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STATE OF IOWA; } SS
MADISON COUNTY.

Filed for record the 2.....
day of January A. D. 1898
at 7 o'clock.....M.

Recorded in book 2.....
on page 321 of Mortgage

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.....

Fees, \$.....Paid

Deputy:

THIS INDENTURE

made this First day of April in the year of our Lord, One thousand, eight hundred and ninety-eight (1898) between the KEOKUK AND WESTERN RAILROAD COMPANY, a corporation created by and existing under the laws of the State of Iowa, hereinafter called the "Railroad Company," party of the first part, and the METROPOLITAN TRUST COMPANY OF THE CITY OF NEW YORK, a corporation created by and existing under the laws of the State of New York, hereinafter called the "Trustee," party of the second part:

WHEREAS in and by certain Articles of Incorporation bearing date the Thirtieth day of October, A. D., 1886, the said Railroad Company was duly incorporated, under and in pursuance of the laws of the State of Iowa, the general nature of the business to be transacted being the purchase, acquisition, ownership, maintenance, operation, use and enjoyment of a railroad extending from a point in the City of Keokuk, County of Lee and State of Iowa, to and across the Des Moines River, at or near Buena Vista, in said county; thence through the counties of Clark, Scotland and Schuyler, in the State of Missouri; thence in the State of Iowa, through the counties of Appanoose, Wayne, and Decatur, to the town of Van Wert; and the purchase of the railway and franchise of the Missouri, Iowa and Nebraska Railway Company, with power to extend the same elsewhere as the said railway company, through its Board of Directors, may determine, either by constructing new lines or by purchasing, leasing or consolidating with other partially or wholly completed lines, whether such lines be main lines or branches, and to purchase, construct, own and acquire, use and enjoy, such telegraph, express and other branches of business incident to or connected with the use and operation of the said railroad as the Board of Directors may deem expedient.

AND WHEREAS by a decree of the Circuit Court of the United States in and for the District of Iowa, in a suit therein pending wherein the Farmers' Loan and Trust Company, as Trustee, was complainant, and the Missouri, Iowa and Nebraska Railway Company, et. al., were defendants, it was ordered that P. T. Lomax, the Standing Master in Chancery of the Circuit Court of the United States of the said District, should sell the property and franchises of the said Missouri, Iowa and Nebraska Railway Company, as therein described, and in fulfillment of the order and direction to him given the said P. T. Lomax, as Standing Master aforesaid, did sell the same unto Morris K. Jessup and Henry C. Thacher, a Committee duly constituted by and for certain bondholders, and in and by a certain Indenture bearing date the Twenty-fourth day of November, A. D., 1886, and recorded as follows, to wit: In Schuyler County, Missouri, in Book 27, Page 591; in Clark County, Missouri, in Book 42, Page 54; in Scotland County, Missouri, in Book 28, Page 545; in Decatur County, Iowa, in Book 59, Pages 51 to 54; in Lee County, Iowa, in Book 50, Page 286; in Appanoose County, Iowa, in Book 34, Page 418, and in Wayne County, Iowa, in Volume 33, Page 564, the said P. T. Lomax, Standing Master as aforesaid, did grant and convey unto the said Morris K. Jessup and Henry C. Thacher, Committee as aforesaid, their successors and assigns, the property and franchises of the said Missouri, Iowa and Nebraska Railway Company in said Indenture described, as in and by the same duly recorded as aforesaid, reference being thereunto had will more fully and at large appear.

AND WHEREAS the said Morris K. Jessup and Henry C. Thacher, as Trustees and Committee aforesaid, by Indenture bearing date the Twenty-eighth day of November, A. D., 1886, recorded in Schuyler County aforesaid in Book 27, page 596; in Scotland County aforesaid in Book 28, page 548; in Clark County aforesaid in Book 42, page 59; in Lee County aforesaid in Book 50, page 291; in Appanoose County aforesaid in Book 34, page 424; in Wayne County aforesaid in Volume 33, page 570, and in Decatur County aforesaid in Book 59, pages 55 to 60, did grant and convey the premises and property so as aforesaid conveyed unto them, unto the said Railroad Company, its successors and assigns as in and by the said Indenture, duly recorded as aforesaid, reference being thereunto had will more fully and at large appear;

AND WHEREAS in and by certain Articles of Incorporation bearing date the Seventeenth day of January, A. D., 1888, the Des Moines and Kansas City Railway Company was duly incorporated under and in pursuance of the laws of the State of Iowa aforesaid, the general nature of the business being to construct, lease, purchase and operate railway and telegraph lines in the State of Iowa, Illinois, Minnesota, Wisconsin, Missouri, Kansas and Nebraska, and to acquire the railroad of the Des Moines, Osceola and Southern Railroad Company, as it then existed and was constructed and operated, and to acquire all the rights, interests and franchises, and all the property of the said last named Railroad Company, including all improvements, enlargements, extensions and additions thereto, which may thereafter be made, and all other property which it then owned, including all its locomotives, cars and other equipment and appurtenances.

AND WHEREAS under certain proceedings in the United States Circuit Court for the Southern District of Iowa begun and held at the City of Des Moines, in said District, on the Nineteenth day of October, A. D., 1886, it was ordered, adjudged and decreed by the said Court, in a certain cause therein pending between W. F. Putnam, et. al., Trustees, &c., Complainants, and the Des Moines, Osceola and Southern Railroad Company, Defendants, that the railroad of the said defendant company, with the rights, privileges franchises and property therein described should be sold by or under the direction of Edward R. Mason, a Commissioner of said Court, who, in pursuance of said order and decree, and by virtue of the power and authority in him vested, did, on the Eleventh day of November, A. D., 1887, sell the said premises and property unto M. V. B. Edgerly, and by deed bearing date the Eleventh day of January, A. D., 1888, and recorded in Polk County, in the said State of Iowa, in Book 147, Page 570, did grant, bargain and sell, release, convey and confirm the same unto the said M. V. B. Edgerly, his heirs and assigns, as in and by the said Indenture, duly recorded as aforesaid, reference being thereunto had will more fully and at large appear.

AND WHEREAS in and by a certain Indenture bearing date the Twenty-eighth day of March, A. D., 1888, recorded at Polk County aforesaid, in Book 147, page 572, the said M. V. B. Edgerly did grant and convey the said premises and property so vested in him as aforesaid unto the said Des Moines and Kansas City Railway Company, its successors and assigns, as in and by said Indenture, reference being thereunto had will more fully and at large appear;

AND WHEREAS at a meeting of the stockholders of the Keokuk and Western Railroad Company, held pursuant to notice on the Tenth day of February, A. D., 1898, in the City of Keokuk, Iowa, authority was given said Company, through its Board of Directors, to purchase the property and franchises of the Des Moines and Kansas City Railway Company;

AND WHEREAS at a special meeting of the stockholders of the Des Moines and Kansas City Railway Company, held pursuant to notice at the office of the said Company in the City of Des Moines, Iowa, on the Twenty-sixth day of February, A. D., 1898, of which all the stockholders had due notice, authority was given the said Company, through its Board of Directors, to sell the property and franchises of the said Des Moines and Kansas City Railway Company to the said Keokuk and Western Railroad Company;

AND WHEREAS in fulfillment of the power and authority in them vested and in that behalf enabling, the Directors of the Des Moines and Kansas City Railway Company, at a meeting duly held in the City and State of New York, on the Twenty-second day of March, A. D., 1898, sold, assigned, transferred and conveyed to the said Keokuk and Western Railroad Company all of the said property and franchises of the Des Moines and Kansas City Railway Company;

AND WHEREAS the Directors of the said Keokuk and Western Railroad Company, at a meeting duly held in the City and State of New York on the said Twenty-second day of March, A. D., 1898, in fulfillment of the power and authority in them vested and in that behalf enabling, purchased and acquired the property and franchises of the said Des Moines and Kansas City Railway Company;

