustee") the Trustee and Co-Trustee being hereinafter

WITNESSETH:

WHEREAS, the Company owns and possesses the property hereinafter described together with certain franchises, permits, rights and privileges, and has legal authority to make and execute this mortgage upon all such property, franchises, permits, rights and privileges, and to issue its bonds as herein provided; and

WHEREAS, the Company desires to provide funds for its corporate purposes and to that end has duly determined to issue its bonds (hereinafter sometimes referred to as the "bonds") to be secured by this indenture of mortgage or deed of trust (hereinafter referred to as the "Mortgage") on the properties of the Company as hereinafter provided; said bonds to be issued from time to time in one or more series, commencing with Series A, without limitation as to the aggregate principal amount of bonds of all series that may be authenticated, issued and outstanding hereunder (but subject to the restrictions and provisions contained in this mortgage with respect thereto); the bonds of each series to be in coupon form with interest coupons attached (hereinafter referred to as coupon bonds), and also, at the option of the Company, in fully registered form without coupons (hereinafter referred to as registered bonds), to bear such date, to be payable on such date or, in case of serial maturities on such dates, and at such place or places, to bear interest at such rate payable at such time or times and at such place or places, to bear such designation or title herein provided for, and to contain such provisions with respect to tax exemptions, tax reimbursements, redemption, sinking fund, conversion into stock or other securities of the Company, limitations as to aggregate principal amount of bonds of such series issuable, and/or other characteristics not in conflict with the terms of this Mortgage as the Board of Directors shall determine with respect to each successive series prior to the authentication of any bonds thereof; and

WHEREAS, each of the coupon bonds of Series A to be issued hereunder is to be substantially in the following form, to-with

(Form of Series A Coupon Bond)

UNITED STATES OF AMERICA
State of Wisconsin
EASTERN WISCONSIN ELECTRIC COMPANY
First Lien and Refunding Mortgage Gold Bond
Series A

No..... $.....

Eastern Wisconsin Electric Company, a Wisconsin corporation (hereinafter called the Company), for value received, hereby promises to pay to the bearer, or if this bond be registered as to principal, then to the registered holder hereof, the sum of .....Dollars on the first day of December, 1942, and to pay interest on said sum from the date hereof until the same shall be paid at the rate of six per centum per annum, payable half yearly on the first day of June and December in each year. Until the maturity of this bond, such interest shall be paid only in accordance with and upon presentation and surrender of the annexed coupons as they severally become due. Both principal and interest of this bond shall be payable in gold coin of the United States of America of or equal to the standard of weight and fineness on December 1, 1922, at the office of the Continental and Commercial Trust Company and Savings Bank in the City of Chicago, State of Illinois, or, at the option of the holder, at the office of First National Bank of New York in the Borough of

Manhattan, City and State of New York, and so far as may be lawful, the interest shall be paid without deduction for any tax or taxes upon the income of the holder hereof (except such portion of any income tax with respect to income derived from such interest as shall be in excess of two per centum) which the Company or the Trustee hereinafter mentioned, or anyone acting in behalf of them, or either of them, may be required or permitted to pay on or to deduct from such interest under or by reason of the present or any future income tax law of the United States. The Company will refund and repay to the owner of this bond, if a resident of the State of Pennsylvania or of the State of Connecticut, the amount of any lawful tax thereon paid by him in and for any year to the State of his residence, not exceeding 4/10th of one per centum of the principal hereof, and the Company will refund and repay to the owner of this bond if a resident of the State of Massachusetts the amount of any lawful income tax upon the interest hereof paid by him in and for any year to the State of Mass not exceeding 6 per centum of such interest, provided such owner shall present to the Company, within sixty days after the payment of any such tax, evidence satisfactory to the Company showing payment of such tax.

This bond is one of the First Lien and Refunding Mortgage Gold Bonds of the Company, all issued and to be issued from time to time under and in accordance with and, irrespective of the time of issue, equally secured by an indenture of mortgage or deed of trust (hereinafter called the Mortgage) dated December 1, 1922, given by the Company to Continental and Commercial Trust and Savings Bank and William P. Kopf, as Trustees, to which Mortgage reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the holders of said bonds and of the Trustees in respect of such security, and the terms and conditions under which said bonds are issued and held. By the terms of the Mortgage the bonds to be secured thereby are issuable in series which may vary as to date, amount, date of maturity, rate of interest, and in other respects as in the Mortgage provided.

At the option of the Company and upon the notice and in the manner and with the effect provided in the Mortgage, any or all of the bonds of Series A may be redeemed by the Company on any date subsequent to November 30, 1932, by the payment of the principal and accrued interest to the date of redemption and a premium upon the principal as follows: if redeemed on or before November 30, 1937, a premium of five per centum and if redeemed thereafter but on or before November 30, 1941, a premium of two and one-half per centum less one-half of one per centum for each year or fraction thereof elapsed after November 30, 1938. If redeemed subsequent to November 30, 1941, no premium shall be required.

In case of certain events of default specified in the Mortgage, the principal of this bond may be declared or may become due and payable in the manner and with the effect provided in the Mortgage.

No recourse shall be had for the payment of the principal or interest of this bond, or for any claim based hereon, or otherwise in respect hereof or of the Mortgage, to or against any incorporator, stockholder, officer or director, past, present or future, of the Company, either directly or through the Company, under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, stockholders, directors and officers being waived and released by the holder hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

This bond shall pass by delivery unless registered as to principal in the holder's name at the office of the Trustee in the City of Chicago, on registry books to be kept for the purpose at such place, such registration being noted hereon as provided in the Mortgage. After such registration no further transfer of this bond shall be valid unless made on said books by the registered holder in person or by attorney duly authorized, and similarly noted hereon; but this bond may be discharged from registry by being in like manner transferred to bearer, whereupon transferability by delivery shall be restored; and this bond may again and from time to time be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the attached coupons which shall always be transferable by delivery and be payable to bearer.

Coupon bonds and registered bonds without coupons of this series are interchangeable in the manner and upon the conditions prescribed in the Mortgage.

This bond shall not be valid or become obligatory for any purpose unless and until it shall have been authenticated by the execution by the Trustee or its successor under the Mortgage of the certificate endorsed hereon.

IN WITNESS WHEREOF, the Eastern Wisconsin Electric Company has caused this

bond to be executed in its name by its President or one of its Vice-Presidents, and its corporate seal to be hereto affixed and attested by its Secretary or one of its Assistant Secretaries, and has caused the coupons hereto annexed to be authenticated by a facsimile signature of its Treasurer this first day of December, 1922.

EASTERN WISCONSIN ELECTRIC COMPANY,

By.....
President

Attest:

.....
Secretary

AND WHEREAS, at the time of the issue thereof there are to be attached to each of the coupon bonds of Series A hereby secured interest coupons representing the future installments of interest from time to time to become due thereon, and each coupon is to be substantially in the following form, to-wit:

(Form of Coupon)

No..... $.....

On the .....day of....., 19....,unless the bond herein mentioned shall have been called for previous redemption, Eastern Wisconsin Electric Company will pay to bearer at the office of Continental and Commercial Trust and Savings Bank, Chicago, Illinois, or, at the option of the holder hereof, at First National Bank of New York, in the Borough of Manhattan, City and State of New York,.....Dollars in gold coin of the United States of America, being six months' interest then due on its First Lien and Refunding Mortgage Gold Bond, Series A, No.....

.....
Treasurer

AND WHEREAS, each of the registered bonds without coupons of Series A to be issued hereunder is to be substantially in the following form, to-wit:

(Form of Series A registered bond without coupons)

UNITED STATES OF AMERICA

State of Wisconsin

EASTERN WISCONSIN ELECTRIC COMPANY

First Lien and Refunding Mortgage Gold Bond

No..... Series A Dollars.....

Eastern Wisconsin Electric Company, a Wisconsin corporation (hereinafter called the Company), for value received, hereby promises to pay to..... or registered assigns, the sum of.....Dollars on the first day of December, 1942, and to pay to the registered holder interest on said sum from the date hereof until the same shall be paid, at the rate of six per centum per annum, payable half yearly on the first day of June and December in each year. Both principal and interest of this bond shall be payable in gold coin of the United States of America, of or equal to the standard of weight and fineness on December 1, 1922, at the office of the Continental and Commercial Trust and Savings Bank in the City of Chicago, State of Illinois, or, at the option of the registered holder, at the office of First National Bank of New York in the Borough of Manhattan, City and State of New York, and, so far as may be lawful, the interest shall be paid without deduction for any tax or taxes upon the income of the holder hereof (except such portion of any income tax with respect to income derived from such interest as shall be in excess of two per centum) which the Company or the Trustee hereinafter mentioned, or anyone acting in behalf of them, or either of them, may be required or permitted to pay on or to deduct from such interest under or by reason of the present or any future income tax law of the United States. The Company will refund and repay to the owner of this bond, if a resident of the State of Pennsylvania or of the State of Connecticut, the amount of any lawful tax thereon paid by him in and for any year to the State of his residence, not exceeding 4/10th of one per centum of the principal hereof, and the Company will refund and repay to the owner of this bond if a resident of the State of Massachusetts, the amount of any lawful income tax upon the interest hereof paid by him in and for any year to the State of Massachusetts, not exceeding six per centum of such interest; provided such owner shall present to the Company, within sixty days after the payment of any such tax, evidence satisfactory to the Company showing payment of such tax.

This bond is one of the First Lien and Refunding Mortgage Gold Bonds of the Company, all issued and to be issued from time to time under and in accordance with and, irrespective of the time of issue, equally secured by an indenture of mortgage or deed of trust (hereinafter called the Mortgage) dated December 1, 1922, given by the

C

Company to Continental and Commercial Trust and Savings Bank and William P. Kopf, as Trustees, to which Mortgage reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the holders of said bonds and of the Trustees in respect of such security and the terms and conditions under which said bonds are issued and held. By the terms of the Mortgage the bonds to be secured thereby are issuable in

series, which may vary as to date, amount, date of maturity, rate of interest, and in other respects as in the Mortgage provided.

At the option of the Company and upon the notice and in the manner and with the effect provided in the Mortgage, any or all of the bonds of Series A may be redeemed by the Company on any date subsequent to November 30, 1932, by the payment of the principal and accrued interest to the date of redemption and a premium upon the principal as follows: if redeemed on or before November 30, 1937, a premium of five per centum and if redeemed thereafter, but on or before November 30, 1941, a premium of two and one-half per centum less one-half of one per centum for each year or fraction thereof elapsed after November 30, 1938 if redeemed subsequent to Nov 30 1941, no premium shall be required.

In case of certain events of default specified in the Mortgage, the principal of this bond may be declared or may become due and payable in the manner and with the effect provided in the Mortgage.

No recourse shall be had for the payment of the principal or interest of this bond, or for any claim based hereon, or otherwise, in respect hereof or of the Mortgage, to or against any incorporator, stockholder, officer or director, past, present, or future, of the Company, either directly or through the Company under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, stockholders, directors and officers being waived and released by the holder hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

This bond is transferable by the registered holder hereof, in person or by attorney duly authorized, at the office of the Trustee in the City of Chicago, Illinois, upon surrender and cancellation of this bond, and upon any such transfer a new registered bond without coupons, of the same series and for the same aggregate principal amount will be issued to transferee in exchange herefor.

Coupon bonds and registered bonds without coupons of this series are interchangeable in the manner and upon the conditions prescribed in the Mortgage.

This bond shall not be valid or become obligatory for any purpose unless and until it shall have been authenticated by the execution by the Trustee or its successor under the Mortgage of the certificate endorsed hereon.

IN WITNESS WHEREOF, the Eastern Wisconsin Electric Company has caused this bond to be executed in its name by its President or one of its Vice-Presidents, and its corporate seal to be hereto affixed and attested by its Secretary or one of its Assistant Secretaries, this.....day of....., 19.....

EASTERN WISCONSIN ELECTRIC COMPANY

By.....

.....President

Attest:

....

.....Secretary

AND WHEREAS, on each of the coupon bonds and on each of the registered bonds without coupons of each and every series issued under and secured by this mortgage (whether in temporary or definitive form) there is to be endorsed a certificate of the Trustee in the following form, to-wit:

(Form of Trustee's Certificate)

This bond is one of the bonds of the series designated therein described in the within mentioned mortgage.

.....

Trustee

By.....

AND WHEREAS, the bonds of each series other than Series A, and the interest coupons to be attached to the coupon bonds of each such series, are to be substantially in the forms above set forth, respectively, with such modifications

last q

thereof and additions thereto or eliminations therefrom, authorized or permitted by this mortgage as to any particular series, as in the opinion of the Trustee and of the Board of Directors of the Company at the time may be necessary or proper by reason of the terms under which the bonds of any such series are issued;

AND WHEREAS, all things necessary to make the bonds, when authenticated by the Trustee and issued as in this Mortgage provided, the valid, binding and legal obligations of the Company, and to constitute this Mortgage a valid mortgage or deed of trust to secure the payment of the principal and interest of all bonds issued hereunder, have been done and performed, and the creation, execution and issue of

bonds subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, in consideration of the premises, and of the acceptance and purchase of the bonds by the holders thereof, and of the sum of One Dollar duly paid by the Trustees to the Company, and of other good and valuable considerations, the receipt whereof is hereby acknowledged, and for the purpose of securing the due and punctual payment of the principal and interest of all bonds which shall be issued hereunder, and for the purpose of securing the faithful performance and observance of all the covenants and conditions hereinafter and/or in any supplemental indenture, set forth, the Company has given, granted, bargained, sold, transferred, assigned, pledged, mortgaged, warranted and conveyed, and by these presents does give, grant, bargain, sell, transfer, assign, pledge, mortgage, warrant and convey unto the Continental and Commercial Trust and Savings Bank and William P. Kopf, as Trustees, as herein provided, and their successors in the trust hereby created, all and singular the plants, rights, franchises, privileges, easements and property, real, personal and mixed, now owned by the Company or which may hereafter be acquired by it, together with the rents, issues and profits thereof, excepting, however, (and there are hereby expressly reserved from the lien and effect of this Mortgage) all lamps and supplies, machinery, appliances, goods, wares, and other movable property now or at any time handled by the Company for sale as merchandise or not in use or connected as fixtures with its own plants, and consumable supplies; and excepting also all bonds, stocks and other securities now owned or which may hereafter be owned by the Company and which are not deposited under this Mortgage; and excepting also the last day of each of the demised terms created by any lease of property now leased to the Company, and the last day of any demised term under each and every lease hereafter acquired by the Company and under each and every renewal of any lease, the day last day of each and every such demised term being hereby expressly reserved to and by the Company.

Without in any way limiting or restricting the generality of the foregoing, there is included in this conveyance, and the Company hereby expressly gives, grants, bargains, sells, transfers, assigns, pledges, mortgages, warrants and conveys the following described property, together with all tenements, hereditaments and appurtenances thereunto belonging or appertaining, owned by the Company, to-wit:

1.

Property in Sheboygan County, Wisconsin.

Lots numbered ten (10) and eleven (11) of block numbered two hundred twelve (212) of the original plat of the city of Sheboygan, saving and reserving therefrom the south thirty-five (35) feet thereof, and also lots numbered one (1), two (2) and three (3) in block numbered two hundred thirteen (213) of the said original plat of the city of Sheboygan, and also lot numbered four (4), in block numbered two hundred thirty-three (233) of the original plat of the city of Sheboygan, and the south fifty (50) feet of the north seventy (70) feet of lot twelve (12), in block two hundred twelve (212) of the original plat of the city of Sheboygan, being the property upon which the Company's power house property is located.

Also lots numbered four (4), five (5), six (6), seven (7), eight (8) and nine (9) of block two (2) of the south Side Land Company's Addition, so-called, to the city of Sheboygan, being the property upon which the Company's car barns and repair shops are located.

Also that portion of Lake View Park Subdivision to the city of Sheboygan, Sheboygan County, Wisconsin, described as follows:

All of block six (6) except lot one (1) and lot two (2).

All of block seven (7) containing thirty-eight (38) lots, all of block eighteen (18) containing thirty-eight (38) lots, all of block nineteen (19) containing fifteen (15) lots and all of block twenty (20) excepting lots 1, 2 and 3, all in Lake View Park Subdivision aforesaid.

Also all the unplatted portion of said Lake View Park Subdivision lying south of the north line of Park Avenue in said subdivision.

The urban railway in the city and town of Sheboygan, Wisconsin, located as follows:

Commencing at the intersection of Karste Avenue and Park Avenue in the tom of Sheboygan, running thence westerly in Park Avenue to Halstead Street, thence, northerly on Halstead Street and South Eighth Street in the city and town of Sheboygan, to North Eighth Street, thence northerly on North Eighth Street to Bluff Avenue, thence easterly on Bluff Avenue to North Fifth Street, thence thence southerly on North Fifth Street to Superior Avenue, thence easterly on Superior Avenue to North Fourth Street, thence southerly on North Fourth Street to Pennsylvania Avenue, thence westerly on Pennsylvania Avenue to North ~~Avenue to North~~ Eighth Street, thence westerly on Pennsylvania Avenue to South Fourteenth Street to New Jersey Avenue, thence westerly on New Jersey Avenue to South Fifteenth Street, thence southerly on South Fifteenth Street to Indiana Avenue, thence westerly on Indiana Avenue to South Seventeenth Street, thence southerly on South Seventeenth Street to Georgia Avenue, thence easterly on South Seventeenth Georgia Avenue to South Twelfth Street, thence south on South Twelfth Street to Union Avenue.

Also commencing at the intersection of North Eighth Street and Michigan Avenue in the city of Sheboygan and running thence westerly on Michigan Avenue to North Seventeenth Street, thence southerly on North Seventeenth Street to Erie Avenue thence to North Eighteenth Street.

Also commencing at the intersection of Michigan Avenue and North Thirteenth Street in the city of Sheboygan, Wisconsin, and running thence northerly on North Thirteenth Street to Superior Avenue, thence across Superior Avenue to the Calumet Plank Road, so-called, thence northerly on said Calumet Plank Road to North Fifteenth Street, thence northerly on North Fifteenth Street to city limits.

The interurban railway between the city of Sheboygan and the city of Sheboygan Falls, Wisconsin, located as follows:-

Commencing at the intersection of Erie Avenue and North Eighteenth Street in the city of Sheboygan, running thence southwesterly on Erie Avenue to the city limits of the city of Sheboygan, thence southwesterly from the city limits of the city of Sheboygan along the Sheboygan and Fond du Lac Plank Road, so-called, along the south line of said plank road, through sections twenty-two (22), twenty-one (21), twenty (20) and twenty-three (23) east, Township fifteen (15) North Range 23 East, Sheboygan County, to the intersection of the said Sheboygan and Fond du Lac Plank Road, so-called with Kohler Street in the village of Kohler, Sheboygan County, Wisconsin, thence south along Kohler Street to a point in the south line of Grafton Court, thence westerly on private right of way across section thirty (30), township fifteen (15) north, range twenty-three (23) east, to the southerly line of the Sheboygan and Fond du Lac Plank Road, so-called, thence southwesterly along the Sheboygan and Fond du Lac Plank Road, so-called, to the west line of Section thirty (30), township fifteen (15) north, range twenty-three (23) east, thence continuing southwesterly along the southerly line of said Sheboygan and Fond du Lac Plank Road, so-called, across section twenty-five (25) township fifteen (15) north, range twenty-two (22) east, to the south line of said section twenty-five (25), township (15) north, range twenty-two east, thence southerly along Poplar Street in the city of Sheboygan Falls, Wisconsin, to a private right of way across blocks forty-nine (49), fifty (50) and thirty-nine (39) in the city of Sheboygan Falls, to the terminal depot located on the west side of block thirty-nine (39), all as now laid out and occupied by the railway company.

The interurban railway between Sheboygan Falls Junction and the terminal in the city of Plymouth, located as follows:

Commencing at a point on the Sheboygan and Fond du Lac Plank Road, so-called, at the junction of the company near the north line of section thirty-six (36), township fifteen (15) north, range twenty-two (22) east, thence running westerly along the southerly line of said Sheboygan and Fond du Lac Plank Road, so-called, and private right of way, owned by the Railway Company upon and across certain roads, streets and highways, to the west line of section twenty-five (25), township fifteen (15) north, range twenty-two (22) east, being the west line of the city of Sheboygan Falls, thence continuing in a westerly direction along the southerly line of the Sheboygan and Fond du Lac Plank Road, so-called, and private right of way across sections twenty-six, (26) twenty-seven (27) and twenty-eight (28), township fifteen (15) north, range twenty-two (22) east, to the center of said section twenty-eight (28), thence westerly on private right of way along the east and west quarter section line of sections twenty-eight (28), twenty-nine (29) and thirty (30), township fifteen (15) north, range twenty-two east to the west line of said township fifteen (15) north, range twenty-two (22) east, thence continuing westerly on private right of way through sections twenty-five (25), twenty-six (26) and twenty-seven (27), township fifteen (15) north, range twenty-one (21) east, to the east city limits of the city of Plymouth, Wisconsin, thence northwesterly on private right of way north of and parallel to the right of way of the Chicago & Northwestern Railway to Thayer Street in the city of Plymouth, Sheboygan County, Wisconsin, all as now laid out and occupied by the railway company.

The interurban railway between the city of Plymouth and the village of Elkhart Lake Sheboygan County, Wisconsin, located as follows:

Commencing at the intersection of Thayer and Stafford Streets in the city of Plymouth, at the end of the interurban line of railway of the Sheboygan Electric Company in the city of Plymouth, Wisconsin, thence northerly through the city of Plymouth along Stafford Street to MillStreet, thence westalong Mill Street to Milwaukee Street, thence north along Milwaukee Street to Western Avenue, thence north ~~along Milwaukee Street to~~ westerly along Western Avenue to Factory Street, thence north along Factory Street to a private right of way extending to the northerly city limits of the city of Plymouth, Sheboygan County, Wisconsin, thence continuing in a northwesterly direction along private right of way lying immediately westerly of the right of way of the Chicago & Northwestern Railway across sections twenty-one (21), sixteen (16), seventeen (17) and eight (8) of township fifteen (15) north, range twenty-one (21) east to the north line of said section eight (8), thence northerly along a private right of way extending through section five (5), township fifteen (15) north, range twenty-one (21) east, to the north line of said township fifteen (15) north of range twenty-one (21) east, thence northerly along private right of way extending through sections thirty-two (32) and twenty-nine (29), township sixteen (16) north, range twenty-one (21) east to the southerly limits of the village of Elkhart Lake, thence continuing along said private right of way through the village of Elkhart Lake to Lake Street in said village of Elkhart Lake, thence northerly along Lake Street in the village of Elkhart Lake, ~~thence northerly along Lake Street in the village of Elkhart Lake~~ to Rhine Street, thence west along Rhine Street to West Street, thence south along West Street to the car barn terminal in the village of Elkhart Lake, all as now laid out and occupied by said railway company.

All other property of every nature and kind owned by the Sheboygan Electric Company on the first day of March, 1917, and conveyed by that company to the Eastern Wisconsin Electric Company by deed dated March 1, 1917.

The south thirty-five (35) feet of lots ten (10) and eleven (11) and the south thirty (30) feet of lot twelve (12) in block two hundred and twelve (212) of the original plat of the City of Sheboygan, Sheboygan County, Wisconsin, together with the appurtenances thereunto belonging.

All of lots 1, 2, and 3, block 233, of the City of Sheboygan, Sheboygan County, Wisconsin except the east forty feet of block 233 as sold to the Sheboygan Machine Company, comprising one hundred forth feet (140') more or less frontage on Maryland Avenue.

Property in Fond du Lac and Winnebago Counties, Wisconsin.

1. An interurban electric railway extending from the City of Oshkosh, Winnebago County, Wisconsin, to the City of Fond du Lac, Fond du Lac County, Wisconsin, and running through the said cities of Oshkosh and Fond du Lac and across the following intervening sections of and:

Section thirty-six (36), Town eighteen (18) North, Range sixteen (16) East, Sections one (1), twelve (12) and thirteen (13), Town seventeen (17) North, Range sixteen (16) East; Sections eighteen (18), nineteen (19) thirty (30) and thirty-one (31), Town seventeen (17) North, Range seventeen (17) East in Winnebago County and Section six (6), five (5), eight (8), seventeen (17), twenty (20), twenty-nine (29), twenty-eight (28) and thirty-three (33), Town sixteen (16) North, Range seventeen (17) East; Section four (4) Town fifteen (15) North, Range seventeen (17) East, in Fond du Lac County.

2. Lot two (2) of Block twenty-one (21) of L. M. Miller's First Addition, in Eighth Ward, City of Oshkosh, Wisconsin, now occupied by the interurban terminal station.

3. An electric street railway in the city of Fond du Lac.

4. Electric and

4. Electric and gas public utility properties in the city of Fond du Lac in the village of North Fond du Lac and in contiguous territory.

5. Lot fifty-one, (51), the East thirty (30) feet of lot fifty-two (52), and a part of lots fifty-two (52), and fifty-three (53) in block twenty-six (26) of the original plat of the town, now city, of Fond du Lac bounded by a line commencing on the North line of said lot fifty-two (52) at a point twenty-six (26) feet East of the Northwest corner of said lot and running thence South on the East line of the West twenty-six (26) feet of said lot fifty-two (52), a distance of 228 feet to the North line of Rees Street, being a continuation of South line of lot twenty-nine (29) of said Block, thence West on the North line of said ~~stre~~ street being a continuation of said lot line 59 3/10 feet, thence in a Northeasterly, direction on a straight line to the beginning, whichsaid lot fifty-one (51) and part of lots fifty0two (52) and fifty-three (53) are now occupied and used by the power station of the electric and street railway utilities above described.

6. The South fifteen (15) feet of Lot twenty-seven (27) and all of Lots twenty-eight (28) and twenty-nine (29) in Block twenty-six (26) of the original plat of the town, now city of Fond du Lac upon which said lands are located car house of the electric street railway utility above described.

7. Lots eight (8) and nine (9), the North 39 1/2 feet of Lot fifteen (15), Lot sixteen (16) and the South twenty (20) feet of Lot seventeen (17) in Block three (3) of Van Rensselaer's Addition to the City of Fond du Lac, upon which lands the interurban station and offices of the interurban railway utility above described are located.

8. A triangular piece of land bounded on the North by the East and West quarter line of Section thirty-three (33) in Township sixteen (16) North, Range seventeen (17) East, on the West by the fifty (50) foot right of way of the interurban line above described and on the Easterly side by lands owned by the Wisconsin Central Railway Company.

