

exchanged as aforesaid shall be in bearer form or, if registered, accompanied by a written instrument of transfer in form approved by the registrar, duly executed by the registered owner or by his duly authorized attorney. At the option of the registered owner, and upon payment of the charge therefor provided for in Section 12 of the Mortgage, any fully registered bonds of the Third Series, upon surrender thereof, for cancellation, at said office or agency of the Company together with a written instrument of transfer in form approved by the registrar duly executed by the registered owner or by his duly authorized attorney, shall be exchangeable for a like aggregate principal amount of coupon bonds of the same series, with all unmatured coupons attached, or for a like aggregate principal amount of fully registered bonds of the same series of other authorized denominations. The bonds of the Third Series may bear such legends as may be necessary to comply with any law or with any rules or regulations made pursuant thereto or with the rules or regulations of any stock exchange or to conform to usage with respect thereto.

The holder of any coupon bond of the Third Series may have the ownership thereof registered as to principal at the office or agency of the Company in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer of such bond shall be valid unless made at said office or agency by the registered holder in person or by his duly authorized attorney and similarly noted on such bond; but the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer. Fully registered bonds of the Third Series shall also be transferable at said office or agency of the Company.