AND WHEREAS at a meeting of the stockholders of the Keokuk and Western Railroad Company, duly held on the Twenty-sixth day of March, A. D., 1898, at the office of the said Railroad Company in the City of Keokuk, Iowa, aforesaid, the action of the said stockholders and Board of Directors of the said Keokuk and Western Railroad Company was fully ratified and confirmed, whereby and in consequence of the action of the stockholders and Board of Directors of the said respective Companies the property and franchises of the said Des Moines and Kansas City Railway Company became lawfully vested in the said Keokuk and Western Railroad Company, its successors and assigns;

AND WHEREAS in and by certain Articles of Agreement made and concluded the Twentieth day of November, A. D., 1877, and made between the City of Keokuk of the first part, the said Missouri, Iowa and Nebraska Railway Company of the second part, and the St. Louis, Keokuk and Northwestern Railroad Company of the third part, for the consideration therein expressed, said first named party granted unto the said second and third named parties, to be used by them jointly, a right of way for a single railroad track from the then existing junction of the railroad of the Keokuk and Des Moines Railway Company (now the Chicago, Rock Island and Pacific Railway Company) with the railroad of the said third named party near the bridge over the Des Moines River, to and across Cedar Street in the said City of Keokuk, which said right of way was subsequently extended from said Cedar Street to Bank Street adjoining the terminals of the Union Depot in said City of Keokuk;

AND WHEREAS in and by said agreement as therein referred to, said second and third named parties were granted further rights of way and certain other rights on the Levee similar to those granted to the Des Moines Valley Railroad Company by ordinance of the said City of Keokuk, subject, however, to the terms and conditions thereof, with the further and added grant of a right of constructing and operating a single railroad track from the said Cedar Street aforesaid on the Levee to Exchange Street in Keokuk aforesaid, with the right to extend the same so as to connect by as short a line as practicable for railroad purposes with the railroad track crossing the Keokuk and Hamilton Bridge across the Mississippi River, as set forth in the ordinance granting the same and subject to the stipulations thereof;

AND WHEREAS in and by certain Articles of Agreement made on the first day of July, A. D., 1888, by and between the St. Louis, Keokuk and Northwestern Railroad Company of the first part, and the Railroad Company of the second part, said first named party, as the owner of the line of railroad extending from Alexandria, in the State of Missouri, to the southern end of the bridge across the Des Moines River aforesaid and from the northern end of said bridge to a point on the Levee in said City of Keokuk near Johnson street, granted and conveyed unto the said Railroad Company the right to the use of said railroad between said points for the period of twenty-five years, which right expires on the First day of July, A. D., 1913, and is under and subject to the rental and stipulations and provisions therein set forth and contained;

AND WHEREAS the said Railroad Company has certain terminal rights and facilities in the said City of Keokuk under ordinances and agreement with said City, which connect with the northern end of the right of user granted by said St. Louis, Keokuk and Northwestern Railroad Company hereinbefore referred to, and which consist of certain trackage and railroad, with packet freight station, engine house, turn table and water tank; and is the further owner of a certain terminal on the eastern bank of the said Des Moines River about two and one-half miles south of the said City of Keokuk, containing about fifteen acres of land upon which are located sidings which are connected by track connections with the line of railroad belonging to the said St. Louis, Keokuk and Northwestern Railroad Company, the right of user to which has been granted unto said Railroad Company as hereinabove set forth;

AND WHEREAS the said Railroad Company is the owner of an undivided one-half interest in and to the aforementioned railroad bridge, consisting of six iron spans, constructed over the Des Moines River aforesaid and hereinabove referred to;

AND WHEREAS the said Railroad Company desires to borrow the amount of money in this mortgage or deed of trust set forth and contained and to be secured thereby for the purpose of paying its present outstanding obligations and to improve its physical condition by betterments, extensions, additions, improvements and repairs, and the procuring of rights of way and depot grounds, the purchase of equipment and the acquisition of all the usual appurtenances of a railroad and the usual and proper facilities for the transaction of the business of a railroad;

AND WHEREAS at a meeting of the stockholders of the said Railroad Company held on the Twenty-sixth day of March, A. D., 1898, pursuant to notice, it was unanimously resolved by the said stockholders, the majority of whom were present in person or by proxy, the Directors should be and were authorized, empowered and directed to borrow the sum of Two million, five hundred thousand dollars for the purposes of the Company as aforesaid, and should cause to be made and executed Two thousand, five hundred bonds, each for One thousand dollars, dated the First day of April, A. D., 1898, and payable on the First day of April, A. D., 1948, with interest thereon at the rate of four per cent per annum; both principal and interest payable in gold coin of the present standard of weight and fineness, at the office of the said Trustee in the City of New York; and also should cause to be made, executed and delivered a mortgage or deed of trust covering all the property and franchises now owned by the said Railroad Company, to the Metropolitan Trust Company of the City of New York, as Trustee, to secure said bonds, the form of said mortgage or deed of trust, as herein set forth and contained, having been presented at said meeting and been duly adopted and approved;

AND WHEREAS at a meeting of the Board of Directors of the said Railroad Company held on the Seventeenth day of May, A. D., 1898, it was resolved, in pursuance of the resolution of the stockholders of the said Railroad Company adopted at the aforementioned meeting, that the President and Secretary execute in the name of the said Railroad Company its bonds to the amount of two thousand five hundred and secure the same in the form approved and authorized by the stockholders, and that each of the said bonds shall be in the following form:

No. _____ UNITED STATES OF AMERICA. \$1,000.00.
State of Iowa.

KEOKUK AND WESTERN RAILROAD COMPANY.

First Mortgage. Fifty years. Four per cent. Gold Bond.

KNOW ALL MEN BY THESE PRESENTS that the Keokuk and Western Railroad Company, a corporation organized and existing under the laws of the State of Iowa, promises to pay to bearer, or if this bond be registered, to the registered holder hereof, the sum of One thousand dollars in gold coin of the United States, of the present standard of weight and fineness, on the First day of April, A. D., 1948, at the office of the Metropolitan Trust Company of the City of New York, in the City of New York, with interest thereon from the First day of April, A.D., 1898, until the said principal sum shall be paid, at the rate of four per cent per annum, payable in like gold coin, semi-annually, at such office, on the first day of the months of April and October in each year, upon the presentation and surrender of the respective coupons therefore hereto annexed and they severally mature.

This bond is one of a series of Two thousand, five hundred bonds, all of like tenor, date and amount, numbered from one consecutively upwards, issued and to be issued in pursuance of, and all to be equally secured by, a mortgage or deed of trust dated April 1 1898, executed by the said Railroad Company to the Metropolitan Trust Company of the City of New York, a corporation of the State of New York, as Trustee, covering the property and franchises therein described, to all of the provisions of which this bond and the rights of the holder of the same are subject.

The principal and interest of this bond are payable without deduction of any tax or taxes which the said Railroad Company may pay or be required to pay thereon or retain therefrom, or which may be assessed or levied against the holder thereof, and the said Railroad Company hereby agrees to pay any tax or taxes which by any present or future law of the United States of America or of any State or Municipality thereof, may be imposed upon this obligation or the lawful holder thereof, for national, state or municipal purposes.

This bond shall pass by delivery, unless registered in the owners name upon the books of the Railroad Company at its office or the office of the said Trustee in the City of New York, such registry being noted on the bond by the bond registrar of the Railroad Company; but after such registration no transfer, unless made on the books of the Railroad Company, shall be valid until a transfer thereof upon said books to bearer, which shall restore transferability by delivery; and this bond shall continue subject to successive registrations and transfers to bearer at the option of the holder. The registration of this bond shall not restrain the negotiability of the coupons by delivery.

No recourse shall be had for the payment of the principal or interest of this bond to any stockholder, director or officer of the Railroad Company, either directly or through said Company, whether by any statute or by the enforcement of any assessment or otherwise howsoever.