9. All those parts of Lots numbered twenty-six (26), fifty-three (53), fifty-four (54), fifty-five (55), eighty-five), eighty-six (86), eighty-seven (87) and eighty-eight (88) which lie easterly of the right of way of the Chicago & Northwestern Railway Company; and all of Lots twenty-seven (27), twenty eight (28), twenty-nine (29), thirty (30), thirty-one (31), thirty-two (32), thirty-three (33), thirty-four (34), thirty-five (35),thirty-six (36), thirty-seven (37), sixty-five (65), sixty-six (66), sixty-seven (67), sixty-eight (68), sixty-nine (69), seventy- (70), seventy-one (71), seventy-two (72), seventy-three (73), seventy-four (74), seventy-five (75), seventy-six (76), seventy-seven (77), seventy-eight (78), fifty-nine (59), sixty (60), seventy-nine (79), eighty (80), eighty-one (81), eighty-two (82), eighty-three (83) and eighty-four (84), all in Smith & Goss' Addition to the City of Fond du Lac, subject to the public rights and easements in and to the streets and alleys adjacent thereto and abutting thereon.

10. All that part of the west half of the west half of the northeast quarter of Section Four (4), Township fifteen (15) North, Range seventeen (17) East, which lies easterly of the northeasterly right of way line of the Chicago & Northwestern Railway Company.

11. That certain piece or land in the northeasterly corner of the northwest quarter of Section four (4), Township fifteen (15) North of Range seventeen (17) East, which lies easterly of the so-called Oshkosh Lake Shore Road and of the northeasterly right of way of the Chicago & Northwestern Railway Company.

12. All that part of the southeast quarter of Section thirty-three (33), Township sixteen (16) North, Range seventeen (17) East, which lies easterly of a line commencing at the quarter line of said Section, twenty-six (26) chains east of the center post of said section, and thence southwesterly to a point on the south line of said section, which point is twelve (12) chains east of the intersection of said south line with the north and south quarter line of said section.

13. A strip of land sixty (60) feet in width on the south side of the southeast quarter of said Section thirty-three (33), Township sixteen (16) North, Range seventeen (17) East, extending from the north and south quarter line of said Section thirty-three (33) easterly to the premises described in the next foregoing clause.

14. That part of Lot six (6) of Block four (4) of Lyons's Addition to the City of Fond du Lac which lies northeasterly of the right of way of the Chicago & Northwestern Railway Company.

15. Lots numbered twenty-two (22), twenty-three (23), twenty-four (24), and twenty-five (25) of Block No. six (6) of Bechaud's Addition to the City of Fond du Lac, Wisconsin, according to the recorded plat thereof.

16. All that part of the North 50 feet of Lot fifty-three (53) in Block twenty-six (26) of the original plat of the town (now city) of Fond du Lac which lies west of the west line of the right of way of the Wisconsin Midland Railroad Company subject to easement granted to Chicago, Milwaukee and St. Paul Railway Company.

17. All of Nightingale's Addition to Fond du Lac.

18. Also all of Nightingale's Addition No. 2 to Fond du Lac, being Block 2 of Moore's Second Addition to the City of Fond du Lac.

19. That part of the east half of the southwest quarter of Section three (3), Township fifteen (15) North, Range seventeen (17) East which is bounded on the southerly side by the abandoned right of way of the so-called Sheboygan and Fond du Lac Railroad; on the westerly side of Smith & Goss' Addition to the City of Fond du Lac; and on the northerly and easterly side by a line described as follows, to-wit: Commencing on the easterly line of the most easterly alley of the plat of said Smith & Goss' Addition to said City of Fond du Lac, as said plat appears of record in the Registry of Deeds of said Fond du Lac County, at a point where the lot line between lots 72 and 73 of said addition produced easterly across said alley intersects said easterly line; running thence easterly on a further continuation of said lot line 206.5 feet; thence easterly and southerly 580.3 feet on a curve tangent to said further continuation of said lot line, said curve having a radius of 376.98 feet; thence southerly tangent to said curve to the northerly line of said abandoned right of way. Title to said parcel is subject to a certain lease dated December 5, 1901, running to Thomas H. O'Brien,and covering the right to construct and maintain a boat house partly on a portion of said above granted premises.

20. Lots 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, in Block three (3), Killens' Addition to the City of Fond du Lac, according to the recorded plat thereof.

21. The right of way of the Company across Block twelve (12), McDonald's Addition to the City of Fond du Lac.

22. Lot sixteen (16), Block one (1) of Chapman's Addition to North Fond du Lac, Wisconsin, according to the recorded plat thereof.

23. The East 107.60 feet of Block four (4) of Post's Park Addition to North Fond du Lac, Wisconsin, according to the recorded plat thereof; the same being 107.60 feet east and west, and 409.16 feet north and south.

24. Lot seven (7) and the ~~east~~ east 7.60 feet of Lot No. eight (8) of Block No. one (1) of Post's Park Addition to North Fond du Lac, Wisconsin, according to the recorded plat thereof.

25. Commencing at the intersection of the North line of Scott Street with the West line or bank of the Fond du Lac River, in the city of Fond du Lac; thence westerly along the North line of Scott Street, Two Hundred (200) feet; thence Northerly and at right angles with the North line of Scott Street to a point on the South line of the abandoned right of way of the Sheboygan and Fond du Lac Railroad (also known as the Sheboygan and Western Railroad); thence Easterly along the South line of said abandoned right of way to the west line or bank of the Fond du Lac River; and thence Southerly along the said West line or bank of said river to the place of the beginning, and being a part of the East one-half (E.½) of the Southwest Quarter (S.W.¼) of Section Three (3) in Township Fifteen (15) North, of Range Seventeen (17) East in the City of Fond du Lac, Fond du Lac County, Wisconsin.

III

Property in Winnebago County, Wisconsin.

All electric urban and interurban railway in and along the streets and public highways in the city of Oshkosh; from the city of Oshkosh to the city of Neenah and from the city of Oshkosh to the village of Omro.

Lots eight (8), nine (9), ten (10), eleven (11), twelve (12), and thirteen (13) of Block B, in Second Addition, originally Second (now eighth) Ward of the City of Oshkosh, originally part of fractional lot three (3) of Section twenty-four (24) of Township twenty-eight (28) north, of range sixteen (16) east:

A strip of land off the east side of the northeast quarter of the southeast quarter of section twenty-three (23) of township nineteen (19) north, of range sixteen (16) east, lying next the highway, and being 500 feet long and 10 feet in width said strip of land commencing north of the driveway leading to the buildings of Andrew Anderson and Ellen C Anderson, his wife.

Commencing at a point where the west line of fractional section six (6) township seventeen (17), range seventeen (17) intersects the meander line of Lake Winnebago; running thence south along said west line of section six (6) 895 2/10 feet; thence ~~northerly at an angle of about 60 66/100 feet; thence~~ northwesterly 303 66/100 feet; thence northerly at an angle of about 60 degrees withthe last line 244 35/100 feet; thence northerly 340 feet; thence northerly 242 5/10 feet; thence northeasterly 590 feet to the meander line of Lake Winnebago; thence south 378 feet to the place of beginning.

Lots six (6) and seven (7) in Block B, Second Addition, Eighth Ward, City of Oshkosh.

Commencing at a point on the north line of the right of way of the party of the first part where it enters the Electric Park in the Town of Black Wolf, Winnebago County, Wisconsin, 112 6/10 feet east of the east line of the highway; thence easterly along the north line of said right of way 325 feet to the west line of lands owned by the Winnebago Traction Company on April 23, 1906; thence southerly along said west line of land then owned bysaid Company, thirty-six (36) feet; thence westerly and parallel to said first described line 325 feet; thence westerly in the same direction 112 6/10 feet to said east line of said highway; thence northerly along said highway 110 feet, more or less, to the north line of the right of way of said Company on said date; thence easterly along the north line of said right of way to the place of beginning.

Commencing at a point on the east line of the Fond du Lac highway, distant 35 feet northwesterly from the south line of Stony Beach Road; thence easterly 12 feet parallel with said Stony Beach Road; thence northwesterly parallel with said Fond du Lac highway to center of Gallup's Creek; thence westerly along the center of said creek to the east line of said highway; thence southeasterly along the east line of said highway to place of beginning, being a part of the southwest quarter of the northeast quarter of section thirty-six (36), town eighteen (18), range sixteen (16) east.

Commencing at a point where the Oshkosh and Omro highway intersects the section line between sections seventeen (17) and eighteen (18), town eighteen (18), range sixteen (16), running thence east along the south line of said highway thirty-seven (37) rods to place of beginning; thence south fifteen (15) feet; thence east 360 feet; thence north fifteen (15) feet to the line of said highway; thence west along the line of said highway toplace of beginning; all in section seventeen (17), town eighteen (18), range sixteen (16), Town of Algoma, in Winnebago County, Wisconsin.

All that part of lot one (1), block thirty-four (34) in the Eighth Ward, City of Oshkosh, per Leach's map of 1894, which lies west of the west line of Bowen Street, as the same is now extended southerly across said lot one (1) to the Fox river.

The East thirty (30) feet of lot eight (8) of Block one hundred (100) in the thirteenth ward of the city of Oshkosh.

All of the following described property lying and being in Section fifteen (15), ~~Town of Omro, Winnebago County, Wisconsin, viz.: All the land now occupied by electr~~ Town of Omro, Winnebago County, Wisconsin, viz.: All the land now occupied by electric railway bridge and track, and by the road bed embankment for said bridge and track, and lying immediately south of the highway leading from Oshkosh to Omro and at a point known as the "Slough Bridge" and easterly from said bridge in said section fifteen (15) town eighteen (18), range fifteen (15).

A right of way sixteen (16) feet in width from 25th Street in the City of Oshkosh, Winnebago County, Wisconsin, south and as nearly parallel with the East line of the right of way of the C. & N. W. R. R. Co. as practicable to the extension of Doty Street known as the Lake Shore Road, from Oshkosh to Fond du Lac. Said right of way to the East of the right of way of the C. & N. W. R. R. Co. in section thirty-six (36), town eighteen (18), range sixteen (16) East, in the Town of Algoma, said County and state.

All other property of every nature and kind owned by the Wisconsin Electric Railway Company on the first day of March, 1917.

IV.

Property in Langlade County, Wisconsin.

The Northeast quarter of the Southwest quarter;

The East half or the Northwest quarter of the Southwest quarter;

The Southwest quarter of the Northwest quarter;

The South Fifty-six rods of the Southeast quarter of the Northwest quarter;

All in Section No. Four (4), in Township No. Thirty-one (31) North, of Range No. Fourteen (14) East.

The South half of the Southwest quarter;

The South half of the Northeast quarter of the Southwest quarter of Section Thirty (30);

The Northeast quarter of the Northwest quarter;

All that part of the East half of the Northwest quarter of the Northwest quarter lying north and east of the right of way of the Wisconsin and Northern Railroad;

The Northeast quarter of the Southeast quarter of the Northeast quarter in Section Thirty-one (31), all in Township No. Thirty-two (32) North, of Range Fourteen (14) East.

All that part of the Southwest quarter of the Southeast quarter of Section Thirty (30) North, Range Fourteen (14) East lying south and west of the Wolf River.

All that part of the North one-half of the Northeast quarter of Section Thirty-one (31), Township Thirty-two (32) North, Range Fourteen (14) East, lying south and west of the Wolf River.

The Northwest quarter of the Southeast quarter of the Northeast quarter;

The South one-half of the Southeast quarter of the Northeast quarter;

The Southwest quarter of the Northeast quarter;

So much of the West one-half of the Northwest quarter of the Northwest quarter, the Southwest quarter of the Northwest quarter, the Southeast quarter of the Northwest quarter and the Northeast quarter of the Southwest quarter as lies north and east of the Wisconsin and Northern Railway Company's right of way:

The North ten (10) acres of the Northwest quarter of the Southeast quarter;

All in Section Thirty-one (31) Township Thirty-two (32) North of Range Fourteen (14) East.

The perpetual right to overflow so much of the following described lands as may be necessary by reason of the construction and maintenance of a dam on Wolf River not to exceed Sixty-one (61) feet in height from the bed of the stream on the West half of Section Four (4), in Township Thirty-one (31) North, Range Fourteen (14) East, and a dam not to exceed Sixty-five (65) feet in height from the bed of the stream at any point in said river on either Section Thirty (30) or Section Thirty-one (31), in Township Thirty-two (32) North of Range Fourteen (14) East.

The Northwest quarter of Section Four (4);

The Northeast quarter and the North half of the Northwest quarter of Section Five (5);

All in Township Thirty-one (31) North of Range Fourteen (14) East.

The Southwest quarter and the South half of the Northwest quarter of Section Thirty-three (33);

The East half of the Southeast quarter, and the North half of the Northwest quarter of Section Thirty-two (32);

The West half of the Northwest quarter of the Northwest quarter and the Northeast quarter of Section Thirty-one (31);

All of Section Thirty (30;

The East half of the Southeast quarter;

The Southeast quarter of the Northeast quarter of Section Eighteen (18);

The East half of the Southeast quarter of Section No. Seven (7);

All in Township No. Thirty-two (32) North of Range No. Fourteen (14) East.

The East half of the Southeast quarter of Section No. Twenty-five (25), in Township No. Thirty-two (32) North of Range Thirteen (13) East.

The West half of the Southeast quarter;

The South half of the Northeast quarter and the South Ten (10) rods of the Northeast quarter of the Northeast quarter;

All in Section No. Thirty-two (32) in Township Thirty-two (32) North of Range Fourteen (14) East.

The perpetual right to lay out, open, construct, use and maintain highways for the use of the party of the second part, its successors and assigns and the general public, upon, over and across certain strips, belts or pieces of land, thirty (30) feet wide, described as follows, to-wit:

1. The East thirty (30) feet of the North twenty-four (24) rods of the Southeast quarter of the Northwest quarter of Section Four (4). Township Thirty-one (31) North, Range Fourteen (14) East;

2. The South thirty (30) feet of all that part of the South one-half (½) of the Northwest quarter (¼) of Section Thirty-three (33), Township Thirty-two (32) North, Range Fourteen (14) East, lying east of a certain proposed flowage line hereinafter described, and we

described, and west of the Military wagon road;

3. The East thirty (30) feet of the Northeast quarter of the Northwest quarter of Section Thirty-two (32), Township Thirty-two (32) North, Range Fourteen (14) East;

4. The North thirty (30) feet of the North one-half of the Northwest quarter of Section Thirty-two (32) Township Thirty-Two (32) North, Range Fourteen (14) East;

5. The North thirty (30) feet of the Northeast quarter of the Northeast quartrt of Section Thirty-one (31), Township Thirty-two (32) North, Range Fourteen (14) East;

6. The West thirty (30) feet of the Southeast quarter of the Southeast quarter; the North thirty (30) feet of the East seven hundred (700) feet of the Southwest quarter of the Southeast quarter, and a strip of land thirty (30) feet wide extending across the Southwest corner of the Northwest quarter of the Southeast quarter in straight line from point seven hundred (700) feet west of the Southeast corner to point four hundred (400) feet north of the Southeast corner of the NW quarter of the SW quarter of Section Thirty (30), Township Thirty-two (32) North, Range Fourteen (14) East;

7. The East thirty (30) feet of all that part of the East one-half of the Northwest quarter of Section Five (5), Township Thirty-one (31) North, Range Fourteen (14) East, lying north of the right of way of the Wisconsin and Northern Railway and south of thesaid flowage line;

The flowage line as referred to in Sections Two (2) and Seven (7) is that to be created by the construction of a dam on the North one-half of the Southwest quarter of Section Four (4), Township Thirty-one (31) North of Range Fourteen (14) East, not to exceed Sixty-one (61) feet in height from the bed of the Wolf River;

8. The North thirty (30) feet of all that part of the North one-half of the Northeast quarter of Section Thirty (30), Township Thirty-two (32) North, Range Fourteen (14) east, lying east of a certain proposed flowage line hereinafter described and the north Thirty (30) feet of all that part of the North one-half of the Northwest quarter of said Section Thirty (30) lying west of said flowage line and east of Wisconsin and Northern Railwead right of way;

The flowage line is referred to in Section Eight (8) is that to be created by the construction of a dam on the East one-half of the Southwest quarter of Section Thirty (30), Township Thirty-two (32) North of Range Fourteen (14) East, not exceeding sixty-five (65) feet in height from the bed of Wolf River;

9. A strip, belt or piece of land fifty (50) feet wide extending from a connection with the main line of the Wisconsin and Northern Railway on the Southeast quarter of the Southeast quarter of Section Five (5), Township Thirty-one (31) North, Range Fourteen (14) East and extending in an easterly and northerly direction on or near the South one-eighth section line of Sections Five (5) and Four (4) to a point on the east one-half of the Northwest quarter of the Southwest quarter of Section Four (4), Township Thirty-one (31) North, Range Fourteen (14) East, to be used by the party of the second part, its successors and assigns, for a railway spur track;

Also another strip, belt or piece of land fifty (50) feet wide, lying southerly of and immediately adjoining the right of way for the railway spur track last above described, to be used by the party of the second part, its successors and assigns, and the general public as a highway.

Also the perpetual right to build and maintain dikes and embankments on the north twenty-four (24) rods of the Southeast quarter of the Northwest quarter of Section Four (4), Township Thirty-one (31) North, Range Fourteen (14) East, and the South one-half of the Southeast quarter of the Southwest quarter of Section Thirty-three (33), Township Thirty-two (32) North, Range Fourteen (14) ~~East, and for the purpose of building embankments and dikes as above defined, to take dirt, gravel and stone from any of the above lands adjoining such pond or ponds formed by dam or dams, and to use the same for the building and maintaining of such embankments or dikes.~~ East, to protect the pond formed by the construction of a dam on said Section Four (4), and for such purposes to take dirt, stone, and gravel from the South one-half of the Southeast quarter of the Southwest quarter of Section Thirty-three (33), Township Thirty-two (32) North, Range Fourteen (14) East for the building of such dikes and embankments.

A perpetual easement enlarging the right to build and maintain dikes and embankments on the north twenty-four (24) rods of the Southeast quarter of the Northwest quarter of Section Four (4), Township Thirty-one (31) North, Range Fourteen (14) East, and the South Half of the Southeast-Southwest ~~of Section~~ of Section Thirty three (33), Township Thirty-two (32) North, Range Fourteen (14) East, and for such purposes to take dirt, stone and gravel from the South half of the Southeast-Southwest of Section Thirty-three (33), Township Thirty-two (32) North, Range

(14) East, as follows:

The right to go from the several roadways as aforesaid, granted by the M. J. Wallrich Land Company to The Battle Island Company, along, over and upon the following described lands:

That part of the Northeast quarterand the North half of the Northwest quarter lying north of the Wisconsin and Northern Railway's right of way in Section Five (5), Township Thirty-one (31) North, Range Fourteen (14) East.

The North half of the Southeast quarter of the Southwest quarter; the North half of the Southwest quarter; the South half of the Northwest quarter; all in Section Thirty-three (33), Township Thirty-two (32) North, Range Fourteen (14) East.

The North half of the Northwest quarter of Thirty-two (32); the Northwest quarter of the Northeast quarter; the Northeast quarter of the Northwest quarter; the South half of the Northwest quarter of the NW quarter of the Southwest quarter; the North half of the Northeast quarter of the Southwest quarter; the Southeast quarter, north of the Wolf River; all in Section Thirty (30), Township Thirty-two (32) North, Range Fourteen (14) East.

The North half of the Northeast quarter north of the Wolf River in Section Thirty-one (31), Township Thirty-two (32) North, Range Fourteen (14) East.

The East half of the Southwest quarter of Section Twenty-five (25), of Township Thirty-two (32) North, Range Thirteen (13) East.

And thereon to build, construct and maintain embankments or dikes to protect the pond or ponds created by the dam or dams of the party of the second part, its successors and assigns, on Section Four (4), Township Thirty-one (31) North, Range Fourteen (14) East, and on Section Thirty (30) or Thirty-one (31), Township Thirty-two (32) North Range Fourteen (14) East, and for the purpose of building embankments and dikes as above defined, to take dirt, gravel and stone from any of the above lands adjoining such pond or ponds formed by dam or dams, and to use the same for the building and maintaining of such embankments or dikes.

A perpetual easement granting the right to go with team and vehicle or on foot from the roadway along the north side of the Northwest quarter of the Northwest quarter of Section Thirty (30), Township Thirty-two (32) North, Range Fourteen (14) East, upon any part of that portion of the Northwest quarter of the Northwest quarter of Section Thirty (30), Township Thirty-two (32) North, Range Fourteen (14) East, lying east of the right of way of the Wisconsin and Northern Railway Company and thereon to build, construct and maintain embankments or dikes to protect the pond or ponds created by a dam of the said party of the second part, its successors or assigns on Section Thirty (30) or Thirty-one (31), Township Thirty-two (32) North, Range Fourteen (14) East, and for the purpose of building any embankments and dikes as above defined to take dirt and gravel and stone from that portion of the said Northwest quarter of the Northwest quarter lying east of said right of way adjoining such pond or ponds formed by said dam or dams and to use the same for the building and maintaining of such embankments or dikes.

Also all other property of every nature and kind owned on the 1st day of March, 1917, by The Battle Island Company, a corporation organized under the laws of the State of Wisconsin.

V.

Property in Marathon County, Wisconsin.

Lots three (3) and five (5), of section thirty-two (32);

Lots three (3) and four (4), of section twenty-eight (28);

Lots two (2), and the southeast quarter of the northwest quarter of section thirty-three (33), all in Township No. twenty-six (26) north, range No. seven (7) east.

Lot one (1) of section twenty-eight (28), in township twenty-six (26) north, of range seven (7) east.

The northwest fraction (West of River) of section thirty-three (33), township twenty-six (26) north of range seven (7) east.

VI.

Also all the right, title and interest of the Company in and to and arising under or in connection with all and every of the rights, privileges, franchises, ordinances, permits and licenses acquired by the Company and owned or enjoyed by it, or in which the Company has or may have any interest from or derived through the State of Wisconsin or any municipality therein, or any other state, municipal or other corporation or person whatsoever, for the

purpose or in connection with the business of the Company or any portion thereof.

Also One Million Eight Hundred Fifty-two Thousand Dollars in principal amount of First and Refunding Mortgage Five Per Cent. Thirty Year Gold Bonds of Eastern Wisconsin Electric Company dated March 1, 1917, due March 1, 1947, issued under and secured by the trust indenture dated March 1, 1917, between the Eastern Wisconsin Electric Company and Wisconsin Trust Company as Trustee, receipt of which bonds is hereby acknowledged by the Trustee;

Also any and all stocks, bonds, obligations and other like securities from time to time hereafter by delivery or by writing of any kind for the purposes hereof pledged, assigned or transferred to the Trustees by the Company or by anyone on its behalf or with its written consent, and all the Trustees are hereby authorized to receive any such property at any and all times as and for additional security. Any such pledge, assignment or transfer by the Company or by any one on its behalf, or with its written consent, pursuant to the provisions of this clause, as and for additional security, may notwithstanding anything herein contained, be made subject to any reservations, limitations, conditions and provisions which shall be set forth in an instrument in writing then to be executed by the Company or the person or corporation assigning, mortgaging, pledging or transferring the same and by the Trustees respecting the use, management and disposition of property so pledged, transferred or assigned.

TO HAVE AND TO HOLD all said property hereby conveyed, assigned, pledged or mortgaged, together with the rents, issues and profits therefrom unto the Trustees or their successors in trust and their assigns forever;

SUBJECT, HOWEVER, to the liens of the existing First and Refunding Mortgage of the Company mentioned in Section 2 of Article 11 of this Mortgage and of the respective existing mortgages securing the underlying bonds specifically mentioned in Section 4 of said Article 11, but only to the extent that such mortgages respectively are liens upon any of the property covered by this Mortgage;

AND SUBJECT ALSO, as to any property hereafter acquired by the Company and becoming subject to the lien of this Mortgage, to any lien thereon existing at the time of such acquisition and to any liens for unpaid portions of the purchase money placed thereon at the time of such acquisition;

BUT IN TRUST, NEVERTHELESS, for the equal and proportionate benefit and security of the holders of all bonds and interest coupons now or hereafter issued hereunder, pursuant to the provisions hereof, and for the enforcement of the payment of said bonds and coupons when payable and the performance of and compliance with the covenants and conditions of this Mortgage, without any preference, distinction or priority as to lien or otherwise of any bond or bonds over others by reason of the difference in time of actual issue, sale or negotiation thereof or for any other reason whatsoever; but so that each and every bond now or hereafter issued hereunder shall have the same lien, and so that the interest and principal of every such bond shall, subject to the terms hereof, be equally and proportionately secured hereby, as if it had been made, executed, delivered, sold and negotiated simultaneously with the execution and delivery hereof.

And it is expressly declared that all bonds issued and secured hereunder are to be issued, authenticated and delivered, and all said property hereby mortgaged or pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes hereinafter expressed, that is to say:

ARTICLE 1.

Form, Execution, Registration and Interchange of bonds

Section 1. The bonds shall be issued from time to time in any number of different series, as the Board of Directors of the Company may determine. The bonds of each series (excepting Series A, the bonds of which shall be as herein provided) shall (a) bear such date, (b) be payable on such date, or, in case of serial maturities, on such dates, and at such place or places; (c) bear interest at such rate, payable at such time or times and at such place or places; (d) bear such

designation or title herein provided for; (e) contain such provisions, if any, with respect to tax exemptions, tax reimbursement, redemption, sinking fund, conversion into stock or other securities of the Company, and or other characteristics not in conflict with the term of this Mortgage, as the Board of Directors shall determine with respect to the bonds of such series, prior to the authentication of any bonds thereof.

The principal and interest of the bonds of any series may be made payable without deduction, so far as the same may not be prohibited by law, for taxes payable thereon or deductible therefrom, to any extent that shall be determined by resolution of the Board of Directors of the Company prior to the authentication of any bonds of such series, and shall be expressed in such bonds; and the bonds of any series may also provide for the reimbursement of the holders thereof for taxes paid by such holders in respect of the bonds of such series to any extent that shall in the same manner be determined by the Board of Directors of the Company.

The bonds of any series may be made redeemable before maturity at the option of the Company, in the manner hereinafter provided, in whole or in part, and at such time, or from time to time, and at such price or prices as shall in the same manner be determined by the Board of Directors of the Company, and shall be expressed in the bonds of such series.

The bonds of any series may be made convertible into capital stock or other securities of the Company or of any successor corporation, upon such terms and conditions and during such period or periods as shall be determined by the Board of Directors of the Company prior to the authentication of any bonds of such series, and shall be expressed in such bonds.

The bonds of each series shall be in the English language, and shall be designated by a distinguishing letter or letters of the English alphabet. All bonds of any one series at any one time simultaneously outstanding shall be identical in tenor and effect, except that the same may be of different denominations, may consist in part of coupon bonds and in part of registered bonds without coupons, and may, in cases of serial maturities, be of different maturity dates, and may contain such variations in tenor and effect as are incidental to such differences in denomination, form, and maturities. All coupon bonds of any one series, whenever issued shall bear the same date. Each registered bond without coupons shall be dated as of the date of the interest payment day thereof next preceding the date of issue, unless issued on an interest payment day in which event it shall be dated as of the date of issue, and shall bear interest from the date thereof.

