

of the properties and franchises mortgaged and pledged, the nature and extent of security and the rights of the holders of the Bonds and appurtenant coupons, if any, and the rights, duties and immunities of the Trustees thereunder.

No reference herein to the Indenture and no provision of this Bond or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Bond at the time and place and at the rate or rates and in the currency herein prescribed.

This Bond is one of a series of the Bonds known as Consolidated Mortgage 3 $\frac{7}{8}$ % Bonds, Series Z, due September 1, 1977, created by a First Supplemental Indenture dated as of March 15, 1971 to the Indenture. The aggregate principal amount of Bonds of Series Z which may be outstanding at any time is limited to the principal amount of \$6,300,000, except as otherwise provided in the Indenture.

The Bonds are issuable in series and the several series of Bonds may be for varying aggregate principal amounts, and the Bonds of any one series may differ from the Bonds of any other series as to denomination, date, maturity, interest rate, coupons, redemption, conversion and sinking fund provisions, if any, place or places and money or moneys of payment, registration, exchanges and otherwise, all as in the Indenture provided.

If an Event of Default as defined in the Indenture shall occur, the principal of the Bonds may be declared and may become due and payable in the manner and with the effect provided in the Indenture. In addition, the Bonds of Series Z may become due and payable in the manner and with the effect provided in the First Supplemental Indenture.

The Indenture permits the amendment thereof and the modification or alteration in any respect of the rights and obligations of the Company and the rights of the holders of the Bonds of all or any series and the holders of appurtenant coupons, if any, thereunder at any time by the concurrent action of the Company and of the holders of specified percentages of the Bonds then outstanding affected by such amendment, modification or alteration, including, in the case, among others, of a modification of the terms of payment of the principal of, or interest on, this Bond, or of a change in any such specified percentage, the consent of the holder hereof, all as more fully provided in the Indenture.

To the extent provided in the First Supplemental Indenture, the transfer of this Bond is registrable at the office or agency of the Company in the Borough of Manhattan, City and State of New York, upon the surrender