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CIRCULAR OF THE

Chicago & Illinois Southern Railway.

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SEVEN PER CENT. GOLD BONDS.

*First and Only Mortgage—free of U. S. Gov't Tax.
Coupons payable 1st January and July*

AT THE OFFICE OF THE

Trustees,

THE FARMERS' LOAN AND TRUST CO.

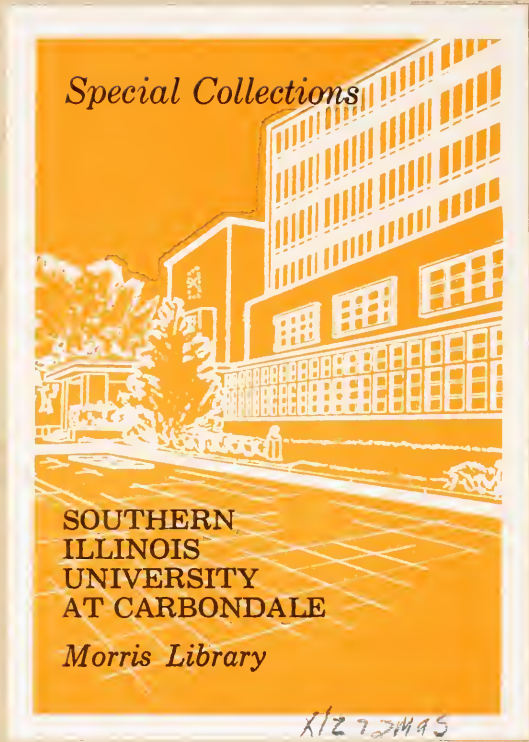
OF THE CITY OF NEW YORK,

*Or if Registered at the Agency of the Company in
London.*

OFFICE OF THE COMPANY,

NO. 70 BROADWAY.

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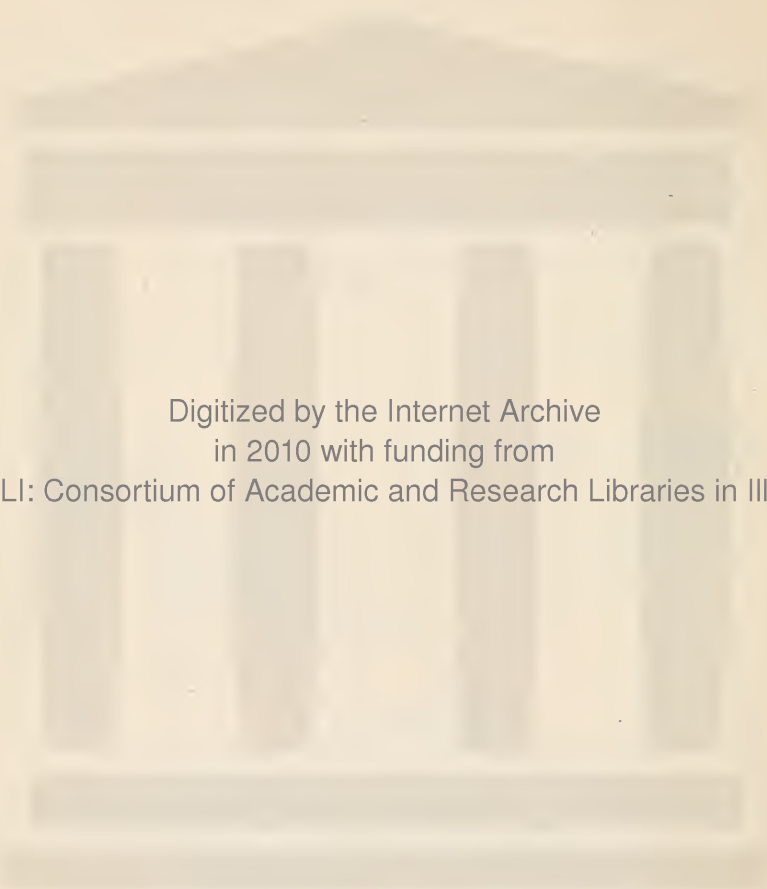
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Officers.

President.

HORACE HAYWARD, Olney, Ill.

Vice-President.

JOHN HUTCHINS, Cleveland, Ohio.

Secretary.

S. A. FULLER, Cleveland, Ohio.

Treasurer.

GEO. L. INGERSOLL, Cleveland, Ohio.

Superintendent.

ISAAC KEYS,

Trustees.

FARMERS' LOAN AND TRUST CO., New York City.

Directors.

WM. BINGHAM, of W. BINGHAM & Co., Cleveland Ohio.

JAS. BARRETT, of GEO. WORTHINGTON & Co., " "

JOHN HUTCHINS, " "

GEO. L. INGERSOLL, President Cleveland Iron Co., " "

S. A. FULLER, " "

W. P. EDSON, Mt. Vernon, Ind.

L. W. LOWE, Edwards Co., Ill.

HORACE HAYWARD, Olney, Illinois.

T. D. MARTIN, Newton, Illinois.

R. BLOOMFIELD, Prairie City, Ill.

B. C. HINCKLE, Mattoon, Ill.

GEO. W. PARKER, Charleston, Ill.

ALFRED N. SMYSER, Sullivan, Illinois.

Executive Committee.

GEO. L. INGERSOLL, JNO. HUTCHINS, WM. BINGHAM.

ARTICLES OF CONSOLIDATION

OF THE

Chicago and Illinois Southern Railway.

Articles of consolidation and contract made and entered into this 30th day of April, A. D., eighteen hundred and seventy-two (1872), by and between the Decatur, Sullivan and Mattoon Railroad Company, party of the first part, and the Chicago and Illinois Southern Railroad Company, party of the second part, Witnesseth that

Whereas, The Decatur, Sullivan and Mattoon Railroad Company, a corporation created by an act of the Legislature of the State of Illinois, entitled "*An act to incorporate the Decatur, Sullivan and Mattoon Railroad Company*, approved March 26, A. D., 1869, (eighteen hundred and sixty-nine)"—is in the act of constructing a Railroad from Decatur by the way of Sullivan to Mattoon, Illinois, a distance of about forty miles, and

Whereas, The Chicago and Illinois Southern Railroad Company, a corporation formed by the consolidation of the Grayville and Mattoon Railroad Company, a corporation chartered and formed under the laws of the State of Illinois, with the Mount Vernon and Grayville Railroad Company, a corporation duly organized and formed under the general laws of the State of Indiana by articles of consolidation, enacted by order of the respective Boards of Directors of said corporations on the (14th) fourteenth day of April, A. D., eighteen hundred and seventy (1870), and which articles of consolidation were duly filed by said Companies in the office of the Secretary of the States of Illinois and Indiana, and

Whereas, Also by virtue of said articles of consolidation, the said Chicago and Illinois Southern Railroad Company has become, and is, invested with chartered rights and privileges, and among others the right to construct, own and operate a Railroad from Mount Vernon, in Posey County, Indiana, to Grayville or Webb's Ferry, or some other point in the neighborhood of said town of Grayville, and thence through White, Edwards, Richland, Jasper, Cumberland and Coles counties in the State of Illinois, *via* Grayville, Albion, Olney, Newton and Prairie City to the city of Mattoon, in the State of Illinois, a distance of one hundred and twenty-two (122) miles, and

