Capital Properties, Inc.

A Rhode Island Corporation
5 Steeple Street, Unit 303
Providence, RI 02903

(401) 435-7171
www.cappropinc.com
info@cappropinc.com

SIC Code: 6519

Quarterly Report

For the period ending June 30, 2026
(the "Reporting Period")

The number of shares outstanding of our Common Stock is 6,599,912 as of June 30, 2026 and December 31, 2025.

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act):

Yes ☐ No ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:
Yes ☐ No ☒

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:
Yes ☐ No ☒

FORWARD LOOKING STATEMENTS

Certain portions of this report, and particularly the Management's Discussion and Analysis of Financial Condition and Results of Operations, contain forward-looking statements within the meaning of Sections 27A of the Securities Act of 1933, as amended, and Sections 21E of the Securities Exchange Act of 1934, as amended, which represent the Company's expectations or beliefs concerning future events. The Company cautions that these statements are further qualified by important factors that could cause actual results to differ materially from those in the forward-looking statements, including, without limitation, the following: the ability of the Company to generate adequate amounts of cash; the collectability of the excess of straight-line over contractual rents when due over the terms of the long-term leases; tenant default under one or more of the leases; the commencement of additional long-term land leases; changes in economic conditions that may affect either the current or future development on the Company's parcels; cyber penetrations; the long-term impact of the hybrid workplace model on future development, existing tenants and parking operations, and the Company's financial performance; and exposure to remediation and other costs associated with its former operation of the petroleum storage facility. The Company does not undertake the obligation to update forward-looking statements in response to new information, future events or otherwise.

Item 1 **Exact name of the issuer and the address of its principal executive offices.**

Capital Properties, Inc.
5 Steeple Street, Unit 303
Providence, RI 02903
Phone: (401) 435-7171
Website: www.cappropinc.com

Investor Relations
5 Steeple Street, Unit 303
Providence, RI 02903
Phone: (401) 435-7171
Email: info@capppropinc.com

Check box if principal executive office and principal place of business is the same address: ☒

Item 2 **Shares outstanding.**

Class A common stock, $.01 par**:**

	Quarter ended June 30, 2026	Year ended December 31, 2025	2024
Number of shares authorized	10,000,000	10,000,000	10,000,000
Number of shares outstanding	6,599,912	6,599,912	6,599,912
Freely tradeable shares (public float)	3,145,257	3,145,257	3,145,257
Number of shareholders owning at least 100 shares	**	**	**
Total number of shareholder of record	293	301	315

** The number of beneficial shareholders of Capital Properties, Inc. owning at least 100 shares exceeds 100.

PART I

Item 3 Interim financial statements.

CAPITAL PROPERTIES, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2026 (Unaudited)	December 31, 2025
ASSETS		
Properties and equipment (net of accumulated depreciation)	$ 6,283,000	$ 6,326,000
Cash and cash equivalents	1,922,000	1,511,000
Investments	1,353,000	1,353,000
Operating right-of-use asset	320,000	337,000
Prepaid and other	271,000	363,000
Prepaid income taxes	-	30,000
Deferred income taxes, discontinued operations	119,000	145,000
	$ 10,268,000	$ 10,065,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Property taxes	$ 222,000	$ 222,000
Other liabilities	339,000	235,000
Income taxes payable	72,000	-
Operating lease liability	325,000	337,000
Deferred income taxes, net	283,000	338,000
Environmental remediation accrual, discontinued operations (Note 10)	433,000	530,000
	1,674,000	1,662,000
Shareholders' equity:		
Class A common stock, $.01 par; authorized 10,000,000 shares; issued and outstanding 6,599,912 shares	66,000	66,000
Capital in excess of par	782,000	782,000
Retained earnings	7,746,000	7,555,000
	8,594,000	8,403,000
	$ 10,268,000	$ 10,065,000

See notes to the condensed consolidated financial statements.

