An Indenture, made the first day of May in the year Eighteen hundred and seventy three, Between The South and North Alabama Rail Road Company a corporation created organized and existing by and under the laws of the State of Alabama party of the first part and John B Smith of Louisville in the State of Kentucky and J Pierpont Morgan of the City of New York parties of the second part.

Whereas the party of the first part in the due exercise of its rights, powers and privileges under the laws of the State of Alabama has duly acquired and now possesses, owns and is operating the line of railroad hereinafter described and mortgaged with the appurtenances thereof. And Whereas it has become and is necessary for the said party of the first part to raise and borrow money for the completion and running of its said road and for other lawful purposes authorized to it by and under its charter and the laws of the State of Alabama and for which purposes it is by and under the laws of the State of Alabama authorized to create this mortgage. And Whereas to the end of borrowing and raising the amount of money required for the purposes aforesaid, the said party of the first part has determined in pursuance of the powers conferred upon it by said and under the laws of said State of Alabama to issue and sell its bonds secured by this mortgage as hereinafter Expressed to the aggregate amount of Eleven hundred thousand pounds Sterling money of Great Britain and thereupon and thereby to raise the money which so as aforesaid is necessary for ~~the~~ upon the credit and security of such bonds and of this mortgage.

And Whereas the said Rail Road Company has thereupon caused to be prepared and made ready for issue and sale, for the purpose aforesaid, its certain five thousand five hundred bonds numbered consecutively from one (1) to 5,500 (five thousand five hundred) both inclusive bearing date the first day of May Eighteen hundred and seventy three, and each of which bonds is for the payment of the principal sum of two hundred pounds Sterling money of Great Britain at the office of Baring

Brothers & Co in the City of London on the first day of May which will be in the year nineteen hundred and three, with interest upon such sum from the date of such bonds at the rate of six per cent per annum payable semi-annually at the same office in London in said Sterling money on the first day of May and November in each year, free of United States government tax in accordance with the Coupons for such interest to said bonds annexed, and which Coupons are numbered Correspondingly to the bonds to which they are respectively attached, and which bonds and Coupons respectively are substantially in the following form, that is to say—

United States of America
South & North Alabama Rail Road Company
State of Alabama

£200 Sterling

£200 Sterling

Six Per Cent First Mortgage Sinking fund loan
Limited to £1.100 000 Stg.

No bonds No 1 a No 5.500 of £200 Each No.

The South and North Alabama Rail Road Company a Corporation Created by the State of Alabama hereby acknowledges itself to be indebted to John B. Smith & J Pierpont Morgan or bearer in the sum of two hundred pounds Sterling money of Great Brittain for money borrowed by said Company for purposes duly authorized by its Charter and by law which will be due, and said Company will pay to the holder of this bond on the first day of May Nineteen hundred and three at the Office of Baring Brothers & Co in the City of London: And said Company further promises to pay interest upon said Sum from the first day of May Eighteen hundred and seventy three free of any United States Government Tax, Semi-annually on the first days of May and November at the rate of Six per cent per annum at said Office of Baring Brothers & Co in London in accordance with the Coupons for such interest here to annexed upon presentation and surrender of such Coupons.

—— This bond is one of a series of five thousand five hundred bonds of like amount date and tenor, numbered Consecutively from one ~~to~~ to fifty five hundred inclusive

making eleven hundred thousand pounds Sterling in the aggregate, issued and to be issued by said Company for money borrowed as aforesaid, each of which bonds is equally secured by a Mortgage of even date herewith made by said Company to John B. Smith of Louisville and J. Pierpont Morgan of the City of New York, as Trustees upon the Rail Road of said Company extending from Montgomery to Decatur in the State of Alabama, a distance of about one hundred and Eighty-three miles with the rolling stock thereof and the appurtenances and all the property rights and franchises connected therewith, which Mortgage is duly authorized by law, and has been duly executed and delivered to the Trustees and recorded in the several Counties through which the said rail road runs, and the same is a first Mortgage upon all the property and franchises embraced therein save only that there remain outstanding four hundred Eight per cent bonds for one thousand dollars each secured by a former Mortgage upon the same property which the said Company has not as yet been able to get up from the holders thereof although it is ready and has offered to pay for the same par and interest in Cash and as soon as by and against which and to provide for the payment thereof so as to leave the Mortgage securing this issue of bonds a first Mortgage in effect an equal amount of Alabama State bonds have been set apart and lodged with the Governor of the State of Alabama with an irrevocable appropriation to the redemption and Cancellation of said four hundred bonds. The redemption of the bonds of this issue is further provided for by the fund of one per cent per annum. The first payment whereof shall be made December 1 1875 and payable annually thereafter by said Company.