Whereas, It is deemed advisable, for the best interests of both of said Companies, that they should become united and consolidated, and build, own, operate and maintain one continuous line of Railroad from Mount Vernon, in the State of Indiana, by the route above specified, and

Whereas, The said Decatur, Sullivan and Mattoon Railroad Company and the said Chicago and Illinois Southern Railroad Company, by their respective Boards of Directors, and with the approval of the Stockholders of each of said Companies, have agreed to the terms of said consolidation by the following contract and articles of consolidation :

NOW, THEREFORE, THESE PRESENTS WITNESS, That the parties of the first and second parts, in consideration of the mutual execution of these presents, do hereby merge and consolidate the stock of their respective companies, and make one joint stock company of their respective railroads, and do hereby consolidate their respective stock and property, and also their respective Companies with each other, and do hereby unite their two respective corporations and constitute them one corporation, to be named and called the "Chicago and Illinois Southern Railway Company." And the said parties of the first and second parts, for the consideration aforesaid, do mutually agree and declare that the name of the said Consolidated Company, by these presents formed is, and shall be, the

“Chicago and Illinois Southern Railway Company,” by which name the same shall be a body corporate and politic, and shall have a common seal, and by which name the same shall contract and be contracted with, sue and be sued, plead and be impleaded, and have all the powers, franchises and immunities, property and privileges now enjoyed by the parties of the first and second parts, or which either of the Companies of the first and second parts have or had by virtue of their respective charters and articles of consolidation before the execution of these presents.

And the parties of the first and second parts, for the consideration aforesaid, do hereby mutually and respectively grant, bargain, sell, release, convey, assign, transfer and set over unto the said Consolidated Company, the Chicago and Illinois Southern Railway Company, all and singular their several and respective railroads, constructed and in the process of construction, and railroad lands, and all other lands, stations, cars, locomotives, furniture, tools and other materials, and all their several and respective franchises, privileges and immunities, bonds, bills, notes, demands, monies, subscription to stock, things in action, and all and singular their several and respective estates and effects, real, personal, and mixed at law and in equity, wheresoever situated and however held, and declare the same henceforth to be the estate, property and effects, franchises, privileges and immunities of the said Consolidated Company to all intents and purposes.

And the said parties of the first and second parts, for the consideration aforesaid, do hereby mutually and respectively agree that all and singular the debts, liabilities, obligations and contracts whatsoever of the parties of the first and second parts, severally and respectively, shall be thenceforth the proper debts and obligations, liabilities and contracts of the said Consolidated Company to all intents and purposes.

And the said parties of the first and second parts, for and in consideration aforesaid, do mutually agree and declare that the said consolidation shall take effect, and the said Consolidated Company

shall go into effect immediately upon the due execution of these presents. And that the Board of Directors of the said Consolidated Company shall carry said consolidation into effect by all necessary acts and things for that purpose. And in consideration of the premises it is further agreed that the capital stock of the Consolidated Company shall be three million and seventy-eight thousand (\$3,078,000) dollars, predicated upon the basis of nineteen thousand (\$19,000) dollars per mile of the road of said Consolidated Company. The Stockholders of the party of the first part are to have \$760,000 of the capital stock of said Consolidated Company, and the stockholders of the said party of the second part are to have \$2,318,000 of the said capital stock, and said capital stock of said Consolidated Company may be increased by a vote of the stockholders according to law.

That the number of Directors of the said Consolidated Company shall be thirteen, the first Board of Directors of said Consolidated Company shall be composed of the following persons, viz :

Horace Hayward, Olney, Richland County; Alfred N. Smyser, Sullivan, Moultrie County; George W. Parker, Charlestown, Coles County; D. W. Lowe, Edwards County; Benson C. Hinckle, Mattoon, Coles County; Reuben Bloomfield, Cumberland County; Thomas J. Martin, Jasper County, Illinois; William P. Edson, Mount Vernon, Indiana; William Bingham, James Barnett, John Hutchins, George L. Ingersoll and Samuel A. Fuller of Cleveland, Ohio, who shall continue in office until the first election of Directors of the said Consolidated Company shall be held. That the said Board of Directors shall meet at the City of Cleveland, in the State of Ohio, on the third day of May, A. D., 1872, at two o'clock, for organization and the transaction of business. That the first election of Directors of said Consolidated Company shall be held at the City of Mattoon, in the State of Illinois, at two o'clock in the afternoon, on the 2d Tuesday of July, A. D., 1872. That the annual election of Directors of said Consolidated Company shall be held on the 2d Tuesday of July in each year, at the

City of Mattoon, in the State of Illinois, on such notice as may be required to be given by law, or the By-Laws of said Consolidated Company. And that the Directors of said Consolidated Company may adopt By-Laws for the management and government of the same not inconsistent with the Constitution of the laws of the State of Illinois.

IN WITNESS WHEREOF, The said first and second parties have caused these presents to be made and executed under their respective Common Seals, and to be evidenced as well by the signatures of their respective Presidents and Secretaries, as by the Corporate Seals of each of said Companies, parties of the first and second parts the day and year first above written.

DECATUR, SULLIVAN & MATTOON RAILROAD COMPANY,

By ALFRED N. SMYSER, *President.*

JOHN A. FREELAND,

Secretary.

CHICAGO AND ILLINOIS SOUTHERN RAILROAD COMPANY,

By H. HAYWARD, *President.*

JOHN WOOLF,

Secretary.

Witness,

EDWARD D. KEYES,

R. D. LAWRENCE.

STATE OF ILLINOIS, }
Coles County. }

I, M. B. Able, a Notary Public, in and for Mattoon, said County and State, do hereby certify that Alfred N. Smyser, President, and John A. Freeland, Secretary, of the Decatur, Sullivan and Mattoon Railroad Company, and Horace Hayward, President, and John Woolf, Secretary, of the Chicago and Illinois Southern Railroad Company, to me personally known to be the persons they represent themselves to be, came before me in proper person and acknowledged that they severally executed in their said official capacities the

foregoing articles of consolidation and contract between their respective Companies as the act and deed of their respective Companies, and by order of their respective Board of Directors.

IN WITNESS WHEREOF, I have hereunto set my seal this 30th day of April, A. D., 1872.

M. B. ABLE,

Notary Public.

FIRST MORTGAGE TRUST DEED

OF THE

Chicago & Illinois Southern Railway Company.