CAPITAL PROPERTIES, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS
THREE AND SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue	$ 1,672,000	$ 1,643,000	$ 3,138,000	$ 3,078,000
Expenses:				
Operating	236,000	214,000	504,000	461,000
General and administrative	362,000	363,000	704,000	740,000
	598,000	577,000	1,208,000	1,201,000
Income from continuing operations before income taxes	1,074,000	1,066,000	1,930,000	1,877,000
Income tax expense:				
Current	332,000	298,000	606,000	485,000
Deferred	(36,000)	(16,000)	(55,000)	6,000
	296,000	282,000	551,000	491,000
Income from continuing operations	778,000	784,000	1,379,000	1,386,000
Loss on sale of discontinued operations, net of tax (Note 10)	-	-	-	(4,000)
Net income	778,000	784,000	1,379,000	1,382,000
Retained earnings, beginning	7,562,000	7,034,000	7,555,000	6,898,000
Dividends on common stock based on 6,599,912 shares	(594,000)	(462,000)	(1,188,000)	(924,000)
Retained earnings, ending	$ 7,746,000	$ 7,356,000	$ 7,746,000	$ 7,356,000
Basic income (loss) per common share based upon 6,599,912 shares outstanding:				
Continuing operations	$ 0.12	$ 0.12	$ 0.21	$ 0.21
Discontinued operations	-	-	-	-
Total basic income per common share	$ 0.12	$ 0.12	$ 0.21	$ 0.21

See notes to the condensed consolidated financial statements.

CAPITAL PROPERTIES, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Unaudited)

	Six Months Ended June 30,	
	2026	2025
Cash flows from operating activities:		
Continuing operations:		
Income from continuing operations	$ 1,379,000	$ 1,386,000
Adjustments to reconcile income from continuing operations to net cash provided by operating activities, continuing operations:		
Depreciation	43,000	43,000
Amortization, right-of-use asset	17,000	-
Deferred income taxes	(55,000)	6,000
Changes in assets and liabilities:		
Income taxes	102,000	(9,000)
Prepaid and other	92,000	113,000
Other liabilities	104,000	(137,000)
Operaing right-of-use liability	(12,000)	-
Net cash provided by operating activities, continuing operations	1,670,000	1,402,000
Cash flows from investing activities:		
Investments:		
Purchase	-	(1,325,000)
Maturity	-	1,294,000
Net cash used in investing activities, continuing operations	-	(31,000)
Discontinued operations:		
Loss of sale of discontinued operation	-	(4,000)
Adjustment to loss on sale of discontinued operation, deferred income taxes and other	26,000	5,000
Cash used to settle obligations	(97,000)	(14,000)
Net cash used in investing activities, discontinued operations	(71,000)	(13,000)
Net cash used in investing activities	(71,000)	(44,000)
Cash flows from financing activities, payment of dividends	(1,188,000)	(924,000)
Increase in cash and cash equivalents	411,000	434,000
Cash and cash equivalents, beginning	1,511,000	850,000
Cash and cash equivalents, ending	$ 1,922,000	$ 1,284,000
Supplemental disclosures:		
Cash paid for income taxes:		
Federal	$ 345,000	$ 358,000
State:		
Florida	8,000	-
Massachusetts	16,000	16,000
Rhode Island	110,000	115,000
	$ 479,000	$ 489,000

See notes to the condensed consolidated financial statements.

CAPITAL PROPERTIES, INC. AND SUBSIDIARY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Unaudited)

1. Description of business:

The operations of Capital Properties, Inc. and its wholly-owned subsidiary, Tri-State Displays, Inc. (collectively "the Company") consist of the long-term leasing of certain of its real estate interests in the Capital Center area in downtown Providence, Rhode Island (upon the commencement of which the tenants have been required to construct buildings thereon, with the exception of the parking garage), and the leasing of locations along interstate and primary highways in Rhode Island and Massachusetts to Lamar Outdoor Advertising, LLC ("Lamar") which has constructed outdoor advertising boards thereon. The Company anticipates that the future development of its remaining properties in the Capital Center area will consist primarily of long-term ground leases. Pending this development, the Company leases these undeveloped parcels (other than Parcel 6C) for public parking to Metropark, Ltd.

