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Series B Bonds authenticated by the Trustee after the close of business on the record date (as hereinafter in this § 1.03 defined) for any interest payment date (April 15 or October 15, as the case may be) and prior to such interest payment date shall be dated the date of authentication but shall bear interest from such interest payment date; provided, however, that if and to the extent that the Companies shall default in the interest due on such interest payment date then any such Series B Bond shall bear interest from the April 15 or October 15, as the case may be, next preceding the date of such Series B Bond to which interest has been paid, unless no interest has been paid on the Series B Bonds, in which case from October 15, 1976.

The person in whose name any Series B Bond is registered at the close of business on any record date (as hereinafter defined) with respect to any interest payment date shall be entitled to receive the interest payable on such interest payment date notwithstanding the cancellation of such Series B Bond upon any transfer or exchange subsequent to the record date and prior to such interest payment date; provided, however, that if and to the extent that the Companies shall default in the payment of the interest due on such interest payment date, such defaulted interest shall be paid to the persons in whose names outstanding Series B Bonds are registered on a subsequent record date established by notice given by mail by or on behalf of the Companies to the holders of Series B Bonds not less than 15 days preceding such subsequent record date, such subsequent record date to be not less than five days preceding the date of payment of such defaulted interest. The term "record date" as used in this § 1.03 with respect to any interest payment date shall mean the April 1 or October 1, as the case may be, next preceding such interest payment date, whether or not such day is a business day.

§ 1.04. Southern Railway Company, The Atlanta and Charlotte Air Line Railway Company, Georgia Southern and Florida Railway Company and Southern Railway-Carolina Division are hereby designated as the Executing Companies to execute the Series B Bonds pursuant to § 2.03 of the Original Indenture.

§ 1.05. Southern Railway Company to the extent of the entire \$75,000,000 principal amount is hereby designated as the Recipient Company to or upon the order of which the Series B Bonds are to be delivered pursuant to § 3.06 of the Original Indenture.

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