

against the holders or owners of the Bonds outstanding hereunder, in respect of the mortgaged property. The Trustee shall be under no responsibility or duty with respect to the disposition of the Bonds authenticated and delivered hereunder or the application of the proceeds thereof or of any moneys paid to the Company under any of the provisions hereof.

Should any taxes or other governmental charges be imposed upon the Trustee in its capacity as Trustee hereunder, which it may be required to pay under any present or future law of the United States of America or of any other authority therein having jurisdiction, the Trustee shall be reimbursed and indemnified therefor and any liability incurred or amounts paid by the Trustee in respect of any such taxes or other governmental charges, until paid, shall constitute a lien upon the mortgaged property prior to any claim by the holders of Bonds.

(c) The Trustee may execute any of the trusts under this Indenture or exercise any of the powers hereby vested in the Trustee or perform any duty hereunder either itself or by or through its attorneys, agents or employees, and the Trustee shall not be answerable or accountable for any act, default, neglect or misconduct of any such attorneys, agents or employees provided reasonable care has been exercised in the selection thereof, nor shall the Trustee be otherwise answerable or accountable under any circumstances whatsoever, except for its own individual negligence or bad faith. The Trustee may conclusively assume that there has been no default hereunder unless and until the Trustee shall have been specifically notified in writing of said default by the Company or by the holder of any Bond then outstanding. The Trustee shall not be under any obligation to take any action in respect of any default or otherwise or toward the execution or enforcement of any of the trusts hereby created or to institute, appear in or defend any suit or other proceeding in connection therewith, unless one or more of the holders of the Bonds shall, as often as required by the Trustee, furnish it with reasonable security and indemnity against the costs and expenses of said proceeding; but this provision shall not affect any discretionary power herein given to the Trustee to determine whether or not it shall take action in respect of such default or otherwise.

(d) Except as herein otherwise provided, any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustee on the Company, shall be deemed to have been sufficiently given and served for all purposes by being deposited postage prepaid in a United States Post Office letter box or mailchute, addressed (until another address is filed by the Company with the Trustee) as follows: The Atlanta and Charlotte Air Line Railway Company, 49 Wall Street, New York, N. Y., and thereafter to such other address. Any instrument which it is herein provided shall be delivered to the Trustee shall be deemed to have been sufficiently delivered for all purposes by being deposited, postage prepaid, in an United States Post Office letter box or mailchute, addressed to the Trustee at its principal office in the Borough of Manhattan.

(e) The Trustee shall not be bound to recognize any person as the holder of a Bond outstanding here-

under unless and until the Bond is submitted to the Trustee for inspection if required, and the title thereto established to the satisfaction of the Trustee, if disputed.

(f) The Trustee shall be protected with respect to any action taken, suffered or omitted by it in reliance upon any notice, resolution, request, waiver, consent, order, certificate, statement, affidavit, indemnity bond, report, appraisal, opinion, telegram, cablegram, radiogram, letter, bond or other paper, document or instrument believed by it to be genuine and to have been signed, sent or presented by the proper party or parties. The Trustee may consult with counsel (who may be of counsel for the Company, or for the Southern Company so long as the Southern Company shall operate the properties of the Company), and the opinion of said counsel shall be full and complete authority and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion of said counsel. The Trustee shall not be under any responsibility for the acts or omissions of any counsel, engineer, accountant, expert, appraiser or other person or persons employed for any of the purposes of this Indenture, provided that the Trustee shall have exercised reasonable care in the selection and continued employment of such counsel, engineer, accountant, expert, appraiser or other person or persons.

(g) Upon any application for the payment of any moneys held by the Trustee under any provision of this Indenture or for the execution of any release or upon any other application to the Trustee hereunder, the resolutions, certificates, statements, appraisals, opinions, reports, orders and other papers required by any of the provisions of this Indenture to be delivered to the Trustee as a condition of the granting of said application, may be received by the Trustee as conclusive evidence of any statement or opinion therein contained and shall be full warrant, authority and protection to the Trustee acting on the faith thereof, not only in respect of the statements therein made but also in respect of the opinions therein set forth. Before granting any application the Trustee shall not be under any duty to make any further investigation into the matters appearing to it to be covered by any such resolution, certificate, statement, appraisal, opinion, report, order or other paper, but if requested so to do by writing delivered to the Trustee, prior to action had thereon, by the holders of not less than ten per cent. (10%) in principal amount of the outstanding Bonds, and only if furnished with security and indemnity satisfactory to it against the costs and expenses of the investigation, the Trustee shall make such further investigation as to it may seem proper; but it may in its discretion make any such independent inquiry or investigation as it may see fit. If the Trustee shall determine or shall be requested as aforesaid to make said further investigation it shall be entitled to examine the books, records and premises of the Company, itself or by agent or attorney; and unless the Trustee shall be satisfied with or without said examination of the truth and accuracy of the matters stated in said resolution, certificate, statement, appraisal, opinion, report, order or other paper, the Trustee shall not be under any obligation to grant the application. If after said examination or other inquiry the Trustee shall determine to grant