2. Basis of presentation and summary of significant accounting policies:

Principles of consolidation:

The accompanying condensed consolidated financial statements include the accounts and transactions of the Company. All significant intercompany accounts and transactions have been eliminated in consolidation.

The accompanying condensed consolidated balance sheet as of December 31, 2025 has been derived from audited financial statements. The unaudited interim condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the OTCQX Alternative Reporting Guidelines. Certain information and note disclosures normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted pursuant to those rules and regulations, although the Company believes that the disclosures made are adequate to make the information not misleading. It is suggested that these condensed consolidated financial statements be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's latest Annual Report for the year ended December 31, 2025.

In the opinion of management, the accompanying condensed consolidated financial statements contain all adjustments (consisting solely of normal recurring adjustments) necessary to present fairly the financial position as of June 30, 2026 and the results of operations for the three and six months ended June 30, 2026 and 2025, and cash flows for the six months ended June 30, 2026 and 2025.

The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year.

Use of estimates:

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Environmental incidents:

The Company accrues a liability when an environmental incident has occurred and the costs are estimable. The Company does not record a receivable for recoveries from third parties for environmental matters until it has determined that the amount of the collection is reasonably assured. The accrued liability is relieved when the Company pays the liability or a third party assumes the liability. Upon determination that collection is reasonably assured or a third party assumes the liability, the Company records the amount as a reduction of expense.

Fair value of financial instruments:

The Company believes that the fair values of its financial instruments, including cash and cash equivalents, receivables and payables, approximate their respective book values because of their short-term nature. The fair values described herein were determined using quoted prices in an active market (Level 1) and significant other observable inputs (Level 2) as defined by GAAP.

3. Investments:

At June 30, 2026, Investments consist of U.S. Treasury securities that yield 3.73% and mature in September 2026. The Company classifies its U. S. Treasury securities as held-to-maturity in accordance with ASC 320 *Investments - Debt and Equity Securities*. Held-to-maturity securities are those securities which the Company has the ability and intent to hold until maturity. Held-to-maturity treasury securities are recorded at amortized cost on the accompanying consolidated balance sheet and adjusted for the amortization or accretion of premiums or discounts.

4. Properties and equipment:

Properties and equipment consist of the following:

	Estimated Life in Years	June 30, 2026	December 31, 2025
Land and land improvements on lease or held for lease		$ 4,439,000	$ 4,439,000
Building and improvements, Steeple Street	30	2,582,000	2,582,000
		7,021,000	7,021,000
Less accumulated depreciation:			
Land improvements on lease or held for lease		93,000	93,000
Steeple Street property		645,000	602,000
		738,000	695,000
		$ 6,283,000	$ 6,326,000

5. Liabilities, other:

Liabilities, other consist of the following:

	June 30, 2026	December 31, 2025
Deposits and prepaid rent	$ 254,000	$ 150,000
Other	85,000	85,000
	$ 339,000	$ 235,000

6. Note Payable - Revolving Credit Line:

The Company's financing agreement ("Agreement") with BankRI, a division of Beacon Bank & Trust, provides for a revolving line-of-credit ("Line") with a maximum borrowing capacity of $2,000,000 through March 2027. Amounts outstanding under the Agreement bear interest at the Secured Overnight Financing Rate ("SOFR") plus 200 basis points. Borrowings under the Line are secured by a First Mortgage on Parcel 5 in Capital Center in Providence, Rhode Island (the "Property"). The Line requires the maintenance of a debt service coverage ratio of not less than 1.25 to 1.0 on the Property and 1.20 to 1.0 for the Company. The Agreement contains other restrictive covenants, including, among others, a $250,000 limitation on the purchase of its outstanding capital stock in any twelve-month period. No advances have been made under the Line.