This Indenture, Made this third day of May, in the year of our Lord one thousand eight hundred and seventy-two, BETWEEN *The Chicago and Illinois Southern Railway Company*, a corporation duly and legally formed and organized by and under the laws of the States of Illinois and Indiana, of the first part, and *The Farmers' Loan and Trust Company*, of the City of New York and State of New York, of the second part, WITNESSETH that

WHEREAS, by Articles of Consolidation duly entered into and executed on the fourteenth day of April, one thousand eight hundred and seventy, between the Mount Vernon and Grayville Railroad Company, a corporation duly and legally organized and formed under and in pursuance of the laws of the State of Indiana, and the Grayville and Mattoon Railroad Company, a corporation duly and legally organized and formed under the laws of the State of Illinois, the capital stock, property and franchises of the two Railroad Companies last named were thereby merged into one Company, under the name of THE CHICAGO AND ILLINOIS SOUTHERN RAILROAD COMPANY:

AND WHEREAS, ALSO, by articles of consolidation duly entered into and executed on the thirtieth day of April (1872) one

thousand eight hundred and seventy-two, between the Chicago and Illinois Southern Railroad Company, formed and organized as aforesaid, and the Decatur, Sullivan and Mattoon Railroad Company, a corporation duly chartered and organized under the laws of the State of Illinois, the capital stock, property and franchises of the two Railroad Companies last named were thereby merged into one company, under the name of the Chicago and Illinois Southern Railway Company.

AND WHEREAS, by virtue of said consolidation, the party of the first part have become the owner and are now in actual possession and control of said line of Railroad now being constructed by the party of the first part;

AND WHEREAS, The party of the first part are authorized by law to borrow any sum or sums of money which may be necessary for the purpose of building, completing, equipping and operating their Railroad, and to mortgage their corporate property and franchise which they now have or may hereafter acquire, or to convey the same by Deed of Trust, to secure the payment of any debt contracted by the party of the first part:

AND WHEREAS, The said party of the first part have, by a resolution of their Board of Directors, duly authorized their President and Secretary to execute, in their corporate name, and to issue Bonds to be designated as first mortgage Bonds, to be secured by a Deed of Trust, or Mortgage, on the whole line of their Railroad, in the following form, which Bond shall be substituted for the Bonds of a like amount heretofore issued by the Chicago and Illinois Southern, and the Decatur, Sullivan and Mattoon Railroad Companies to the said Farmers' Loan and Trust Company, to be used to aid in securing the necessary means to build and equip the said Railroad, to the amount of nineteen thousand dollars per mile of said Company's Railroad and branches, each of which Bonds shall be for the sum of ONE THOUSAND DOLLARS, and shall be numbered consecutively from one upwards, and shall be payable to The Farmers' Loan and Trust Company, of the City of New York, and

State of New York, on the first day of July, one thousand nine hundred and two, in gold coin of the United States, of the present standard, with interest thereon, at the rate of seven per centum per annum, payable semi-annually in gold in the said City of New York, or in sterling in the City of London, on the first days of July and January in each and every year ensuing the date of said Bonds; all of said Bonds shall be deemed equally secured by this INDENTURE without preference of one over the other, notwithstanding the same may be issued at different times, and shall be authenticated by a certificate signed by the party of the second part, in the trust hereby created, viz:

FORM OF BOND.

£200. UNITED STATES OF AMERICA, \$1,000

No.— “ STATE OF ILLINOIS AND STATE OF INDIANA, No.—

“ *Interest at seven per cent. in gold, payable semi-annually, free of Government Tax.*

The Chicago and Illinois Southern Railway Co.

“ FIRST MORTGAGE BOND.”

“ KNOW ALL MEN BY THESE PRESENTS, That the Chicago and Illinois Southern Railway Company, a corporation duly created and organized by and under the laws of the States of Illinois and Indiana, are indebted to the Farmers’ Loan and Trust Company, of the City of New York, in the sum of ONE THOUSAND DOLLARS, in gold coin of the United States, of the present standard, which the said Railway Company promise to pay to the said Farmers’ Loan and Trust Company, or the registered holder thereof, or, if not registered, to the bearer, on the first day of July, A. D.,

“ nineteen hundred and two, together with the interest, from
“ and after the date hereof, at the rate of seven per cent. per annum,
“ in gold, free of any United States Government tax, at the office
“ of The Farmers’ Loan and Trust Company, in the City of New
“ York, or in sterling, at the agency of the last named Company,
“ in the City of London, on the first day of January and July in
“ each year, on the presentation and surrender of the annexed in-
“ terest coupons, as they severally become due, as therein pro-
“ vided.

“ THIS BOND is one of a series, limited to nineteen thousand
“ dollars per mile upon said Railway Company’s Railroad, extend-
“ ing from Mt. Vernon, in Posey county, State of Indiana, to Mat-
“ toon, in Coles county, and thence to Decatur, in Macon county,
“ State of Illinois, and its branches ; and all of even date herewith,
“ secured by Deed of Trust and Mortgage of said Railroad to The
“ Farmers’ Loan and Trust Company, and conveying to the said
“ Trustees all the Railroad, rolling stock, franchise and property
“ now owned by said Railway Company, or hereafter acquired by
“ them.

“ It is hereby expressly agreed by the said Railway Company,
“ with the holder of this Bond, that in case of non-payment of any
“ Interest Coupon hereto attached, if such default shall continue for
“ six months after maturity and demand of payment, then and in
“ that case the principal of this Bond shall become due, and shall be
“ paid in the manner provided in the said Deed of Trust ; and the
“ said Railway Company hereby expressly waive the benefit of every
“ extension, stay or appraisement law which has been, or may here-
“ after be enacted.

“ THIS Bond shall pass, at the option of the holder, by delivery
“ or by transfer on the books of the Railway Company, in the City
“ of New York, or at such other places as the Railway Company
“ may hereafter appoint. After a registration of ownership, certi-
“ fied hereon by the Treasurer of the Company, or its Transfer
“ Agent, no transfer, except upon the books of the Company, shall

“be valid unless the last transfer be to bearer, which shall restore
 “transferability by delivery and this Bond shall then continue sub-
 “ject to successive registrations and transfers to bearer, as afore-
 “said, at the option of the holder.

“THIS Bond shall not become obligatory unless the Certificate
 “endorsed hereon is signed by the Trustees.

“IN WITNESS WHEREOF, the said Railway Company have
 “caused their corporate seal to be hereto affixed, and these pre-
 “sents to be signed by their President, and countersigned by their
 “Secretary, on the _____ day of May, A. D. 1872.

_____ PRESIDENT.

_____ SECRETARY.

FORM OF COUPON.

“**£7.**

\$35.

“On the first day of July, 1872, The Chicago and Illinois Rail-
 “way Company will pay at the office of The Farmers’ Loan and
 “Trust Company, in the City of New York, on the surrender of this
 “Coupon, to bearer, or, if registered, to the registered holder hereof,
 “or order, the sum of Thirty-five Dollars in Gold, or at the Agency
 “of the Company in London, Seven Pounds Sterling, being six
 “months’ interest due that day on Bond No. _____
 “No. _____

_____ SECRETARY,”

AND to each of said Bonds, as aforesaid, there is to be affixed the
 requisite United States Internal Revenue stamp, at, or prior to the
 sale thereof, and which may be affixed and canceled by the agent or
 officer of the said Company, or any purchaser or holder of said
 Bonds.