This bond shall not become obligatory for any purpose until it shall have been authenticated by the certificate hereon endorsed by the Trustee under said mortgage or deed of trust.

IN WITNESS WHEREOF the Keokuk and Western Railroad Company has caused these presents to be signed by its President and its corporate seal to be hereunto affixed and to be attested by its Secretary this First day of April, A. D., 1898.

KEOKUK AND WESTERN RAILROAD COMPANY.

By

President.

Attest:

Secretary.

(Form of Coupon.)

Keokuk & Western Railroad Company will pay to the bearer hereof, at the office of the Metropolitan Trust Company of the City of New York, in the City of New York, N. Y., on the first day of _____ Twenty dollars in gold coin of the United States, without deduction for taxes, being six months' interest due on that day on its First Mortgage fifty year Four per cent Gold Bond No. _____

Treasurer.

(Form of Trustee's Certificate.)

This bond is one of a series of bonds described in the mortgage or deed of trust within mentioned.

METROPOLITAN TRUST COMPANY OF THE CITY OF NEW YORK.

Trustee.

By

NOW, THEREFORE, THIS INDENTURE WITNESSETH

That in consideration of the premises and of One Dollar by each of the parties to the other in hand well and truly paid, the receipt whereof is hereby acknowledged, and the better 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 Railroad Company hath granted, bargained, sold, aliened, remised, released, conveyed, confirmed, assigned, transferred and set over, and by these presents doth grant, bargain, sell, alien, remise, release, convey, confirm, assign, transfer and set over to the Metropolitan Trust Company of the City of New York, party of the second part hereto, as Trustee, its successors and assigns,

ALL AND SINGULAR the following railroads, estates, leases, leasehold interests, properties, rights, franchises and other property, viz:

(1) The main line of railroad formerly of the Missouri, Iowa and Nebraska Railway Company lying and being in the States of Missouri and Iowa, extending from the town of Alexandria, in the County of Clark and State of Missouri, in and through the said county and the counties of Scotland and Schuyler in the State of Missouri, and the Counties of Appanoose, Wayne and Decatur in the State of Iowa, to the town of Van Wert in said last named County and State, a distance of about One hundred and forty-two and sixty-five one-hundredths (142.65 miles,) with side trackage aggregating Twenty and eighty-seven one-hundredths (20.87) miles, the aggregate mileage of said main line and side trackage being about One hundred and sixty-three and fifty-two one-hundredths (163.52) miles.

(2) The main line of railroad formerly of the Des Moines, Osceola and Southern Railroad Company, and conveyed unto the Des Moines and Kansas City Railway Company, which has since been purchased and acquired by the Keokuk & Western Railroad Company, lying and being in the States of Iowa and Missouri, extending from a point

in the City of Des Moines, in the County of Polk and State of Iowa, in and through said County and the Counties of Warren, Madison, Clarke and Decatur in the said State of Iowa, and the Counties of Mercer and Harrison in the State of Missouri, to the town of Cainsville in said last named County and State, a distance of about one hundred and twelve (112) miles, with side trackage aggregating thirteen (13) miles, the aggregate mileage of said main line and side trackage being about One hundred and twenty-five (125) miles.

(3) Any and all estate, right, title and interest, claim, property and demand, of, in and to the Articles of Agreement hereinbefore referred to made and entered into by and between the City of Keokuk of the first part, and the Missouri, Iowa and Nebraska Railway Company and the St. Louis, Keokuk and Northwestern Railway Company of the second and third parts respectively, bearing date the Twentieth day of November, A. D., 1877, and the agreement in supplement thereto bearing date the Twenty-first day of January, A. D., 1879, giving and granting unto said second and third named parties a right of way for a single railroad track from the present junction of the railroad of the Keokuk and Des Moines Railway Company (now the Chicago, Rock Island and Pacific Railway Company) with the railroad of the St. Louis, Keokuk and Northwestern Railway Company, near its bridge over the Des Moines River, to and across Cedar Street in the City of Keokuk, with the supplemental powers and rights therewith connected, given and granted by ordinance of the City of Keokuk, and extending such right of way as aforesaid from Cedar Street to Bank Street in said City of Keokuk, and adjacent to the Union Depot Terminal in said city, subject to the provisions and stipulations, covenants and conditions in said agreement and the supplement thereto duly set forth and contained.

(4) All the leasehold and other estate, and all right, title, interest, claim and demand of the said Railroad Company under agreement and grant bearing date the First day of July, A. D., 1888, made between the St. Louis, Keokuk and Northwestern Railroad Company of the first part, and the Railroad Company of the second part, giving and granting unto the said Railroad Company the right to use the tracks of the said St. Louis, Keokuk and Northwestern Railroad Company from Alexandria aforesaid to the southern end of the railroad bridge across the Des Moines River, and from the northern end of said railroad bridge to a point on the Levee in said City of Keokuk near Johnson Street in said City, with all the rights, powers and privileges and under and subject to all the covenants, stipulations, provisions and conditions in said agreement set forth and contained.

(5) All the estate, right, title and interest, property, possession, claim and demand, of, in and to the undivided moiety or half part of, in and to the aforementioned railroad bridge, consisting of six iron spans, across the Des Moines River, near Buena Vista, in the said State of Iowa, the Railroad Company owning absolutely and in fee simple a one-half interest therein.

(6) All the leaseholds or other estate, right, title and interest, property, claim and demand, whether under agreement of lease or otherwise, of, in and to the terminals in the City of Keokuk, now possessed and enjoyed by the said Railroad Company, and which consist of Two and three-tenths (2.3) miles of sidings, a railroad and packet freight station, an engine house, turn table and water tank; also the terminal situate on the East bank of the Des Moines River about two and one-half miles south of Keokuk aforesaid, and comprising about fifteen acres of land which is now connected by track connections with the right of way now used and enjoyed by the said Railroad Company over the line of the said St. Louis, Keokuk and Northwestern Railroad Company under agreement of lease hereinabove referred to.

ALSO all the right, title, estate, interest, property and franchise of the Railroad Company of, in and to any and all lines of railway now held, owned or leased, or in which it shall obtain and hold an interest, subject, nevertheless, to all conditions upon which any such property or interest shall be acquired, and to all provisions of this Indenture covering property hereafter acquired, and as to any portion of such after-acquired property, subject also to the obligations, if any, secured by any pledge or mortgage of such property subject to which it may be acquired by said Railroad Company.

TOGETHER WITH all and singular, the franchises, rights and privileges now appurtenant to or used in connection with the lines of railway above mentioned, or any thereof, with any extension thereof from a point on the line of the said Keokuk and Western Railroad southward to Pattonsburg, as the same may be at any time hereafter constructed.

INCLUDING any and all road bed, branches, superstructure, rights of way, rails, tracks, side tracks, bridges, viaducts, buildings, depots, stations, warehouses, car-houses, engine houses, freight houses, wood houses, machine and other shops, turn tables, water stations, fences, structures, erections and fixtures, and all other things of whatsoever kind in any wise at any time belonging or appertaining to such lines of railway or any one of them, or to any present branch, leased or operated line thereof, or provided for use thereon, or in connection therewith; and any and all lands occupied or assigned for depots, warehouses or other structures at any terminal, or on or along any such branch or leased or operated line; and any and all locomotives, engines, cars and other rolling stock, equipment, machinery, instruments, tools and implements, materials and other chattels now acquired or provided for use upon such lines of railway, and any and all leaseholds, leases, rights under lease or contract, covenants and agreements, terms or parts of terms now held; and any and all property, real or personal, of every kind and description, now used upon or in connection with, or for the purpose of, such lines of railway; and any and all corporate rights, privileges and franchises which the said Railroad Company now has upon or in respect of such lines of railway, necessary for or appertaining to the construction, maintenance or operation of the same; and any and all rents, issues, profits and tolls and other income of such lines of railway; and also, any and all rights, privileges, franchises, properties real or personal, rights and things which the Railroad Company may possess for the purpose of or in connection with such lines of railway or any such branch or leased or operated line.