SECTION 2. The first series of bonds to be issued hereunder shall be designated as Series A, and the aggregate principal amount thereof shall not exceed $10,000,000. The bonds of Series A and the coupons thereof shall be substantially in the forms hereinbefore recited, respectively. Each bond of said series shall be dated December 1, 1922, except in the case of a registered bond which shall be dated as of the date of the interest payment day thereof next preceding the date of issue, unless issued on an interest payment day, in which event it shall be dated as of the date of issue; shall be due and payable December 1, 1942; shall bear interest at the rate of six per centum per annum, payable semi-annually on the first day of June and the first day of December in each year; and shall be payable as to principal and interest at the office of the Continental and Commercial Trust and Savings Bank in the City of Chicago, Illinois, or at the option of the holder, at the office of First National Bank of New York, in the Borough of Manhattan, in the City and State of New York. So far as may be lawful, the interest shall be paid without deduction for any tax or taxes upon the income of the holder thereof (except such portion of any income tax with respect to income derived from such interest as shall be in excess of two per centum) which the Company, or the Trustee, or anyone acting in behalf of them or either of them, may be required or permitted to pay on or to deduct from such interest under or by reason of the present or any future income tax law of the United States.

The Company will refund and repay to the owner of any bond of Series A if a resident of the State of Pennsylvania, the amount of any lawful tax thereon for any year paid by him to the State of Pennsylvania, not exceeding 4/10th of one per centum of the principal thereof, and the Company will refund and repay to the owner of any bond of Series A, if a resident of the State of Connecticut, the amount of any lawful personal property tax thereon for any year paid by him to the State of Connecticut not exceeding 4/10ths of one per centum of the principal thereof, and the Company will refund and repay to the owner of any bond of Series A, if a resident of the State of Massachusetts, the amount of any lawful income

tax upon the interest thereof for any year paid by him to the State of Massachusetts, not exceeding six per centum of such interest; provided that, within sixty (60) days after the date of the payment of any such tax, such owner shall file with the Company at its office or agency in the City of Chicago, Illinois, a certificate in writing, verified by such owner or his agent, setting forth the respective serial numbers and denominations of the Series A bonds on which such tax was paid, the fact and date of such payment, and certifying to the fact of his ownership thereof on the date on which the said tax was assessed against him or upon said bonds, and requesting reimbursement of the amount thereof; provided further that the Company shall not be liable to reimburse any owner of any bond for the amount of any such tax payment, unless request be made therefor within the said period of sixty (60) days and that in no event shall the Company be liable to reimburse any such owner for any interest or penalty assessed or paid in addition to the amount of the Tax, as originally assessed.

Any or all of the bonds of Series A shall be redeemable at any time, or from time to time, subsequent to November 30, 1932, at the option of the Company, in the manner hereinafter provided in Article V hereof, by the payment of par, accrued interest and a premium upon the principal as follows: If redeemed on or before November 30, 1937, a premium of five per centum; if redeemed thereafter but on or before November 30, 1941, a premium of two and one-half per centum less one-half of one per centum for each year or part thereof elapsed after November 30, 1938. If redeemed after November 30, 1941, no premium shall be required.

SECTION 3. The bonds of each series other than Series A shall be designated in such appropriate manner as shall be determined by the Board of Directors of the Company and approved by the Trustee, provided, however, that the designatin "First Mortgage Gold Bonds" (with such additional appropriate description as said Board may determine) shall not be used with respect to any bonds issued hereunder unless and until all mortgages upon all or any part of the property of the Company superior in lien to this Mortgage shall have been discharged and released of record and the Trustee shall, but before making any such payment the Trustee may, in its discretion, cause to be made such independent investigation as it may see fit, and may decline to take action unless satisfied by such investigation of the truth and accuracy of the matters so investigated. The expense of any such investigation shall be paid by the Company, or, if paid by the Trustee, shall be repaid by the Company upon demand, with interest after demand at the rate of six per cent per annum.

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Any such moneys in the hands of the Trustee, and not theretofore paid over or requested to be paid over to reimburse the Company as aforesaid shall, on the election and in accordance with a request in writing signed by the President or a Vice-President and by the treasurer or an Assistant Treasurer of the Company, be applied by the Trustee to the purchase of bonds issued and outstanding hereunder at not exceeding (if they be then redeemable) their redemption price or to the redemption of bonds upon and in accordance with the provisions of Article V of this Mortgage; and any bonds so purchased or redeemed shall be cancelled and no other bonds shall be issued under the provisions of this Mortgage by reason of such cancellation.

ARTICLE X

REMEDIES IN CASE OF DEFAULT

SECTION 1. In case default shall be made in the payment of interest on any bond issued hereunder; and any such default shall continue for a period of sixty days; or in case default shall be made in the payment of the principal of any such bond when due; or in case default shall be made in the due observance or performance of any other covenant or condition herein required to be kept or performed by the Company, and any such last-mentioned default shall continue for a period of sixty days after written notice thereof shall have been given to the Company by the Trustee, which may, in its discretion, ~~give such notice, and shall do so upon~~

have been furnished with (a) a copy of resolution of the Company's Board of Directors changing the designation of the bonds to "First Mortgage Gold Bonds" (with such additional appropriate description as said Board may determine), and (b) an opinion of counsel selected or approved by the Trustee to the effect that at the date of such opinion no mortgage superior in lien to this Mortgage exists upon any part of the property of the Company. In case any bonds hereafter issued hereunder shall be designated other than as "First Lien and Refunding Mortgage Gold Bonds" (with such additional appropriate description as the Board of Directors may determine) the holder of any bond or bonds of any series previously issued and then outstanding may surrender such bond or bonds to the Trustee at any time with (in case of coupon bonds) all unmatured interest coupons attached, and duly endorsed if a registered bond, and receive in exchange therefor a new bond or bonds of the same series, denomination or denominations, and substantially of the same tenor except that such bonds shall be designated in the same manner as the bond last authenticated hereunder prior thereto. All bonds (and coupons thereof, if any) so surrendered for exchange shall forthwith be canceled by the Trustee and delivered to the Company on its written request therefor.

SECTION 4. In each series coupon bonds may be issued in denominations of $1,000, $500, and $100 each and registered bonds may be issued in the denomination of $1,000 each or any multiple thereof. The principal amount of coupon bonds and of registered bonds of any series to be authenticated hereunder and the denominations in which such bonds shall be authenticated shall be determined by the officer or officers of the Company to whom, or upon whose order, such bonds shall be delivered. In such series coupon bonds for $1,000 shall be numbered M-1 and consecutively upwards, and coupon bonds for $500 shall be numbered D-1 and consecutively upwards, and coupon bonds for $100 shall be numbered C-1 and consecutively upwards, and registered bonds, without regard to the denomination thereof, shall be numbered R-1 and consecutively upwards.

SECTION 5. The coupon bonds and the coupons appertaining thereto and the registered bonds to be issued under this Mortgage, and the certificate of the Trustee upon all bonds, shall be substantially of the tenor and purport of the coupon bond, coupon, registered bond, and the certificate of the Trustee upon all bonds, shall be substantially of the tenor and purport of the coupon respectively, of Series A hereinabove recited, with such appropriate insertions, omissions, substitutions and variations, required or permitted by this Mortgage, as may be necessary or incidental to the exercise by the Company of any rights hereby reserved to it in respect of the terms, provisions and characteristics of said bonds. The Company by a resolution of its Board of Directors may make such changes in or additions to any bond issued hereunder or endorsements thereon as may be necessary or incidental to the exercise by the Company of any rights reserved to it under this Mortgage or as may be necessary in order to conform to the requirements for listing on any exchange or exchanges, provided that such changes are approved as to form by the Trustee; and any bond may bear any appropriate legend indicating the manner in which any required stamp tax has been paid, if the same has been paid otherwise than by affixing stamps to such bond, and any bond may bear any appropriate legend indicating that the same has been authorized to be issued by any commission or governmental agency having jurisdiction to regulate the issue of bonds by the Company.

SECTION 6. All the bonds issued hereunder shall, from time to time, be executed on behalf of the Company, by its President or one of its Vice-Presidents and by its Secretary or one of its Assistant Secretaries, or by such other form of execution as shall be prescribed by statute, by law, or by vote of the Board of Directors of the Company, and shall be sealed with its corporate seal. The interest coupons to be attached to coupon bonds issued hereunder shall be authenticated by the facsimile signature of the present Treasurer or of any future Treasurer of the Company, and the Company may also adopt and use for that purpose the facsimile signature of any person who shall have been such Treasurer, notwithstanding the fact that he may have ceased to be such Treasurer at the time of the execution thereof or at the time when such bonds shall be actually authenticated and delivered.

In case any of the officers who shall have signed and sealed any bonds shall cease to be such officers before the bonds so signed and sealed shall have been actually authenticated by the Trustee and delivered to the Company, such bonds

nevertheless may be issued, authenticated and delivered with the same force and effect as though the person or persons who signed and sealed such bonds had not ceased to be such officer or officers of the Company.

SECTION 7. The Company shall keep at the office of the Trustee, in the City of Chicago, Illinos, books, for the registration, transfer and exchange of bonds issued hereunder, and the Trustee is hereby appointed the Registrar of the Company for the purpose of registering, transferring and exchanging the bonds secured hereby.

SECTION 8. The holder of any coupon bond issued hereunder may have the ownership thereof registered, as to principal only, on said registry books of the Company, and such registration noted on the bond. After such registration no further transfer shall be valid unless made on the said books by the registered holder in person or by his duly authorized attorney and similarly noted on the bond; but the bond may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; and such bond may again, from time to time, be registered, or transferred to bearer, as before. Such registration, however, shall not affect the negotiability of the coupons, but every such coupon shall continue to be transferable by delivery merely, and shall remain payable to bearer.

SECTION 9. Upon the surrender to the Trustee for exchange of any coupon bond of the denomination of $1,000 or of $500, in either case with all unmatured coupons, the Company shall issue and, at the request of the Company, the Trustee shall authenticate and deliver, in exchange for such coupon bond for $1,000, ten coupon bonds for $100, or two coupon bonds for $500, or five coupon bonds for $100 and one coupon bond for $500, each of the same series and maturity date as the surrendered $1,000 coupon bond, with all unmatured coupongs, or in exchange for such coupon bond for $500, five coupon bonds for $100 each of the same series and maturity date as the surrendered $500 coupon bond, with all unmatured coupons. Whenever ten coupon bonds for $100, or five coupon bonds for $100 and one coupon bond for $500, or two coupon bonds for $500, each of the same series and maturity date and having all unmatured coupons attached thereto, shall be surrendered for exchange for a coupon bond for $1,000, or whenever five coupon bonds for $100 each of the same series and having all unmatured coupons attached thereto, shall be surrendered for exchange for a coupon bond for $500, the Company shall issue, and the Trustee shall authenticate and deliver, a coupon bond for $1,000, or for $500, as the case may be, of the same series and maturity date as the surrendered bonds, with all unmatured coupongs thereto attached.

SECTION 10. Registered bonds without coupons may be issued in exchange for, and upon cancellation of, coupon bonds or temporary bonds or other registered bonds without coupons. Whenever any coupon or temporary bond or bonds each of the denomination of $1,000, or any coupon or temporary bonds of the same series and maturity date aggregating $1,000 in principal amount, or any multiple thereof, together with all unmatured coupongs, if any, thereto belonging, shall be surrendered for exchange for registered bonds without coupons, the Company shall issue, and the Trustee shall authenticate and in exchange for such coupon or temporary bond or bonds shall deliver, a like principal amount of registered bonds without coupons of the same series and maturity date as the surrendered bond or bonds. Whenever in person or by duly authorized attorney the registered holder of any registered bond or bonds without coupons of the same series and maturity date, shall surrender the same for transfer, accompanied by a written instrument of transfer in form approved by the Trustee, the Company shall issue, and the Trustee shall authenticate and in exchange for such registered bond or bonds without coupons shall deliver, a new registered bond or bonds without coupons, of the same series and maturity date as the surrendered bond or bonds and for a like aggregate principal amount, in the name of the transferee. Whenever any registered bond without coupons, accompanied by a written instrument of transfer in form approved by the Trustee, executed by the registered holder or by his duly authorized attorney, shall be surrendered for exchange for one or more coupon bonds, the Company shall issue, and the Trustee shall authenticate and in exchange for such registered bond shall deliver, a like principal amount of coupon bonds, of the same series and maturity date as the surrendered bond, bearing all

unmatured coupons, and of such denomination or denominations herein authorized as may be requested by such registered holder.

All such transfers or exchanges shall be made at the office of the Trustee.

SECTION 11. Upon every exchange of coupon bonds for registered bonds, or of registered bonds for other registered bonds, or of coupon bonds for other coupon bonds of other denominations, and upon any transfer of registered bonds the Company may make a charge therefor, sufficient to reimburse it for any stamp or other tax or governmental charge required to be paid by the Company or the Trustee, and in addition may charge a sum not exceeding one dollar for each bond issued upon any such exchange which shall be paid by the party requesting such exchange as a condition precedent to the exercise of the privileges conferred by this Article.

No charge shall be made for the registration, or transfer to bearer, of coupon bonds.

In case of any such exchange or transfer the Trustee shall forthwith cancel the surrendered bonds and their interest coupons (if any), and shall deliver the same to the Company, upon its written ~~REQUEST THEREFOR, EXCEPT THAT UPON SURRENDER~~ request therefor, except that upon surrender of coupon bonds for registered bonds the Trustee may retain such surrendered coupon bonds, uncancelled, for re-exchange for registered bonds upon a subsequent surrender thereof. The Company shall not be required to make exchanges or transfers of bonds for a period of ten days next preceding an interest day thereof.

SECTION 12. Until definitive engraved or lithographed bonds of any series are ready for delivery, there may be issued authenticated and delivered in lieu of any thereof and subject to the same provisions, limitations and conditions, temporary typewritten, printed or lithographed bonds in bearer or registered form substantially of the same tenor, except that coupons may be omitted from temporary bonds, but with such appropriate omissions, insertions and variations as may be determined by the Board of Directors of the Company and approved by the Trustee, and such temporary bonds shall be in such denominations as may be directed by the officers of the Company, to whom or upon whose order such bonds shall be delivered.

As soonas definitive engraved or lithographed bonds are ready for delivery in exchange therefor, the holders of such temporary bonds may surrender the same for cancellation at the office of the Trustee in the City of Chicago, State of Illinois, or at such other place or places, if any, as may be designated therefor, together with unmatured coupongs (if any) thereto appertaining, and shall be entitled to receive in exchange such definitive engraved or lithographed bonds either in the form of coupon bonds with all unmatured coupons attached, or in the form of registered bonds, of the same series and of like aggregate principal amount. Such exchange will be made by the Company at its own expense and without making any charge therefor, and the Company will prepare and execute the definitive engraved or lithographed bonds with all reasonable dispatch. Such temporary bonds, upon surrender as aforesaid, shall be cancelled by the Company. Until exchanged for definitive bonds, such temporary bonds shall be entitled to the same lien and security of this Mortgage as the definitive bonds to be issued and authenticated hereunder. When and as interest is paid upon temporary bonds, the fact of such payment shall be noted thereon, unless made upon presentation and surrender of a coupon appertaining thereto. Until such definitive bonds are ready for delivery, the holder of one or more temporary bonds, upon the surrender thereof to the Company for cancellation, may exchange the same for, and shall be entitled to receive, temporary bonds of the same series and maturity date and of like aggregate principal amount in any denomination or denominations indicated by him and in which any temporary bonds of such series shall have been issued.

The Trustee shall authenticate and deliver definitive bonds for issue as aforesaid in exchange for temporary bonds duly authenticated and outstanding hereunder, and shall also authenticate and deliver temporary bonds for exchange as aforesaid for other temporary bonds of like aggregate principal amount duly authenticated and issued hereunder. All temporary bonds surrendered in exchange shall forthwith be cancelled by the Trustee and upon the written demand of the Company shall be delivered to it.

SECTION 13. Upon receipt by the Company and the Trustee of evidence satisfactory to them of the loss or destruction of any outstanding temporary or definitive bond hereby secured, and of indemnity satisfactory to them, or in case of the mutilation

of any such outstanding bond, upon surrender and cancellation of such bond and upon receipt of indemnity satisfactory to them, if requested, the Company in its discretion may execute, and the Trustee may authenticate and deliver, a new bond of the same series and denomination and of like tenor and bearing the same issue number (to which the Trustee may add a distinguishing mark), in lieu of such lost, destroyed or mutilated bond, as the case may be. Upon the issue of any substitute bond, the Company may, in its discretion, require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge or other expense connected therewith, and also a further sum, not exceeding ten dollars, for each bond so issued in substition.

SECTION 14. As to all registered bonds without coupons and all coupon bonds registered as to principal, the person in whose name the same shall be registered shall be deemed and regarded as the owner thereof for all purposes of this Mortgage, and payment of or on account of the principal of such bond, if it be a registered coupon bond, and of the principal and interest, if it be a registered bond, shall be made only to or upon the order in writing of such registered holder thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bonds to the extent of the sum or sums so paid. The Company and the Trustee, each in its discretion, may deem and treat the bearer of any coupon bonds, which shall not at the time be registered as to principal, and the bearer of any coupon for interest on any bond, whether such bond shall be registered as to principal, and the bearer of any coupon for interest on any bond, whether such bond shall be registered or not, as the absolute owner of such bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and neither the Company nor the Trustee shall be affected by any notice to the contrary.

SECTION 15. No bond shall be secured hereby unless there shall be endorsed thereon the certificate of the Trustee, substantially in the form hereinbefore recited, that it is one of the bonds (or temporary bonds) herein described and of the series designated in such bond; and such certificate on any bond shall be conclusive evidence that it is duly issued and is secured hereby.

At any time when the Company shall be in default hereunder, to the knowledge of the Trustee, the Trustee shall not authenticate or deliver any additional bonds under this Mortgage.

ARTICLE 11.

RELATING TO THE ISSUANCE OF BONDS.

SECTION 1. One Million Nine HUndred Seventeen Thousand Dollars in principal amount of Series A bonds to be secured hereby may, whenever desired by the Company, be executed by it and delivered to the Trustee for authentication, and the Trustee shall forthwith authenticate said bonds and deliver the same to or upon the order of the President or a Vice-President of the Company. Additional bonds of Series A within the authorized aggregate principal amount hereinbefore in Section 2 of Article 1 stated may be issued under the provisions of any of the following sections of this Article.

SECTION 2. Bonds of any series may from time to time be issued hereunder by the Company in the manner and subject to the limitations provided in this Section and in Section 1 of Article 1 hereof for or on account of the pledge (uncancelled) with the Trustee hereunder or the payment, redemption, or other discharge at, before or after maturity, of any First and Refunding Mortgage Gold Bonds (hereinafter referred to as the " First and Refunding Bonds") issued under and secured by the trust indenture (hereinafter referred to as the "First and Refunding Mortgage") dated March 1, 1917, executed by the Company to Wisconsin Trust Company as trustee, and bearing any of the following serial numbers: 1 to 15, 22 to 29, 32 to 35, 38 to 251, 382 to 383, 5001 to 5599, 5601 to 5652, 5700 to 5876, 6000 to 6084, 6087 to 6136, and 6653 to 6692 (all numbers inclusive); said bonds so numbered being all the bonds outstanding under said mortgage at the date of the execution of this Mort-

gage except the First Refunding Bonds mentioned in the granting clause hereof and pledged with the Trustee hereunder. Bonds shall be authenticated by the Trustee under this section subject to the restrictions hereof, and shall be delivered by it to or upon the order of the President or a Vice-President of the Company, upon receipt by the Trustee of the following:

(a) A principal amount of said First and Refunding Bonds of the Company uncanceled, equal to the principal amount of bonds then requested to be authenticated hereunder, or

(b) A certificate signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of the Company stating that a principal amount of said First and Refunding Bonds equal to the principal amount of bonds then requested to be authenticated hereunder have been paid, redeemed or otherwise discharged, or that provision for such payment, redemption or discharge has been made by the deposit of the necessary moneys with the trustee under said First and Refunding Mortgage, and that no bonds have been previously issued and no deposited cash previously withdrawn under this Mortgage on account of the payment, redemption or discharge of said bonds, and that none of said First and Refunding Bonds have been paid, redeemed or discharged with any insurance money received from the payment of losses or with money received from the sale or condemnation of any of the Company's property; and

(c) A copy of a resolution of the Board of Directors of the Company authorizing the execution and authentication of the bonds requested to be authenticated, and stating the principal amount thereof and the desired terms, provisions and characteristics of such bonds and the designation of the series in which to be issued, all in accordance with and subject to the restrictions of Section 1 of Article 1 hereof, and stating the amount and serial number of the First and Refunding Bonds for or on account of the pledge, payment, redemption or discharge of which such bonds are authorized to be issued.

(d) The certificates and/or opinions required by Section 10 of this Article.

Each First and Refunding Bond received by the Trustee under the provisions of this section shall be held, treated and considered by the Trustee in like manner as the underlying bonds (as hereinafter in Section 4 of this Article defined) deposited with the Trustee under said Section 4, and the provisions of said section applicable to underlying bonds deposited with the Trustee shall apply equally to First and Refunding Bonds pledged under this section.

The aggregate principal amount of bonds which may be issued under this section shall not exceed One Million One-Hundred Twenty-four Thousand Five Hundred Dollars.

SECTION 3. Bonds of any series may, from time to time in the manner and subject to the limitations provided in this Section and in Section 1 of Article 1 hereof, be issued hereunder by the Company for or on account of the payment, cancellation, redemption or other discharge at, before or after maturity, of an equal aggregate principal amount of bonds of one or more other series theretofore authenticated under any provision of this Mortgage, and the same shall be authenticated by the Trustee and delivered by it to, or upon the order of the President or a Vice-President of the Company, upon receipt by the Trustee of the following:

(a) A copy of a resolution of the Board of Directors of the Company authorizing the execution and authentication of the bonds proposed to be issued, and stating the principal amount thereof and the desired terms, provisions and characteristics of such bonds and the designation of the series in which to be issued all in accordance with and subject to the restrictions of Section 1 of Article 1 hereof, and specifying the bonds of such other series for or on account of the payment, cancellation, redemption or discharge of which such bonds are authorized to be issued: and

(b) A principal amount of bonds (either canceled or uncanceled, and in either temporary or definitive form) theretofore authenticated hereunder and specified in such resolution, equal to the principal amount of bonds then requested to be authenticated hereunder; or

(c) An amount in cash equal to the principal amount, with interest thereon to maturity, of the bonds of such other series specified in such resolution for the purpose of the payment of such bonds and the interest thereon at maturity; or

(d) An amount in case sufficient to redeem, and for the purpose of redeeming, and for the purpose of redeeming, the bonds of such other series specified in such resolution at the date designated in the notice of redemption of such bonds theretofore given in accordance with the provisions of Article V hereof; and

(e) The certificate and/or opinions required by Sections 9 and 10 hereof and a certificate similarly executed showing that any bonds of such other series delivered to the Trustee have not theretofore been used as the basis for the authentication o f any bonds or the withdrawal of any deposited cash under any provision of this Mortgage and have not been acquired, redeemed or discharged with moneys applied to any such purpose by the Trustee pursuant to the provisions of Article VII or Article IX hereof or pursuant to any sinking fund created hereafter under the terms of this Mortgage in respect of any bonds issued hereunder.

Any bond (and its coupons) delivered uncanceled to the Trustee and on account of which a new bond is issued under this section shall, when received by the Trustee, immediately be canceled and surrendered to the Company. Any cash deposited with the Trustee under the provisions of this section shall be applied by the Trustee to the purposes for which such cash was so deposited; provided, however, that upon the surrender by the Company to the Trustee for cancellation of any bond or bonds authenticated hereunder for the payment at maturity or the redemption of which cash shall have been deposited with the Trustee under the provisions of this section, the Trustee shall return to the Company out of such cash an amount equal to the amount deposited for the payment at maturity or the redemption, as the case may be, of such bonds so surrendered.

SECTION 4. Bonds of any series may from time to time be issued hereunder by the Company in the manner and subject to the limitations provided in this section for or on account of the acquisition, payment, redemption or discharge at, before or after maturity of any of the following bonds:

(1) $1,182,000 in principal amount of Five Per Cent Twenty Year First Mortgage Gold Bonds of Eastern Wisconsin Railway & Light Company issued under and secured by a mortgage or deed of trust dated October 1, 1903, given by Eastern WisconsinRailway & Light Company to Milwaukee Trust Company (now First Trust Company of Milwaukee) as trustee, being all the bonds now outstanding under said mortgage in the hands of the public;

(2) $1,540500 in principal amount of Refunding and Improvement Mortgage Mortgage Five Per Cent Thirty Year Gold Bonds of Sheboygan Electric Company issued under and secured by the mortgage or deed of trust dated July 1, 1916, given by the Sheboygan Electric Company to Wisconsin Trust Company as trustee, being all the bonds now outstanding under said mortgage;

(3) All bonds or other evidences of indebtedness secured by mortgage superior in lien to the lien of this Mortgage upon any purchased property (as hereinafter in this section defined) hereafter acquired by the Company provided (a) that the principal amount of such bonds or indebtedness at the time of such acquisition shall not exceed seventy-five per cent of the cost to the Company or of the value at the time of its acquisition (whichever shall be less) of such purchased property; or (b) that if the principal amount of such bonds or indebtedness shall then exceed seventy-five per cent of such cost or value (whichever shall be less), the Company after such acquisition shall have paid or otherwise discharged a principal amount of such bonds or indebtedness at least equal to such excess or shall have made (either before or after such acquisition) expenditures (on account of which bonds could have been authenticated under the provisions of Section 5 of this Article, disregarding the provisions of Sections 8, 9 and 10 of this Article, but on account of which no bonds shall have been authenticated under this Mortgage) amounting to one and one-third times such excess, and shall have certified

the discharge of such bonds or indebtedness or the making of such expenditures to the trustee for the purpose of eliminating or compensating such excess; and provided further that in computing the principal amount of such bonds or other evidences of indebtedness secured by mortgage upon any purchased property acquired from a Subsidiary (as hereinafter in this Mortgage defined) for the purposes of sub-division (a) of this paragraph there shall be excluded the amount of any such bonds or evidenses of indebtedness pledged with the Trustee hereunder and there shall be included in lieu thereof an amount of bonds equal to the principal amount of all bonds previously authenticated under the provisions of Section 6 of this Article in respect of such Subsidiary.