This bond is order to be entitled to the benefit of said Mortgage security must be certified by the Trustees to be one of the bonds issued under said Mortgage.

In testimony whereof the said Company hath hereunto affixed its Corporate seal and Caused these presents to be attested by its President and Secretary at Montgomery in the State of Alabama the first day of May Eighteen hundred and seventy three

{Seal}

Secretary, President

Form of Coupon

The South and North Alabama Rail Road Company will pay to the bearer free of United States Government tax Six pounds Sterling at the Office of Baring Brothers & Co in the City of London on the first day of 18 being Six Months interest on first Mortgage Sinking fund bonds No.

Secy & Treas

And Whereas the said bonds are to be executed under the Corporate Seal of said Company, with the signatures of its President or Vice President and Secretary, and the said Coupons to be attached to and issued with such bonds and to be either signed by the Secretary and Treasurer of said Company or authenticated by the Engraving of his proper signature thereto, which latter shall be sufficient to bind the said Company upon the Coupons thus executed issued by it

And Whereas the said bonds are to have endorsed upon the same respectively the Certificate of the said parties of the second part hereto or their successors in the said trust, authenticating the same as being issued under and secured by this Mortgage, and are not to be entitled to the benefit of the security afforded by this Mortgage, unless authenticated by such Certificate signed by the trustees which Certificate is to be substantially in the form following that is to say—

— We Certify that this is one of the five thousand five hundred bonds for two hundred pounds Sterling each, issued under and entitled to the security of the Mortgage dated May 1st 1873 from the South and North Alabama Rail Road Company to John B. Smith, and J. Pierpont Morgan as Trustees

} Trustees

A

And Whereas in order to raise the amount of money which is required by the necessities of said Company for the purposes aforesaid, it is necessary for said Company to issue and sell its bonds to the amount of Eleven hundred thousand pounds Sterling

And Whereas, the Board of Directors of the said The South and North Alabama Rail Road Company at a Meeting thereof duly held, have duly resolved to issue and sell in order to raise money as aforesaid the above mentioned five thousand five hundred bonds for two hundred pounds Sterling each with such Coupons attached thereto, and to secure the payment thereof by this indenture of Mortgage to be executed by said Company under its Corporate seal with the signatures of its President and Secretary.

Now this Indenture Witnesseth That in order to secure the due and punctual payment of the above mentioned five thousand five hundred bonds for two hundred pounds Sterling each and of the said Coupons for the interest thereon according to the tenor and effect of such bonds and Coupons respectively to the persons or Corporations who at the time being shall be the owners and holders or lawfully entitled to demand and receive payment of the same respectively, Equally in respect of all the said bonds, without preference or priority of one over another by reason of priority in the time of issue or negotiation thereof or otherwise, and in Consideration of the premises and of one dollar by the parties of the second part to the party of the first part paid at and before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged the said South & North Alabama Rail Road Company party of the first part hath granted, bargained, sold, aliened, remised, released, conveyed and Confirmed, and by these presents doth Grant, bargain, sell, alien, remise, release, Convey and Confirm unto the said parties of the second part as trustees as hereinafter mentioned and their heirs and assigns forever, and to their successors in said trust and assigns all and singular, the Rail Road the party of the first part situated in the State of Alabama extending and to Extend from the point of Connection thereof in Montgomery to the terminus thereof in Decatur in the said State of Alabama in distance of about one hundred and Eighty ~~miles~~, three miles including not only the said Rail Road as now constructed and ~~existing~~, but any and all future tracks and roads whether main or side tracks hereafter constructed