TO HAVE AND TO HOLD the said premises railroads, properties real and personal, leasehold interests, leases, contract rights, franchises, estates and appurtenances hereby conveyed, assigned and transferred, unto the said Trustee, its 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 this Indenture, as well those now issued as all hereafter issued in addition thereto, either originally or by way of substitution or exchange, in accordance with the terms of this Indenture, and for enforcing payment thereof when payable, in accordance with the true intent and meaning of the stipulations of this Indenture and of 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 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 and by this Indenture, and the principal and interest of every such bond shall, subject to the terms hereof, be equally and proportionately secured thereby 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 all such bonds shall take effect from the day of the date of this Indenture without regard to the date of the actual issue, sale or disposition of any such bonds; 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 a day, actually issued, sold and delivered to, and in the hands of, innocent holders for value.

BOTH PARTIES TO THIS INDENTURE EXPRESSLY COVENANT AND AGREE, that:

FIRST: All bonds hereby secured shall from time to time be executed by the Railroad Company and delivered for certification to the Trustee, which shall thereupon certify and deliver the same to the Railroad Company or upon its order, and no bond shall be binding or obligatory upon said Railroad Company or of any force or effect whatever, unless and until the said Trustee shall sign the certificate endorsed upon the back of such bond in substantially the form above provided. It is expressly agreed, for the protection and guidance of said Trustee, that no bonds are to be certified by the Trustee and delivered to the said Railroad Company unless upon the written order or application of the President of the said Railroad Company expressed through a resolution of its Board of Directors or Executive Committee, wherein it shall be stated what amount of bonds are required at the time and the general purpose for which the same are required. Upon receipt of such resolution or order or of a duly authenticated copy thereof, it shall be the duty of the Trustee to comply with the same, and the said Trustee hereby agrees to comply with the same and to certify and deliver such bonds in accordance therewith, and that in no case will said Trustee certify or deliver any of the bonds referred to in this Indenture except in conformity with these provisions. Said resolution or order shall be full protection to the Trustee to certify and deliver the bonds pursuant to said resolution, and to make and sign the certificate endorsed upon said bonds. No duty is imposed upon said Trustee to look behind such resolution or order before certifying the bonds or delivering the same.

SECOND: All bonds issued hereunder and secured hereby shall be used for the purpose of paying off and satisfying of record any and all prior encumbrances or deeds of trust securing the payment of the principal and interest of any bonds now issued and at present outstanding secured by any such mortgage or deed of trust, so that this present Indenture shall be a first mortgage or deed of trust upon the premises and property, franchises, rights, and effects of the said Railroad Company, and for the further and additional purpose of providing means for further construction, acquisition, completion, equipment and maintenance of the present and future line or lines of railroad and their adjuncts of the said Railroad Company, and of present or future branches and extensions thereof, and of betterments, additions and improvements of such line or lines and of all else relative thereto, and for the expenses necessary and incident to such purposes. And the said Railroad Company hereby expressly covenants that it will not issue, sell, negotiate or dispose of any of the bonds secured by this Indenture in any manner inconsistent with the provisions thereof; and that it will apply the proceeds of any and all sales of said bonds in strict conformity to and with the provisions of this Indenture. The Trustee shall not be responsible for such proper application of the bonds or the proceeds thereof.

THIRD: The Railroad Company hereby covenants and agrees to and with the said Trustee for the benefit of the bondholders and coupon holders secured hereby, that the said Railroad Company will pay at maturity any and all sums which are or may at any time be levied assessed, charged or imposed upon the property at any time covered by this mortgage or deed of trust, or any part thereof, as taxes of any kind or assessments of any kind, or as public burdens or quasi public burdens, impositions, rates or charges of any kind; and that it will suffer no mechanics, statutory or laborers' liens which shall or may have priority to the lien of this mortgage or deed of trust, to be created or placed, or to remain, on any part or portion of the property covered by this mortgage or deed of trust, to the end that the priority of this Indenture of security shall at all times be maintained. And the said Railroad Company further covenants and agrees that it shall and will diligently preserve all the franchises above mentioned, and intended to be covered by this Indenture and every part and parcel thereof; and shall and will at all times maintain and preserve and keep all of the said railroad property, rolling stock, fixtures and appurtenances and equipment thereof, and every part and parcel thereof, in good repair, working order and condition, and supply it with all the necessary power, rolling stock and equipment, and shall and will, from time to time, make all needful and proper betterments, additions, renewals and repairs thereof and thereto, and will operate all of the same.

FOURTH: The Railroad Company further covenants and agrees that it shall not and will not suffer or permit any default on its part that will confer upon the St. Louis, Keokuk and Northwestern Railroad Company the right to terminate the beforementioned lease, and that it shall and will punctually and faithfully pay the rental due under said lease when and as any such rentals become due and payable, and shall and will further observe and perform each and every of the covenants and stipulations in said lease set forth and contained, which on its part are to be kept and performed, so as to preserve the same in full legal force and vigor. In case and whenever the said Railroad Company shall make default in paying any sum stipulated to be paid under said lease, the said Trustee, without affecting any of its rights hereunder, from time to time, upon the request in writing of the holders of a majority of the bonds outstanding hereunder, may itself pay any such sum so in default, and thereupon shall have and forthwith may assert and foreclose a lien for such advances upon the premises hereby mortgaged and the proceeds thereof, which lien shall be entitled to priority in rank and payment upon the mortgaged premises and the income and profits thereof over any bonds or coupons hereby secured. Should, however, the said Railroad Company at any time hereafter build, construct and complete its own line of railroad between the points in said Agreement of Lease set forth and contained, so that the operations of the said railroad may be conducted upon its own independent line and property between said points, then and in such case the said Railroad Company hereby reserves upon such completion the right to cancel and annul the said lease so as aforesaid referred to, and to terminate the same in accordance with the rights, powers and privileges therein set forth, and the said line so constructed shall be used and operated in the place and stead of that mentioned and set forth in said Agreement of Lease, and shall be bound by the terms and provisions of this mortgage or deed of trust, and each and every one thereof, to the same extent and with the full force as though originally embodied and included therein. And the Railroad Company shall and will further observe and keep each and every of the provisions of the agreements and ordinances entered into with or passed by the City of Keokuk concerning the terminals and terminal facilities in the said City of Keokuk now enjoyed by the said Railroad Company, or which it may hereafter acquire, so that the same may be preserved intact and remain in full force and effect, free from any impairment by reason of any act, matter or thing which the said Railroad Company may do or cause to be done in any wise to injuriously affect or harm the same or any part or portion thereof.

FIFTH: It is mutually covenanted and agreed that until default shall have been made in the due and punctual payment of any interest, or in the due and punctual payment of any principal sum of any bond hereby secured, or in the due and punctual payment of the rental due under the leasehold interest hereinbefore described, or the due and punctual performance and observance of any covenant or condition hereof obligatory upon the part of the Railroad Company; and until such default shall have become the subject of some action hereunder by the Trustee or by the bondholders as hereinafter authorized, or until a Receiver shall have been appointed as hereinafter permitted, the Railroad Company, its successors and assigns, shall be suffered and permitted in any manner and to any extent not affecting the lien of this mortgage or deed of trust, to retain actual possession of all and every the premises hereby mortgaged, and the same and every part thereof, with the rights and franchises appertaining thereto, and the tolls, income, rents issues and profits thereof, to manage, operate, collect receive, use, disburse and enjoy in the same manner and to the same extent as if this present Indenture had not been made.