The bonds and other evidences of indebtedness hereinabove in this section specified and described are hereinafter sometimes referred to indivually and collectively as "underlying bonds," and the mortgages or other instruments respectively securing or providing for the issue of the same are herein sometimes referred to as "underlying mortgages." Any bond or evidence of indebtedness issued under any underlying mortgage and which is deposited under any other underlying mortgage or under this Mortgage shall not be deemed or considered an underlying bond for the purpose of this section. The term "cost" as used in this Mortgage with respect to any purchased property shall be taken to mean the amount of cash expenditures made or agreed to be made by the acquiring company therefor, added to the aggregate principal amount of the bonds or other evidences of indebtedness, if any, secured by mortgage or other lien existing on such purchased property at the time of the acquisition thereof and subject to which such property was acquired, except in cases where the consideration for purchased property shall not consist wholly of such cash expenditures, or of such cash expenditures and the assumption of any mortgage indebtedness existing on such purchased property at the time of its acquisition; and in all such cases the value at the time of acquisition of such purchased property, determined as hereinafter in this section provided, shall within the meaning of this Mortgage be deemed the "cost" of such purchased property. The "value" as that term is used in this Mortgage, of any property shall be the value determined and certified by an engineer or firm of engineers to be selected by the Company and to be acceptable to the Trustee (except where some other method of determination is specifically provided for herein) and the Trustee shall be furnished with a certificate of such determination signed by such engineer or firm of engineers. The term "purchased property" as used in this Mortgage shall mean any plant, equipment or other property used or useful for public utility purposes acquired through purchase, consolidation or otherwise, and and for a part of the permanent and fixed investment for the business of the acquiring company, and shall not include cash, accounts or bills receivable, securities, supplies, fuel or other assets originally classified as quick assets.

Bonds shall be authenticated by the Trustee under this section subject to the restrictions thereof and shall be delivered by it to or upon the order of the President or a Vice-President of the Company upon receipt by the Trustee of the Following: (a) A copy of a resolution of the Board of Directors of the Company authorizing the execution and authentication of the bonds requested to be authenticated and stating the principal amount thereof and the desired terms, provisions and characteristics of such bonds and the designation of the series in which to be issued, all in accordance withand subject to the restrictions of Section 1 of Article 1 hereof, and specifying the underlying bonds for or on account of the acquisition, payment, redemption or discharge of which such bonds are authorized to be issued;

(b) A principal amount of uncanceled underlying bonds (whether matured or unmatured) specified in such resolution equal to the principal amount of the bonds requested to be authenticated hereunder; or a certificate signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of the Company showing that a principal amount of such underlying bonds equal to the principal amount of bonds requested to be authenticated hereunder shall have been at any time paid, redeemed or otherwise discharged, or showing that provision for such payment, redemption or discharge has been made by the deposit of the necessary moneys with the trustee under the underlying mortgage securing such underlying bonds;

(c) The bonds and/or opinion required by Section 8 of this Article;

(d) The orders, certificates and/or opinions required by Section 10 of this Article; and

(e) If any of such underlying bonds pledged, paid, redeemed or otherwise discharged are secured by mortgage upon purchased property, a certificate signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of the Company setting forth (1) a description of such purchased property, the date of its acquisition, and the amount and character of the consideration paid therefor, (2) the amount of all bonds or evidences of indebtedness secured by mortgage prior in lien to this Mortgage on such purchased property outstanding at the date of its acquisition and outstanding at the date of such certificate, (3) the amount of any such bonds or indebtedness discharged or any expenditures made for the purpose of eliminating or compensating any excess in principal amount of such bonds or indebtedness over seventy-five per cent of the value of such purchased property, (4) that no bonds have been issued or any deposited cash or any moneys withdrawn under any provisions of this Mortgage on account of such bonds or indebtedness discharged or such expenditures made, and (5) that no portion of such expenditures was made, with insurance moneys received from the payment of losses, or was certified to comply with the requirements of Article VII of this Mortgage; and also a certificate signed by an engineer or firm of egineers selected by the Company and acceptable to the Trustee stating the value of such property at the time of its acquisition by the Company determined as hereinbefore in this section provided, from which certificates it shall appear that such underlying bonds are underlying bonds within the provisions of this section; provided, however, that the certificates provided for in this subdivision (e) of this section shall be required only in respect of the first authentication of bonds under this section on account of any of the bonds or other evidences of indebtedness secured by mortgage superior in lien to this Mortgage upon the purchased property described in said certificates EACH OF the underlying bonds received by the Trustee pursuant to the provisions of this section shall be stamped by the Trustee with appropriate words setting forth that such underlying bond is not negotiable and that it is held in trust for the purposes declared in this Mortgage, and such bond shall be held by the Trustee as purchaser thereof, uncanceled and without extinguishment or impairment of lien, as additional security for the payment of the bonds hereby secured until otherwise disposed of as hereinafter provided.

Whenever all the underlying bonds of any issue, except lost or destroyed bonds for which satisfactory indemnity shall have been given, shall have been acquired by the Trustee hereunder, or whenever a portion thereof shall have been so acquired and payment or redemption of the remainder shall have been made or shall have been provided for, the deposit of the necessary moneys with the trustee under the underlying mortgage securing such issue, the Trustee hereunder shall, at the request of the Company, cancel and surrender to the Company all the underlying bonds of such issue then in its possession, provided that the Trustee (unless such underlying bonds are First and Refunding Bonds) shall first receive a principal amount of such First and Refunding Bonds equal to the principal amount of the underlying bonds so cancelled and surrendered or one of the opinions mentioned in Section 8 of this Article.

As soon as practical after the Company shall be entitled to the release and discharge of record of any underlying mortgage securing any of the underlying bonds, it shall procure such release and discharge. If at the time of such release there shall be on deposit with the trustee of the mortgage so released unmatured bonds secured by a mortgage prior in lien to such released mortgage, then, unless otherwise required by some mortgage on the Company's property superior in lien to this Mortgage, all bonds with unmatured interest coupons thereunto appertaining so on deposit with such trustee shall immediately be deposited and pledged hereunder with the Trustee, and shall thereafter be held, treated and considered by the Trustee in like manner as underlying bonds deposited hereunder, except that no bonds may be issued under this Mortgage for or on account of the bonds so deposited with the trustee hereunder.

So long as any bond deposited with the Trustee under the provisions of this section shall be held by the Trustee hereunder, neither the principal nor the interest thereof shall be collected nor be required to be paid unless or until foreclosure proceedings shall be insituted to enforce the mortgage securing such bond by sale of the property thereby covered or to enforce any

other mortgage superior to the lien hereof, covering all or any part of the same property, but upon the institution of any such proceedings the Trustee may take such steps to protect or enforce such deposited bond as it may deem proper; and any title, moneys and property which the Trustee may acquire or to which it may be entitled under or by means of any proceeding for the enforcement of such deposited bond the Trustee shall hold upon the trusts herein declared concerning the property hereby mortgaged. Until any such foreclosure proceedings shall be so instituted, the Trustee shall, upon request of the Company, cancel and surrender to the Company all interest coupons of such deposited bond in the possession of the Trustee as such coupons from time to time mature.

In case any deposited bond in the possession of the Trustee shall be called for redemption, payment or purchase pursuant to any sinking fund provisions of the underlying mortgage securing the same, and the money necessary to redeem, pay or purchase such deposited bond shall be deposited with the trustee under such underlying mortgage, then the Trustee hereunder shall, upon request of the Company, surrender such deposited bond to the Company.

Upon the written request of the Company signed in its name by its President or Vice-President, the Trustee shall surrender and deliver for cancellation to the First and Refunding Mortgage for and on account of the Company on or after the first days of March and September in each of the years 1923 and 1946 inclusive, a principal amount of First and Refunding bonds of the Company then held in pledge ~~hereunder~~ equal to the amount payable by the Company to said trustee on each ~~to the amount payable by the Company to said trustee on each~~ of said dates respectively under the provisions of Article III of said First and Refunding Mortgage.

SECTION 5. Bonds of any series may from time to time be issued hereunder in like manner and subject to the limitations provided in this section and in Section 1 of Article 1 hereof. In case the company shall subsequent to the date of this Mortgage make any additions, extensions, betterments or improvements (hereinafter referred to collectively as "extensions") upon, of or to its plants, properties and/or equipment owned at the date of this Mortgage or thereafter acquired, or subsequent to said date shall acquire, in addition to the properties then owned by the Company, any purchased property (as defined in Section 4 of this Article), bonds may be issued and authenticated hereunder to the extent in principal amount of seventy-five per cent of all expenditures made by the Company for such extensions and/or such purchased property; provided (1) that such extensions and purchased property shall be subject to the lien of this Mortgage, subject only to the liens respectively of the First and Refunding Mortgage and of any underlying mortgage specified in Section 4 of this Article or of any mortgages existing on such purchased property at the time of its acquisition, and (2) that no bonds shall be issued under the provisions of this section for or on account of expenditures to retire or discharge mortgage indebtedness, if any, which existed upon any purchased property at the time of its acquisition (provision for the issuance of bonds on account of the retirement or discharge of such mortgage indebtedness being made by Section 4 of this Article), and (3) that the Sum of (a) the principal amount of bonds which may be issued under the provisions of this Section for or on account of expenditures for the acquisition of purchased property, other than purchased property acquired from a Subsidiary, (not including expenditures for any extensions on, of or to such purchased property made subsequent to its acquisition by the Company) and (b) the principal amount of all mortgage indebtedness, if any, existing on such purchased property at the time of its acquisition shall not exceed seventy-five per cent of the value (determined as provided in Section 4 of this Article) of such purchased property at the time of its acquisition by the Company, and (4) if such purchased property was acquired from a Subsidiary as hereinafter in this Mortgage defined, the aggregate principal amount of bonds which may be issued under the provisions of this Section on account of such acquisition shall not exceed the amount by which seventy-five per centum (75%) of the value of such purchased property at the time of its acquisition by the Company shall exceed the sum of (a) the amount of the indebtedness, if any, secured by mortgage upon all or any part of such purchased property as aforesaid outstanding at the date of such acquisition exclusive of so much, if any, of such mortgage indebtedness as shall then be pledged wih the Trustee hereunder), and (b) the aggregate principal amount of bonds, if any issued under the provisions of Section 6 of this Article on account of expenditures for the stock, extensions and/ or purchased property of such Subsidiary, and/or on ac-

ocunt of pledge, payment or other discharge of obligations of such Sub idiary, and (5) that no bondS shall be issued under the provisions of this section unless the Company shall be entitled to issue them under the provisions of Section 9 of this Article with respect to net earnings of the Company, and (6) that no bonds shall be issued under the provisions of this section for on on account of any expenditures which shall previously have been used as the basis for the authentication and issue of bonds hereunder, or as the basis for the withdrawal of deposited cash under the provisions of Section 7 of thiS Article or as a basis for the withdrawal of moneys under the provisions of Articles VII or XI hereof, or which shall have been certified to the Trustee under the provisions of Section 4 of this Article to eliminate or compensate any excess of the nature described in sub-paragraph (3) of said Section 4, or which shall have been made with any insurance moneys received from the payment of losses, or with money received from the sale or condemnation of any of the Company's property, or which shall have been certified to comply with the requirements of Article VII hereof.

If any purchased property shall be acquired at any time or times by means of any other consideration (in whole or in part) than cash expenditures made, or agreed to be made by the acquiring company, or such cash expenditures and the assumption of indebtedness secured by mortgage or other lien on such purchased property at the time of its acquisition, the value at the time of acquisition of such purchased property (determined as provided in Section 4 of this Article) less the principal amount of all indebtedness secured by mortgage or other lien on such purchased property at the time of its acquisition and subject to which such purchased property was acquired, shall within the meaning of this Mortgage be deemed an expenditure by the acquiring company for such purchased property.

Bonds shall be authenticated by the Trustee under this section subject to the restrictions hereof and shall be delivered by it to or upon the order of the President or a Vice-President of the Company upon receipt by the Trustee of the following:

(a) A copy of a resolution of the Board of Directors of the Company authorizing the execution and authentication of the bonds proposed to be issued and stating the principal amount thereof and the desired terms, provisions and characteristics of such bonds and the designation of the series in which to be issued, all in accordance with and subject to the restrictions of Section 1 of Article 1 hereof;

(b) A certificate signed by the President or one of the Vice-Presidents and by the Treasurer or an Assistant Treasurer of the Company setting forth (1) the expenditures for extensions on account of which such bonds are requested to be authenticated, briefly describing such extensions, and that said expenditures were actually made and were not, in the opinion of the officers signing the certificate, in excess of the value of such extensions, and that none of such expenditures has been charged or is properly chargeable to cost of maintenance or other operating expense, and (2) the expenditures for, and the value (as determined by engineers' certificate in accordance with the provisions of Section 4 of this Article) of, any purchased property on account of which bonds are requested to be authenticated, a description of such property and the date of its acquisition, the amount and character of the consideration paid therefor, the amount of all outstanding mortgage indebtedness, if any, secured by mortgage on such property at the time of its acquisition, and, if such purchased property was acquired from a Subsidiary, the amount of such mortgage indebtedness pledged with the Trustee hereunder and the aggregate principal amount of bonds, if any, issued under the provisions of Section 6 of this Article in respect of such Subsidiary, and (3) that no portion of said expenditures was previously used as a basis for the issue of any bonds under this mortgage or as a basis for the withdrawal of any deposited cash under the provisions of Section 7 of thiS Article, or as the basis for the withdrawal of any moneys under the provisions of Articles

VII or XI hereof, or was made with insurance moneys received from time the payment of losses, or with moneys received from the sale or condemnation of any of the Company's property, or was certified to comply with the requirements of Article VII of this Mortgage, or was certified to the Trustee under the provisions of Section 4 of this Article to eliminate or compensate any excess of the nature described in sub-paragraph (3) of said section, and (4) that all such extensions and purchased property have become subject to the lien of this Mortgage subject only to the liens respectively of the First and Refunding Mortgage and of any of the underlying mortgages specified in Section 4 of this Article and of any mortgages existing on any of such purchased property at the time of its acquisition; and

(c) The bonds and/or opinion required by Section 8 of this Article.

(d) The orders, certificates and/or opinions required by Sections 9 and 10 of this Article.

SECTION 6. Bonds of any series may from time to time be issued hereunder by the Company in the manner and subject to the limitations provided in this section and in Section 1 of Article 1 hereof. In case the Company shall at any time lawfully acquire and own and shall in the manner provided in Section 1 of Article VI hereof pledge with the Trustee hereunder shares of the capital stock (which shall be not less than ninety-five per centum of the outstanding shares having full voting power and not less than seventy-five per centum of the outstanding shares having any voting power under any circumstances) of any corporation owning and operating any public utility property, or property useful for or in connection with the operation of public utility property, such corporation shall thereupon become and be a "Subsidiary" as that term is used in this Mortgage, and bonds may be issued hereunder as follows:

First. To the extent in principal amount of seventy-five per centum of the cost to the Company of the stock of such Subsidiary pledged with the Trustee hereunder;

Second. To the extent in principal amount of seventy-five per centum of any and all expenditures made by such Subsidiary subsequent to the date upon which it became a SubSidiary for additions, extensions, betterments or improvements (hereafter referred to collectively as "extensions") upon, of or to its plants, properties or equipment owned at such date or thereafter acquired by it;

Third. To the extent in principal amount of seventy-five per centum of any and all expenditures made by such Subsidiary for any purchased property (as defined in Section 4 of this Article), acquired by such Subsidiary subsequent to the date upon which it became a Subsidiary;

Fourth. To the extent in principal amount of one hundred per centum of the principal amount of any bonds or other evidences of indebtedness secured by mortgage upon the property of such Subsidiary and outstanding at the date upon which it became a Subsidiary, or secured by mortgage upon property subsequently acquired by such Subsidiary and outStanding at the date of the acquiSition thereof by such Subsidiary, which shall be pledged, uncancelled, with the Trustee hereunder, or which shall have been paid, redeemed or otherwise discharged at, before or after maturity; and/or

Fifth. To the extent in principal amount of one hundred per centum of the principal amount of unsecured indebtedness of such Subsidiary existing at the date upon which it became a Subsidiary (although the evidence of such indebtedness may have been from time to time renewed) which shall have been paid, redeemed or otherwise discharged;

provided, however, that:

(1) No bonds shall be authenticated under the provisions of this section in respect of any Subsidiary, unless the value of the permanent property of such Subsidiary at the time of the authentication of any bonds hereunder in respect thereof shall be not less than one hundred thirty-three and

one-third per c ent of the sum of (a) the principal amount of all bonds then to be and previously authenticated under the provisions of this section in respect of such Subsidiary, and (b) the principal amount of all indebtedness then outstanding secured by mortgage upon any property of such SubS idiary (excepting any such indebtedness the evidences of which are then held in pledge by the Trustee hereunder). The value of the permanent property of any Subsidiary at the time of authentication of any bonds hereunder in respect thereof shall be the value (determined as provided in Section 4 of this Article) of such property at the date upon which such SubSi diary became a S ubsidiary, increased (a) by the net amount of all expenditures made subsequent to such date by such Subsidiary for extensions, as shown by a certificate signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of such Subsidiary and by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company, and (b) by the cost, as defined in Section 4 of this Article, or the value, determined as provided in Section 5 of this Article, at the time of its acquisition (whichever shall be less) of any purchased property acquired by such Subsidiary subsequent to said date, and decreased by the cost or value (at which the same was included) of any such permanent property disposed of or destroyed, less (a) the amount of any money received therefor and deposited with the trustee under any mortgage on any permanent property of such Subsidiary, and (b) the value of any permanent property received by such Subsidiary in lieu of the property disposed of or destroyed. No renewal or replacement shall be ~~disposed of or deemed~~ considered an extension within the meaning of this Mortgage except to the extent that the expenditures therefor shall exceed (a) the cost to the acquiring company, if ascertainable from its records, of the property replaced, or (b) if such cost is not so ascertainable, then the value at the time of its acquisition of the property replaced.

The term "permanent property" as used in this Mortgage shall mean any plant equipment or other property used or useful for public utility purposes constituting a part of the permanent and fixed investment for the business of the company owning the same, and shall not include cash, accounts or bills receivable, securities, supplies, fuel or other assets ordinarily classified as quick assets.

The date upon which a corporation shall become a Subsidiary shall be the date (which shall be set forth in the certificate required to be filed with the Trustee at the time of the authentication of the first bonds issued hereunder in respect of such Subsidiary) upon which the Company shall have pledged hereunder with the Trustee shares of the capital stock of such Subsidiary constituting not less than ninety-five per centum of the outstanding shares having full voting power and not less than seventy-five per centum of the outstanding shares having any voting power under any circumstances.

(2) No bonds shall be authenticated under the provisions of this section in respect of any Subsidiary unless at the time of the authentication thereof there shall be held in pledge by the Trustee hereunder a principal amount of bonds, secured by mortgage or mortgages upon substantially all the property of such Subsidiary not less than the principal amount of all bonds then to be and previously authenticated under the provisions of this section in respect of such Subsidiary, and not less than the full amount of expenditures made and/or obligations discharged on account of which bonds shall then be or shall previously have been authenticated under this section. All or any part of the bonds of any Subsidiary to be pledged hereunder may be payable upon demand and be issued under a mortgage to be executed by such Subsidiary, constituting a lien upon substantially all of the permanent property of such Subsidiary, subject only to any mortgages existing on such property at the time of the execution of such mortgage and containing such provisions as may be desired (such bonds and mortgage being herein referred to

respectively as "demand mortgage bonds" and "demand mortgage"), provided that all bonds issued under any demand mortgage shall be deposited with the Trustee hereunder;

(3) No bonds shall be authenticated under the provisions of this section in respect of any Subsidiary unless at the time of authentication thereof there shall be held in pledge by the Trustee hereunder shares of the capital stock of such Subsidiary constituting not less than ninety-five per centum of the outstanding shares having full voting power and not less than seventy-five per centum of the outstanding shares having voting power under any circumstances;

(4) No bonds shall be authenticated under the provisions of this section for or on account of the cost of any stock pledged, or any expenditures made for extensions or for purchased property, or the pledge or payment or other discharge of any mortgage or unsecured indebtedness, which shall previously have been used as a basis for the authentication and issuance of bonds hereunder, or as a basis for the withdrawal of deposited cash under the provisions of Section 7 of this Article, or as a basis for the withdrawal of moneys under the provisions of Article VII of this Mortgage, or which shall have been made with the proceeds of the sale of any property of any Subsidiary or with the proceeds of any of its property taken by eminent domain, or with any insurance moneys received by it from the payment of losses, or which shall have been certified to comply with the requirements of Article VII hereof.

Bonds shall be authenticated by the Trustee under this section subject to the restrictions hereof and shall be delivered by it to or upon the order of the President or Vice-President of the Company upon receipt by the Trustee of the following:

(a) A copy of a resolution of the Board of Directors of the Company authorizing the execution and authentication of the bonds requested to be authenticated, and stating the principal amount thereof and the desired terms, provisions and characteristics of such bonds and the designation of the series in which to be issued, all in accordance with and subject to the restrictions of Section 1 of Article 1 hereof; and

(b) The bonds of such Subsidiary, if any, required by the provisions of sub-section (2) hereof to be then pledged hereunder, and the shares of stock of such Subsidiary (if any) required by the provisions of sub-section (3) hereof to be then pledged hereunder;

(c) A certificate signed by the President or a Vice-President and also by the Treasurer or an Assistant Treasurer of the Subsidiary in respect of which any bonds are requested to be authenticated and also by the President or a Vice-President and by the Treasurer or any Assistant Treasurer of the Company setting forth the necessary facts and data (not specifically required to be shown in some other manner) showing that the Company is entitled under the foregoing provisions of this section to have authenticated the bonds requested to be authenticated;

(d) Unless previously furnished, an engineer's certificate (as provided in sub-section 1 of this section) showing the value of the property of any Subsidiary, in respect of which any bonds are requested to be authenticated, at the date upon which such Subsidiary became a Subsidiary, and also the value of any purchased property, at the date of its acquisition, thereafter acquired by such Subsidiary; and also a certificate signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of such Subsidiary and of the Company (as provided in said sub-section (1) of this section) showing the expenditures for extensions made by such Subsidiary subsequent to the date upon which it became a Subsidiary, and a description and the date of acquisition of any purchased property thereafter acquired by such Subsidiary, and the amount and character of the consideration paid therefor; and

(e) An opinion of counsel stating (1) that such Subsidiary is lawfully organized, (2) that the amount of its capital ~~above required~~ stock pledged hereunder is not less than the amount above required to be pledged hereunder in order to qualify it as a Subsidiary of the Company, (3) that the Company can lawfully hold such shares of the capital stock

of such Subsidiary, and (4) that the bonds of any Subsidiary then pledged hereunder are valid, binding obligations secured by a mortgage covering substantially all the property of such Subsidiary and containing provisions for the adequate security and protection of such bonds.

(f) The certificates, orders and/or opinions respectively required by Sections 9 and 10 of this Article.

SECTION 7. Bonds of any series may, from time to time, in the manner and subject to the limitations provided in this section and in Section 1 of Article 1 hereof, be issued hereunder by the Company and shall be authenticated by the Trustee and delivered by it to or upon the order of the President or a Vice-President of the Company, upon receipt by the Trustee of the following:

(a) A copy of a resolution of the Board of Directors of the Company, authorizing the execution and authentication of the bonds proposed to be issued and stating the principal amount thereof and the desired terms, provisions and characteristics of such bonds and the designation of the series in which to be issued, in accordance with and subject to the restrictions of Section 1 of Article 1 hereof;

(b) An amount of cash equal to the principal amount of the bonds requested to be authenticated; and

(c) The orders, certificates and/or opinions required by Section 10 of this Article.

Money received by the Trustee under the provisions of this section is sometimes referred to in this Mortgage as "deposited cash." Whenever the Company shall be entitled to the authentication and delivery of any bonds under the provisions of any of Sections 2 and 6 inclusive of this Article and the Trustee shall have in its possession deposited cash equal to the principal amount of such bonds, the Trustee shall, on the request of the Company evidenced by resolution of its Board of Directors and in lieu of the authentication and delivery of such bonds, pay to the Company on the order of its President or a Vice-President an amount of deposited cash equal to the principal amount of such bonds, but only upon receipt by the Trustee of a certificate or certificates, orders bonds and/or opinion or opinions (if any) of the character required to be given for the authentication and delivery of such bonds (excepting only the orders, certificates and/or opinions required by Section 10 of this Article) but with such changes or differences as may be appropriate or required by reason of the fact that the Company's application is for deposited cash instead of for the authentication of bonds. All moneys received by the Trustee under the provisions of this section shall, until paid out as aforesaid, be held by it as part of the mortgaged property. Until so paid out such moneys shall draw interest at a rate to be agreed upon by the Trustee and the Company and such interest shall be paid by the Trustee to the Company upon its order in the absence of an event of default.

SECTION 8. Anything to the contrary herein contained notwithstanding, no bonds shall at any time be authenticated or issued under the provisions of Section 4 (except on account of the pledge with the Trustee hereunder of uncancelled underlying bonds as provided in said section) or of Section 5 of this Article except upon receipt by the Trustee of the followings:

(a) For pledge hereunder a principal amount of First and Refunding Bonds of the Company at least equal to the principal amount of bonds at any such time requested to be authenticated under the provisions or said sections or either of them; or

(b) An opinion of counsel (who may be counsel for the Company) selected by the Company and approved by the Trustee, to the effect that the First and Refunding Mortgage of the Company has been duly released and discharged of record, unless such an opinion shall have been previously filed with the Trustee hereunder; or

(c) An opinion of counsel (who may be counsel for the Company) select-

ed by the Company and approved by the Trustee, to the effect that by reason of some ruling of the Railroad Commission of Wisconsin or other governmental agency of the State of Wisconsin, or of any other State of the United States or of the United States then having jurisdiction over the issuance of securities by the Company, or by reason of some law of the State of Wisconsin or some other State of the United States or the United States, or for any other reason therein stated (except for any default under said First and Refunding Mortgage) the Company is unable to issue its First and Refunding Mortgage, for the purposes on account of which bonds are requested to be authenticated hereunder. Bonds under the First and Refunding

The First and Refunding Bonds deposited pursuant to the requirements of this Section shall be held, dealt with and disposed of by the Trustee in accordance with the provisions contained in Section 4 of this Article with respect to underlying bonds.

