THE ATLANTA AND CHARLOTTE AIR LINE RAILWAY COMPANY

to

CENTRAL HANOVER BANK AND TRUST COMPANY,

Trustee

First Mortgage

Dated November 1, 1943

CANCELLED OF RECORD

1963

25HDAY OF James Wester.

Office GR. E. VILLE COUNTY, S. 91

R.W.C. F. GR. E. VILLE COUNTY, S. 91

AT 4:20013LOCK P.M. NO. 33291

See P.E. M. Book 926 at Page

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THIS INDENTURE dated November 1, 1943, between The Atlanta and Charlotte Air Line Railway Company, a consolidated corporation organized and existing under the laws of the States of Georgia, South Carolina and North Carolina, party of the first part, hereinafter called the "Company," Central Hanover Bank and Trust Company, a corporation organized and existing under the laws of the State of New York, party of the second part, hereinafter called the "Trustee", and Southern Railway Company, a corporation organized and existing under the laws of the State of Virginia, party of the third part, hereinafter called the "Southern Company";

Whereas, the Company has been duly organized under the laws of the States of Georgia, South Carolina and North Carolina and owns certain lines of railroad situate in said States; and

Whereas, the Southern Company (as successor to Richmond and Danville Railroad Company) now operates the properties of the Company under Agreement dated March 26, 1881 between the Company and Richmond and Danville Railroad Company as modified and supplemented by Supplemental Agreement dated June 30, 1914 between the Company and the Southern Company, and as further modified and supplemented by Second Supplemental Agreement dated November 1, 1943 between the Company and the Southern Company; and

Whereas, the Company is duly authorized to issue its Bonds for the purposes hereinafter set forth and to mortgage its property, real and personal, and its franchises to secure the payment of such Bonds; and Whereas, at a meeting of the Board of Directors of the Company held, pursuant to due notice, on September 1943, a quorum being present and acting throughout, resolutions were duly adopted calling a special meeting of the stockholders of the Company for the purpose of taking action upon the creation of a bonded indebtedness to be evidenced by Bonds to be issued under this Indenture, to be known as its First Mortgage 33/4% Bonds (hereinafter sometimes called the "Bonds"), limited to a principal amount of \$15,000,000, and the execution and delivery by the Company of a mortgage upon the properties of the Company in the form of this Indenture to the Trustee and its successor, or successors, to secure Bonds issuable upon the conditions set forth in this Indenture; and

Whereas, at a special meeting of the stockholders of the Company duly called by the Board of Directors and held, pursuant to due notice, on November 6, 1943, the execution and delivery of said mortgage and the creation of the bonded indebtedness to be secured thereby were duly authorized, sanctioned and approved by the holders of more than two-thirds in par value of the entire outstanding capital stock of the Company; and

Whereas, the Bonds are to be designated First Mortgage 33/4% Bonds, are to be dated as provided in this Indenture, are to mature on November 1, 1963, are to bear interest at the rate of 33/4% per annum payable semi-annually on May 1 and November 1 in each year, are to be payable as to principal and interest at the office or agency of the Company in the Borough of Manhattan, City of New York, State of New York, are to be redeemable at the option of the Company and for the Sinking Fund as set forth in this Indenture, and are to have the benefits of the Sinking Fund described in this Indenture; and