AND WHEREAS the said Board of Directors passed a resolution in due form, authorizing the President and Secretary of the said Railway Company to execute in their corporate name, and to affix thereto their corporate seal, a Deed of Trust to the said Farmers' Loan and Trust Company, of the City of New York, to secure the payment of the principal and interest on the said Bonds;

Now, therefore, this Indenture WITNESSETH further, that the Chicago and Illinois Southern Railway Company, in order to secure the payment of said Bonds and interest, and in consideration of ONE DOLLAR to them at the time of the sealing and delivery hereof, in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, HAVE granted, bargained, sold, transferred and conveyed, and by these presents do hereby grant, bargain, sell, transfer and convey to the said party of the second part, their successors and assigns, in the trust hereby created, the said line of Railroad of the party of the first part, commencing at the City of Mount Vernon, in the State of Indiana, and running thence to Grayville, in the State of Illinois, thence through the county of Edwards to Olney, in the County of Richland; thence through the counties of Jasper, Cumberland and Coles, to the city of Mattoon, and through the counties of Coles, Moultrie and Macon to Decatur, in the county of Macon and State of Illinois, and all the lands, depot grounds, ways, rights of way, station houses, machine and other shops, and all houses and buildings, structures, road-beds, tracks, sidings, cars, engines, tenders, rolling stock and machinery, tools, implements, fuel material, and property, both real and personal, and all the rights, credits, income, earnings, profits, choses in action and franchises of the party of the first part, connected with or appertaining to said Railroad, intending hereby to include all the property now belonging to, or which may hereafter be acquired by the party of the first part, as connected with and appertaining to the said line of Railroad, now constructed or to be constructed, equipped and operated, and all the rights and privileges and appurtenances thereunto belonging; together, also, with any and all

branches of said Railroad, now or hereafter to be acquired, owned or constructed by the party of the first part, and all the property, both real and personal, in any way or manner connected with, or appertaining to, such branches of said Railroad :

TO HAVE AND TO HOLD, the same and every part thereof, to the said party of the second part, their successors and assigns, for the purposes herein expressed, to wit :

ARTICLE 1. *Until default* shall have been made by the party of the first part in the performance of one or more of the covenants and agreements of this Indenture, and of the Bonds herein mentioned, said party of the first part shall be permitted to have and retain the exclusive control, possession and enjoyment of the premises hereby conveyed in the same manner and with the same effect as if this Indenture had not been made.

ARTICLE 2. In case of default in the payment of the principal or interest of said Bonds, or any part thereof, when the same shall have become due, according to the tenor and effect of said Bonds and of the coupons attached thereto, or in any of the requirements to be done or kept by the party of the first part, it shall be lawful for the party of the second part, their successors and assigns, after six months from such default, and upon request of a majority in interest of the holders of said Bonds, personally, or by their agents, to take possession of and manage said Railroad and property and receive the income therefrom ; and after defraying all the expenses of the road and of its needful completion, repairs, and all payments for taxes, together with a just compensation for their services, to apply the surplus of moneys so received to the payment of said Bonds and the interest thereon ratably, and, without discrimination or preference ; or said party of the second part, and their successors or assigns in this trust are hereby authorized and required, upon a written request of a majority of the holders of said Bonds, after such six months' default, to cause said premises to be sold at public auction, in the City of New York, giving at least forty days' notice of

the time, place and terms of such sale, and of the specific property to be sold, by publishing the same in two newspapers of good circulation in said city, and in one newspaper in the city of Olney, State of Illinois, and to execute to the purchaser or purchasers thereof, a good and sufficient deed of conveyance in fee simple for the same, which sale and conveyance shall be a perpetual bar against the party of the first part, their successors and assigns, and all persons claiming under them of all right, interest or claim, whether legal or equitable, in or to said premises or any part thereof; and the said trustees, their successors or assigns, shall, after deducting from the proceeds of said sale the costs and expenses thereof, and of managing such property, apply so much of the proceeds as may be necessary to the payment of said principal and interest on said Bonds, and shall restore the residue thereof to the party of the first part, it being expressly understood that in no case shall any claim or advantage be taken of any valuation, appraisement, or extension laws by the party of the first part to prevent such entry or sale, as aforesaid.

ARTICLE 3. And it is further covenanted on the part of the said party of the first part, their successors and assigns, that the proceeds of said Bonds shall be applied in good faith to the construction and equipment of said Railroad, and the putting and continuing the same in operation; and the said party of the first part further covenants with said party of the second part, and their successors or assigns, in said trust to make, execute and deliver all and singular such further assurances and instruments as shall from time to time be necessary, and as the said trustees or their counsel shall reasonably advise or require for the better assuring and securing the said trustees, their successors or assigns, in the trust hereby created in the said Railroad property, appurtenances, and effects hereby mortgaged, or intended so to be.

ARTICLE 4. *And it is hereby mutually agreed*, and these presents are upon this express condition, that on payment of the principal

and interest of said Bonds, the estate hereby granted to the said party of the second part shall be void, and the right to the premises hereby conveyed shall revert to and re-vest in the said party of the first part, in law and in fact, without any acknowledgment of satisfaction, re-conveyance, re-entry or other act; but said party of the second part, their successors or assigns, shall, if so requested thereto by the party of the first part, their successors or assigns, re-convey, re-lease, or quit-claim to said party of the first part, their successors or assigns, at the cost of the said last-named party, all and singular the premises hereinbefore mentioned.

ARTICLE 5. *And it is also further mutually agreed*, that the said party of the second part, their successors or assigns, in said trust shall be entitled to receive proper compensation for any labor or service performed by them, or by their agents or employees, in the discharge of this trust, in case they shall be compelled to take possession of said premises and manage the same; and that said Trustees, their successors or assigns, party of the second part, shall only be required to exercise a reasonable discretion and care in the selection and appointment of such agents, employees or persons.

IN WITNESS WHEREOF, the party of the first part have hereunto set their corporate seal, and the party of the second part have also affixed their signature and seal, for the purpose of evidencing the acceptance of the trust hereby created, on the day and year first above written.

HORACE HAYWARD,

Pres. C. & I. S. R. W. Co.

S. A. FULLER, *Secretary.*

XXXXXXXXXXXXXXXXXXXX
 X Chicago & Illinois X
 X Southern Railway X
 X Company. X
 XXXXXXXXXXXXXXXXXXXX

XXXXXXXXXXXXXXXXXXXX
 X Farmers' Loan and X
 X Trust Company, X
 X New York. X
 XXXXXXXXXXXXXXXXXXXX

THE FARMERS' LOAN AND TRUST COMPANY.

By R. G. ROLSTON, *President,*

Trustees.