~~and~~ or acquired by said Company between the two points above mentioned with all the track or road way of the said rail road above described, and mortgaged whether now Constructed or to be Constructed and the soils therein laid or to be laid and other Structures thereon, and all the lands, rights, easements, privileges and franchises whether in fee or lease hold or otherwise acquired or to be acquired by the said party of the first part for the purposes and in connection with the above described and hereby mortgaged, and all the depot Grounds, and Sites used or intended to be used for Stations, Car houses, Engine houses, Machine Shops, Offices, or other buildings of or appurtaining to the above said Rail Road above described and hereby mortgaged, with all the buildings, Structures and improvements Whatsoever erected and placed, or to be erected or placed, upon any or all such grounds or sites, and all bridges fences, Wharves, piers buildings and other improvements Whatsoever, belonging or appertaining to, or used or intended to be used, for the purpose of or in connection with the said line of rail road above described and hereby mortgaged, and also all Locomotives and Tenders, passenger Cars, freight Cars, baggage Cars, and other Cars, and other equipments, and rolling Stock Wholsoever & tools, Machinery and implements belonging or appertaining to or used or intended to be used for the purposes of the rail road above described and hereby mortgaged, or any part of the same, or for the working or operating thereof, or for the reparation of the said rail road or its appurtenances, or rolling Stock or Equipments and like misc all such property and effects as shall hereafter acquired by the said Company for the use of said rail road, above described and hereby mortgaged, or for any of the uses or purposes aforesaid, and likewise all other real and lease hold Estates and properties rights Easements and privileges Wholsoever Situate or located in the State of Alabama now belonging to the said party of the ~~first~~ part and which shall be hereafter acquired by it or its successors for the use of the said road above described and hereby mortgaged,

or any part thereof and also all the appurtenances whatsoever belonging or appertaining to the said rail road hereby mortgaged - All the rights privileges and franchises whatsoever which the said party of the first part is possessed of or entitled unto, or which the said party of the first part or its successors shall at any time hereafter acquire or become possessed of or entitled unto for or in connection with the use enjoyment maintenance or operation of said rail road above described and hereby mortgaged or any part thereof, and also all land intended for the use of or upon said rail road above described and hereby mortgaged which may be on hand at the time of any default in the due and punctual payment of any of the principal or interest hereby secured or intended so to be, and the income tolls freights and profits of said rail road above described and hereby mortgaged from and after any such default but this mortgage is not intended and does not include the lands which have been or may be donated or granted to or acquired by said Company not used nor intended to be used as part of the track or roadway or appurtenances of the said railroad or for or in connection with the maintenance use or operation of road but merely intended to be used in aid of said road by means of sale of such lands and application of the proceeds to such purposes -

To Have and to Hold all and singular the said premises properties and things and rights and privileges and franchises with the appurtenances unto the said parties of the second part as Trustees aforesaid and their heirs and assigns forever and to their successors in said trust, but as Trustees nevertheless for the use of the several persons who shall be or become the owners and holders of or lawfully entitled to demand and receive payment of the said five thousand five hundred bonds and said coupons thereto - equitably pro rata and without preference or priority of one over another and upon and for the trusts and uses and purposes and upon and subject to the conditions and provisions hereinafter expressed and declared, that is to say:

First. So long as the said party of the first part its successors or assigns, shall not make default in the payment of either interest or principal of on any of the aforesaid bonds or coupons as the same shall respectively become due and payable and shall faithfully perform the conditions of said bonds and the stipulations and conditions of the Indenture, said party of the first part its successors and assigns shall be entitled to retain the possession of the rail roads and of the property, rights and franchises hereby conveyed and to use enjoy and operate the same and to receive and enjoy the income thereby as authorized by law.

