

ARTICLE TWELVE.**Concerning the Trustee.**

SECTION 1. The Trustee accepts the trusts hereby created but only upon the following terms and conditions, to all of which the Company and all of the holders of the Bonds and coupons at any time outstanding, by their acceptance thereof agree:

(a) The recitals herein and in the Bonds and coupons contained shall be taken as the statements of the Company and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representation as to the value or condition of the mortgaged property or any part thereof, or as to the security afforded thereby and hereby, or as to the validity of the lien of this Indenture or as to the validity of the Bonds issued hereunder, and the Trustee shall incur no responsibility in respect of any such matters.

(b) The Trustee shall be under no duty to file, register or record or cause to be filed, registered or recorded this Indenture, or any supplement thereto, as a mortgage, conveyance or transfer of real or personal property or otherwise or to refile, re-register or re-record or renew the same, and the holders of all the Bonds at any time issued and outstanding hereunder release the Trustee of and from its failure so to file, register or record or refile, re-register or re-record or renew this Indenture or any such supplement, and the bondholders shall rely solely upon the Company and not upon the Trustee for said filing or registering or recording or re-filing or re-registering or re-recording or renewing, and the Trustee shall be under no duty or obligation with respect thereto, except to receive and hold the opinion or opinions of counsel referred to in Section 9 of Article Seven. The Trustee shall be under no duty to procure or renew nor be liable for any failure of the Company to procure or renew insurance or for the responsibility of insurers or for the failure of the Company to pay any tax or taxes with respect of the mortgaged property or any part thereof or otherwise, nor shall the Trustee be under any responsibility or duty with respect to any tax which may be assessed against it or 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 an-

swerable 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 a 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 hereunder 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,