Attest, GEORGE P. FITCH, *Secretary.*

State of Illinois, }
Richland County, City of Olney. }

BE IT REMEMBERED, That on the 24th day of May, A. D., eighteen hundred and seventy-two, personally appeared before the undersigned, a clerk of the Circuit Court, in and for said county, in the State aforesaid, and duly authorized to take the acknowledgments of deeds, etc., duly commissioned and qualified, HORACE HAYWARD, who, being duly sworn, deposes and says: That the said Horace Hayward is President, and the said S. A. FULLER, is Secretary of The Chicago and Illinois Southern Railway Company, and that they executed the foregoing Deed of Trust in pursuance of, and in obedience to, a resolution of the Board of Directors of said Company, duly passed and recorded upon the minutes of said Directors, and that the common seal affixed to said Deed is the common seal of said Company, and that they affixed it to said Deed of Trust in pursuance of said resolution directing them so to do, as evidence of the due execution of said Deed.

Given under my hand and seal, at my office, in the City of Olney, on the day and year above written.

XXXXXXXXXXXXXXXXXXXX
 X Circuit Court, X
 X Richland County, X
 X Illinois. X
 XXXXXXXXXXXXXXXXXXXX

ADEN KNOPF,
 Clerk.

State of Ohio, }
County of Cuyahoga, City of Cleveland. }

BE IT REMEMBERED, That on the 16th day of May, A. D. Eighteen hundred and seventy-two, personally appeared before me, JAMES WADE, Jr., the undersigned, a Commissioner duly authorized under and by virtue of the laws of the State of Indiana, to take the acknowledgments of deeds and to administer oaths, S. A. FULLER, who being duly sworn deposes and says: That the said HORACE HAYWARD is President, and the said S. A. Fuller is Secretary of the Chicago and Illinois Southern Railway Company, and that they executed the foregoing Deed of Trust in pursuance of, and

obedience to, a resolution of the Board of Directors of said Company, duly passed and recorded upon the minutes of said Directors, and that the common seal affixed to said deed is the common seal of said Company, and that they affixed it to said Deed of Trust in pursuance of said resolution directing them so to do, as evidence of the due execution of said Deed.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed my official seal, the day and year aforesaid.

JAMES WADE, JR.,

[SEAL.]

*Commissioner for the State of Indiana,
in Cleveland, Ohio.*

State of Ohio, }
County of Cuyahoga, City of Cleveland. }

BE IT REMEMBERED, That on the sixteenth day of May, A. D. Eighteen hundred and seventy-two, personally appeared before the undersigned, a Commissioner duly appointed and commissioned by the Governor of the State of Illinois, in and for the said City of Cleveland, S. A. FULLER, who, upon being duly sworn, deposes and says: That the said HORACE HAYWARD is President, and the said S. A. FULLER is Secretary, of The Chicago and Illinois Southern Railway Company, and that they executed the foregoing Deed of Trust in pursuance of, and in obedience to, a resolution of the Board of Directors of said Company, duly passed and recorded upon the minutes of said Directors, and that the common seal affixed to said Deed is the common seal of said Company, and that they affixed it to said Deed of Trust in pursuance of said resolution directing them so to do, as evidence of the due execution of said Deed.

GIVEN under my hand and seal, at my office, in the City of Cleveland, aforesaid, on the day and year above written.

[SEAL.]

JAMES WADE, JR.,

*Commissioner for the State of Illinois,
in Cleveland, O.*

State of Indiana, }
County of Knox. }

BE IT REMEMBERED, That on this 24th day of May, in the year one thousand eight hundred and seventy-two, personally appeared before me, the undersigned, AQUILLA P. WOODALL, Clerk of the Knox Circuit Court, duly authorized under and by virtue of the laws of the State of Indiana, to take the acknowledgment of deeds and to administer oaths, HORACE HAYWARD, who being duly sworn depose and say: That the said Horace Hayward is President, and the said Samuel A. Fuller is Secretary of The Chicago and Illinois Southern Railway Company, and that they executed the foregoing Deed of Trust in pursuance of, and in obedience to, a resolution of the Board of Directors of said Company, duly passed and recorded upon the minutes of said Directors, and that the common seal affixed to said deed is the common seal of said Company, and that they affixed it to said Deed of Trust in pursuance of said resolution directing them so to do, as evidence of the due execution of said Deed.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed my official seal, the day and year aforesaid.

AQUILLA P. WOODALL, *Clerk,*

[SEAL]

Knox Circuit Court.

State of New York, }
City and County of New York. } ss.:

BE IT REMEMBERED, That on the thirtieth day of May, A. D. one thousand eight hundred and seventy-two, in the City and County aforesaid, before me, CHARLES NETTLETON, a Commissioner, residing in said City, duly appointed and commissioned by the Governor of the State of Illinois, to take the acknowledgment and proof of the execution of Deeds and other Instruments in writing, under seal or not, to be used or recorded in said State of Illinois, and to take Depositions, &c., personally appeared Roswell G. Rolston, the President of the Farmers' Loan and Trust Company, and George P. Fitch, the Secretary of the same Company, who are to me

respectively personally known to be such officers; and the said Roswell G. Rolston and George P. Fitch, being by me each duly sworn, did depose and say: That they resided in the said City of New York; that he, the said Roswell G. Rolston, was the President of the Farmers' Loan and Trust Company; that he, the said George P. Fitch, was the Secretary of the same Company; that they knew the corporate seal of said Company; that the seal affixed to the foregoing Deed of Trust was such corporate seal; that it was affixed thereto by order of the Board of Directors of said Company, and that they signed their names thereto by the like order as the President and Secretary of said Company respectively; and the said Roswell G. Rolston and George P. Fitch also severally acknowledged to me that they had executed the foregoing Deed of Trust for the uses and purposes herein expressed, and that the same was their free act and deed, and the free act and deed of the said Farmers' Loan and Trust Company.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed my official seal as Commissioner of the said State of Illinois, at my office, in the said City of New York, this thirtieth day of May, A. D. one thousand eight hundred and seventy-two.

CHARLES NETTLETON,

[SEAL.]

*Commissioner of the State of Illinois
in the City of New York,*

117 Broadway, New York City.

State of New York,
City and County of New York. } ss. :

BE IT REMEMBERED, That on the thirtieth day of May, A. D. one thousand eight hundred and seventy-two, before me, CHARLES NETTLETON, a Commissioner in and for the State of New York, duly appointed and commissioned by the Governor of the State of Indiana, duly sworn, and dwelling in said City of New York, personally appeared Roswell G. Rolston, President of the Farmers' Loan and Trust Company, and George P. Fitch, the Secretary of the

same Company, who are to me respectively personally known to be such officers; and the said Roswell G. Rolston and George P. Fitch, being by me duly sworn, did depose and say: That he, the said Roswell G. Rolston, was the President of the said Company; that he, the said George P. Fitch was the Secretary of the same Company, and that they both resided in the said City of New York; that they knew the corporate seal of said Company; that the seal affixed to the foregoing Deed of Trust was such corporate seal; that it was affixed thereto by order of the Board of Directors of said Company, and that they signed their names thereto by the like order as the President and Secretary of said Company respectively; and the said Roswell G. Rolston and George P. Fitch also severally acknowledged the execution of the foregoing Deed of Trust, and that the same was their free act and deed, and the free act and deed of the Farmers' Loan and Trust Company for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed my official seal.