Second. And said party of the first part does covenant and agree for itself its successors and assigns to and with said parties of the second part their successors and assignees as follows. That said party of the first part will pay all taxes, charges, liens and assessments imposed, assessed or levied upon all or any part of the property or franchises hereby conveyed or attempted to be conveyed and will keep the same free of and free from the same and at its own cost will do all acts necessary to be done to keep valid the lien hereby created upon all the property and franchises hereby conveyed or intended to be conveyed and covered. And that said party of the first part and its successors will at any time and from time to time upon request execute acknowledge and deliver such instruments for the more effectual and perfect lien upon and pledge of the said premises as may be reasonably required by the said parties of the second part their successors or assignees, all such other assurances deeds mortgages or other instruments of further as may be reasonably requested for the better carrying into effect the true intent and meaning of these presents and for effectuating, completing and confirming the lien and operation of this Mortgage as an effective security for all the said bonds of Eleven Hundred Thousand pounds Sterling as aforesaid. And the coupons accompanying the same upon and subject only to the permitted estates rights interests and franchises hereinbefore mortgaged or purporting or intended so to be including as well such

of the same as the said Company shall hereafter acquire or become possessed of or entitled unto, as well as what is now owned or possessed by said Company—

Third. In case of a local change in the line or erections at any part of said rail roads the parties hereto may join in releasing the said land or erections and premises that may be abandoned and not longer required for the due maintenance and operation aforesaid rail roads or for the purposes of the party of the first part, provided that before or at the same time additional lands erections acquired or made of at least Equal value shall by the party of the first part be duly conveyed and fully assured to the parties of the second part in aid of the security intended by this mortgage—

Fourth. And the party of the first part Covenants with the parties of the second part their successor and successors as Trustees under this mortgage to pay to them in the city of New York at such time in the month of December in each year beginning with ~~each~~ the month of November 1895 as shall enable the ~~parties~~ Trustees to remit and splace the same in the city of London by the first day of December then next ensuing a sum of money which shall be equal to One per cent of the whole original amount of bonds under this mortgage such payment to be made in Sterling money or its Equivalent ~~which~~ at the time being which said sums shall be a sinking fund to be used by the said Trustees to purchase any of the said Three Hundred Thousand pounds Sterling of bonds so issued at the rates at which they can be cheapest purchased in the City of London provided that no bonds shall be so purchased at a rate above par and the said Trustees shall accordingly through the agencies of Barney Brothers & Co in London or through such other agents in London as the said Trustees shall from time to time with the approval of the said party of the first part employ for the purpose, Employ such moneys to be paid to the sinking fund in such purchase in London of bonds secured by this mortgage if possible at a price ~~to~~ not higher than par and all such bonds so purchased shall be immediately ~~to~~ stamped or otherwise marked as to show

the same to belong irrevocably to the said sinking fund and to be incapable of being thereafter issued, sold, or in any wise transferred or negotiated and said bonds when so be by the said Trustees delivered into the hands of the parties of the first part, but the interest on the amount thereof shall nevertheless continue to be regularly paid by the party of the first part unto the said parties of the second part or their successors in the trust and the party of the first part hereby covenants so to pay the same, and all amounts so paid shall belong to the said sinking fund and shall be applied in like manner in all respects as herein provided with reference to the said annual payment of one per cent on the principal of the whole issue of bonds and the absorption of bonds into the sinking fund shall not diminish or impair the obligations of the party of the first part to continue the full annual payments of one per cent upon the whole original amount of bonds issued, and it is hereby provided and declared that if at any time a sufficient amount of said bonds cannot be purchased within the above prescribed limit of price, and there shall consequently be moneys of the said sinking fund lying unemployed the said parties of the second part or their successors shall direct and from time to time reinvest such unemployed monies in such other securities approved by the Trustees as the party of the first part shall from time to time direct including purchase of bonds of this issue at the current market price although higher than the above prescribed limit if the party of the party of the first part shall so direct and any such investments and reinvestments shall belong to and be for account of and belong to said sinking fund and the interest thereon arising shall be applied in augmenting the amount of annual redemption as aforesaid and the said Trustees may at any time with the assent of the party of the first part call in and change any investments belonging to said sinking fund other than bonds of this issue. And if bonds of this issue be so purchased at the market price though higher than the first mentioned limit, they shall be

thereafter dealt with as they would have been if purchased within the limits of price first prescribed, and if portions of the sinking fund shall be invested in other securities by reason of inability to procure at the time bonds of this issue, the investment thereof may be changed to such bonds when the same can be procured within limits authorized by said Company,