SECTION 9. No bonds shall be issued or authenticated under the provisions of Sections 5 or 6 of this Article, and no bonds shall be issued under the provisions of Section 3 of this Article bearing a higher rate of interest than the bonds on account of the payment, cancellation, redemption or discharge of which such bonds shall be issued, except upon receipt by the Trustee of a certificate signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of the Company showing that for a period of twelve consecutive months ending within sixty days next preceding the authentication of any such bonds hereunder the net earnings of the Company as hereinafter defined shall have been at least one and three-quarters (1 3/4) times a sum equal to the interest for one year (a) on all the bonds outstanding under this Mortgage at the date of such authentication, less the amount of any deposited cash (whether invested in United States Government obligations or not so invested) then held by the Trustee under the provisions of Section 7 of this Article, and (b) on the bonds requested to be authenticated hereunder, and (c) on all other mortgage indebtedness then secured by a lien superior to the lien of this Mortgage on any part of the Company's property (excepting any such mortgage indebtedness the evidences of which shall then be held by the Trustee under the provisions of this Mortgage or by the trustee under any mortgage constituting a lien superior to the lien of this Mortgage on any part of the Company's property, and any such mortgage indebtedness for the payment or redemption of which the necessary moneys shall have been deposited with the trustee under the mortgage securing the same). The term "net earnings of the Company" as used herein shall for any period be deemed to be the amount remaining after deducting from the total gross earnings and income of the Company from all sources for such period all operating expenses, including current maintenance and repairs, rentals, taxes, and insurance, but excepting all reserves for depreciation, renewals and replacements and/or for amortization. In case any of the property of the Company owned by it at the time of the authentication of bonds hereunder shall not have been owned by it during the whole or any part of any such period, then and in every such case the net earnings of such property during said period, or such part thereof as shall have preceded the acquisition by the Company of said property shall be considered and treated as net earnings of the Company for such period. The net earnings for such period of any Subsidiary applicable to the stock of such Subsidiary owned by the Company during such period and at the date of authentication of bonds hereunder, shall also be considered and treated as net earnings of the Company for such period.

No deposited cash shall be paid out under the provisions of Section 7 of this Article in lieu of the authentication of any bonds the authentication whereof would be subject to the foregoing restrictions of this Section, except upon receipt by the Trustee of a Certificate signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company showing that the net earnings of the Company, as hereinabove defined, for a period of twelve consecutive months ending within sixty days next preceding the paying out of any such cash shall have been at least one and three-quarters (1 3/4) times a sum equal to the interest for one year (a) on all the bonds then outstanding under

this Mortgage, less the amount of deposited cash (whether invested in United States Government obligations or not so invested) remaining withthe Trustee und r said Section 7, and (b) on all other mortgage indebtedness then secured by a lien superior to the lien of this Mortgage on any part of the Company's property (excepting any such mortgage indebtedness the evidences of which shall then be held by the Trustee under the provisions of this Mortgage or by the trustee under any mortgage constituting a lien superior to the lien of this Mortgage on any part of the Company's property, and any such mortgage indebtedness for the payment or redemption of which the necessary moneys shall have been deposited with the trustee under the mortgage securing the same).

SECTION 10. No bonds shall be authenticated under the provisions of this Mortgage except upon receipt by the Trustee of the following:

(a) A certified copy of an order or orders of the Railroad Commission of Wisconsin (or other commission or governmental agency then having jurisdiction to regulate the issue of bonds by the Company) authorizing or consenting to the issue of bonds under this Mortgage in an aggregate principal amount at least equal to the principal amount of bonds which the Trustee is then requested to authenticate; or an opinion of counsel that no such order, authorization or consent is required;

(b) A certificate signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of the Company stating that any recording or other tax or taxes required by law in connection with the issuance of such bonds or for the effectiveness of the lien of this Mortgage as security for said bonds have been paid; or an opinion of counsel that no such tax or taxes are required by law to be paid;

(c) A certificate signed by the President Or a Vice-President and by the Treasurer or an Assistant Treasurer of the Company ~~and by the Treasurer or an Assistant Treasurer of the Company~~ stating that the Company is not then in default under any provision of this Mortgage;

(d) A certificate signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of the Company stating that no lien or liens, prior to the lien of this Mortgage, for an aggregate principal amount in excess of an amount equal to one per cent of the principal amount of bonds then outstanding hereunder, then exist upon any permanent property of the Company, save and except liens for taxes and assessments not due, or, if due, in course of contest and secured by sufficient bonds, judgments in course of appeal or otherwise in contest and secured by sufficient bond, liens arising out of proceedings in court in course of contest, liens existing on such permanent property on December 1, 1922, and liens existing at the date of acquisition on purchased property acquired by the Company subsequent to December 1, 1922; and in case any bonds are requested to be authenticated in respect of any Subsidiary, further stating that no lien or liens, prior to the lien of the mortgage securing any bonds of such Subsidiary pledged hereunder, exist on any permanent property of such Subsidiary, save and except liens existing on property of such Subsidiary, at the date upon which it became a Subsidiary, and liens existing at the date of acquisition on purchased property subsequently acquired by such Subsidiary, the lien of mortgages securing obligations pledged with the Trustee hereunder, liens for taxes and assessments not due, or, if due, in course of contest and secured by sufficient bond, judgments in course of appeal or otherwise in contest and secured by sufficient bond, liens arising out of proceeding in court in course of contest, and other liens to an aggregate amount not exceeding an amount equal to one per cent of the principal amount of bonds issued under the provisions of Section 6 of this Article in respect of such Subsidiary; and

(e) In case of the first authentication of bonds of any series, other than Series A, an indenture supplemental hereto, executed as provided in Article XVI hereof, limiting the aggregate principal amount of the bonds of such series at any one time outstanding to an amount stated in such an indenture, or an opinion of counsel to the effect that such an indenture is not required for the adequate protection and security of the bonds issued and to be issued hereunder.

SECTION 11. The Trustee shall receive the certificate of the Secretary or an Assistant Secretary of the Company, under the corporate seal of the Company, as conclusive evidence of the adoption by the Board of Directors of the Company of any resolution in this Mortgage provided for. The same officer or officers of the Company need not certify to all the facts required to be certified to under the provisions of this Article, but different officers may certify to different facts The words "the opinion of counsel," whever used in this Mortgage, shall mean the written opinion of counsel (who may be of counsel to the Company) selected by the Company and approved by the Trustee. The resolutions, certificates, opinions and other statements required by this Article to be delivered to the Trustee as a condition to the authentication of bonds or the payment of deposited cash hereunder, may be received by the Trustee as conclusive evidence of any fact or matter therein set forth appertaining to its right or duty to authenticate or deliver bonds or pay such cash pursuant to any provisions of this Article and shall be full warrant, authority and protection to the Trustee acting on the faith thereof for the authentication by it of such bonds or the payment of such cash, not only in respect of the facts, but also in respect of the opinions therein set forth.

SECTION 12 . Each bond issued under this Mortgage shall have attached thereto at the time of issue all unmatured interest coupons thereunto appertaining. Any matured interest coupons appertaining to such bonds shall be cancelled by the Trustee and be delivered to the Company at the time of the authentication and delivery of the bond.

SECTION 13. Wherever in this Mortgage the Company is permitted or required to deposit cash hereunder with the Trustee, the Company may deposit in lieu of cash an equal face amount of obligations of the United States government. The Company may at any time withdraw any cash on deposit hereunder with the Trustee by depositing hereunder with the Trustee in substitution therefor an equal face amount of obligations of the United States government. Any obligations so deposited shall have attached thereto all unmatured interest coupons and shall be held by the Trustee in all respects as would be held the cash for which such obligations are so substituted. Any obligations so deposited shall be sold by the Trustee upon written request of the Company at such prices as shall be fixed by the Company and approved by the Trustee, and if the proceeds from any such sale shall be less than the face value of the obligations sold, or if the market value of any obligations so deposited hereunder shall, in the judgment of the Trustee, at any time be less than the face value thereof, in either event the Company shalldepesit hereunder with the the Trustee cash sufficient to make up the deficiency; but the cash deposited to make up the deficiency in the market value of any obligations may at any time (hereby withdrawn by the Company at the time) or withdrawal the market value of such obligation shall be not less than the face value of such obligations. The Trustee shall collect from time to time all interest upon the deposited obligations as such interest matures, and so long as the Company shall not be in default hereunder all such interest shall be paid by the Trustee to the Company as and when received. The proceeds of the deposited obligations shall be paid out and applied by the Trustee in the manner and for like purposes as is provided in this Mortgage in respect of the cash in lieu of which such obligations were deposited. The deposited obligations while held by the Trustee, and the proceeds of the sale thereof, until such proceeds are so paid out and applied, shall be part of the mortgaged property.

ARTICLE III

PARTICULAR COVENANTS OF THE COMPANY

The Company hereby covenants and agrees with the Trustees and with the respective holders and owners of the bonds issued hereunder:

Section 1. That it is the lawful owner of the premises and property hereinbefore by it conveyed or transferred to the Trustees; that it has good

right and lawful authority to mortgage the same, as provided in and by this Mortgage; that said premises and property are free from all liens and encumbfances not hereinbefore stated;and that it will warrant and defend the title thereto against all claims and demands whatsoever.

SECTION 2. That it will not issue, or permit to be issued, any bonds hereby secured in any manner other than in accordance with the provisions of this Mortgage and the agreements in that behalf herein contained, and will not surfer or permit any default to occur under this Mortgage, but will faithfully preserve and perform all the conditions, covenants and requirements hereof obligatory upon it.

SECTION 3. That it will pay the principal and interest of all the bonds duly issued hereunder, according to the terms thereof and of this mortgage; that so long as any of such bonds shall remain outstanding and unpaid, it will not directly or indirectly extend or assent to the extension of the time for the payment of any interest coupon or claim for interest of or upon any such bond, and will not directly or indirectly be a party to any arrangement therefor, either by purchasing or refunding or in any manner keeping alive such interest coupon or claim for interest, or otherwise; that in case the payment of any such interest coupon or claim for interest shall be so extended by or with or without the consent or the Company, then, anything in this Mortgage contained to the contrary notwithstanding, such interest coupon or claim for interest so extended shall not be entitled, in case of default hereunder, to any benefit or from this Mortgage, except after the prior payment in full of the principal of all bonds issued hereunder and of such interest coupons and claims for interest as shall not have been so extended.

SECTION 4. That it will maintain an office or agency in the City of Chicago, State of Illinois, while any of said bonds are outstanding, where notices, presentations and demands to or upon it in respect of said bonds or their coupons may be given or made, and for the payment of the principal and interest thereof; and in case the Company shall provide for the payment of its bonds of any series issued hereunder at any place or places other than said City of Chicago, it will also maintain in each such place a similar office or agency for similar purposes. From time to time the Company will file with the Trustee notice in writing of the location, and of any change in the location, of such office or agency. In case the Company shall fail to maintain such office or agency or shall fail to give notice of the location or change of the location thereof, presentation and demand may be made, and notices may be served, at the office of the Trustee in the City of Chicago, State of Illinois, but the Trustee shall be under no liability to the Company or to any other person or corporation in respect of any such presentation, demand or notice. The Company will keep books at the office of the Trustee in the City of Chicago for the transfer and registration of bonds as herein provided.

SECTION 5. That it will duly pay and discharge as the same shall become due and payable, all real estate and personal property taxes, water rates, assessments, and governmental and other charges lawfully levied and imposed by the United States of America or by any state, county or municipality upon the mortgaged premises, including the franchises, earnings and business of the Company; and that it will not suffer any mechanics', laborers', statutory, or other lien which might or could be held to be prior to the lien of this Mortgage (other than the lien of the First and Refunding Mortgage and of the underlying mortgages), to be created or to remain outstanding upon the property described in this Mortgage, or any part thereof, or upon any after-acquired property which may be made the basis of the issue of bonds hereunder, unless any and all obligations for or on account of which any such lien, prior to the lien of this Mortgage might exist, are pledged hereunder; provided, however, that nothing contained in this Article shall require the Company to pay, acquire or make provisions for such tax, assessment, lien or charge so long as the Company ingood faith shall

contest the validity thereof.

SECTION 6. That it will keep all the property of a character usually insured by companies similarly situated and which is at any time covered by this Mortgage, insured against loss or damage by fire, and to such amount as such property is usually insured by companies similarly situated, either by means of policies issued by reputable insurance companies or, at the company's election by means of an adequate insurance fund set aside and maintained by it out of its own earnings or in conjunction with other companies through an insurance trust or other agreement, the loss, if any, to be made payable to the Trustee, or to the trustee of an underlying mortgage on such property, as their respective interests may appear; that it will, if requested by the Trustee,assign and deliver to it all such policies of insurance upon its property, unless required by the mortgage prior in lien to this mortgage to deliver them to such trustee; that if the total amount received by the Trustee upon all policies shall, in case of any one loss, be less than the sum of Ten Thousand Dollard ($10,000), the amount shall be paid forthwith to the Company by the Trustee, to be used by the Company to pay for replacements of or substitutions for the injured ordestroyed property, but the Trustee shall not be obligad to see to the application thereof; that in all other cases the proceeds of any and all insurance on any part of the mortgaged property which may be received by the Trustee shall be held and applied by the Trustee as hereinafter provided in Article XI of this Mortgage.

SECTION 7. That it will pay or cause to be paid, as the same shall become due and payable, the principal and interest of its First and Refunding Bonds and of all underlying bonds(as defined in Section 4 of Article II of this Mortgage) and all payments required to be made under any mortgage securing any such bonds, and will not extend the time of payment of any of said principal or interest, and will faithfully perform all the terms, covenants and conditions to be performed by the mortgagor in such underlying mortgage.

SECTION 8. That it will at all times maintain, preserve and keep its property mortgaged hereunder, with the appurtenances and every part and parcel thereof, in thorough repair, working order and condition and equipped with suitable equipment and appliances, and from time to time make all needful and proper repairs, renewals and replacements thereof, so that at all times the value of the security for the bonds issued hereunder and the efficiency of the property of the Company hereby mortgaged shall be fully preserved and maintained, and, subject to the provisions hereof, will maintain and preserve all the rights, powers, privileges and franchises by it owned.

Nothing herein contained shall be construed to prevent the Company from ceasing to operate any of its plants or any other properties if in the judgment of the Company it is advisable not to operate the same for the time being, or, if the Company intends to sell or otherwise dispose of the same andwithin a reasonable time endeavors to effectuate such a sale; nor in any such event to prevent the Company from taking such action with respect to such plant or such other property as is proper and customary under the circumstances.

SECTION 9. That if it shall fail to perform any of the covenants contained in Sections 5, 6, 7, 8, of this Article, the Trustees, or any receiver appointed hereunder, as herein provided, may make advances to perform the same in its behalf; and it hereby agrees to repay all sums so advanced in its behalf, on demand, with interest at the rate of six per centum (6%) per annum after demand, and all sums so advanced with interest as aforesaid shall be secured hereby, having benefit of the lien hereby created, in priority to the indebtedness evidenced by said bonds and coupons; but no such advance shall be deemed to relieve the Company from any default hereunder.

SECTION 10. That in case of the acquisition in the future of the stock of any corporation which shall become a Subsidiary, the Company will earnestly endeavor

to acquire the balance of the issued and outst anding capitalstock having full voting power of such corporation remaining in the hands of the public, and, asacquired, will ca se the same (except shares reserved to quality directors) to be deposited and pledged hereunder with the Trustee. The Comapny will in no case suffer or permit the proportion of the capitalstock of a Subsidiary which it may have acquired, and pledged hereunder, to be reduced to less than ninety-five per cent of the outstanding capital shares of such Subsidiary, having full voting power, nir to less than seventy-five per cent of the shares having voting power under any circumstances.

SECTION 11. That it will not, except by way of pledge under this Mortgage, dispose of any of its First and Refunding Bonds which have been heretofore auth nticated and delivered to it but have not been sold or any which may hereafter be authenticated and delivered to it; and will cause all other underlying mortgages to be closed and will permit no additional bonds to be issued thereunder. Nothing herein contained shall prevent the issuance of bonds under the First and Refunding Mortgage of th company or under any underlying mortgage or under any mortgage of a Subsidiary to replace any mutilated, lost or destroyed bonds as may be permitted in the morggage securing the same.

SECTION 12. That it will cause this Mortgage and every additional instrument which shall be executed pursuant to the terms hereof at all times to be recorded and filed in such manner and in such places as may be required by law for the recordation and filing of a real estate mortgage, in order to fully preserve and protect the security of the bondholders and all rights of the Trustees.

SECTION 13. That it will, upon reaSonable requeSt, execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purposes of this Mortgage, especially to make any property now owned or hereafter acquired by it which is herein provided shall be subject to the lien hereof, and to transfer to any new Trustee the estate, powers, instruments and funds held in trust hereunder.

SECTION 14. That except as herein otherwise provided or permitted, either expressly or by implication, it will at all times do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, rights and franchises of each Subsidiary; that it will comply, and cause each Subsidiary to comply, with all the laws of the State of Wisconsin and of any other State or StateS of the United States of America applicable to the Company or to any such Subsidiary, and with all lawful rules and regulations of any commission, board or public authority having jurisdiction in the premises, in such form and manner as counsel may advise; provided, that the Company and any Subsidiary may surrender any right, permit, privilege or franchise, whenever the Company or such Subsidiary, shall contemporaneously, or as a part of the same transaction, obtain a new or at least equally advantageous right, permit, privilege or franchise under which the Company, or such Subsidiary, as the case may be, may continue to perform the service and conduct the business theretofore performed or conducted under or by virtue of theright, permit, privilege or franchise then surrendered or whenever the right, permit, privilege or franchise to be surrendered can no longer be profitably exercised or availed of and shall not be essential to the maintenance and continued use of the rest of the properties mortgaged hereunder, and consequently the security afforded by this Mortgage will not be substantially impaired.

ARTICLE VI

CONVERSION INTO CAPITAL STOCK OR OTHER BONDS.

SECTION 1. The Board of Directors of the Company shall have the right, in the manner provided in Section 1 of Article 1 hereof, to incorporate in the bonds of any series to be issued hereunder provisions for the conversion of such bonds into capital stock of the Company or into other bonds of the Company, to be issued hereunder, in the manner provided in this Article. Bonds of such series shall contain appropriate language evidencing such right of conversion.

SECTION 2. The Company covenants and agrees that it will have ready shares of its capital stock sufficient to effect the conversion of the principal amount of the outstanding and unpaid bonds of any series containing the right of conversion into capital stock and covenants and agrees that the holder of any bonds of such series may convert the same into capital stock of the Company by surrendering said bond or bonds of such series, together with all unmatured coupons thereto appertaining, at the office or agency of the Company, in the City of Chicago, State of Illinois, and at any such other office or agency of the Company as may be designated in said bond, and shall thereupon be entitled to receive in exchange therefor shares of such capital stock upon such terms as may be fixed by the Board of Directors of the Company in the resolution establishing such series; provided, however, that as to such bond or bonds which may be called for redemption, the right of the holder thereof to convert the same into capital stock of the Company must be exercised at least fifteen (15) days prior to the date fixed in the call for such redemption of said bond or bonds.

The Company shall promptly notify the Trustee as and when bonds are surrendered at the office of the Company in exchange for shares of capital stock of the Company, as provided in this section.

SECTION 3. The holder of any bond or bonds of any series containing the right of conversion into other bonds shall have the right to convert the same into other bonds of the Company to a like principal amount, to be issued hereunder, by surrendering said bond or bonds of such series, together with all unmatured coupons thereto appertaining, at the office or agency of the Company in the City of Chicago, State of Illinois, and at such other office or agency of the Company as may be designated in the bonds of such series, and shall thereupon ~~be entitled to receive from the Company in exchange therefor such other bonds of the Company, to be issued hereunder, upon such terms as may be fixed by the Board of Directors of the Company in the resolution establishing the series containing such right of conversion; provided, however, that as to such convertible bond or bonds which may be called for redemption the right of the holder thereof to convert the same into other bonds of the Company as herein provided must be exercised at least fifteen (15) days prior to the date fixed in the call for such redemption of said bond or bonds containing such right of conversion.~~

SECTION 4. Upon any such conversion either into capital stock or other bonds, the Company forthwith shall deliver all such surrendered bonds to the Trustee for cancellation, and thereupon the Trustee shall cancel the same and the same shall be deemed to be and shall be satisfied and discharged, and no bond in place thereof shall be issued by the Company or be authenticated or delivered by the Trustee except as provided in Section 3 of this Article.

ARTICLE V

REDEMPTION OF BONDS

SECTION 1. The Company may provide in and by the resolution of its Board of Directors establishing any series of bonds to be issued hereunder, for the redemption of such bonds upon the terms stated in such resolution, and the bonds of such series shall contain appropriate references to their redeemability. All bonds issued hereunder containing a redemption privilege shall

if the privilege is exercised, be redeemed in accordance with the terms of redemption set forth in such resolution and in accordance with the provisions of this Article.

SECTION 2. In case the Company shall desire to redeem less than all the bonds of any series outstanding on the date on which it desires to make redemption, the Company shall notify the Trustee in writing of the face amount of the bonds which it desires to redeem, specifying the day (which shall not be less than forty (40) days after such notification) on which it desires to make redemption. As soon as practicable thereafter the Trustee shall determine by lot the serial numbers of the coupon bonds of such series to be redeemed and shall certify the Company the serial numbers of the bonds so determined. The Company shall thereupon publish in one daily newspaper of general circulation published in the City of Chicago, State of Illinois, and also in one daily newspaper of general circulation published in the Borough of Manhattan, City and State of New York, and in each other city, if any, where the bonds of such series are payable, once a week for four successive weeks, the first publication to be not less than thirty (30) days before such redemption date, notice of such intended redemption, specifying the date of redemption and the series and serial numbers of the bonds to be redeemed, and requiring that the same be then surrendered at the office of the Trustee in the City of Chicago, State of Illinois, for redemption at the redemption price thereof stated in the bonds,and accrued interest. In any determination by lot under this section each registered bond without coupons shall be represented by a separate number for each $1,000 of its principal amount. If less than the whole principal amount of any such registered bond shall be called for redemption, said notice shall also specifically state the portion of the principal amount thereof which is to be redeemed and that, upon the presentation of such registered bond for redemption, there will be issued in lieu of the unredeemed portion of the principal amount thereof, a new registered bond or bonds of an aggregate principal amount equal to such unredeemed portion. A similar notice shall also be mailed by the Trustee to the respective registered owners of any bonds called for redemption, at least thirty (30) days prior to the redemption date, at their addresses appearing upon the registry books. In case the Company shall desire to redeem all the bonds of any series outstanding on the date on which it desires to make redemption, it shall give notice thereof in like manner by publication and mail, except that the notice need not specify the serial numbers of the bonds to be redeemed.

SECTION 3. Notice of redemption having been given by publication and mailing as provided in Section 2 of this Article, and a sum in cash sufficient to redeem the bonds so called for redemption having been deposited with the Trustee on or before the redemption date,the bonds so called, or the specified portions thereof, shall, on the date designated in such notice, become due and payable at the said office of the Trustee at the redemption price stated in such bonds; and, upon the presentationand surrender thereof, with (in the case of coupon bonds) interest coupons maturing after the redemption date, and (in the case of registered bonds or of coupon bonds which shall at the time be registered as to principal) accompanied by duly executed assignments or transfer powers, such bonds, or the specified portions thereof, shall be paid and redeemed at their redemption price and accrued interest. Upon the surrender of a registered bond of which only a portion of the principal is to be redeemed, the Company, without charge therefor, shall issue, and the Trustee, anything herein to the contrary notwithstanding, shall authenticate and deliver, in lieu of the unredeemed portion of such principal amount, a new registered bond or bonds of an

aggregate principal amount equal to such unredeemed portion. After the date so fixed for redemption, the bonds, called for redemption, or the portions of the principal of any registered bonds so called, shall cease to bear further interest; but all interest coupons appertaining to coupon bonds which shall have matured prior to the redemption date shall continue to be payable to the respective holders thereof, but without interest thereon. All bonds redeemed pursuant to the provisions of this Article, shall forthwith be canceled by the Trustee and delivered to the Company upon its written request therefor.

ARTICLE VI

CONCERNING PLEDGED SECURITIES

SECTION 1. The Company may deliver to the Trustee and the Trustee may receive from time to time bonds, certificates for shares of stockand other securities of any corporation. The Trustee shall be under no obligation to accept a certificate for any shares or stock or any bonds or other obligations of any corporation, or to cause or permit a transfer thereof to be made to it, if, in the opinion of the Trustee, such acceptance or transfer would involve it in, or render it liable to be subjected to, any liability or expense, unless the Trustee shall be indemnified to its satisfaction for so doing.

All certificates for shares shall at the time of the delivery thereof be duly endorsed for transfer. The Trustee, from time to time, may, but shall be under no obligation to, transfer into its name as Trustee, or into the name or names of its nominee or nominees, any or all such shares or stock pledged hereunder and may cause all or any securities held by it hereunder to be registered in its name or in the names of its nominee or nominees. The bonds or obligations which may be pledged or deposited under any provision of this Mortgage, may be in temporary or definitive formand may be in such denomination or denominations as the Company may elect and if bonds, may be coupon bonds registered or unregistered as to principal or fully registered bonds without coupons. All coupon obligations which may be pledged or deposited with the Trustee under any provisions of this Mortgage shall, except as hereinafter provided, have attached thereto at the time of such pledge or deposit, all unmatured interest coupons thereunto appertaining and all registered obligations without coupons and all coupon obligations registered as to principal shall be duly indorsed by the registered holder thereof or by his attorney in fact thereunto duly authorized. If any unmatured coupon or coupons appertaining to any such coupon obligation shall be missing at the time of such pledge or deposit the Trustee may, nevertheless, accept such obligation without such coupon or coupons in case a sum of money equal to the face amount of the missing coupon or coupons shall be deposited with the Trustee hereunder or with the trustee of the mortgage securing such obligation.

SECTION 2. Unless in default hereunder, to the knowledge of the Trustee, the Company shall have the right, except as hereinafter limited, to vote any shares of stock pledged hereunder with the same force and effect as though such shares were not so pledged; and from time to time in case said shares or stock pledged hereunder shall have been transferred into the name of the Trustee or its nominee or nominees, the Trustee, upon the request of the Company, evidenced by a resolution of its Board of Directors, certified to by its Secretary or Assistant Secretary, shall execute and deliver, or cause to be executed and delivered, to the Company proper proxies for voting said stock. The Company shall not, however, use or vote or permit to be used or voted, any stock pledged hereunder to authorize, approve or assent to the creation of any lien on any of the property or assets, or the issue of any additional mortgage bonds or shares of stock, of any Subsidiary, unless effective provision be simultaneously made that all such additional bonds and shares of stock shall, when issued, forthwith be pledged hereunder. Nothing in this Mortgage contained, however, shall prevent a Subsidiary from issuing, selling or otherwise disposing of any obligations not secured by mortgage upon its property.

The Company shall not use or vote or permit to be used or voted, any stock pledged hereunder for any purpose contrary to its covenants herein contained or otherwise inconsistent with the provisions or purposes of this Mortgage.