CHARLES NETTLETON,

[SEAL,]

Commissioner for Indiana in New York,
117 Broadway, New York City.

ORGANIZATION.

This Company was organized on the thirteenth day of April, 1872, under the provisions of the laws of the State of Illinois, by the consolidation of the Decatur, Sullivan and Mattoon Railroad Company, a corporation duly organized under a special charter granted by the Legislature of the State of Illinois, by an act approved March 6th, A. D., 1869, with the Chicago and Illinois Southern Railroad Company, a Company organized on the fourteenth day of April, A. D., 1870, under the provisions of the Codes of the States of Illinois and Indiana, by the consolidation of the Mount Vernon and Grayville Railroad Company, a corporation

legally organized under the general law of the State of Indiana, with the Grayville and Mattoon Railroad Company, a corporation legally formed under a charter granted by act of the Legislature of the State of Illinois, approved February 6th, A. D., 1857, thereby acquiring all the property, rights and franchises of said three original Companies, with authority to construct and equip and operate a railroad from Mount Vernon, Indiana, to Decatur, Illinois, and if deemed practical and proper, to construct said Railway to any point in Illinois north of the city of Mattoon.

ROUTE OF THE ROAD.

The line of this road begins at the City of Mount Vernon, on the Ohio river, at a point possessing superior advantages for receiving and shipping river freights, as steamers can make good landings at all stages of the river, and proceeds thence in a northerly direction *via* New Harmony to Grayville on the Wabash river, crossing that river and entering Illinois at this point, twenty-five miles from Mount Vernon.

The United States Congress, at its last session, gave special permission to this Company to construct a bridge across the Wabash river at Grayville, and constituted the same a post route.

The route of the road now proceeds in a northwesterly direction through Edwards, Richland, Jasper, Cumberland, Coles, Moultrie and Macon Counties, to the City of Decatur, passing through the City of Mattoon, in Coles County.

The entire length of the main line of this road is about one hundred and sixty-two miles, but the important branches or extensions which this Company propose to add will make eventually an entire length of upwards of Two Hundred Miles.

Character of the Country through which the Railway passes.

This Road commences at the rapidly growing City of Mount Vernon, now possessing about 5,000 people, and the route lays through the rich bottom lands of Posey County, along the Ohio

and Wabash rivers, well known for their fertility, and through the coal beds in the northern part of that County, containing valuable deposits of bituminous coal easily mined, and having this road as an only outlet.

Crossing into Illinois, at Grayville, the road passes through a series of rich farming Counties, teeming with agricultural wealth, well watered, possessing a healthful climate, and capable of furnishing a vast and constantly increasing surplus of agricultural products, which must find a market over, and contribute largely to, the resources of this road.

These Counties all show a large increase in population and products in the general census tables of 1850, 1860 and 1870.

The Road passes through the cities of Albion, Olney, Newton and Prairie City, all of which are County seats, and as such constitute the best class of cities on the line of a railroad. It must be borne constantly in mind that these portions of Illinois and Indiana are now comparatively thickly populated with a thrifty enterprising people, rendering it unnecessary for us to wait the settlement of the country in order to give business to our road.

As an evidence of the population and products of the different Counties along the line of our Road, attention is called to the subjoined tables, compiled from official data :

STATISTICAL TABLE,

SHOWING THE POPULATION AND PRODUCTIONS OF THE COUNTIES IN ILLINOIS AND INDIANA THROUGH WHICH THE CHICAGO
AND ILLINOIS SOUTHERN RAILROAD PASSES.

CENSUS OF 1869.

	Posey Co.	Edwards Co.	Jasper Co.	Cumberland Co.	Coles Co.	Moultrie Co.	Macon Co.	Richland Co.	Total.
Population.....	19,185	7,565	11,234	12,223	25,237	10,385	26,482	12,803	125,114
Bushels of Wheat.....	382,853	171,140	157,000	133,420	267,400	312,140	774,800	282,620	2,481,373
Bushels of Corn.....	907,264	733,240	1,206,760	1,294,560	2,451,480	1,728,640	3,049,200	1,041,840	12,422,984
Acres of other Cereals.....	134,047	13,926	9,850	10,047	11,804	8,302	32,840	10,326	231,142
Horses.....	6,443	3,058	4,960	5,084	10,229	5,937	10,944	4,878	51,513
Sheep.....	19,799	15,402	17,816	15,531	26,246	27,886	20,900	14,817	158,387
Mules.....	792	441	474	543	1,346	647	1,519	574	5,544
Hogs.....	14,420	12,130	11,304	10,180	26,097	13,450	25,837	11,944	125,362
Cattle.....	10,302	4,455	8,664	7,422	17,165	10,092	16,097	8,322	82,519

It will be seen by these tables that the population and productions of these counties are largely in excess of that of others more favorably situated with respect to railroad and other facilities, and leave no room for doubt that our road will be abundantly supported, and yield a large revenue from the start. It is estimated that the surplus products raised within 10 miles of this road, on either side, will amount to **12,500,000 bushels of corn, and 2,500,000 bushels of wheat**, besides which there are raised in the counties through which the road passes **50,000 horses, 6,000 mules, 80,000 cattle, 160,000 sheep, 130,000 hogs** and an unlimited amount of hay, annually.

The coal beds of Posey county will be productive as soon as transportation is furnished. This is also true of the coal mines at and near Sullivan, through which this road passes, where the coal is said to be equal to the celebrated "Brazil" coal for working iron. Coal is also found in other places along our line, which fact is confirmed by Professor E. T. Cox, State Geologist, in a recent letter to one of our Directors, and who adds the following important fact:

"Good free stone, suitable for building purposes, will be found in Posey, White, Edwards, Richland, Jasper, Cumberland and Coles counties. This fact is one of great importance to your road, as the market for building-stone is very great in Chicago: their home quarries are being fast exhausted, and they are now looking this way for their supply. In an agricultural point of view, the district through which your road will pass is one of the best in the Western country. Edwards county has about one-third prairie to two-thirds wood land, and the other counties have a fair average of prairie, woods and farm lands."

It will be seen by the census tables that the population of the counties through which we pass has increased nearly one hundred per cent. from 1850 to 1860, and fully seventy-five per cent. from 1860 to 1870, which also shows a larger populative ratio of increase than the lower counties on the line of the Illinois Central Railroad.

CONNECTIONS OF THE ROAD.

The connections of this road with others leading in almost every direction, are highly important.

The peculiar location and route of our road happily relieves it from ANY important competing lines. It must be for all time the most direct route from Chicago and the North West to the Middle and Southern States. Cincinnati voted \$10,000,000 for the construction of a road to connect with the Southern States, and to endeavor to draw to that city a portion of the Southern trade and products. When this road is completed, and its connections perfected, it will bring Chicago into as favorable connection with the South as Cincinnati can possibly obtain, and it is likely that Chicago will reap this benefit before the Cincinnati road is even commenced. A continuous line of railroad, projected and under construction, stretching through Kentucky and Tennessee, will bring the great system of Southern railroads in direct connection with ours at the Ohio River, opposite Mount Vernon.