Sixth: The said Railroad Company hereby covenants and agrees that it shall and will well, duly and punctually pay or cause to be paid, to every holder of any bond issued hereunder and secured hereby, the principal and interest accruing thereon, at the dates and rates and in the manner mentioned therein, or in the coupons thereto belonging, according to the true intent and meaning thereof, without deduction from either principal or interest for any tax or taxes which it or the holder of any of the said bonds may be required to pay or retain therefrom under or by reason of any present or future law of the United States or any state or municipality thereof, and that it shall and will pay every such tax or charge.

SEVENTH: The said Railroad Company further covenants and agrees that it shall not and 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 premises, or any part thereof, may or shall be situate, 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 appraisal 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 the Congress of the United States or by the Legislature of 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 agrees 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.

EIGHTH: The Railroad Company further covenants and agrees that all lines of railway and property of every kind and all interest therein, when and as and to the extent hereinafter acquired, out of or from the bonds or the proceeds of bonds secured by this Indenture shall without any further conveyance or assignment, immediately upon such acquisition become and be subject to the lien of this Indenture, as fully and completely as though now owned by the Railroad Company and expressly and specifically conveyed by and embraced in, the granting clauses of this Indenture; and that at all times hereafter it will execute and deliver any and all such further assurances or conveyances as the Trustee may reasonably direct and require, for the purpose of expressly and specifically subjecting any and all such after-acquired roads or properties to the lien of this Indenture.

NINTH: The Railroad Company further covenants and agrees that it will, upon demand of the Trustee, from time to time hereafter, grant, convey, confirm, assign, transfer and set over unto the Trustee all real and personal estate, corporate rights and franchises, which in any way or manner it shall acquire as appurtenant to, or in or for use upon, or for the business of, any railroad hereby mortgaged or intended so to be; and it shall and will also make, do, seal, execute, acknowledge and deliver or cause to be made, done, sealed, executed, acknowledged and delivered all and every such further acts, matters things, deeds, conveyances, bills of sale and transfer and assurances in the law, for the better assuring, confirming and conveying unto the Trustee all and singular the hereditaments and premises, estates and property hereby conveyed or intended so to be, as it, or its counsel learned in the law, shall reasonably require for the better effectuating and carrying out of the provisions, objects and purposes of this Indenture and for securing payment of the principal and interest of the bonds intended to be hereby secured; all of which estates shall be held by the Trustee in, under and upon the several and respective trusts, and for the uses and purposes and subject to the powers herein mentioned, declared, given, implied or expressed. BUT nothing expressed or implied in this Indenture is intended nor shall it be construed to limit the right or power of the Railroad Company, by the use of its credits or means, to acquire, either free from or subject to, encumbrances, other lines of railway, branches or extensions or interests therein, and to assume or create liens, or leaseholds therein on all railroads hereafter acquired or not described herein, superior and prior to the lien hereof.

TENTH: The Railroad Company further covenants and agrees that it shall and will from time to time pay and discharge all taxes, assessments and governmental charges lawfully imposed upon the lines of railroad and other premises hereby mortgaged, or upon any part thereof, or upon the income and profits thereof, the lien of which might or could be held to be prior to the lien hereof, so that the priority of this Indenture shall be fully preserved.

ELEVENTH: The Railroad Company further covenants and agrees that it shall, and will, at its office or agency in the City of New York, keep a sufficient register or registers of bonds issued hereunder, which registers at all reasonable times shall be open to the inspection of the Trustee; and upon presentation for such purpose, it will register therein any coupon bonds issued under the provisions hereof. As to any bond so registered, the person in whose name the same shall be registered shall for all purposes be deemed and regarded as the owner thereof, and thereafter payment of or on account of the principal sum in such bond mentioned shall be made only to such registered holder or upon his order, but such registration may be changed as hereinafter provided. All such payments so made shall be valid and effectual to satisfy and discharge the liability upon such bond to the extent of the sum or sums so paid. The Railroad Company, for the purpose of making a list of such registered holders, may close its books for the registration of such bonds for the period of ten days preceding the maturity of the several installments of semi-annual interest.

Upon presentation of any coupon bond which shall have been registered as aforesaid, with the order of assignment of the registered holder, the same shall be transferred upon such register to the person named in such written order or assignment, and noted upon the bond, and thereafter such transferee or transferees of any such bond shall be held to be the owner or owners thereof, with all incidental rights and powers, and from time to time such transfers may be made as the registered holder of any such bond for the time being may direct as aforesaid. The

registered holder of any such coupon bond shall also have the right to register the same as payable to bearer, in which case transferability by delivery shall be restored, and thereafter the principal thereof shall be payable to any person presenting the same. Any holder of a coupon bond registered to bearer may cause such bond to be registered in the name of such holder with the same effect as a first registration thereof, and successive registrations as aforesaid may be made from time to time as desired. Such registration of any coupon bond shall not restrain the negotiability of any coupon thereto belonging, but every such coupon shall continue to pass by delivery merely.

In case any such bond issued hereunder shall become mutilated or destroyed, upon the surrender of any such mutilated bond to the Trustee, or upon filing with the Trustee of some satisfactory evidence of such destruction, the Railroad Company, in its discretion, may issue and the Trustee may certify, upon proper indemnification, a new bond, bearing the same serial number, in lieu, substitution or exchange for and upon the cancellation of the bond so mutilated, or in lieu of the bond so destroyed.

TWELFTH: It is further mutually covenanted by and between the respective parties hereto, that in case default shall be made by the Railroad Company in the payment of any interest on any bond at any time issued and secured by this indenture, and such default shall continue for a period of six months; or in case default shall be made by the Railroad Company in the due and punctual payment of the principal of any bond secured hereby when and as the same shall become due and payable; or in case default shall be made by the Railroad Company in the payment of any tax, assessment or other governmental charge lawfully imposed or levied upon any part of such railways, property and premises or the income and profits thereof, and such default shall continue for a period of six months after written notice thereof from the Trustee or from any holder of bonds hereby secured; or in case the Railroad Company shall make default in the due observance and performance of its covenant or further assurance, or any other covenant, promise or condition herein contained, and any such default shall continue for a period of six months after written notice thereof from the Trustee or from any holder of bonds hereby secured; then and in each and every such case of default (provided, however, in respect of each of the cases so indicated that it shall have continued for six months as aforesaid) the Trustee, personally or by its agent or agents, attorney or attorneys, may enter into and upon all and singular the railway, property and premises, lands, rights, interests and franchises hereby conveyed and intended so to be, and each and every part thereof, and may exclude the Railroad Company, its agents and servants, wholly therefrom, and having and holding the same may use, operate, manage and control said railways, 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, to the best advantage as well of the public as of the holders of the bonds hereby secured, in accordance with law and with any statute relating to said railways or any part thereof, or to the operation thereof; 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 insure and keep insured, the rolling stock, tools, machinery and other property, buildings, bridges and structures erected and provided for use in connection with said railways and 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, make all necessary and proper repairs, renewals and replacements, and useful alterations, additions, betterments and improvements thereto and thereon, as well in respect of the rolling stock and equipment as in respect of the railways and appurtenances and other subject matter, as to it may seem judicious; and it may collect and receive all tolls, freights, incomes, rents, issues and profits of the same and every part thereof, and after deducting the expenses of operating said railways 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, rentals under leases and other proper charges upon the said property and premises or any part thereof, as well as just and reasonable compensation for its own services and for all agents, clerks, servants and other employees by it properly engaged and employed, it shall apply the moneys arising as aforesaid as follows:

(1) In case the principal moneys of the bonds hereby secured shall not have become due, to the payment of the interest remaining in default in the order of the maturity of the installments of such interest, ratably to the persons or parties entitled thereto, without discrimination or preference.

(2) In case the principal moneys of the said bonds shall have become due, first to the payment of the accrued interest in the order of the maturity of the installments of such accrued interest, and next to the payment of the principal of the bonds; in every instance ratably to the persons or parties entitled to such payment, without discrimination or preference between holders.