SECTION 3. Unless in default hereunder, to the knowledge of the Trustee, the Company shall be entitled to receive all interest or cash dividends paid or declared out of earnings or surplus in respect of any obligations or stock of a Subsidiary pledged hereunder, and from time to time, upon reQUEST OF THE Company, the Trustee shall forthwith deliver to it as they mature, the coupons for such interest, in order that the Company may receive pay,ent thereof for its own use, and shall deliver to the Company, if necessary, suitable orders in favor of the Company or its nominee or nominees, for the payment of such interest and dividends, and the Company may collect such interest and dividends, and the Trustee shall at once pay over to the Company any such interest or dividends which may have been collected or received by it; provided, however, that:

(1) The Company shall not sell, assign or transfer any coupon or right to such interest or dividends delivered or assigned to it;

(2) It shall not collect any such coupons or interest by legal proceedings or by the enforcement of any security therefor without the prior written assent of the Trustee, nor in any manner which the Trustee shall deem prejudicial to the bonds issued hereunder;

(3) Until actually paid or discharged, every such coupon or right to interest or dividend shall in all respects remain subject to the lien of this Mortgage;

(4) If any such coupons so delivered to the Company shall not forthwith be paid or canceled, the Company shall return the same to the Trustee, subject to the right to have the same redelivered to the Company for payment or cancellation, and in case of payment or cancellation of any such coupon or claim for interest, the Company shall, upon demand, furnish to the Trustee satisfactory evidence thereof.

The Trustee shall be entitled to assume that any interest received by it on any bond or other security, or any dividend received on any share of stock, of a Subsidiary, is paid out of earnings or surplus derived from operation, unless it is notified in writing to the contrary by any bondholder, and in the absence of any such written notification it shall conclusively be presumed, as between the Trustee and the bondholders, that the Trustee in making any payments thereof to the Company acted in good faith.

SECTION 4. The Trustee shall be entitled to receive all moneys paid on account of the principal of any bonds or other securities of a Subsidiary held in pledge by it, and all stock dividends on any shares of stock so held in pledge, and all moneys at any time payable in respect of shares of stock, bonds or other securities of any Subsidiary so held in pledge, derived from any sale of the property of such Subsidiary on foreclosure, or on dissolution or liquidation thereof, or upon any proceeding in condemnation, or from any other source. The shares of stockand all moneys so received shall be held by the Trustee, in trust, as additional security for the payment of the principal and interest of the bonds issued under this Mortgage, and such moneys shall be disposed of by the Trustee under the provisions of Article [illegible] hereof, except as in the next paragraph of this section otherwise provided.

The bonds of any Subsidiary held by the Trustee hereunder shall be subject to redemption through the operation of the sinking fund provisions, if any, of the mortgages or other instruments securing the same, respectively. Upon the written request of the Company, signed by its President or Vice-President and its Treasurer or an Assistant Treasurer, accompanied by evidence satisfactory to the Trustee of the giving of notice of redemption of any bonds held by it as aforesaid, the Trustee shall, upon the payment to it of the redemption price thereof, deliver to the trustee of the mortgage se-

curing the same the bonds held by the Trustee so called for redemption and described in said notice. So long as the Company shall not be in default hereunder, to the knowledge of the Trustee, any moneys received by the Trustee upon the redemption of any bonds of any Subsidiary through the operation of a sinking fund shall be paid over to or upon the written order of the Company, signed by its President or a Vice President and its Treasurer or an Assistant Treasurer, upon the delivery to the Trustee of a certificate, in form satisfactory to it, executed by the trustee under the mortgage or other instrument securing such bonds, certifying that the bonds so redeemed have been redeemed only by the operation of the sinking fund provisions of the mortgage or other instrument securing the same.

SECTION 5. Unless the Company shall be in default hereunder, to the knowledge of the Trustee, the Trustee, upon the written request of the Company, shall consent to the extension or renewal of any securities which may then be held by the Trustee in pledge hereunder, and shall consent to the extension or renewal of any mortgages or liens securing such securities; but if the Company shall then be in default hereunder, the Trustee may give such consent without the request of the Company; and, in any case, the Trustee, in so far as it legally may, shall do and perform all acts and things which may be requisite and necessary to give effect to any such renewal or extensions so consented to, including the delivery and exchange of pledge securities or the presentation of the same for appropriate endorsement; and the Trustee, upon the written request of the Company, may consent to the exercise by the Company of any other right, power or remedy, with respect to such securities, to which the Company may be entitled as owner thereof, including the cancellation of any securities, or shares of the stock of a Subsidiary which has conveyed its property to the Company and subjected it to the lien hereof to the same extent that this Mortgage was a lien upon the securities and/or shares of stock so canceled; provided that the exercise of such right, power or remedy, as requested by the Company, shall not, in the opinion of the Trustee, be prejudicial to the bonds hereby secured; and the Company covenants that in exercising any such right, power or remedy, if permitted so to do by the Trustee, it will not in any way act prejudicially to the interests or rights of the Trustee or the holders of the said bonds.

SECTION 6. In case any Subsidiary shall have a demand mortgage, then whenever all the obligations secured by each mortgage superior in lien to such demand mortgage shall have been acquired by the Trustee, or whenever a portion of such obligations shall have been so acquired and payment or redemption of the remainder shall have been made or shall have been provided for by the deposit of the necessary moneys with the Trustee under the mortgage securing the same, the Trustee shall, at the request of the Company, cancel and surrender to the company all such obligations then in its possession; provided that the Company shall deliver to and pledge hereunder with the Trustee a like principal amount of the demand mortgage bonds of such Subsidiary. Upon any such cancellation and surrender of obligations the mortgage securing the same shall be released and discharged of record.

SECTION 7. The Company, during the continuance of the pledge hereunder of the stock of any Subsidiary, in so far as it legally may by virtue of such stock ownership, will maintain or cause to be maintained the due corporate organization of such Subsidiary, except in the case of the consolidation, merger or conveyance by such Subsidiary of all its property in the manner herein provided, and if the corporate existence of any such Subsidiary shall expire during the continuance of any such pledge, it will take or cause to be taken all such steps as may be necessary or permitted, in so far as it legally may, to secure the extension of such corporate existence beyond the time when the principal of any bonds hereby secured becomes due according to the terms thereof, and it will, during the continuance of any such pledge, duly and punctually pay, or cause to be duly and

punctually paid, all taxes, water rates, assessments and governmental or other charges lawfully imposed upon the property, franchises, earnings, or business of any such Subsidiary; provided, however, that nothing contained in this section shall require the payment of any such tax, assessment or charge so long as the validity or enforceability thereof shall be contested in good faith.

The Company, during the continuance of the pledge hereunder of thestock of any Subsidiary, will not permit any default to occur as to any of the securities of such Subsidiary, or in the terms, covenants or conditions of any instrument securing the same, or constituting a lien upon the property of such Subsidiary, and will ~~ACQUIRE AND PLEDGE HEREUNDER OR PUNCTUALLY PAY~~ acquire and pledge hereunder or punctually pay and discharge, or cause to be punctually paid and discharged, as the same shall become due, all the lawful indebtedness of, and all claims, demands, liens or charges, including those of mechanics and laborers, on the property of any such Subsidiary, not pledged hereunder, which might impair the value of the pledged stock of such Subsidiary; provided, however, that nothing contained in this section shall require the payment of any such indebtedness, claims or demands so long as the validity or enforceability thereof shall be contested in good faith, or shall prevent the extension or renewal of any securities ofa Subsidiary, under the provisions of Section 5 of this Article.

The Company will cause every Subsidiary to insure either by means of policies issued by reputable insurance companies or, at the Company's election, by means of an adequate insurance fund set aside and maintained by it out of its own earnings or in conjunction with other companies through an insurance trust or other agreement against loss or damage by fire, all it of its property of a character usually insured by companies similarly situated and to such amount as such property is usually insured, the loss, if any to be made payable to the trustees of the mortgages upon the property of such Subsidiary as their interest may appear; and to apply the proceeds of any insurance upon any part of its property in accordance with the requirements of a such mortgage or otherwise for the benefit of such Subsidiary in such manner that the security afforded by this Mortgage shall not suffer thereby.

The Company will cause every Subsidiary at all times to maintain, preserve and keep its plants and properties in thorough repair, working order and condition and equipped with suitable equipment and appliances, and from time to time to make all needful and proper repairs, renewals and replacements thereof, and to maintain, preserve and renew all the rights, powers, privileges and franchises owned by such SubSidiary; provided, however, that nothing herein contained Shall be conStrued to prevent any Subsidiary from ceasing to operate any of its plants or other properties if in the judgment of such Subsidiary it is advisable not to operate the same for the time being, or if such Subsidiary intends to sell or otherwise dispose of the same and within a reasonable time endeavors to effectuate such a sale; nor in any such event to prevent such Subsidiary from taking such action with respect to its plants or other properties as is proper and customary under the circumstances.

SECTION 8. The Company will not permit any Subsidiary to sell, lease or otherwise dispose of its property and franchises, or any part thereof, except as provided in Article VIII hereof, or except in the ordinary course of business, or except to the Company, or to some other Subsidiary.

SECTION 9. The assignment or pledge hereunder of any shares of capital stock of any Subsidiary shall not prevent (a) the consolidation or merger of any such Subsidiary with or into any other Subsidiary or with or into the Company, nor (b) the sale or lease of all or any part of the property and franchises of any such Subsidiary to any other Subsidiary or to the Company provided that the relative interest and control represented by the stock and

securities pledged hereunder shall not be diminished by any such merger, consolidation, sale, purchase or lease. In the event that any such consolidation, merger, lease or purchase shall take place, all shares of the capital stock and all securities issued on the completion of such transaction in exchange or substitution for shares of capitalstock or securities pledged hereunder shall be deposited hereunder with the Trustee and become subject to the lien of this Mortgage as if expressly pledged hereunder, except that (a) in the event of any consolidation or merger of any Subsidiary and the Company, allshares of the capitalstock of the corporation resulting from such consolidation or merger which are issued in exchange for the capitalstock or other securities of the Subsidiary, or (b) in the event of the purchase of the entire property of any Subsidiary by the Company, all shares of the capital stock of the Company issued to the Subsidiary as the consideration for such purchase, shall in either event, not be deposited withthe Trustee hereunder nor be subject to the lien of this Mortgage, and after any such consolidation, merger or sale all shares of the capital stock of such Subsidiary pledged hereunder with the Trustee shall be surrendered by the Trustee to the Company and shall thereafter be discharged from the lien of this Mortgage. If all, or substantially all, the property of any Subsidiary shall in any manner be acquired by the Company and be subjected to the lien of this Mortgage, all securities not pledged hereunder which shall be secured by any and every mortgage upon all or any part of the property of such Subsidiary at the time of such acquisition shall thereupon become and be and shall be treated and considered as underlying bonds for or on account of which bonds may be issued under the provisions of Section 4 of Article II of this Mortgage, and all obligations of such Subsidiary previously deposited hereunder and then held by the Trustee shall be treated and considered in like manner as underlying bonds pledged hereunder, and no bonds shall be issued under this Mortgage for or on account of the pledge or payment of the obligations so previously pledged.

SECTION 10. If at any time, unless the Company shall be in default hereunder, to the knowledge of the Trustee, there shall be promulgated any plan for the reorganization of any Subsidiary or for the readjustment of the finances thereof, then, at the written request of the Company, the Trustee may in its discretion deposit the certificates for the shares of stock or securities of such Subsidiary, or any of them, under said plan and may become a party thereto; and in like manner, on like request, may make any exchange, substitution, cancellation or surrender of securities and shares of stock required by any such reorganization or readjustment plan or for the purposes or for the accomplishment of any merger, consolidation or sale authorized by this Mortgage; and may take such action with respect to said shares of stock and securities so pledged hereunder, required by such plan of reorganization or readjustment, or for the accomplishment of such merger, consolidation or sale, as fully and to all intents and purposes as though it were the owner of said shares of stock and securities; provided, however, that the relative interest and control represented by the shares of stock and securities so deposited shall not be diminished by such readjustment, reorganization, merger or consolidation, except with relation to ~~reganization, merger or consolidation~~, the rights of parties (other than the Company or any Subsidiary) who may have assisted in financing the reorganization on condition that they be given rights prior to those of the former parties in interest.

While and so long as the Company shall be in default hereunder, to the knowledge of the Trustee, the Trustee may exercise such powers by this section granted to it, in its discretion, with respect to the shares of capital stock and securities pledged hereunder and charged with the lien hereof, without any such request from the Company.

SECTION 11. The Trustee shall not consent to any sale, lease, merger, consolidation, or plan for reorganization of the kind mentioned in Sections 9 and 10 of this Article, until

(a) It shall have been advised by two person, selected or approved by it and in its opinion disinterested and competent, that the relative interestand control of the Trustee over the property, securities shares of stock, or companies respectively sold, leased, merged consolidated, or reorganized will not (exceptas permitted hereinafter in this section) be diminished or impaired by any such transaction or event; and

(b) It shall have received an opinion of counsel that any such sale, lease merger, consolidation, or reorganization proposed can be lawfully carried out in the manner proposed, and that the legal effect thereof will be to leave in the Trustee an interest and control over the property, securities, shares of stock, or companies involved in such transaction at least ~~EQUAL TO THAT WHICH IT HAD BEFORE THE OC~~ equal to that which it had before the occurrance of such transaction, except, in the case of any such reorganization, with relation to the rights of parties (other than the Company or any Subsidiary) who may have assisted in financing the reorganization on condition that that they be given rights prior to those of the former parties in interest. Before the Trustee shall accept any shares of stock or securities in exchange or substitution for shares of stock or securities held by it before the occurrence of any such transaction, it shall receive the further opinion of such counsel that he has examined all of the proceedings connected with such transaction and that in his opinion said shares of stock or securities offered in exchange or substitution have been validly issued and that the title of the Trustee thereto upon acceptance thereof will be at least as good as its title to the shares of stock or securities which it is called upon to surrender.

The Company covenants, forthwith on the demand of all the Trustee, to pay or satisfactorily to provide payment for all expenses incurred by the Trustee under any of the provisions of this section. The Trustee, in its discretion, may advance all such expenses or other moneys required, or may procure such advancement to be made by others, and for such advances made by the Trustee, at its option, it shall have a lien in priority to the bonds hereby secured on such stocks and securities and the proceeds thereof.

SECTION 12. In case, at any time, default shall be made in respect of any of the covenants or conditions contained in any mortgage or other instrument securing or providing for the issue of any bonds or other securities which may at the time be pledged hereunder, or in case a receiver shall be appointed and be in possession of the property covered by any such mortgage or other instrument, the Trustee may, and upon the written request of the holders of twenty-five per centum (25%) in aggregate principal amount of the bonds then outstanding hereunder (other than bonds in the treasury of the Company) shall notify the trustee under the mortgage or other instrument in respect of which such default shall have been made, of the existence of such default, and in case the said default shall continue for the period (if any) specified in such mortgage or other instrument, the Trustee may, and upon the written request of the holders of twenty-five per centum (25%) in aggregage principal amount of the bonds then outstanding hereunder (other than bonds in the treasury of the Company), shall request the trustee under such mortgage or other instrument, to take such action thereunder in pursuance of the terms thereof, as the Trustee hereunder, in its discretion, may deem advisable, in the interest of the holders of the bonds outstanding hereunder. The Trustee may also and, upon like request of the holders of outstanding bonds, shall demand payment of the demand mortgage bonds then pledged hereunder, which shall be secured by any demand mortgage in respect of which default shall have been made or which shall be a lien on any property then in the possession of a receiver or on any property then subject to any mortgage or

other instrument in respect to which any default shall have been made. No request in respect of any such mortgage or other instrument, however, need be made by the Trustee hereunder, unless the holders of bonds outstanding hereunder shall furnish to the trustee under the mortgage or other instrument in respect of which such default shall have been made the security (if any) required to be furnished by the terms thereof. In case of any such default, the Trustee, in an appropriate case and subject to the terms and conditions contained in the mortgage or other instrument in respect of which such default of the holders of twenty-five per centum (25%) in aggregage principal amount of the bonds then outstanding hereunder (other than bonds in the treasury of the Company), shall waive any such default and its consequences, or rescind any demand for the payment of the principal of any demand mortgage bond; provided that the Company shall not at the time be in default hereunder, to the knowledge of the Trustee.

The Trustee may make any demand or request or give any waiver pursuant to the provisions of this section, with like effect, for all intents and purposes, as if it were the absolute owner of the bonds or securities in respect of which default shall have been made; and the Company hereby constitutes and appoints the Trustee its true and lawful attorney, irrevocable, upon any default of the character described in this section, to make any such demand or request and to give any notice, consent,assent, waiver or direction pursuant to any of the terms of the mortgage or other instrument in respect of which such default shall have been made; provided, that no such demand, request, notice, consent, assent, waiver or direction need be made or given by the Trustee, except subject to the terms and conditions contained in this section.

The Trustee shall be entitled to receive any moneys which may become payable on account of the principal of any bonds or other securities pledged hereunder in respect of which default shall have been made; and any moneys so received by the Trustee shall be held by it, in trust, subject to the terms and conditions of this Mortgage, and shall be paid out, from time to time, in the manner provided in Article IX hereof, for the payment of the proceeds of sale of released property; and all the provisions of the said Article XI, so far as applicable in the judgment of the Trustee, shall apply to the payment of moneys received by the Trustee in pursuance of the provisions of this section.

SECTION 13. The Trustee may do whatever may be necessary for the purpose of maintaining, preserving, renewing or extending the corporate existence of any Subsidiary, and for such purpose may from time to time, sell, assign, transfer and deliver so many shares of the stock of any such Subsidiary as may be necessary to qualify persons to act as Directors thereof or in any other official relation to such Subsidiary. The Trustee may likewise, in its discretion, protect the properties of any Subsidiary by instituting or joining in judicial proceedings, by the purchase at judicial sale of the property of such Subsidiary, by joining in any reorganization of such property or of such Subsidiary, or in any other manner that the Trustee may deem expedient. Whenever the Company, while not in default hereunder, to the knowledge of the Trustee, shall in writing so request, which request shall be signed by the President or a Vice-President of the Company and its Treasurer or an Assistant Treasurer and shall state that the Company has no shares of stock available for that purpose under its control other than shares pledged under this Mortgage, the Trustee shall transfer or cause to be transferred to persons designated by the Company, a sufficient number of shares then held by the Trustee hereunder, to qualify such persons to act as directors or in any other official relation to any corporation whose stock is pledged hereunder; provided, that, in every such case, the Trustee shall make such arrangements as it shall deem proper or necessary for the protection of the trusts hereby created in respect of the shares of stock so transferred.

SECTION 14. Any new securities or shares of stock issued under any provision of this Article in exchange for securities or shares of stock subject to the lien hereof, shall be delivered to and held in pledge by

the Trustee hereunder, except as in Sections 10 and 11 of this Article otherwise provided.

ARTICLE VII

MAINTENANCE AND RENEWAL FUND.

The Company covenants and agrees that during each calender year, (beginning with the calender year 1923) so long as any bonds issued under and secured by this Mortgage shall be outstanding, it will, except as hereafter otherwise provided, expend or cause to be expended an amount which shall be not less than ten per centum (10%) of the gross earnings of the Company derived during such year from the operation of the properties upon which this Mortgage is or shall be lien and of the gross earnings of all Subsidiaries derived during such year from the operation of their respective properties, for some one or more of the following purposes:

(a) The making of repairs, renewals and replacements in respect to its properties or the properties of a Subsidiary, as required by Section 8 of Article III and Section 7 of Article VI hereof; and/or

(b) The making of extensions and/or the acquisition of purchased property by the Company or a Subsidiary on account of which the Company would be entitled (except for the provisions of Section 8, 9 and/or 10 of Article 11) to have bonds authenticated under the provisions of SdctionS 5 and/or 6 of Article 11 hereof; and/or

(c) The redemption, the purchase and cancellation, of any bonds issued under and secured by this Mortgage.

If in any calendar year expenditures shall be made or indebtedness incurred for some one or more of the foregoing purposes in an amount in excess of said ten per centum (10%) of the gross earnings, as aforesaid, for such year, the Company shall be entitled to be credited to the extent of such excess on account of the expenditures required under the provisions of this Article to be made in any subsequent calandar year or years except to th the extent that any such expenditures under the provisions of sub-paragraph (b) of this Article shall have been made the basis for the authentication of bonds hereunder.

On or before the first day of April in each year, beginning with April 1, 1924, the Company shall deliver to the Trustee a certificate signed in the name of the Company by its President or Vice-President and verified by an affidavit of its Treasurer or an Assistant Treasurer, setting forth in reasonable detail (1) the amount of the gross earnings derived as aforesaid of the Company and of each Subsidiary for the calendar year next preceding; (2) the amount of expenditures made during such calendar year for any one or more of the purposes hereinbefore specified, which it desires to have applied to the requirements of this Article for such year; and (3) in the event it desires to have any excess expenditures for any of said purposes made in any preceding calendar year (not prior to the calendar year 1923) applied to the requirements of this Article for the year next preceding the date of such certificate, the amount of such expenditures in excess of an amount equal to ten per centum (10%) of the gross earnings for such year, and the amount of such excess which it desires to have applied to the requirements of this Article for the calendar year next preceding. Of the expenditures for the purpose stated in sub-paragraphs (a) and/or (b) hereof set forth in any such certificate, a percentage thereof, at least equal to the percentage which the gross earnings of the Company set forth in such certificate bear to the total of the gross earnings of the Company and all its subsidiaries set forth in such certificate, must have been expended on property of the Company as distinguished from the property of any and all subsidiaries.

If in any calendar year the Company shall not expend or cause to be expended for the purposes set forth in sub-paragraphs (a), (b), and/or (c) the full amount required by this Article to be expended during such calendar year, or shall not be entitled to be credited during such year with such required amount (on account of excess expenditures made in some preceding year), it shall pay in cash to the Trustee, on or before April first next succeeding the expiration of such calendar year, the difference between the amount expended for such purposes (or for which the Company shall be entitled to be and shall be credited) and such required amount. All sums received by the Trustee under this Article shall be held as a Maintenance and Renewal Fund and applied by it as hereinafter provided. Whenever in any calendar year (but not prior to the year 1923) the Company shall have made extensions or acquired purchased property on account of which it shall be entitled, under the provisions of Section 5 of Article 11 hereof, to have bonds hereunder authenticated and issued (except for the requirements of Section 8, 9 and 10 of said Article which shall be disregarded for the purposes of this Article), the Trustee shall, out of such Maintenance and Renewal Fund, repay to the Company the actual cost of such extensions or purchased property so acquired, upon receipt by the Trustee of the certificates and/or opinions required by said Section 5 of Article 11 (excepting the certificates and/or opinions provided for in Sections 8, 9 and 10 of said Article) for the authentication by the Trustee of bonds on account of such extensions or purchased property.

Any moneys in said Maintenance and Renewal Fund not repaid to the Company under the foregoing provisions hereof shall, from time to time, at the request of the Company, signed in its name by its President or one of its Vice-Presidents and by its Treasurer or one of its Assistant Treasurers, be applied by the Trustee to the retirement of bonds issued under and secured by this Mortgage, either by redemption under the provisions of this Mortgage, or by purchase at a price not exceeding that at which the bonds so purchased might at that time have been redeemed, if such bonds shall be then redeemable.

The Trustee shall be under no duty to make any other examination or investigation with respect to the facts stated in any certificate furnished as in this Article provided, but shall be entitled to rely on such certificate, both with respect to the sums to be deposited with it hereunder and the sums to be repaid by the Trustee to the Company, and it shall not be in any way liable for any act, matter or thing done by it in reliance thereon, and said certificates shall, respectively, be full warrant and authority for any action taken by the Trustee in accordance therewith; but the Trustee in its discretion may require other or further evidence.

ARTICLE VIII

POSSESSION, USE AND RELEASE OF MORTGAGED PROPERTY.

SECTION 1. So long as the Company shall not be in default hereunder to the knowledge of the Trustees, it shall be suffered and permitted by the Trustees to remain in full possession, enjoyment and control of all the properties, rights, privileges and franchises hereby mortgaged (other than cash or securities deposited or pledged hereunder) and shall be permitted to manage and operate the same, subject always to the observance of the covenants in this Mortgage with respect thereto, and to receive, receipt for, take, use, enjoy and dispose of all rents, tolls, earnings, surplus, profits, revenues and income thereof in the same manner and with the same effect as if this Mortgage had not been made.

The Company shall also be permitted at all times and from time to time so long as it shall not be in default hereunder to sell or otherwise dispose of free from the lien of this Mortgage, and without any release by the Trustees, any machinery, equipment, tools or implements upon replacing the same with new machinery, equipment, tools or implements (in such manner as to come under the lien hereof) of a value at least equal to the value of those so disposed of. Any Subsidiary may also sell or otherwise dispose of any machinery, equipment, tools or implements upon replacing the same with new machinery, equipment, tools or implements (in such manner as to come under the lien of the mortgage or mortgages securing any obligations of such subsidiary pledged with the Trustee hereunder) of a value at least equal to the value of those disposed of.

SECTION 2. The Company may sell or otherwise dispose of any other of its property at any time, covered directly or indirectly hereby (subject to the restrictions hereinafter in this section contained with reference to the sale of securities of a Subsidiary pledged hereunder with the Trustee) and the Trustees shall release the same from the lien hereof, and shall consent in writing to the sale or disposal by any Subsidiary of any other of its property, upon receipt by the Trustee of the following:

1. A copy of a resolution of the Board of Directors of the Company requesting such release or consent;

2. A certificate signed by the President, or a Vice-President of the Company and by an engineer, approved by the Trustee, who may be an engineer, ~~[illegible]~~ stating in substance as follows:

(a) That the retention of such property is no longer desirable in the conduct of the business of the Company (or of any such Subsidiary, in regard to its property), and that the security hereby afforded will not be impaired by such release or consent; and

(b) That the Company (or a Subsidiary where its property is concerned) has sold or exchanged, or contracted to sell or exchange, the property so to be released for a consideration representing, in the opinion of the signers, its full value to such company, which consideration may be cash, or other property, or partly cash and partly other property, such consideration to be ~~[illegible]~~ set in reasonable detail in such certificate;

3. Any money or securities stated in said certificate to have been received in consideration for any such release, or the certificate of the trustee under an underlying mortgage of the Company constituting a prior lien upon the property released (or the certificate of the trustee of the mortgage of a Subsidiary in case its property is to be released), stating that it has received such money or other property; and if real estate or other property is included in the consideration for such release, deeds or other instruments of conveyance, assignment or transfer sufficient, in the opinion of counsel, to subject the same to the lien of this Mortgage, subject only to current taxes and the lien of any underlying mortgage (or to subject the same to the mortgage of a Subsidiary, where its property is concerned), or an opinion of counsel to the effect that no instrument of conveyance, assignment or transfer is necessary to vest in the Company (or in the Subsidiary, where its property is concerned) the consideration received for such sale or exchange or to subject the same to the lien of this Mortgage (or the mortgage of the Subsidiary where its property is concerned) in the manner stated;

4. An opinion of counsel to the effect that any deeds or other instruments of conveyance, assignment or transfer covering any property, included in the consideration for such release, are sufficient to subject the same to the lien of this Mortgage (or the mortgage of a Subsidiary, where its property is concerned) with the same degree of priority which it possessed as a lien on the property to be released.