By this connection, and with the Illinois Central Railroad (a close connection with which we have now effected) leading into Chicago, we shall give to Chicago what Cincinnati has been striving for for several years—a direct communication with the South. The merchants and business men of Chicago are fully alive to this important fact, and they look forward to the early completion of our enterprise with much interest. At Decatur this road unites upon terms of close connection with the main line of the Illinois Central Railroad, extending its connections far into the Northwest, and with other lines now built, reaching Peoria, Rock Island and other important points North and West, and with the Toledo, Wabash and Western Railroad, reaching points in the East.

At Mattoon we make a close running connection with the Chicago branch of the Illinois Central Railroad, forming a nearly straight line from the Ohio River, at Mount Vernon, to Chicago,

and forming the shortest route between Chicago, Nashville and Chattanooga, Tennessee; Charleston, S. C.; Atlanta, Macon and Savannah, Georgia, and Mobile, Alabama.

Chicago is the greatest of our meat and breadstuff cities in America. This line of road, in connection with the Illinois Central, forms the most direct route between the Grain and Meat marts, and the great Tobacco districts of Kentucky and Tennessee, and the Cotton and Rice districts of South Carolina, Georgia and Alabama, and aided, as its managers will be, by the wise and judicious counsel and advice of the officers of the Illinois Central Railroad Company, under the recently concluded traffic arrangement, in a common interest and directed to a common end, it must very soon carry a large amount of the bacon, flour and corn going South from Chicago, and bring its trains back loaded with rice, cotton and tobacco for the supply of the Northwest.

We have secured a charter for the extension of our road to Springfield, and the town and counties along the line have voted aid to enable us to build it. When this extension is built to the Capital of the State, we shall connect there with other roads, now built and in course of construction, extending North to Rock Island, and Northwest to Hannibal, Mo.; Quincy, Illinois; Keokuk and Burlington, Iowa, and the grand system of roads stretching to the far West. It will thus be seen that our Northern and Southern connections are of the greatest importance, and our Eastern and Western are no less important.

The Cairo and Vincennes Railroad crosses our road at Grayville, and will be built to Cairo, furnishing important connections.

At Olney we cross the Ohio and Mississippi Railroad, the gauge of which has been changed to the same as our road. This brings us in close connection with two very important cities, St. Louis and Cincinnati, and will open a new route to Philadelphia, Baltimore and the East, without change of cars.

In Cumberland County we cross the road running from St. Louis to Terre Haute and Indianapolis *via* Vandalia, at Mattoon we strike the Indianapolis and St. Louis Railroad.

Thus we have a road running through a rich and improving country, with superior advantages in the way of connections, with roads whose general direction and traffic will not bring them into competition with us.

Condition of the Work of Construction.

A contract for the immediate construction of the entire line has been made with energetic and responsible parties on such favorable terms as will secure its early completion. About thirty-two miles of the road between Mattoon and Decatur have been completed, and cars are now running on the same with most satisfactory and promising results. We expect the cars to run from Decatur to Prairie City, a distance of sixty miles, during the month of September next. About thirty miles of grading has been done in different sections along the line of the road. At Mount Vernon there are five miles of iron laid northerly toward Grayville. The grading of the whole line can be rapidly accomplished, as there is no heavy work and but two heavy bridges to build. The contract provides for the completion of the work in the best possible manner, and every precaution is taken to make the road first class in every respect.

Fiscal Condition of the Company.

Subscriptions to the Capital Stock of the road are as follows, and were made and voted by the people long before the adoption of the Constitution of Illinois, prohibiting any more such subscriptions:

Mount Vernon, in 7 per cent. bonds.....	\$100,000
Posey County, in cash.....	100,000
Edwards County, in 7 per cent. bonds.....	190,000
Albion Township, in 7 per cent. bonds.....	10,000
Richland County, in 7 per cent. bonds.....	200,000
Jasper County, in 10 per cent. bonds.....	100,000

Individual or Township Bonds in same county, in 10 per cent. bonds.....	\$12,500
Crooked Creek Township, in 10 per cent. bonds.....	12,500
Wade Township, in 10 per cent. bonds.....	25,000
Sumpter Township, in 10 per cent. bonds.....	25,000
Cumberland County, in 8 per cent. bonds... ..	50,000
Mattoon City, in 10 per cent. bonds.....	25,000
Mattoon Township, in 10 per cent. bonds.....	50,000
On the Decatur, Sullivan and Mattoon line, additional. ...	325,000
	<hr/>
Total.....	1,525,000
On the extension to Springfield there is also subscribed... ..	350,000
	<hr/>
Total.....	\$1,575,000

One million five hundred and seventy-five thousand dollars of good valid subscriptions to aid this enterprise, which is fully ample to prepare the road for the iron and equipment.

These cities, towns and counties are not embarrassed with debts, and have voted the subscriptions by large popular majorities, and strictly according to law. These bonds are in good demand and will be readily taken.

No doubt, therefore, need exist of our ability to prepare the road bed upon our entire line for the iron and equipment. The means are within our power, and with the energy and perseverance characterising those having the work in charge, success is certain.

EARNINGS.

Our earnings can only be assumed at present by comparison with other roads in Illinois passing through counties not so populous or productive. From a careful examination it may be safely assumed that our net earnings for the first year will provide for the payment of interest on our bonds, and show a surplus of say \$200,000, to be applied to dividend or other account.

The Illinois Central, for example, passes through a country from Cairo to Decatur not so productive or populous as this road, yet the

earnings of that road for 1870 were \$10,200 per mile, of which 95½ per cent. was received from local freights. The operating expenses were 60½ per cent., leaving 4,025 per mile net.

We have all the connections the Illinois Central have for the same distance. They run direct into Chicago, and our connection with them, under our contract, gives us all the advantages of Chicago as a terminus.

From these facts we may safely depend upon a revenue amply sufficient to provide our interest, and in due time to yield good dividends to Shareholders.

Our First Mortgage Bonds.

The whole road, franchises, properties and equipment is deeded in trust to the Farmers Loan and Trust Company of New York, and the whole issue of the bonds has been placed in the Trustees hands, subject to the order of the Board of Directors or the Executive Committee.

These bonds are issued at the rate only of Nineteen Thousand Dollars per mile, payable in thirty years from July 1, 1872, with interest at 7 per cent. in gold, payable half yearly, on the first days of January and July, at the office of the said Trustee, or in London.

The entire issue will amount to about \$3,078,000, and the traffic guaranty of the Illinois Central Railroad is printed on the margin of each bond.

The bonds are payable to the contractors as the road is fully completed in sections. Consequently, each bond issued represents a finished road to that extent.

As fast as each section of the road is finished it will be operated with ample equipment, and the net earnings applied strictly to the payment of the interest coupon on the bonds issued. Should the bonds be sold in advance of the completion of the road, the avails thereof will be deposited with the Trustee, and the money paid over to the contractors in the same manner and under the same restrictions as the bonds are.

HORACE HAYWARD, PRES.

Guarantee Contract with Illinois Central Railroad Company.

