

"Bonds" means bonds authenticated and delivered under this Indenture.

The words "Bond", "bondholder", "holder" and "owner" shall include the plural as well as the singular number.

The term "business day" means any Monday, Tuesday, Wednesday, Thursday or Friday which is not a day on which banking institutions in The City of New York are lawfully authorized to close.

The term "Capital Account", whenever used in this Indenture with reference to a designated number, means the account set out in the Interstate Commerce Commission's Uniform System of Accounts for Railroad Companies at the date of this Indenture bearing the designated number, or any account which shall serve substantially the present function of said account maintained by the Company in accordance with the Accounting Rules.

"Capital Deductions" means:

(1) The sum of

(a) depreciation accrued on a straight line basis after December 31, 1970 on Bondable Additions which are made by Bondable Expenditures within subparagraph (1) of the definition of Bondable Expenditures herein,

(b) the amounts credited after December 31, 1970 to the Company's Capital Accounts 731 and 737 by reason of the retirement of such Bondable Additions, but only to the extent of the undepreciated balance thereof as of the date of retirement and excluding retirements referred to in (c) hereof,

(c) the estimated net salvage value of such Bondable Additions retired following abandonment of operation thereof pursuant to Interstate Commerce Commission authority, and

(d) all credits made after December 31, 1970 to the accounts to which were charged Bondable Expenditures for the acquisition of Common Stock, if such credits are with respect to such Common Stock;

less

(2) The sum of

(e) cash paid, and the principal amount of purchase money, conditional sale or similar obligations delivered, to the Corporate