Except as otherwise provided in Article VI of this Mortgage, no part of the capital stock or other securities of any Subsidiary pledged hereunder shall be released from the lien of this Mortgage unless the entire capital stock and all other securities of such SubSidiary pledged hereunder shall be released from the lien of this Mortgage unless the entire capital stock and all other securities of such Subsidiary pledged hereunder are simultaneously released. The Trustee shall not consent to any such release until it shall have received a written opinion of two persons, approved by it and in its opinion disinterested and competent, that the release of the securities of such Subsidiary from the lien hereof will not diminish or impair

the security of the bonds issued hereunder, and also a certificate of an engineer or firm of engineers to be approved by the Trustee stating that the consideration to be received by the Company and pledged hereunder in substitution for such securities of such Subsidiary will be not less than the value of the securities to be released.

The resolutions, certificates, instruments and opinions hereinbefore provided for, shall be full warrant and authority to the Trustees for making any such release; but before making any such release the Trustees may, in their discretion, and shall, if requested in writing so to do by the holders of not less than ten per cent in amount of the outstanding bonds and furnished with security and indemnity satisfactory to them, cause to be made such independent investigation as they may see fit, and, in that event, may decline to take action unless satisfied by such investigation of the truth and accuracy of the matters so investigated. The expense of any such investigation shall be paid by the Company, or if paid by the Trustees, shall be repaid by the Company upon demand, with interest after demand at the rate of six per cent per annum.

Any new property acquired by the Company by exchange or purchase, to take the place of any property released hereunder, shall forthwith and without further conveyance become subject to the lien of and be covered by this Mortgage; but if requested by the Trustees the Company shall convey the same to the Trustees by proper deeds upon the trusts and for the purposes of this Mortgage.

SECTION 3. If any property is taken by condemnation proceedings, the Trustees may accept any award made therein, if approved by the Company as representing its full value, and, if requested by the Company by resolution of its Board of Directors, if such award is accepted by the Trustees they shall execute, and deliver a release of the property so taken upon receipt by the Trustee of the consideration therefor, unless some other disposition thereof is required under some underlying mortgage. In any such proceedings the Trustees may be represented by counsel, who may be of counsel to the Company.

SECTION 4. No purchaser in good faith of property purporting to be released hereunder shall be bound to ascertain the authority of the Trustees or Trustee to execute the release, or to inquire as to any facts required by the provisions hereof for the exercise of such authority; nor shall any purchaser of machinery or equipment be under obligation to ascertain or inquire into the occurrence of the event on which any such sale is hereby authorized.

SECTION 5. In case the mortgaged property shall be in the possession of a receiver, the powers hereinbefore conferred upon the Company with respect to the sale or other disposition of property covered hereby may be exercised by such receiver; and if the Trustees shall be in possession of mortgaged property under any provision of this Mortgage, then such powers may be exercised by the Trustees in their discretion.

ARTICLE ~~VI~~ IX

APPLICATION OF MONEY RECEIVED BY THE TRUSTEE

All moneys received by the Trustee as proceeds of released property or of property taken by the power of eminent domain or as insurance money and all other moneys received by the Trustee, which under any other provision of this Mortgage are required to be paid out and disposed of under the provisions of this Article, shall be paid over from time to time by the Trustee to the Company to reimburse the Company for expenditures made by it at any time after December 1, 1922, and whether prior or subsequent to the receipt of such money by the Trustee, (1) for extensions or purchased property (as defined in Sections 4, and 5 respectively, of Article 11 hereof) of the Company such as might have been made the basis of an application for additional bonds under any of the provisions of this Mortgage, or (2) for the replacement of property destroyed by fire (to the extent that insurance moneys arising from such loss are in the hands of the Trustee).

Such payments shall be made by the Trustee only upon receipt by it of:

(1) A request in writing signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of the Company for the payment of the amount of money stated therein, and

(2) A certificate signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company stating:

(a) That the Company after December 1, 1922, has made extensions or acquired purchased property (describing the same with reasonable detail), or has made certain replacements of property destroyed by fire (describing the same with reasonable detail,) and that such property (including any of such replacements) was not encumbered by any mortgage lien at the time of its acquisition by the Company other than the lien of this Mortgage, the First and Refunding Mortgage and/or of some underlying mortgage and is subject to the lien of this Mortgage;

(b) That the Company has actually expended for such property the amount specified in the certificate and said certificate shall further distinctly specify whether any of such expenditures, and if so what portion, were expended to replace property destroyed by fire;

(c) That no part of such expenditures has been previously used as a basis for the issuance of any bonds or the withdrawal of any deposited cash under this Mortgage or to compensate any excess of the nature described in sub-paragraph (3) of Section (4) of Article II hereof or certified to comply with the requirements of Article VII hereof; and

(d) That the Company is not, to the knowledge of the officer signing the certificate, in default in any of the terms, covenants or conditions of this Mortgage.

The request and certificate hereinbefore in this Article provided for, shall be full warrant and authority to the Trustee for the payment of moneys as requested therein; but before making any such payment the Trustee may, in its discretion, cause to be made such independent investigation as it may see fit, and may decline to take action unless satisfied by such investigation of the truth and accuracy of the matters so investigated. The expense of any such investigation shall be paid by the Company, or, if paid by the Trustee, shall be repaid by the Company upon demand, with interest after demand at the rate of six per cent per annum.

Any such moneys in the hands of the Trustee, and not theretofore paid over or requested to be paid over to reimburse the Company as aforesaid shall, on the election and in accordance with a request in writing signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of the Company, be applied by the Trustee to the purchase of bonds issued and outstanding hereunder at not exceeding (if they be then redeemable) their redemption price or to the redemption of bonds under and in accordance with the provisions of Article V of this Mortgage; and any bonds so purchased or redeemed shall be cancelled and no other bonds shall be issued under the provisions of this Mortgage by reason of such cancellation

ARTICLE X

REMEDIES IN CASE OF DEFAULT

SECTION 1. In case default shall be made in the payment of interest on any bond issued hereunder; and any such default shall continue for a period of sixty days; or in case default shall be made in the payment of the principal of any such bond when due; or in case default shall be made in the due observance or performance of any other covenant or condition herein required to be kept or performed by the Company, and any such last-mentioned default shall continue for a period of sixty days after written notice thereof shall have been given to the Company by the Trustee, which may, in its discretion, give such notice, and shall do so upon the written request of the holders of twentyfive per cent in aggregate principal amount of the bonds then outstanding; then, and in each and every such case, the Trustees, either personally or by

by their agents or attorneys, may forthwith enter into and upon all or any part of the mortgaged properties, and may exclude the Company, its agents and servants, wholly therefrom and may use, operate, manage and control the same, and conduct the business thereof, either personally or by superintendents, managers, receivers, agents, servants or attorneys for the benefit of the holders and owners of the bonds issued hereunder, to the fullest extent authorized by law. Upon every such entry, the Trustees may, from time to time, at the expense of the mortgaged properties and of the Company, maintain, restore, and insure, or keep insured, the tools, machinery, equipment, plants or other properties, buildings and structures of which they shall become possessed, as aforesaid; and likewise may, from time to time, at the expense of the mortgaged properties and of the Company, make all necessary or proper repairs, renewals, replacements, alterations, additions, betterments and improvements thereto and thereon, as to the Trustees may seem judicious. The Trustees in case of such entry, shall have the right to manage the mortgaged properties and to carry on the business and to exercise all the rights, privileges and franchises of the Company, either in the name of the Company or otherwise, as the Trustees shall deem best. In such case the Trustees shall be entitled to collect and receive all tolls, dividends, earnings, incomes, rents, issues, and profits of the mortgaged properties and of every part thereof. After deducting the expenses of operating the properties, and of conducting the business thereof, and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements, and all payments which may be made for taxes, assessments, insurance and other proper charges upon the properties, or any part thereof, as well as just and reasonable compensation for their own services and for the services of all counsel, agents and employees by it properly engaged and employed, the Trustees shall apply the moneys arising as aforesaid, subject to the provisions of Section 3 of Article III hereof, as follows:

FIRST. In case the principal of the bonds shall not have become due, to the payment of the interest in default thereon in the order of of the maturity of the installments of such interest, with interest thereon at the rates specified in the respective bonds, such payments to be made ratably to the persons entitled thereto according to the amount due to each by terms of the bond or bonds held by him; or

SECOND. In case the principal of the bonds shall have become due, by declaration or otherwise, to the payment of the accrued interest thereon (with interest on the over-due installments thereof at the rates specified in the respective bonds) in the order of the maturity of the installments, and, if any surplus remains, toward the payment of the principal of the bonds then due; such payments in every instance to be made ratably to the persons entitled thereto according to the amounts due them for interest and principal, respectively, by the terms of the bond or bonds held by them.

Upon the payment in full, as above provided, of whatever sum or sums may be due for principal or interest, or both, or payable for other purposes, the mortgaged properties shall be returned to the Company, its successors or assigns, as though no default had occurred.

SECTION 2. If the Company shall make default in any of the respects specified in Section 1 of this Article, and such default shall continue for the period, if any, therein specified, then in each and every such case the Trustee shall cancel all assignments or orders for the payment of dividends or interest, and all proxies with respect to any of the pledged stock theretofore delivered by it to the Company, and the Trustee shall thereupon be entitled to receive and collect, for the benefit of the holders and owners of the bonds, all dividends that may thereafter be declared on any shares of stock pledged hereunder and all sums which may thereafter become due and payable as interest upon any bonds or other securities pledged hereunder or which may thereafter accrue upon any moneys deposited with the Trustee hereunder, and shall itself vote all shares of stock when pledged hereunder in such manner and for such purposes as it may in its discretion deem advisable. The Trustee, subject to

the provisions of Section 3 of Article III hereof, shall apply any and all moneys so received or collected by it in the same manner as hereinbefore provided in Section 1 of this Article for the application of moneys arising from the operation of the mortgaged property.

Upon payment in full, above provided, of any sum or sums which may have been due for principal or interest, or both, or payable for other purposes and upon the fulfillment and performance of all other obligations of the Company in respect of which it was in default under this Mortgage, the Company shall thereafter be entitled to receive the income from all stocks, bonds or other securities pledged hereunder, and to vote the pledged stock (unless such stock, bonds or other securities shall have been sold as in this Article provided) in the same manner and to the same extent as though no default had occurred.

SECTION 3. In case the Company shall make default in any of therespects specified in Section 1 of this Article, and at any time during the continuance of such default there shall be any existing judgment against it unsatisfied and unsecured by bond on appeal, or in case, in any judicial proceeding by any part other than the Trustees, a receiver shall be appointed for the Company, or a judgment or order entered for thesequestration or its properties, or any part thereof, or in case the Company shall file a voluntary petition in bankruptcy or shall make an assignment for the benefit of creditors, or upon filing a bill in equity, or upon other commencement of judicial proceedings by the Trustees to enforce any right under this Mortgage, the Trustees shall be entitled forthwith to exercise the right of entry herein conferred, without awaiting the prescribed period, if any, and also any and all other rights, powers and remedies herein conferred and provided to be exercised by the Trustees upon the occurrence and continuation of a default as hereinbefore provided; and, as matter of right, the Trustees shall thereupon be entitled to the appointment of a receiver of all the mortgaged properties and of the earnings, income, rents, issues and profits thereof, with such powers as the court making such appointment may confer.

SECTION 4. In case the Company shall make default in any of the respects specified in Section 1 of this Article, and such default shall continue for the period, if any, therein specified the Trustees may and upon the written request of the holders of twenty-five per cent in aggregate principal amount of all the bonds then outstanding, regardless of series or maturity, shall, by notice in writing mailed or delivered to the Company, declare the principal of all the bonds then outstanding to be due and payable immediately; and upon any such declaration the same shall become and be immediately due and payable, anything in this Mortgage or in the said bonds contained to the contrary notwithstanding. This provision is, however, subject to the condition that if, at any time after the principal of the said bonds shall have been declared due and payable, and prior to the date of the maturity thereof stated in the said bonds, all arrears of interest upon such bonds (with interest on overdue installments of interest at the rates specified in the respective bonds) and all expenses and charges of the Trustees be paid by the Company, or be collected out of the mortgaged properties before any sale thereof shall have been made, and every default in the observance or performance of any covenant or condition in the bonds or in this Mortgage contained shall have been made good or secured to the satisfaction of the Trustees, or provisions deemed by the Trustees to be adequate shall have been made therefor, then, and in each and every such case, the holders of a majority in aggregate principal amount of the bonds then out standing, by written notice to the Company and to the Trustees, may waive such default and its consequences, and obtain from the Trustees rescission of such declaration of the maturity of the principal of such bonds as, except for such declaration, would not have been or become so due and payable; but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 5. In case the Company shall makedefault in any of the respects specified in Section 1 of this Article, and such default shall continue for the period, if any, therein specified, then, and in each and every such case, the Trustees shall, in their discretion, be forthwith entitled, with or without entry, either personally or by their agents or attorneys, to sell all and singular the mortgaged and pledged properties, including all shares of stock and all bonds or other securities then pledged hereunder, in the manner provided in Section 7 of this Article, or, in their discretion, the Trustees may forwith proceed to protect and enforce their rights and the rights of the holders of the bonds under this Mortgage by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the foreclosure of this Mortgage, either for interest or for principal, or for both, or for the enforcement of any other appropriate legal or equitable remedy, as the Trustees, being advised by counsel, shall deem most effectual

in support of any of their rights or duties hereunder. No sale hereunder of any securities issued by the Company shall be at a price less than that fixed by the Railroad Commission of Wisconsin, or any body succeeding to the powers thereof, in any order or orders authorizing the pledge thereof.

SECTION 6. In case the Company shall make default in any of the respects specified in Section 1 of this Article, and such default shall continue for the period, if any, therein specified, then, in each and every such case, upon the written request of the holders of twenty-five per cent in aggregate principal amount of all the bonds then outstanding, and upon being indemnified as hereinafter provided, the Trustees shall take all steps needful for the protection and enforcement of their rights and the rights of the holders of the bonds, and shall demand payment of the principal of any demand mortgage bonds then held by the Trustee, and shall exercise the powers of entry or sale herein conferred, or both, or take such appropriate judicial proceedings by action, suit or otherwise, as the Trustees, being advised by counsel, shall deem most expedient in the interest of the holders of the bonds.

SECTION 7. In the event of any sale under or by vitrue of the power of sale herein contained, or by virtue of judicial proceedings, or of any judgment or decree of foreclosure and sale thereunder, the whole of the mortgaged properties shall be sold in one parcel, as an entirety, unless such sale as an entirety be impracticable by reason of some statute or other cause, or unless the holders of a majority in aggregate principal amount of all the bonds then outstanding shall in writing request the Trustees to cause the said properties or any part thereof to be sold in parcels; in which case, so far as lawfully may be, the sale shall be made in such parcels as may be specified in such request.

Notice of any such sale shall state the time and place when and where the same is to be made, and shall contain a brief description of the properties to be sold, and shall be published once in each week for four consecutive weeks prior to such sale in one newspaper published in each of the counties in which such properties shall be located respectively, and in one daily newspaper published in the City of Chicago, State of Illinois, and also in one daily newspaper published in the Borough of Manhattan, City and State of New York; and such notice shall also be given as may be required to comply with any statute or rule or order of court. The Trustees may adjourn any such sale, or cause the same to be adjourned, from time to time, by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, without further notice or publication, such sale may be made at the time and place to which the same shall be so adjourned, unless otherwise provided by law. In case of any sale of the mortgaged properties or any part thereof, the whole of the principal of the bonds, if not previously due, shall become immediately due and payable, anything in the bonds or in this Mortgage contained to the contrary notwithstanding.

Upon the completion of any sale or sales the Trustees shall execute and deliver to the accepted purchaser or purchasers a good and sufficient deed or deeds of conveyance, sale and transfer of the property sold, or shall execute and deliver, in conjunction with the deed or deeds of the court officer conducting such sale, a proper conveyance of such property. The

Trustees, their successors and assigns, are hereby appointed the true and lawful attorney or attorneys irrevocable of the Company, in its name and stead to make, execute and deliver all necessary deeds or acts of conveyance, sale, assignment and transfer of such properties and to substitute one or more persons or corporations with like power, the Company hereby ratifying and confirming all that its said attorney, attorneys or such substitutes, shall lawfully do or cause to be done by virtue hereof. Nevertheless, the Company shall, if so requested by the Trustees, ratify and confirm such sale, by executing and delivering to the Trustees, or to such purchaser or purchasers, all such proper assignments, deeds, conveyances and releases as may be designated in such request. Any such sale made under or by virtue of this Mortgage either under the power of sale hereby granted and conferred, or under or by virtue of judicial proceedings, shall divest all right, title, interest, estate, claim and demand whatsoever, either at law or in equity, of the Company in, of or to the properties sold and every part thereof, and shall be a perpetual bar, both at law and in equity, against the Company, its successors, and assigns, and against any and all persons claiming or to claim the properties sold, or any part thereof, from, through or under the Company, its successors or assigns, respectively.

SECTION 8. In case of any sale of the mortgaged properties, whether under the power of sale hereby granted, or pursuant to judicial proceedings, the purchase money, proceeds or avails, together with any other sums which may then be held by or payable to the Trustees under any of the provisions of this Mortgage as part of the security hereunder, shall be applied, subject to the provisions of Section 3 of Article III hereof, as follows:

FIRST. To the payment of the costs, expenses, fees, and other charges of such sale, and a reasonable compensation to the Trustees, their agents and attorneys, and to the payment of all expenses and liabilities incurred and advanced, or disbursements made, by the Trustees, and to the payment of all taxes, assessments or liens prior to the lien of this Mortgage, except any taxes, assessments or other superior liens subject to which such sale shall have been made;

SECOND. To the payment of the whole amount then due and unpaid either for principal or interest, or for both principal and interest, upon the bonds, with interest on the overdue installments of interest at the rates specified in the respective bonds; and, in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid then to the payment of such principal and interest ratably, according to the aggregate of such principal and the accrued and unpaid interest, without preference or priority of any one series over any other series of bonds, or of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, except as to the difference (if any) in the respective rates of such interest; and

THIRD. To the payment of the remainder, if any, to the Company, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

SECTION 9. In case of any sale of the mortgaged properties, or of any part thereof, the purchaser, for the purpose of making settlement or payment for the property purchased, shall be entitled to apply towards the payment of the purchase price, and to be credited therewith, any bonds and any matured and unpaid interest coupons or claims for interest, to the amount to which such bonds and interest coupons or claims for interest would be entitled upon a distribution among the holders of the bonds of the net proceeds of such sale, after making the deductions allowable under the terms hereof for the costs and expenses of the sale, or otherwise; but such bonds and interest coupons or claims for interest so applied in payment by the purchaser shall be deemed to be paid only to the extent so applied. At any such sale, the Trustees or either of them or any holder of any bond may bid for and purchase such property, and may make the terms of sale, may hold, retain and dispose of such property without further accountability. The receipt of the Trustees, or of the

court officer conducting such sale, shall be a sufficient discharge for the purchase money to any purchaser of the properties or any part thereof sold as aforesaid; and no such purchaser, or his representatives, grantees or assigns, after paying such money and receiving such receipt, shall be bound to see to the application of such purchase money upon or for any trust or purpose of this Mortgage, or be answerable in any manner whatsoever for any loss, misapplication or nonapplication of any such purchase money, or any part thereof.

SECTION 10. The Company will not at any time insist upon or plead or in any manner whatever claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force in any locality where the mortgaged properties or any part thereof may be situated; and it will not claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisement of the mortgaged properties or any part thereof prior to any sale or sales thereof made pursuant to any provision herein contained or the decree of a court of competent jurisdiction; and it will not, after any such sale or sales, claim or exercise any right under any law heretofore or hereafter enacted to redeem the property so sold or any part thereof. The Company hereby expressly waives all benefit and advantage of any such law or laws; and it covenants that it will not in any way hinder, delay or impede the execution of any power herein granted to the Trustees, but it will suffer and permit the execution of every such power as if no such law or laws had been enacted.

SECTION 11. In case default shall be made in the payment of interest on any bond, and any such default shall continue for a period of sixty days; or in case default shall be made in the payment of the principal of any bond when the same shall become payable, whether at the maturity of the said bonds or pursuant to notice of redemption or by declaration, as authorized by this Mortgage, or by a sale of the mortgaged properties as hereinbefore provided, or otherwise, then, upon demand of the Trustees, the Company will pay to the Trustees, for the benefit of the holders of the bonds and interest coupons or claims of interest hereby secured then outstanding, the principal of all such bonds then due and payable, and the whole amount then due and payable for interest on such bonds, with interest upon the overdue principal and installments of interest at the rates specified in the respective bonds; and, in case the Company shall fail to pay the same forthwith upon such demand, the Trustees, in their own names, and as trustees of an express trust, shall be entitled to recover judgment against the Company for such amount. The Trustees shall be entitled to recover judgment, as aforesaid, either before or after or during the pendency of any proceedings for the enforcement of the lien of this Mortgage upon the mortgaged properties, and its right to recover such judgment shall not be affected by any entry or sale hereunder, or by the exercise of any powers conferred by any of the provisions of this Mortgage, or by the foreclosure of the lien hereof; and, in case of a sale of such properties, and of the application of the proceeds of sale to the payment of the mortgage debt, the Trustees, in their own name and as trustees of an express trust, shall be entitled to receive and to enforce payment of any and all deficiencies or amounts then remaining unpaid upon or on account of any or all of the bonds then outstanding, for the benefit of the respective holders thereof, and shall be entitled to recover judgment for any portion of the mortgage debt remaining unpaid, with interest. No recovery of any judgment by the Trustees and no levy of any execution under any such judgment upon property subject to the lien of this Mortgage, or upon any other property, shall in any manner or to any extent affect or impair the lien of the Trustees upon the mortgaged properties or any part thereof, or any rights, powers or remedies of the Trustees or of the holders of the bonds hereby secured; but such lien, rights, powers and remedies shall continue unaffected and unimpaired as before. Any moneys collected by the Trustees under this Section 11 shall be applied by the Trustees, subject to the provisions of Section 3 of Article III hereof, first, to the payment of the costs and expenses of the proceedings resulting

in the collection of such moneys, and second, to the payment of the amounts then due and unpaid upon such bonds and interestcoupons or claims for interest, respectively, without any preference or priority of any kind, but ratably according to the amounts due and payable upon such bonds and interest coupons or claims for interest, respectively, at the date fixed by the Trustees for the distribution of such moneys.

SECTION. 12. Anything in this Mortgage contained to the contrary notwithstanding, the holders of a majority in aggregate principal amount of the bonds outstanding hereunder, from time to time, shall have the right, by an instrument in writing, executed and delivered to the Trustees, to direct the method of conducting any and all proceedings under this Article, for any sale of the mortgaged properties or for the foreclosure of this Mortgage or for the appointment of a receiver, or for any other purpose, and the Trustees shall not be responsible to anyone for any action taken or omitted by them or either of them pursuant to any such directions; provided, that such direction shall not be inconsistent with the terms or this Mortgage.

SECTION 13. Except as herein expressly provided to the contrary, no remedy herein conferred upon or reserved to the Trustees or to the holders of the bonds is intended to be exclusive of any other remedy, but every remedy herein provided shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, or by statute; and every power and remedy given by this Mortgage to the Trustees or to holders of the bonds may be exercised from time to time, and as often as may be deemed expedient. No delay or omission by the Trustees or by any holder of any bond to exercise any right or power arising from any default, shall impair any such right or power, or shall be construed to be a waiver of any default or an acquiescence therein. In case the Trustees ~~shall have~~ foreclosure, entry, or otherwise, and such proceedings shall have been discontinued or abandoned because of waiver, or for any other reason, or shall have been determined adversely, then, and in each and every case, the Company and the Trustees shall severally and respectively be restored to their former positions and rights hereunder in respect of the mortgaged properties, and all rights, remedies and powers of the Trustees shall continue as though no such proceedings had been taken.

shall have proceeded to enforce any right under this mortgage by,

SECTION 14. No holder of any bond shall have the right to institute any suit, action or proceeding at law or in equity upon, or in respect of, this mortgage, or for the execution of any trust or power hereof, or for any other remedy under or upon this Mortgage, unless such holder shall previously have given to the Trustees written notice of an existing default; nor unless, also, such holder or holders shall have tendered to the Trustees security and indemnity satisfactory to them against all costs, expenses and liabilities which might be incurred in or by reason of such action, suit or proceeding; nor unless, also, the holders of at least twenty-five per cent in aggregate principal amount of all the bonds then outstanding shall have requested the Trustees in writing to take action in respect of such default and the Trustees shall have declined to take such action or shall have failed so to do within thirty daysthereafter; it being understood and intended that no holder of any bond or interest coupon shall have any right in any manner whatever to affect, disturb or prejudice the lien of this Mortgage by his action, or to enforce any right hereunder, except in the manner herein provided, and that all proceedings hereunder shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of outstanding bonds.

ARTICLE XI

EVIDENCE OF RIGHTS OF BONDHOLDERS

Any request or other instrument, which this Mortgage may require or permit to be signed and executed by the bondholders, may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such bondholders in person or by attorney appointed in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent, or of the holding by any person of the bonds or coupons appertaining thereto, shall be sufficient for any purpose of this Mortgage if made in the following manner:

(a) The fact and date of the execution by any person of such request or other instrument or writing may be proved by the certificate under his official seal of any notary public, or other officer in any jurisdiction, who by the laws thereof has power to take acknowledgments of deeds to be recorded within such jurisdiction, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution;

(b) The amount of bonds transferable by delivery held by any person executing such request or other instrument as a bondholder, and the series and serial and serial numbers thereof, held by such person, and the date of his holding the same, may be proven by a certificate executed by any trust company, bank, bankers or other depositary wheresoever situated, if such certificate shall be deemed by the Trustees to be satisfactory, showing that at the date therein mentioned such person had on deposit with such depositary, the bonds described in such certificate. The Trustee may nevertheless in its discretion require further proof in cases where it deems further proof desirable. The ownership of registered bonds and of coupon bonds which shall at the time be registered as to principal shall be proved by the registry books as hereinbefore provided.

The Trustees shall not be bound to recognize any person as a bondholder unless and until his title to the bonds held by him is proved in the manner in this Article provided.

ARTICLE XII

DEFEASANCE

If the Company, its successors or assigns, shall pay or cause to be paid unto the holders of said bonds and coupons, the principal and interest to become due thereon at the times and in the manner stipulated therein, and shall keep, perform and observe all and singular the covenants and promises in said bonds and in this Mortgage expressed to be kept, performed and observed by it or on its part, then these presents and the estate and the rights hereby granted shall cease, determine and be void, and thereupon the Trustees shall, upon request of the Company and its its expense, cancel and discharge the lien of this Mortgage, and execute and deliver to the Company such deeds as shall be requisite to satisfy the lien hereof, and reconvey to the Company the estate and title hereby conveyed, and assign and deliver to the Company any property subject to the lien of this Mortgage which may then be in its possession. Bonds for the payment or redemption of which money shall have been set apart by or paid to the Trustees shall be deemed to be paid within the meaning of this Article.