7. Shareholders' Equity and Voting Trust Arrangement:

On May 22, 2026, the Eder 2022 Community Property Trust ("Eder Trust") and Robert H. Eder and Stephen J. Carlotti entered into a Voting Trust Agreement by which legal title to 3,453,420 shares of the Company's Class A Common Stock representing 52.3% of the issued and outstanding shares was transferred to Robert H. Eder and Stephen J. Carlotti in their capacity as Trustees of the Voting Trust (the "Voting Trust"). On May 26, 2026 the Eder Trust transferred all of the Class A shares owned by it to the trustees of the Voting Trust. The Voting Trust Agreement has a term of ten (10) years and contains terms and provisions customary for such instruments. As a result of the May 26, 2026 transfer, the Eder Trust has beneficial ownership in and to all shares deposited with the Trustees. The Voting Trust was created to ensure continuity of control of the Company.

Subsequently, on June 22, 2026, the Eder Trust transferred voting trust certificates representing a beneficial interest in 3,453,420 shares of the Company's Class A Common Stock to Cap-Prop, LLC, a Delaware limited liability company (the "LLC") of which Robert H. Eder is the sole manager, in exchange for 100% of the membership interests in the LLC. As manager, Mr. Eder has the power to sell or otherwise take any action with respect to the voting trust certificates owned by the LLC.

On July 29, 2026, the parties to the Voting Trust terminated the Voting Trust Agreement and directed the trustees to transfer registered ownership of the 3,453,420 shares of the Company's Class A common stock to the LLC. The transfer is in process.

8. Description of leasing arrangements:

Long-term land leases:

Through June 30, 2026 the Company had entered into eight long-term land leases, all of which have completed construction of improvements thereon. The Company's leases generally have a term of 99 years or more, are triple net and provide for periodic rent adjustments of various types depending on the particular lease and otherwise contain terms and conditions normal for such instruments.

Under the eight land leases, the tenants may negotiate tax stabilization treaties or other arrangements, appeal any changes in real property assessments, and must pay real property taxes assessed on land and improvements. Accordingly, real property taxes payable by the tenants are excluded from both leasing revenues and leasing expenses on the accompanying condensed consolidated statements of income and retained earnings. For the three and six months ended June 30, 2026, real property taxes attributable to the land under lease totaled $168,000 and $335,000, respectively and reflect the 2026 assessment recently issued. For the three months and six months ended June 30, 2025, the amounts totaled $196,000 and $392,000, respectively.

In the event of tenant default, the Company has the right to reclaim its leased land together with any improvements thereon, subject to the right of any leasehold mortgagee to enter into a new lease with the Company within sixty days containing the same terms and conditions as the lease in default.

Under two of the long-term land leases, the Company receives contingent rentals (based on a fixed percentage of gross revenue received by the tenants) which totaled $34,000 and $64,000 for the three and six months ended June 30, 2026, respectively and $31,000 and $60,000 for the same periods in 2025.

Tri-State Displays Inc. leases 23 outdoor advertising locations containing 44 billboard faces along interstate and primary highways in Rhode Island and Massachusetts to Lamar under a lease which expires in 2057. The Lamar lease provides, among other things, for the following: (1) the base rent will increase annually at the rate of 2.75% for each leased billboard location on June 1 of each year, and (2) in addition to base rent, for each 12-month period commencing each June 1 (each 12-month period a "Lease Year"), Lamar must pay to the Company within thirty days after the close of the Lease Year, contingent rent of 30% of the gross revenues from each standard billboard and 20% of the gross revenues from each electronic billboard for such Lease Year, reduced by the sum of (a) commissions paid to unrelated third parties and (b) base rent paid to the Company for each leased billboard location. Leasing revenue includes $201,000 and $187,000 of contingent rent for both the three and six months ended June 30, 2026 and 2025, respectively.