Fifth - And it further agreed that in the event of the said party of the first part failing for the space of ninety days to pay the Coupons for the annual interest on any of the said bonds issued under and secured by this Mortgage as the same may become due after the presentation and demand thereof then and in that case the whole principal sum mentioned in each and all of said bonds shall forthwith become due and payable, and the lien hereby created for the security and payment thereof may at once be enforced and thereupon or on failure pay any of such aforesaid bonds as they shall become due or in case of failure to pay when the same shall be payable or within ninety days thereafter such sums as shall become due and payable to the sinking fund under the preceeding provisions hereof said parties of the second part their survivors, successor or successors shall on the request in writing of the holders of a majority of the then outstanding bonds hereby secured as a Court may order or authorize take possession of the road, franchises and other property hereby Conveyed by themselves or their agents, or by a Receiver to be appointed and may use and operate the same, and receive the earnings and the income therefrom, and may institute and maintain foreclosure proceedings in any Court having jurisdiction and have whole is herein Mortgaged, Sold and Conveyed by the direction of the Court, and out of the proceeds of said Sale or from the income and earnings of said property, rights and purchases after deducting the expenses incurred in and about said proceedings, the execution of this trust the preservation and operation of said property, and reasonable compensation to said Trustee their agents and attorneys, the payment of all taxes liens and assessments upon said property, and upon the

incomes therefrom all damages to which said parties of the second part or their successors may become liable by reason of the management of the said property and any other proper charge or Expense not caused by the wilful, personal misconduct of said parties of the second part their survivors successors or successor. Shall pay said bonds hereby secured or so many of them as shall be outstanding together with all interest then due or owing thereon, paying over the Surplus if any to said party of the first part, its successors or assigns or in case the same be not sufficient to pay all said bonds and interest then shall distribute the same with pro rata Equality among the holders of all such bonds and Coupons, provided that if said Company shall at any time before a sale and before said bonds become due thereof pay all semi-annual interest then matured on any aforesaid bonds, and all said Expenses, Compensations, taxes and damages that then the principal and unmatured interest on such bonds shall be deemed not due by reason of any previous failure to pay interest, and no sale of the property for said previous failure shall be made and provided further that no sale of the property shall be made for a mere failure to pay into the sinking fund as herein required.

Sixth It is further agreed that upon the payment at any time in full of the said bonds issued under and secured by this mortgage, and the interest thereon, and the Compensation, and Expenses of the said Trustee this deed shall become void, and the Estate and title hereby granted shall revert to and vest in said party of the first part its successors and assigns without other Conveyance thereof and it shall be vested with and deemed in possession thereof without any entry or other Act therefor and said party of the first part further agrees that it will indemnify and save harmless the said parties of the second part their survivor, successor or successors against all loss and damage to which they and either of them may be subjected by the execution of this trust or by the operation and management of the property hereby Conveyed not Caused by the personal misconduct or neglect of such parties of the second part their survivor or successor.

and it further agreed that in the event of the declension, resignation, death, incapacity or the disability of any Trustee of the second part or their successor or successors the remaining or surviving Trustee or Trustees or successor or successors may with the consent in writing of the then President of said Company of the first part or of any Corporation which as its successor should be owner of the said road hereby mortgaged appoint by an instrument in writing under the hand and seal of such surviving or remaining Trustee or successor which shall be acknowledged and recorded in the Office of Land Records in the several Counties through which the said road hereby mortgaged runs, or in which this deed is by law to be recorded, some competent person to fill such vacancy and the person so appointed shall possess the power and incur the obligations of an original party of the second part hereto anything herein to the contrary notwithstanding such vacancy such surviving or remaining Trustee or Trustees or successor shall have full power to execute the trusts hereby created and this or their acts shall be as valid as if done by all the parties of the second part hereto and in case of such appointment said party of the first part covenants to execute upon request all such deeds and other instruments as shall be necessary or appropriate to enable said party so appointed to execute the trust hereby created as fully and completely as if such appointed party had been originally one of the parties of the second part.