ARTICLE XIII

IMMUNITY OF OFFICERS, STOCKHOLDERS AND DIRECTORS

No recourse under or upon any obligation, covenant or agreement contained in this Mortgage, or in any bond or coupon hereby secured, or under any judgment obtained against the Company, or by the enforcement of any assessment or penalty or by any legal or equitable proceeding by virtue of any constitution or statute or rule of law or otherwise or under any circumstances, under or independent of

this Mortgage shall be had against any incorporator, stockholder, officer or director, past present or future, of the Company, or of any successor corp ration, either directly or through the Company, or otherwise, for the payment for or to the Company or any receiv d thereof, or for or to the holder of any bond or coupon issued or secured hereunder or otherwise of any sum that may be due and unpaid by the Company upon any such bond or coupon, and any and all personal liability of every name and nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, stockholder, officer or director, for the payment for or to the Company or any receiver thereof, or for or to the holder of any bond or coupon issued or secured hereunder or otherwise, of any sum that may remain due and unpaid upon the bonds and coupons hereby secured or any of them, is hereby expressly waived and released as a condition of and consideration for the execution of this Mortgage and the issue of such bonds and coupons.

ARTICLE XIV

CONSOLIDATIONS, MERGERS AND SALES

SECTION1. Nothing in this Mortgage contained shall prevent any lawful consolidation or merger of the Company with or into any other corporation, or any conveyance or transfer, subject to this Mortgage, of all, or substantially all, the mortgaged property, as an entirety, to any corporation lawfully entitled to acquire and operate the same; provided, however, and the Company covenants and agrees, that such consolidation, merger, conveyance or transfer shall be upon such terms as in no respect to impair the lien of this Mortgage or any of the rights or powers of the Trustees or the bondholders hereunder; and that, upon any such consolidation, merger, conveyance or transfer, the due and punctual payment of the principal and interest of all of said bonds according to their tenor, and the due and punctual performance and observance of all the terms, covenants and conditions of this Mortgage to be kept or performed by the Company, shall be assumed in writing by the corporation formed by such consolidation or into which such merger shall have been made, or acquiring all, or substantially all, the property subject to this Mortgage as an entirety, as aforesaid.

SECTION 2. In case the Company shall be consolidated with or merged into any other corporation, or shall convey or transfer, subject to the lien of this Mortgage, all, or substantially all, the mortgaged property, as an entirety, the corporation resulting from such consolidation, or into which the Company shall have been merged, or which shall have received a conveyance or transfer, as aforesaid (such corporation being hereinafter called the successor corporation) may thereafter issue bonds under this Mortgage, provided it shall first execute and deliver to the Trustees an indenture satisfactory to the Trustees, whereby the successor corporation shall assume and agree to pay the principal and interest of the bonds issued or to be issued hereunder and secured hereby in accordance with the provisions of said bonds and coupons and this Mortgage, and shall agree to perform and fulfill all the terms, covenants and conditions of this Mortgage binding upon the Company. Upon the execution and delivery of such indenture the successor corporation shall succeed to and be substituted for the Company under this Mortgage, with the same effect as if it had been named herein as the Mortgagor Company, and may thereafter, subject to all the terms, conditions and restrictions in this Mortgage prescribed, issue bonds hereunder to the extent and for the purposes herein provided with respect to the issuance of bonds by the Company and may also issue any bonds which the Company was entitled to issue but had not issued hereunder. All the bonds so issued shall in all respects have the same legal rank and security as the bonds theretofore or thereafter issued in accordance with the terms of this Mortgage as though all of said bonds had been issued at the date of the execution hereof. Upon the execution and delivery by such successor corporation of the indenture in this section above mentioned, all permanent property owned by it at the date upon which it became such successor corporation (excluding the permanent property ~~also of this Mortgage company and also but pursuant to the provisions of Article~~

received from the Company) shall, within the meaning of the provisions of Article 11 of this Mortgage, be deemed to be purchased property acquired by such successor corporation at the date upon which it became such successor corporation for or on account of the cost or value of which bonds may be issued hereunder.

The Trustee may receive the certificate of any counsel (who may be of counsel to the Company) selected by the Company and approved by the Trustee, as conclusive evidence that either or both of such instruments comply with the foregoing conditions and provisions of this section.

SECTION 3. Every such successor corporation shall possess, subject to the terms and conditions of this Mortgage, and may from time to time exercise, each and every right and power of the Company, in its name or otherwise; and any act, proceeding, resolution, or certificate by any of the terms of this Mortgage required or provided to be done, taken or performed, or made or executed, by any board or officer of the Company shall and may be done, taken and performed, or made and executed, with like force and effect, by the corresponding board or officer of any such successor corporation.

SECTION 4. At any time prior to the exercise of any power by this Article reserved to the Company or to a successor corporation, the Company may surrender any power so reserved, provided that by so doing the lien of this Mortgage is in no wise affected, by delivering to the Trustees an instrument in writing executed by its President or a Vice-President under its corporate seal attested by its Secretary or Assistant Secretary, accompanied by the affidavit of its Secretary or Assistant Secretary stating that the execution of such instrument was authorized by the vote of two-thirds of the entire Board of Directors of the Company given at a meeting duly called and held, and thereupon the power so surrendered shall cease.

ARTICLE XV

CONCERNING THE TRUSTEE

SECTION 1. Whenever any of the expressions "the Trustees," "Trustee" or "Co-Trustee" is used in this Mortgage, or in the bonds or coupons, such expression shall be held to include and mean the Trustees, Trustee, or Co-Trustee (as the case may be) for the time being under the terms of this Mortgage, whether the original or some successor or substitute. In case the Trustee hereunder shall become legally consolidated with any other corporation, the consolidated corporation shall thereby become and be the Trustee under this Mortgage. The Trustees shall not be responsible for the correctness of any of the recitals or representations in this Mortgage or in said bonds contained or with respect to the disposition of the proceeds of the bonds secured hereby. It shall be no part of the duty of the Trustees to see to the execution, acknowledgment or recording of this Mortgage or any supplemental instrument, as a mortgage or conveyance of real or personal estate, or to do any other act which may be suitable and proper to be done to make this Mortgage or any supplemental instrument, a lien, or to continue, extend or supplement such lien, or for giving notice of the existence of such lien; nor shall the Trustees have any responsibility as to the validity of this Mortgage, nor as to the amount or extent of the security afforded by the property hereby conveyed, nor as to the validity or priority of any bonds issued hereunder, nor as to the performance by the Company of any of its covenants or obligations hereunder. It shall be no part of the duty of the Trustees to see to the insurance of any part of the property hereby mortgaged, or to effect such insurance itself, or to require the deposit with it of insurance policies, or to pay or keep itself advised as to the payment of rents, taxes, or assessments of or upon any of the mortgaged property, but the Trustees or the Trustee may, in their discretion, and at the expense of the Company, do any or all of such matters or things, or require the same to be done. The Trustees, or either of them, may select and employ, in and about the execution of any of the duties incumbent upon them hereunder, suitable agents and attorneys, and the Trustees shall not be answerable for any act, default or misconduct of any such agent or

attorney shall have been selected with reasonable care; nor shall the Trustees be otherwise responsible for accountable under any circumstances whatsoever except for wilful misconduct and negligence. The Trustees shall be under no obligation or duty to perform any act hereunder, or to defend any suit in respect hereof until indemnified to their satisfaction; nowshall they be required to take notice, nor be deemed to have notice or knowledge, of any default of the Company in respect to any of its covenants and agreements herein contained, unless the Trustees shall have been specifically notified of such default in writing by the holder or holders of not less than five per centum in amount of the bonds then outstanding hereunder; nor shall the Trustees be bound to recognize any person as a bondholder unless or until his bonds are submitted to the Trustees for inspection, if required, and his title satisfactorily established, if disputed. In case at any time it shall be necessary or proper for the Trustees to make any investigation respecting any fact preparatory to tak ing or not tak ing any action, or doing or not doing anything as such Trustees, except when it is specifically otherwise provided herein, a certificate signed in the Company's name by its President or by a Vice-President, and attested by its Secretary, or by an Assistant Secretary under its corporate seal, and verified by the affidavit of one or more of the Company's directors, shall be conclusive evidence of such fact to protect the Trustees in any action or non-action that they may take by reason of the supposed existence of such fact; but the Trustees may, in their discretion, make such further examination or investigation with reference to such supposed fact as they may deem advisable, and the Company agrees to pay on demand all expenses reasonably incurred by the Trustees, in making any such investigation or examination. Except as may be otherwise provided by this Mortgage, and unless and until there shall be delivered to the Trustees a certified copy of a resolution of the Company's Board of Directors determining otherwise, every request, order, consent or expression of desire set forth in writing, addressed and delivered to the Trustee and signed in the name of the Company by its President or one of its Vice-Presidents may, for every purpose of this mortgage, be taken and relied upon by the Trustees as the request, order, consent or expression of desire of the Company. The Trustees shall not be responsible for the genuineness of any signature of any party to any document executed by any person whomsoever, in accordance with or in pursuance of the terms of this Mortgage, but may, without liability on their part, assume as geniune any purported signature by any person, officer or corporation to any such instrument, and shall be protected in acting upon any notice, request, certificate, order, affidavit, letter, telegram or other paper or document believed by them to be geniune and correct and to have been signed or sent by the proper person or persons and may, in the discharge of their duties hereunder, act upon the information or advice of any attorney, valuer, surveyor, engineer, accountant or other expert retained by them or by the Company, and shall not be responsible for any loss resulting from any action or non-action in accordance with any such information or advice. The Trustees may, in their discretion, from time to time advise with counsel to be selected and employed by them, at the expense of the Company, and anything done or suffered to be done by them or either of them, in accordance with the opinion of counsel, shall be conclusive in favor of the Trustees, and shall be binding upon the Company and all holders of bonds and coupons hereby secured. Any notice to the Company under any provision of this instrument shall be sufficiently given if served personally upon any officer of the Company or deposited in the mails addressed to the Company at Sheboygan, Wisconsin. The Trustees shall be entitled to receive reasonable compensation for their services and to be reimbursed for their reasonable outlays and disbursements, including court costs and attorneys' fees and expenditures for abstracts of title and continuations thereof. The Company agrees from time to time, on demand, to pay to the Trustees reasonable compensation for their services hereunder, and reasonable compensation for the services of their counsel and solicitors employed by them in connection with the discharge of their trusts hereunder, and agrees to reimburse the Trustees from time to time, on demand, for all reasonable outlays and expenditures of every sort or nature made or incurred by the Trustees in the discharge of their trusts hereunder, and agrees

to indemnify and save the Trustees harmless against any and all liabilities of any kind which the Trustees may incur in the exercise and performance of their powers and duties hereunder; and all such fees, compensations, liabilities, outlays and expenditures shall constitute a first lien upon the mortgaged property in favor of the Trustees prior to any other claim hereunder. All moneys coming into the hands of the Trustees or the Trustee under the provisions of this Mortgage shall not draw interest save such as during that time the Trustee allows on other like deposits. Any person or corporation being Trustee hereunder may acquire bonds and coupons issued hereunder and stock or other obligations of the Company with the same rights which it or he would have if it or he were not Trustee.

Where the Trustees have demanded or received indemnity under the provisions of this Mortgage, and it shall afterwards appear, in the judgment of the Trustees, or either of them, that the indemnity so demanded or received is, or may become insufficient, the Trustees shall not be required to take any further action hereunder until additional indemnity shall have been furnished to the said Trustees.

The Trustees shall not be liable for any release or releases improvidently executed by them in supposed compliance with the terms of this Mortgage, but any such release or releases which may be executed by the said Trustees, where the Company shall not be entitled to receive the same shall, as between the Company and the Trustees, be null, void and of no effect.

SECTION 2. The Trustees for the time being hereunder may resign as such Trustees by written resignation delivered to the Company, such resignation to take effect at the expiration of thirty days after such delivery unless before such expiration a successor or successors, duly appointed hereunder, shall have accepted the trusteeship hereunder, in which case such resignation shall take effect at the time of such acceptance. The Trustees for the time being hereunder may be removed at any time by an instrument or concurrent instruments in writing delivered to such Trustees and to the Company, signed by the holders of a majority in amount of the bonds then outstanding hereunder or by the attorneys in fact of such holders, and upon payment to such Trustees of their charges and disbursements hereunder. In case the Trustee or its successor shall resign or be removed or otherwise be or become incapable of acting as Trustee, then in either such event, a successor or successors may be appointed by the holders of a majority in amount of the bonds hereby secured and then outstanding, by an instrument or concurrent instruments in writing, signed by such holders or by their attorneys in fact, duly authorized; but if at any time there shall be a vacancy in such trusteeship, the Company, by an instrument executed by order of its Board of Directors, may appoint a Trustee to fill the same until a new Trustee shall be appointed by the bondholders, as aforesaid, and when any such new Trustee shall be so appointed by the bondholders, any Trustee theretofore appointed by the Company shall thereupon by such appointment of the bondholders be superseded and retired. Each successor to or substitute for the Trustee hereunder shall be a corporation having lawful power to act as Trustee hereunder. In case the Co-Trustee shall die, shall resign, or be removed, or otherwise be or become incapable of acting as Trustee, then in any such event the Trustee or its successor shall appoint the Co-Trustee. It shall be the duty of the Company to cause to be recorded in the same manner as this Mortgage shall have been recorded, each resignation and acceptance of the trusteeship and each appointment as Trustee or Co-Trustee hereunder. Whenever a new Trustee or Trustees shall succeed to the trusteeship under this Mortgage, such new Trustee or Trustees shall, without any further act, need or conveyance, be and become vested with all the estate, properties, rights, powers, duties and trusts of its predecessor in the trust hereunder, with like effect as if originally named as the Trustees or one of the Trustees herein; but the retiring Trustees shall, nevertheless, upon written demand of the new Trustees, execute and deliver to the new Trustees such proper conveyances and make such transfers as will legally transfer the mortgaged property and the trusts hereunder. Should any deed, conveyance or inStrument in writing from the Company be required by any new Trustee or Trustees for more fully and certainly vesting in and confirming to such new Trustee or Trustees the said estates, properties, rights, trusts and duties, then any and all such

new Trustee or Trustees, be executed, acknowledged and delivered by the Company.

SECTION 5. If, by any present or future law in any jurisdiction in which it may be necessary to perform any act in the execution of the trusts herein created, Continental and Commercial Trust and Savings Bank, the Trustee, or its successor or successors, may be incompetent or disqualified or unwilling to act as such Trustee, then all acts required to be performed in such jurisdiction in the execution of the trusts hereby created shall and will be performed by said William P. Kopf, as Co-Trustee, or his successor or successors, acting alone. Except as it may be deemed necessary, as aforesaid, for said Co-Trustee, acting alone to execute the trusts hereby created, the Trustee, or its successor or successors, may alone have and exercise the powers and shall alone be charged with the performance of the duties hereinbefore declared to be held exercised or performed on the part of the Trustees. Any request in writing by the Trustee, its successor or successors, to the Co-Trustee hereunder, or to any Co-Trustee appointed in succession to him, shall be sufficient warrant for the Co-Trustee, or his successor, to take such action as may be requested of him. Said Co-Trustee, or any successor, may delegate to the Trustee, its successor or successors, the exercise of any power, discretionary or otherwise, conferred by any provision of this Mortgage. Said Continental and Commercial Trust and Savings Bank, its successors and assigns, shall have the power at any time, by instrument in writing, duly executed by its President or Vice-President, under its seal, to remove said William P. Kopf from his position as one of the Trustees hereunder and to appoint some other officer of said Continental and Commercial Trust and Savings Bank, as successor in trust to the said William P. Kopf.

SECTION 4. In case the said William P. Kopf, or any successor to him as Co-Trustee, shall die, become incapable of acting, resign, or be removed, all the estate, properties, rights, powers, trusts, duties and obligations of the Trustees hereunder so far as permitted by law shall vest in and be exercised by said Continental and Commercial Trust and Savings Bank, or its successor as Trustee, until the appointment of a new Co-Trustee, as hereinbefore provided.

ARTICLE XVI
MODIFICATIONS.

SECTION 1. When authorized by resolution of its Board of Directors, the Company and the Trustees, from time to time and at any time, subject to the restrictions in this Mortgage contained, may and when so required by this Mortgage, shall enter into such indentures supplemental hereto as may or shall by them be deemed necessary or desirable, for one or more of the following purposes:

(a) To correct the description of any property hereby conveyed or pledged or intended so to be, or to assign, convey, mortgage, pledge, transfer and set over unto the Trustees, subject to such liens or other encumbrances as shall be therein specifically described, additional property or properties of the Company, for the equal and proportionate benefit and security of the holders and owners of all bonds at any time issued and outstanding under this Mortgage.

(b) To add other limitations, to be thereafter observed, to the limitations on the authorized issue and purposes of issue of the bonds which may be issued for any of the purposes specified in Article 11; to specify definitive limitations on the total authorized issue of bonds under this Mortgage or of any series of such bonds; or to add to the covenants or agreements of the Company for the protection of the bondholders and of the trust estate;

(c) To provide the terms and conditions of redemption of the bonds, and/or for a special sinking fund for the retirement, of any particular series then about to be issued;

(d) To provide additional or other restrictions and limitations upon the issue of any new series of bonds or additional covenants and undertakings of the Company with respect thereto;

(e) To provide the terms and conditions of the exchange of bonds of one series for bonds of another or other series, or as to the exchange of bonds

of one denomination for bonds of another denomination, of the same series.

(f) To provide that the principal of the bonds of any particular series may be converted at the option of the holders into the capital stock of the Company, and the terms and conditions of such conversion.

(g) To evidence the succession of another corporation to the Company, or successive successions, and the assumption by such successor corporation of the covenants and obligations of the Company under this Mortgage.

(h) To change the designation of the bonds issued hereunder in the manner and upon the conditions provided in Section 3 of Article 1 hereof.

(i) For any other purpose not inconsistent with the terms of this Mortgage and which shall not impair the security of the same, or for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective or inconsistent provision contained herein or in any supplemental indenture.

Section 2. In each and every case provided for in this Article, the Trustees shall be entitled to exercise their uncontrolled discretion in determining whether or not any proposed supplemental indenture, or any term or provision therein contained, is necessary or desirable, having in view the needs of the Company and the respective rights and interests of the holders of bonds theretofore issued hereunder; and the Trustees shall be under no responsibility or liability to the Company or to any holder of any bond, or to anyone whatever, for any act or thing which they may do or decline to do in good faith, subject to the provisions of this Article, in the exercise of such discretion.

SECTION 3. The Trustees are authorized to join with the Company in the execution of any such supplemental indenture, to make the further agreements and stipulations which may be therein contained, and to accept the conveyance, transfer and assignment of any property thereunder.

Any supplemental indenture executed in accordance with any of the provisions of this Article shall thereafter form a part of this Mortgage; and all the terms and conditions contained in any such supplemental indenture as to any provision authorized to be contained therein shall be and be deemed to be part of the terms and conditions thereof of this Mortgage for any and all purposes, and, if deemed necessary or desirable by the Trustees, any of such terms or conditions may be set forth in reasonable and customary manner in the bonds of the particular series to which such supplemental indenture shall apply. In case of the execution and delivery of any supplemental indenture, express reference may be made thereto in the text of the bonds of any series issued thereafter, if deemed necessary or desirable by the trustees.

ARTICLE XVII

MISCELLANEOUS PROVISIONS

All the covenants, stipulations and agreements in this Mortgage contained are and shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, and of the holders of the bonds and of the coupons hereby secured.

Whenever in this Mortgage either of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all the covenants, promises and agreements in this Mortgage contained by or on behalf of the Company, or by or on behalf of the Trustees, shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

This Mortgage may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, said Eastern Wisconsin Electric Company has caused this instrument to be executed in its corporate name by its President or one of its Vice-Presidents, and to be countersigned by its Secretary or an Assistant Secretary, and its corporate seal to be hereto affixed, and said Continental and Commercial Trust and Savings Bank, has caused this instrument to be executed in its corporate name by its President, or a Vice-President, and to be countersigned by its Secretary

or an Assistant Secretary, and itS corporate Seal to be hereto affixed, and the Said William P. Kopf has signed and sealed this instrument, all as of the day and year first ~~and sealed this instrument, all as of the day and year first~~ above written.

EASTERN WISCONSIN ELECTRIC COMPANY,
By MarshallE. Sampsell
President

Corporate SEAL

Countersigned:
Leroy J. Clark,
Secretary

Executed by Eastern Wisconsin
Electric Company in the
Presence of:
C. M. Sowars
D. Eulberg
Witnesses.

CONTINENTAL AND COMMERCIAL TRUST AND SAVINGS BANK,
By Henry C. Olcott
Vice-President

Corporate SEAL

Countersigned:
E. J. Claussen
Assistant Secretary

Executed by Continental and
Commercial Trust and Savings
Bank in the presence of:
Victor G. Marde
Wm. Hogarth
Witnesses

William P. Kopf (seal)

Executed by William P. Kopf
in the presence of:
Victor G. Marde
Wm. Hogarth
Witnesses

STATE OF ILLINOIS)
COUNTY OF COOK) SS

I, P. L. Miller, a Notary Public in and for said County in the State aforesaid, do hereby certify that Marshall E. Sampsell, the President of EASTERN WISCONSIN ELECTRIC COMPANY, a Wisconsin corporation, and Leroy J. Clark, the Secretary of said corporation, who are both personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary, respectively, and who are both personally known to me to be the President and Secretary, respectively, of said corporation, appeared before me this day in person and severally acknowledged that the seal affixed to the said instrument is the corporate seal of the said Eastern Wisconsin Electric Company and was affixed by order of the Board of Directors of said corporation, and that they signed, sealed and delivered the said instrument as their free and voluntary act as such President and Secretary, respectively, of said corporation, and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 19th day of January, A. D. 1923.

P. L. Miller,
Notary Public
My commission expires August 24, 1925

Notarial SEAL

STATE OF ILLINOIS) ss
COUNTY OF COOK)

I, H. F. Vierich, a Notary Public in and for said County in the State aforesaid, do hereby certify that Henry C. Olcott, the Vice President of CONTINENTAL AND COMMERCIAL TRUST AND SAVINGS BANK, an Illinois corporation, and E. J. Claussen, the Assistant Secretary of said corporation, who are both personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice-President and Assistant Secretary, respectively, and who are both personally known to me to be the Vice-President and Assistant Secretary, respectively, of said corporation, appeared before me this day in person and severally acknowledged that the seal affixed to the said instrument is the corporate seal of the said Continental and Commercial Ttust and Savings Bank and was affixed by order of the Board of Directors of said corporation, and that they signed, sealed and delivered the said instrument as their free and voluntary act as such Vice-President and Assistant Secretary, respectively, of said corporation, and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 26th day of January, A.D. 1923.

H. F. Vierich
Notary Public
My commission Expires August 26th, 1925

Notarial SEAL

STATE OF ILLINOIS) SS
COUNTY OF COOK)

I, H. F. Vierich, a Notary Public in and for said County in the State aforesaid, do hereby certify that William P. Kopf, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 26th day of January, A.D., 1923.

H. F. Vierich
Notary Public
My commission expires Aug. 26, 1925.

Notarial SEAL

State of Wisconsin } ss.
DEPARTMENT of State }
Received this 1st day of February A. D. 1923 at 11:00 o'clock A. M. and recorded in Vol. 21 of Railroad Mtgs. on page 323 etc.
Lancelot A. Gordon
Assistant Secretary of State.

Indexed

Certificate of Amendment to Charter
of the Soo-Central Link Railroad Co -

see page 389.

Certificate of Amendment to Charter

To:
The Secretary of State,
of the State of Wisconsin
Madison, Wis

At a regular meeting of the stockholders of the Soo-Central Railroad Company, a corporation organized under the laws of the State of Wisconsin, which meeting was duly convened pursuant to the articles and by-laws of said Corporation, the following resolution was duly adopted:

Resolved:

"That the charter of said corporation be so amended so as to change the name of the Company from the Soo-Central Railroad Company to the Wisconsin and Southeastern Railroad Company"

State of Wisconsin,)
County of Dane) ss.

We, the undersigned William Smith, President and H. R. Greenlee, Secretary of the Soo-Central Link Railroad Company, do hereby certify that the foregoing amendment to the charter of said corporation was duly adopted at a regular meeting of the stockholders of said company, duly convened according to the articles and by-laws of said Company, which meeting was held at the principal office of the said corporation at Madison, Wisconsin, on the 17th day of April, in the year 1924

And we do further certify that the whole number of the shares of stock, of said corporation issued and outstanding at the time of holding such meeting was 79, that 78 shares voted in favor of said resolution, and no shares voted against it.

That the foregoing copy of such resolution and amendment to said articles of Association is a full, true and correct copy of the original thereof.

(Corporate Seal.)

In witness Whereof, We, the said William Smith, President and H.R. Greenlee, the Secretary have hereunto set our hands and have caused to corporate seal of the said corporation to be affixed hereto at Madison, Wisconsin this 17th Day of April, A.D. 1924

William Smith - President
H. C. Greenlee - Secretary.

State of Wisconsin } ss.
DEPARTMENT OF STATE.
Received this 17th day of
April A. D. 1924 at 2
o'clock P. M. and recorded in Vol.
21 of R. R. Mortgages
on page 389-390.
Fred Zimmerman
Assistant Secretary of State.

Cancelled

STATEMENT OF COMPLIANCE
FORM CPR 11

State of Wisconsin
PUBLIC RECORDS BOARD

AGENCY: Secretary of State	DATE: 1984
DIVISION:	REEL NUMBER: 21
RECORD SERIES: Railroad Mortgages	DISPOSAL AUTHORIZATION NUMBER: 414.53

I certify that the film listed above complies with the minimum standards of quality for permanent photographic records, as established by the Public Records Board and that the film was processed and developed in accordance with minimum standards established by the Board.

FILM DEVELOPER AND PROCESSOR

I certify pursuant to Section 16.61 (7) Wisconsin Statutes, that this records series has been photographed on the reels of film listed above.

Douglas LaFollette

HEAD OF AGENCY OR DESIGNATED REPRESENTATIVE

Form CPR 10

State of Wisconsin
PUBLIC RECORDS BOARD

CAMERA OPERATOR'S CERTIFICATE

REEL NUMBER	REDUCTION RATIO	DISPOSAL AUTHORIZATION NUMBER
21	20:1	414.53

CAMERA (TYPE)	(MODEL)	(SERIAL NUMBER)
Recordak	MRC-4	342

TITLE OF RECORD SERIES: Railroad Mortgages

AGENCY: Sec. of State

I certify that I have on this day of 8-29-, 1984, photographed the above described documents in accordance with the standards and procedures established by Section 16.61 of the Wisconsin Statutes.

ROLL BEGINS WITH	ROLL ENDS WITH
Vol. 21	Vol. 21

CAMERA OPERATOR: L.N.