THIRTEENTH: In case default shall be made by the Railroad Company in the payment of any interest on any bond hereby secured at any time issued and outstanding, and such default shall continue for a period of six months, then and in every such case of continuing default, at the option of the holders of sixty per cent in amount of all bonds hereby secured then outstanding, and upon written notice to that effect by such bond holders to the railroad company and to the trustee, the principal of all bonds hereby secured, then outstanding, shall immediately become due and payable, anything in this Indenture or in said bonds contained to the contrary thereof in any wise notwithstanding. PROVIDED, However; that if at any time after the principal of the said bonds shall have been so declared due and payable, all arrears of interest upon all such bonds shall either be paid by the Railroad Company, or be collected out of the mortgaged premises, then and in every such case the holders of a majority in amount of the bonds hereby secured then outstanding by like written notice to the Railroad Company and the Trustee, 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. In case the Trustee shall have proceeded to enforce any right under this Indenture by foreclosure, entry or otherwise, and such proceeding shall have been discontinued and abandoned because of such waiver, or for any other lawful reason, or shall have been determined adversely to the Trustee, then and in every such case the Railroad Company shall be restored to its former position and rights in respect of the mortgaged premises; and upon the written request of the Railroad Company, the Trustee shall do, make, execute, acknowledge and deliver such acts, deeds, instruments and assurances in the law as may be required to effectuate such purpose; but nevertheless, all rights, remedies and powers of the Trustee shall survive and continue as though no such proceeding had been taken.

FOURTEENTH: In case default shall be made by the Railroad Company in the payment of any interest on any bond at any time issued and secured by this Indenture, and such default shall continue for a period of six months; or in case default shall be made by the Railroad Company in the due and punctual payment of the principal of any bond secured hereby when and as the same shall mature; or in case default shall be made by

the Railroad Company in the payment of any tax, assessment or other governmental charge lawfully imposed or levied upon any part of such railways, property and premises or the income or profits thereof, and such default shall continue for a period of six months after written notice thereof from the Trustee or from any holder of bonds hereby secured; or in case the Railroad Company shall make default in the due observance and performance of its covenant of further assurance, or any other covenant, promise or condition herein contained, and any such default shall continue for a period of six months after written notice thereof from the Trustee or from any holder of bonds hereby secured; then and in every such case of default (provided, however, in respect of each of the cases so indicated, that it shall have continued for six months as aforesaid),

(a) The Trustee, with or without entry, personally or by attorney, may sell to the highest and best bidder, in one lot and as an entirety, all and singular the mortgaged premises, railroads, leaseholds, stocks, rights, franchises and interests, lands and appurtenances, and all right, title and interest, claim and demand therein, and right of redemption thereof; which sale shall be made at public auction at such place in the City of Keokuk, in the State of Iowa, or at such other place on the railroads hereby mortgaged, at such time and upon such terms, as may be specified in the notice of sale to be given as herein provided; or,

(b) The Trustee, in its discretion, may, and upon the written request of the holders of sixty per cent in amount of the bonds hereby secured and then outstanding, and upon proper security and indemnity, shall proceed to protect and enforce the rights of holders 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 Trustee, being advised by counsel learned in the law, shall deem most effectual to protect and enforce any of its rights and duties hereunder.

Notice of any sale pursuant to any provision of this Indenture, stating the time and place when and where, the terms upon which the same is to be made, and containing a brief description of the property to be sold, shall be sufficiently given if published once a week for six successive weeks prior to such sale in one newspaper at that time published in each of the cities of Keokuk, Iowa, and New York, N. Y.

Upon the completion of any sale or sales under this Indenture, the Trustee shall make, execute and deliver to the accepted purchaser or purchasers a good and sufficient deed, or good and sufficient deeds of conveyance, for the property and franchises sold. In case of any sale or sales by virtue of any provision of this Indenture, the whole of the principal sum hereby secured, if not previously declared due, shall at once become due and payable, anything in said bond or bonds or herein contained to the contrary notwithstanding.

FIFTEENTH: Any sale or sales completed under or by virtue of this Indenture, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Railroad Company, of in and to the premises and property hereby mortgaged, and shall be a perpetual bar both at law and in equity against the Railroad Company, its successors and assigns, and against any and all persons claiming or to claim the mortgaged premises or any part or parcel thereof, by, from, through or under the Railroad Company, its successors and assigns, or any of them.

SIXTEENTH: The Trustee may, from time to time, adjourn any sale to be made by it 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 so adjourning such sale, it may without further notice or publication make sale of the mortgaged premises and property at the time and place to which the same shall be so adjourned.

SEVENTEENTH: The receipt of the Trustee shall be a sufficient discharge to the purchaser or purchasers of the property sold as aforesaid, for the purchase money, and no such purchaser or purchasers, or his, their or its representatives, vendees, grantees or assigns, after paying such purchase money and receiving such receipt, shall be bound to see to the application of the 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.

EIGHTEENTH: The proceeds and avails of any sale under any provision of this Indenture, and the purchase money paid thereon, shall be applied as follows:

(1) 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 and incurred by the Trustee in managing and maintaining the property hereby conveyed or intended so to be, and of all taxes, assessments or liens prior to the lien of these presents, except any taxes, assessments or others superior liens subject to which such sales have been made.

(2) To the payment of the whole amount then owing or unpaid upon the bonds hereby secured for principal and interest, together with interest on overdue installments of interest, 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.

NINETEENTH: No holder of any bonds or coupons 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, without first giving to the Trustee written notice of the fact that default has occurred and continued as hereinbefore provided, nor unless also the holders of sixty per cent in amount of the bonds hereby secured and then outstanding shall have made written request of the Trustee and shall have afforded to it reasonable opportunity either itself 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 adequate security and indemnity against the cost, 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 conditions precedent to the execution of the powers and trusts of this Indenture, and to any action, or cause of action, for foreclosure or for the appointment of a Receiver, or for any remedy hereunder; 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 manner herein provided, but that all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all holders of such outstanding bonds and coupons.

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

TWENTIETH: The personal property and chattels hereby conveyed, or intended so to be, shall be held and taken to be the fixtures and appurtenances of the said railroad and part thereof, and are to be used and sold therewith and not separate therefrom.

TWENTY-FIRST: In case of any sale hereunder, any and all purchasers in making settlement or payment, shall be entitled to turn in any bonds and any matured and unpaid coupons hereby secured, estimating the value of such bonds and coupons for that purpose at the sum payable out of the net proceeds of such sale to the holder of holders of such bonds and coupons at his or their ratable share of such net proceeds, after allowing for the proportion of the total payment required to be made in cash for the cost and expenses of the sale or otherwise; and if such share of net proceeds shall be less than the amount then due upon such bonds and coupons, such purchaser or purchasers may make such settlement by receipting on each bond the amount to be credited thereupon; and at any and every such sale any and all of the bondholders may bid for and purchase such property, and upon compliance with the terms of sale may hold and retain, and dispose of, such property without further accountability therefor.

TWENTY-SECOND: All acts, requests and directions of any holders of bonds hereby secured asserting, waiving or affecting any rights or remedy of the bondholders, or any right remedy or duty of the Trustee, or in pursuance of any trust hereby created, shall be authenticated by an instrument or instruments in writing, signed by the persons assenting thereto, or their attorneys in fact, duly authorized for that purpose, and proved as herein provided. Any instrument in writing required by the provisions of this indenture to be executed by the holders of bonds hereby secured may be in any number of parts. The execution thereof and the dates of holding shall be deemed sufficiently proved if a notary public or other officer authorized to take acknowledgement of deeds shall, under his official seal, certify that each of the several parties signing the same has, upon the date therein certified, duly acknowledged to him the execution thereof, and exhibited to him as the property of such person, bonds of the description of those hereby secured, of the amounts and bearing the serial numbers therein stated. In like manner, the execution of each power of attorney under which any person shall claim to act for another in signing such instrument, shall be acknowledged before a notary public or other officer authorized to take acknowledgment of deeds, and certified under his official seal.

