

Now, THEREFORE, this Supplemental Indenture WITNESSETH :

That for and in consideration of the premises, of the purchase and acceptance of the Series A Bonds by the holders thereof and the sum of Ten Dollars (\$10.00) lawful money of the United States of America to the Companies duly paid by the Trustee at the time of the delivery of this Supplemental Indenture, the receipt whereof is hereby acknowledged, the Companies do hereby covenant and agree with the Trustee as follows :

ARTICLE ONE

CREATION OF SERIES A BONDS

§ 1.01. The Companies hereby create a series of First and General Mortgage Bonds under the Indenture of an aggregate principal amount of \$50,000,000 of which \$37,847,000 principal amount will be issued pursuant to § 3.02 thereof and \$12,153,000 principal amount will be issued pursuant to § 3.03 thereof. Such Bonds shall be designated as the First and General Mortgage 4⁵/₈% Bonds, Series A, Due 1988 of Southern Railway Company, The Atlanta and Charlotte Air Line Railway Company, Georgia Southern and Florida Railway Company and Southern Railway-Carolina Division, and shall be the joint and several obligations of the Companies. The terms and provisions of the Series A Bonds shall be as in this Supplemental Indenture and the Indenture set forth. The Series A Bonds shall be limited to fifty million dollars (\$50,000,000) aggregate principal amount except as provided in § 2.06 of the Indenture. The Series A Bonds in coupon form shall be dated June 1, 1963 and the Series A Bonds without coupons shall be dated as provided in § 2.02 of the Indenture. The Series A Bonds shall mature June 1, 1988; shall bear interest at the rate of 4⁵/₈% per annum payable semi-annually on each June 1 and December 1; and shall be redeemable at