And this indenture further witnesseth that the parties of the second part do hereby accept the aforesaid trusts and agree to execute them upon the following terms and conditions which are mutually agreed to by the parties, viz:

That neither Trustee shall be answerable for the acts or omissions or defaults of the other to which he does not give his assent. That each shall be answerable for his own receipts and wilful defaults only. That the Trustees or either of them may employ or advise with Legal Counsel and shall be paid expenses thereof and all the personal expenses of the Trustees about the discharge of

the trust and all other necessary and proper charges and expenses of the Trustee including their Compensation shall be paid by the party of the first part as they are incurred or otherwise out of the trust estate on which they are hereby charged. That neither Trustee shall be bonded to pay or discharge any prior charges of incumbrances on said mortgaged property or estate, nor any part thereof without being first furnished with the money necessary to make such payments by the persons so requiring or otherwise that they shall not be required to act in execution of these trusts except at their own option unless requested in writing by the holders of a majority of the outstanding bonds hereunder, nor unless furnished with such funds as their Counsel shall reasonably advise are necessary and proper to enable them to commence proceedings, and also with a sufficient agreement to pay the current accruing expenses obligations and liabilities which they may incur by reason of so acting and their proper Compensation hereafter. That they may employ agents or Attorneys in fact to act for them or otherwise required to act for themselves and not be personally responsible for the neglect or default of any such Agent or Attorney in fact appointed in good faith. And that all covenants and agreements herein contained or implied may be specifically enforced by any Court of competent Jurisdiction.

In Witness whereof the party of the first part has caused its Corporate Seal to be hereunto affixed and this instrument of writing to be subscribed by its President and Secretary and the said Trustee to signify their acceptance of said trust this first day of May One Thousand Eight Hundred & Seventy Three

Signed Sealed and Delivered in presence of — by the South Side R.R. Co. — Seal
P. B. Madden — by F. M. Gelsen Jr Pres —
Geo. Smith

Seal

The word "Company" interlined on 2d Page. ~~The word~~ "Sinking" interlined on 3d Page "Sinking" interlined on 4th page. The word "Exclusively" erased in two places on 9th Page "Exclusion" erased on 9th page. "Her" erased on 10th page. The word "Thousand" interlined same page. The word "Eleven" written over erasure 12th page. The word "and" interlined on 17th Page. Before Execution.

Attest Henry M Rush Secty

State of Alabama }
Montgomery County }

I George Ely Judge of the Court of Probate of Montgomery County in the State aforesaid Hereby certify that Francis M Gilmer Jr who is personally known to me and also well known to me to be the President of the South & North Alabama Rail Road Company and Henry M Bush who is personally known to me and also known to me to be the Secretary of said South & North Alabama Rail Road Company whose names are signed to the foregoing conveyance personally appeared before me and acknowledged in my office in the Court House in the City of Montgomery County and State aforesaid and acknowledged before me on this day that being duly informed of the contents of the foregoing conveyance they executed the same voluntarily on the day the same bears date, and they also severally acknowledged before me that the said Francis M Gilmer Jr aforesaid voluntarily affixed his signature thereto as President as aforesaid and that the said Henry M Bush aforesaid voluntarily affixed his signature thereto as Secretary as aforesaid. And that said Henry M Bush as Secretary as aforesaid voluntarily affixed the Corporate Seal of the said South and North Alabama Rail Road Company to the foregoing conveyance in the presence of said Francis M Gilmer Jr.

And that the said signatures of the said Francis M Gilmer Jr as President as aforesaid and the said signature of said Henry M Bush as Secretary as aforesaid and that the Corporate Seal of said South and North Alabama Rail Road Company to the foregoing conveyance were all affixed the said conveyance, thereby and by virtue of and in pursuance of a Resolution duly passed for that purpose on the 8th day of May 1873 by the Board of Directors of said South & North Alabama Rail Road Company given under my Hand this 16th day of May A.D. One Thousand Eight Hundred & Seventy Three.

George Ely
Judge of Probate Court
Montgomery County
Alabama

I Certify that the foregoing deed was on the 16th day of May 1873. at 3. O'clock P. M. filed in this office for Record and on the same day duly recorded — J. T. Leeper Judge of Probate