TWENTY-THIRD: 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 herein conferred, and also any and all other rights and powers herein and hereby conferred and provided to be exercised by the Trustee upon the occurrence and continuance of default as hereinbefore provided, and as matter of right the Trustee shall be entitled to the appointment of a Receiver or Receivers of the premises hereby mortgaged, and of the earnings, income, revenue, rents, issues and profits thereof, with such powers as the Court making such appointment shall confer.

TWENTY-FOURTH: No delay or omission of the Trustee or of any holder of bonds hereby secured to exercise any right or power arising from any default continuing as aforesaid, shall exhaust or impair any such right or power or be construed to be a waiver of such default, or an acquiescence therein.

TWENTY-FIFTH: The Railroad Company at any time hereafter before full payment of the bonds secured hereby, and whenever it shall deem it expedient for the better security of such bonds, although there may be then no default entitling the Trustee to enter into possession, may surrender and deliver to the Trustee 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 the Trustee, at its option, 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, without prejudice, however, to its rights at any time subsequently, when entitled thereto by any provision thereof, to insist upon and to maintain such possession, though beyond the expiration of any prescribed period. Upon any such voluntary surrender and delivery of said property and premises, or of any part thereof, the Trustee, from the time of its entry shall and will work, use, manage, control and apply the same, in accordance with the provisions of this Indenture, and shall and will receive and apply the income and revenues thereof as provided in Section Twelfth of this Indenture. Upon application of the Trustee, and with the consent of the Railroad Company, a Receiver or Receivers may be appointed to take possession of and to operate and manage the whole or any part of said property, with all the rights, powers and duties by this section conferred upon the Trustee, and in every case, when a Receiver of the whole or any part of the said property shall be appointed under this section or otherwise, the Trustee, from and after the time when it shall become a party to the proceedings in which such Receiver shall be appointed, shall be entitled to receive all the income and profits of such property for the benefit of holders of bonds hereby secured.

TWENTY-SIXTH: In the event of any sale, pursuant to any provision hereof, 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 or foreclosure and sale made by any Court of competent jurisdiction, the whole of the property hereby mortgaged and pledged shall be sold in one parcel and as an entirety, including all rights, titles, estates, railroads, equipment, franchises, leases, leasehold interests, contracts, bonds and other real and personal property of every name and nature; 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 Trustee and its successors are hereby appointed the true and lawful attorney or attorneys, irrevocable, of the Railroad Company, in its name and stead to make all necessary deeds and conveyances of property and all necessary transfers of the bonds or other obligations thus sold, and for that purpose it and they may execute all necessary acts of assignment and transfer and may substitute one or more persons with like power, the Railroad Company hereby ratifying and confirming all that its said attorney or attorneys, or such substitute or substitutes, shall lawfully do by virtue hereof.

TWENTY-SEVENTH: It is further mutually agreed between the parties hereto, provided there shall then be no continuing default in respect of which the Trustee or bondholders by appropriate action shall then be asserting rights hereby conferred, it shall be lawfully for the Trustee, upon request of the Railroad Company, upon a certificate under the hands of the President and General Manager, at any time or times, to release from the lien and operation of this Indenture and the bonds hereby secured, any premises acquired, held or used by the Railroad Company for the purpose of stations, depots, shops or other buildings or erections, or for other uses not connected

with the maintenance or operation of some parts of the lines of railway then subject to the lien of this Indenture, or any premises which may have been acquired or held for the supply of gravel, fuel or other material for the purposes of such lines of railway; provided that, at the time of such release such premises shall no longer be requisite for the purposes for which the same shall have been so acquired or used or necessary or expedient to be retained for use in connection with such lines of railway, and likewise it may release any part of the line of track or roadway, or of the depot grounds, buildings or accommodations connected therewith, which at the time of such release, may have been thrown out of use and have ceased to form a part of such lines of railway by reason of the straightening, alteration or abandonment of such part of the lines of railway; but the power of release given by this article is to be exercised only in case the Railroad Company shall sell or contract to sell the property so to be released, because no longer required for the uses and purposes of such railways, and shall require the same to be released, in order to give good title to the purchaser or purchasers thereof. The proceeds of any and all such sales shall be invested in the purchase of other property, real or personal, which shall be conveyed in trust by the Railroad Company to the Trustee, subject to all the trusts hereby declared; or in betterments or improvements, or in some other way, to the benefit of the mortgaged premises and the satisfaction of the Trustee. When such released premises shall have been thrown out of use, or shall have ceased to be required, by reason of changes of the line of the road, on or along the routes aforesaid, or any of them, or change of depot grounds, buildings or other accommodations, the substitutes therefor acquired by the Railroad Company, ipso facto, shall immediately upon any such sale, exchange or purchase, and without any act or conveyance on the part of the Railroad Company, become and be subject to the lien of this Indenture and the trusts and purposes thereof, the same as though specifically mortgaged hereby. The Railroad Company shall, however, in any and every such case, convey the same to the Trustee by appropriate deeds. The Railroad Company, from time to time, shall also have full power, according to its discretion, to dispose of such portion of the machinery, rolling stock, equipment and implements, at any time held or acquired for the use of its lines of railway, as may have become unfit for such use, replacing the same by new machinery, equipment, rolling stock or implements, which shall become subject to the operation of this Indenture.

A certificate of the facts made by the President and General Manager of said Railroad Company and filed with the Trustee shall be sufficient to justify the action of the latter under this paragraph, and shall be complete protection to the Trustee for its action.

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

TWENTY-EIGHTH: It is further mutually agreed that in case at any time it shall become necessary for the Railroad Company to make changes or alterations in, or substitutions of, any trackage contracts by which the Railroad Company now secures, or may hereafter secure, access to any point or points, the Railroad Company, with the written consent of the Trustee, may make such changes, alterations or substitutions, with the written consent of the Trustee, may make, or cause to be made, executed and delivered, all such instruments in writing as may be proper and necessary to carry out and perfect any and all changes, alterations or substitutions authorized in this article when and as the same may be made.

At the same time, ample provision shall be made by apt and sufficient instruments in writing so that such modified, altered or substituted trackage contracts shall be and forthwith become bound by and subject to the terms of this Indenture, in the same manner as the then existing trackage contracts.

TWENTY-NINTH: It is further mutually agreed that:

(1) The Trustee shall not be answerable for the default or misconduct of any agent or attorney appointed by it in pursuance hereof, if such agent or attorney be selected with reasonable care; or for anything whatever, in connection with this trust, except misconduct or gross negligence; the Trustee shall not be personally liable for any debts contracted by it for damage to persons or property or injured, or for salaries or nonfulfillment of contracts, during any period wherein the Trustee shall manage the property or premises upon entry or voluntary surrender as aforesaid. The Trustee shall not be under any obligation to take any action towards the execution or enforcement of the trust hereby created, which, in its opinion, shall be likely to involve it in expense or liability, unless one or more of the holders of the bonds hereby secured shall, as often as required by the Trustee, furnish it reasonable indemnity against such expense or liability; nor shall the Trustee be required to take any action upon any breach of covenant contained herein, except upon the conditions herein expressed and after notice of such breach from one or more of the holders of the bonds hereby secured, together with the indemnity aforesaid, anything herein contained to the contrary notwithstanding.