ARTICLES OF AGREEMENT made the twentieth day of May, A. D. eighteen hundred and seventy-two, between the Illinois Central Railroad Company, a corporation duly chartered and organized under the laws of the State of Illinois, party of the first part, and the Chicago and Illinois Southern Railway Company, a corporation formed by the consolidation of the Decatur, Sullivan and Mattoon Railroad Company, with the Chicago and Illinois Southern Railroad Company; the last-named company being a corporation formed by the consolidation of the Grayville and Mattoon Railroad Company, chartered under the laws of Illinois, and the Mount Vernon and Grayville Railroad Company, chartered under the laws of Indiana, party of the second part.

WITNESSETH, That, whereas, that part of the Railway of the second party, heretofore known as the Decatur, Sullivan and Mattoon Railroad, is partially constructed and in operation, and the second party now proposes to begin the construction of the remainder of its Railway between Decatur, Illinois, and Mount Vernon, Indiana.

AND, WHEREAS, It has secured municipal subscriptions and other local aid along its line to an amount about equal to the cost of preparing the roadway for the track, and now proposes to issue its First Mortgage Gold Bonds, dated May third, A. D. 1872, bearing seven per cent. gold interest, principal payable July first, 1902, and certified by the Trustees hereinafter referred to, to the amount of nineteen thousand dollars per mile on the whole Railway from Decatur, Illinois, to Mount Vernon, Indiana; said bonds being secured by a mortgage or deed of trust executed by said party of the second part to the Farmers' Loan and Trust Company of New York, which mortgage bears even date with said bonds, and which has been duly recorded in the counties through which the Railway runs. And, whereas, the second party is desirous of making a traffic arrangement with the first party under which the first party, in consideration of receiving from the second party, its successors

and assigns, all the freight and passenger business passing over any part of the road of the second party, and which may lawfully be controlled by it, destined to points which can be reached by the road of the first party or its connections, will invest a portion of its earnings thereon in the said First Mortgage Bonds of the second party; the parties hereto have made the following agreement, to wit:

First—The party of the second part, the Chicago and Illinois Southern Railway Company, for itself and its successors and assigns, agrees to send via the road of the first party, for the term of thirty years from the third day of May, A. D. 1872, all passenger and freight business passing over the whole or any part of its line, and destined to St. Louis, Cairo, or any point south and west thereof, or to Chicago and points on or north of the Michigan Central route to the New England States, and to points north and northwest of Decatur, which can be reached by the Illinois Central Railroad and its connections, and to intermediate points on said Illinois Central Railroad and the roads operated by it, so far as they can lawfully control the routes thereof, and so far as the first party can give equal rates to those offered by any other route. And the said party of the second part will use all legitimate efforts to cause business from its line to be conveyed by the routes of the said party of the first part.

Second—In the division of earnings on business between the roads of the first and second parties, the second party shall be allowed an equitable proportion, to be from time to time fixed between the parties, on the basis used between the Illinois Central Railroad Company and other connecting railways. The Chicago and Illinois Southern Railway Company shall not make lower rates on business from its intersection of one line of the first party's road destined to points on the other line of said first party's road or its connections than are made by the first party.

Third—The second party will not move the cars of other companies over its road, or any part thereof, with freight or passengers

to or from the territory reached by the road of the Illinois Central Railroad Company, its branches or connections, without the consent of the said party of the first part.

Fourth—Said Chicago and Illinois Southern Railway Company agrees to place upon its said railroad rolling stock, which, with the necessary buildings and fixtures to be erected on the line of the same, shall be worth in the aggregate at least the sum of three thousand five hundred dollars (3,500) per mile of its said road.

Fifth—The party of the first part will, in consideration of the performance of the covenants to be performed by the said second party, its successors and assigns, annually, from and after the completion of the road of the second party, between Decatur and Mattoon, Illinois, and its connection at both points with the lines of the first party for the term of thirty years from the twentieth day of May, A. D. 1872, set apart fifteen per cent. of the gross earnings of its said road on all passengers received from the road of the party of the second part from stations more than six miles from any point on its own road, and fifteen per cent. of its gross earnings on all freight received from the road of the second party from stations more than six miles from its own line and transported by it, upon which it earns one and forty-seven-hundredths cents per ton per mile, or more, and upon freight yielding it between one and a-quarter and one and forty-seven-hundredths cents per ton per mile, it will set apart the excess over one and a-quarter cents per ton per mile as a fund to invest in the said First Mortgage Bonds of the Chicago and Illinois Southern Railway Company, at a price not exceeding their par value with accrued interest in lawful money.

Sixth—The first party will, on or before the first day of March, of the year following the completion of the railroad of the second party between Decatur and Mattoon, and will annually thereafter during the term above-named, notify the second party of the amount of fund set apart as above provided, whereupon the second party shall give four weeks' notice in a daily newspaper published in the City of New York, of the amount so set apart by the first party

for the purchase of said Bonds, and request proposals at its office in the City of New York from the holders of the Bonds, for the sale thereof, to the amount of said fund ; and should there be offered and presented Bonds exceeding in amount, at the price at which they are offered, the amount of the fund set apart for the purchase of the Bonds, then the party of the first part shall take the bonds offered at the lowest price to an amount equal to the sum set apart for the purchase thereof. The holders of Bonds wishing to avail themselves of said fund so set apart for the purchase of Bonds, and who have made proposals as aforesaid, may each year present them for purchase at the office of the first party, in the City of New York, within sixty days from the date of said notice, and said fund shall be applied by said party of the first part to the purchase of said Bonds, as stipulated above, provided the price shall not exceed the par value of the Bonds and accrued interest, in lawful money. Should Bonds not be presented to said first party within the time specified, to wit : sixty days from the date of said notice, in amount sufficient to exhaust all the gross earnings set apart as aforesaid, then whatever remains, after purchasing such as may be presented for sale, shall belong to the party of the first part, and be no longer subject to the purchase of bonds.

Seventh—Said parties of the first and second parts shall each keep a registry of all the Bonds so purchased by said first party, and at the time of the purchase and delivery of the Bonds to the party of the first part, there shall be stamped on the copy of this agreement, printed on the margin of said Bonds, the words, “ This agreement cancelled,” and which Bonds shall not be again purchased by the first party, out of the gross earnings set apart as aforesaid.

Eighth—A copy of this agreement shall be printed on the margin of each of the Bonds issued under the First Mortgage herein named.

IN TESTIMONY WHEREOF, The parties hereto now duly execute this contract ; the party of the first part by affixing the signature of its President, and the Seal of its Corporation ; and the party of the

second part by affixing the signatures of its President and Secretary, and the Seal of its Corporation, this tenth day of July, A. D. Eighteen hundred and seventy-two.

(Signed,) JOHN NEWELL,

[SEAL.]

*President of the Illinois Central
Railroad Company.*

HORACE HAYWARD,

*President of the Chicago and Illinois
Southern Railway Company.*

S. A. FULLER,

Secretary Chicago and Illinois

[SEAL.]

Southern Railway Company.

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