THIRTIETH: In case at any time it shall be proper or necessary for the Trustee to make any investigation respecting any fact or facts preparatory to taking or not taking any action or doing anything as such Trustee, the certificate of the president of the party of the first part under the corporate seal, shall be sufficient evidence of such fact or facts to protect the Trustee in any action it may take or anything it may do or refrain from doing by reason of the supposed existence of such facts. It shall be no part of the duty of the Trustee to see to the recording of this Indenture as a mortgage or conveyance of real estate or to the filing thereof as a chattel mortgage, or to do any other act which may be suitable or proper to be done for the continuing of the lien of this Indenture or for giving notice of the existence of such lien. Nor shall it be any part of the duty of the Trustee to effect insurance against fire or other damage on any part of the mortgaged premises or property, or to renew any policies of insurance upon the same. The Trustee shall be responsible only for reasonable diligence in the management of the trust hereby created, and shall not be answerable in any case for the act or default of any of its agents, attorneys or employees selected with reasonable care and discretion. The Trustee shall be entitled to be reimbursed for all proper outlays of every sort and nature by it incurred or made in the proper discharge of this trust, and to receive a reasonable compensation for any duty it may at any time perform in the discharge of the same, and all such fees, commissions, compensations and disbursements shall constitute a lien on the mortgaged property.

THIRTY-FIRST. The words "the Trustee," "said Trustee" and "the said Trustee," or any other equivalent term, as used in this Indenture (except when otherwise clearly indicated), shall be held and construed to mean the Trustee or Trustees for the time being hereunder, whether original or successor, and the words "Trustee," "bond," "bondholder" and "holder" shall include the plural as well as the singular number, and the term "majority" shall signify "majority in amount," whether or not so expressed.

THIRTY-SECOND: The Trustee, any Trustee hereafter appointed, may resign or be discharged of the trusts created by this Indenture by giving notice thereof to the Railroad Company and to the bondholders, by publication,

at least twice a week, for six successive weeks, in one of the newspapers at that time published in the City of New York and one published in the City of Keokuk, Iowa, and by due execution of the conveyance herein required.

THIRTY-THIRD: The Trustee may be removed at any time by an instrument in writing under the hands and seals of three-quarters in amount of the holders of the bonds secured hereby and then outstanding, and in case a Trustee shall die, or shall resign or be removed as herein provided, the Board of Directors of the Railroad Company may appoint a new trustee to fill such vacancy, and in every such case the new Trustee so appointed, while he or it continues as such, shall have and possess and be subject to the like rights, powers, estates and duties as though originally Trustee hereunder.

THIRTY-FOURTH: Should any deed, conveyance or instrument in writing, from the Railroad Company or from any resigning or removed Trustee, be required by any new Trustee, for more fully and certainly vesting in and confirming to him or it such estate, rights, powers and duties, any and all such deeds, conveyances and instruments of writing shall, on request, be made, executed, acknowledged and delivered by the party from whom they may be required.

THIRTY-FIFTH: No recourse under any obligation, covenant or agreement of this Indenture, or of any bond or coupon hereby secured, shall be had against any incorporator, stockholder, officer or director of the Railroad Company, either directly or through the Railroad Company, by the enforcement of any assessment, or by any legal or equitable proceeding by virtue of any statute or otherwise, it being expressly understood and agreed that this mortgage 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 Railroad Company, or any or either of them, under or by reason of any or either of the obligations, covenants or agreements in this Indenture, or in any of the bonds or coupons thereby secured, expressed and contained or implied therefrom, and that any and all personal liability of every name and nature, either at common law or in equity, or by statute, 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 mortgage and such obligations.

THIRTY-SIXTH: If the said Railroad Company shall well and truly pay, or shall cause to be paid, the principal and interest of all bonds hereby secured at the times and in the manner therein specified, 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 interests hereby conveyed or pledged shall revert to the Railroad Company, and the estate, right, title and interest of the Trustee shall thereupon cease, determine and become void; otherwise, the same shall be, continue and remain in full force and virtue.

THIRTY-SEVENTH: All the covenants, stipulations, promises and agreements in this Indenture, contained, by or on behalf of the Railroad Company, shall bind and be binding upon its successors and assigns, whether so expressed or not.

THIRTY-EIGHTH: The Metropolitan Trust Company of the City of New York, Trustee, 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.

THIRTY-NINTH: This mortgage may be simultaneously executed in several counterparts of identical form herewith, each of which shall be deemed to be an original and of itself sufficient and complete, without the production of the other or others, if any, of such counterparts or any of them; and such counterparts taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF the said party of the first part has caused its common and corporate seal to be hereto affixed and the same to be attested by the signatures of its President and Secretary, and the said party of the second part has caused its common and corporate seal to be hereto affixed and the same to be attested by the signatures of its President and Secretary. Dated the day year first hereinbefore written.

[SEAL.]

KEOKUK & WESTERN RAILROAD CO.,

Attest:

THOMAS DE WITT CUYLER

CHAS. M. JESUP,

President.

Secretary.

[SEAL.]

METROPOLITAN TRUST COMPANY,

Attest

OF THE CITY OF NEW YORK,

BRONLY CARSON,

Brayton IVES,

President.

Secretary.

STATE OF NEW YORK, CITY AND COUNTY OF NEW YORK, SS.

On this twenty-fifth day of May, A. D., 1898, before me the Subscriber, a Commissioner duly appointed and qualified under the laws of the State of Iowa and State of Missouri to take the acknowledgment of deeds, mortgages and other writings to be used and recorded therein, residing in the City of New York and state aforesaid, personally appeared Thomas DeWitt Cuyler, President of the Keokuk & Western Railroad Company, to me personally known and known to be the identical person named in the within recited Indenture of Mortgage or Deed of Trust, who being duly sworn according to law doth depose, acknowledge and declare that he executed the said instrument by and as and for the act and deed of the said Keokuk & Western Railroad Company, under and in pursuance of a resolution of the Board of Directors of the said Company for the uses and purposes therein set forth and declared; that the seal affixed to the foregoing instrument is the common or corporate seal of the said Keokuk & Western Railroad Company and was so affixed for the uses and purposes aforesaid, and that the said instrument was executed by him as his voluntary act and deed and the act and deed of the said Keokuk & Western Railroad Company, and that such execution and acknowledgement is duly attested by the Secretary of the said Keokuk & Western Railroad Company in attestation of the due execution and delivery thereof.

[SEAL.]

Sworn and Subscribed before me the day and year aforesaid.

In witness whereof I have hereunto set my hand and affixed my Official seal this 25th day of May, A. D., 1898. Charles Edgar Mills, Commissioner of deeds for Iowa in New York; Commissioner of deeds for Missouri in New York, City, N. Y., 115 and 117 Broadway, N. Y. City.

STATE OF NEW YORK, CITY AND COUNTY OF NEW YORK, SS.

On this twenty-fifth day of May, A. D., 1898, before me the Subscriber, a Commissioner duly appointed and qualified under the laws of the State of Iowa and State of Missouri to take the acknowledgment of deeds, mortgages and other writings to be used and recorded therein, residing in the City and State aforesaid, personally appeared Brayton Ives, President of the Metropolitan Trust Company of the City of New York, to me personally known and known to be the identical person named in and who executed the within recited Indenture of Mortgage or Deed or Trust, who being duly sworn according to law doth depose, acknowledge and declare that he executed the said instrument by and as and for the act and deed of the said Metropolitan Trust Company of the City of New York, for the uses and purposes therein set forth and declared; that the seal affixed to the foregoing instrument is the common or corporate seal of the said Metropolitan Trust Company of the City of New York and was so affixed for the uses and purposes aforesaid, and that the said instrument was executed by him as his voluntary act and deed and the act and deed of the said Metropolitan Trust Company of the City of New York, and that such execution and delivery is duly attested by the Secretary of the said Metropolitan Trust Company of the City of New York in attestation of the due execution and delivery thereof.

[SEAL.]

Sworn and Subscribed before me the day and year aforesaid.

In witness whereof I have hereunto set my hand and affixed my Official seal this 25th day of May, A. D., 1898. Charles Edgar Mills, Commissioner of deeds for Iowa in New York; Commissioner of deeds for Missouri in New York, City, N. Y., 115 and 117 Broadway, N. Y. City.

Seal