Parking lease:

The Company leases the undeveloped parcels of land in the Capital Center area (other than Parcel 6C) and Parcel 20 for public parking purposes to Metropark under a ten-year lease (the "Parking Lease"). The Parking Lease is cancellable as to all or any portion of the leased premises at any time on thirty days' written notice in order for the Company or any new tenant of the Company to develop all or any portion of the leased premises. The Parking Lease provides for contingent rentals (based on a fixed percentage of gross revenue in excess of the base rent). There was no contingent rent for the three and six months ended June 30, 2026 and 2025.

At June 30, 2026 and December 31, 2025, Prepaid and other in the accompanying condensed consolidated balance sheet includes $75,000 and $97,500 respectively, related to a note from Metropark to the Company issued in settlement of deferred rent that was accumulated during the COVID-19 Pandemic. The note is payable in equal quarterly installments of $7,500 with interest on the unpaid balance in the amount of 4.73% per annum.

Revenue from Metropark was $181,000 and $362,000 for the three and six months ended June 30, 2026, respectively, and $176,000 and $352,000 for the same periods in 2025 and is included in Revenues on the accompanying consolidated condensed statement of income.

Historically, the Company has made financial statement disclosure of the excess of straight-line rentals over contractual payments and its determination of collectability of such excess. To the extent the Company determines that, with respect to any of its leases, the excess of straight-line rentals over contractual payments is not collectible, such excess is not recognized as revenue. Consistent with prior conclusions, the Company has determined that, at this time, the excess of straight-line rentals over contractual payments is not probable of collection. Accordingly, the Company has not included any part of that amount in revenue. As a matter of information only, as of June 30, 2026 the excess of straight-line rentals (calculated by excluding variable payments) over contractual payments was $100,962,000.

9. Income taxes, continuing operations:

Deferred income taxes are recorded based upon differences between financial statement and tax basis amounts of assets and liabilities. The tax effects of temporary differences for continuing operations which give rise to deferred tax assets and liabilities are as follows:

	June 30, 2026	December 31, 2025
Gross deferred tax liabilities:		
Property having a financial statement basis in excess of tax basis	$ 364,000	$ 364,000
Accounts receivable	45,000	43,000
Right-of-use asset - operating	88,000	92,000
Insurance premiums and accrued leasing revenues	29,000	56,000
	526,000	555,000
Gross deferred tax assets:		
Prepaid rent	(70,000)	(41,000)
Accounts payable and accrued expenses	(23,000)	(23,000)
Accrued property taxes	(61,000)	(61,000)
Lease liability - operating	(89,000)	(92,000)
	(243,000)	(217,000)
	$ 283,000	$ 338,000

10. Discontinued operations:

Prior to February 2017, the Company operated a petroleum storage facility ("Terminal") through two wholly owned subsidiaries. On February 10, 2017, the Terminal was sold to Sprague Operating Resources, LLC ("Sprague"). In accordance with ASC 205-20, *Presentation of Financial Statements – Discontinued Operations*, the sale of the Terminal was accounted for as a discontinued operation.

As part of the Terminal Sale Agreement, the Company agreed to retain and pay for the environmental remediation costs associated with the 1994 storage tank fuel oil leak which allowed the escape of a small amount of fuel oil. In 2025, the Company engaged a new environmental consultant to perform the tasks necessary to facilitate the preparation and filing of a Remedial Action Work Plan (RAWP) Addendum. For the year ended December 31, 2025, the Company incurred costs of $59,000 and increased the amount accrued by $246,000 resulting in a liability of $530,000. For the six months ended June 30, 2026, the Company incurred costs of $97,000 which was charged against the environmental remediation accrual resulting in a liability of $433,000 at June 30, 2026. The Company estimates that approximately $96,000 will be incurred during the remainder of 2026. Any subsequent increases or decreases to the expected cost of remediation will be recorded in the Company's condensed consolidated income statement as gain or loss on sale of discontinued operations.

The Terminal Sale Agreement also contained a cost sharing provision for a breasting dolphin whereby any construction costs incurred more than the contract cost of construction would be borne equally by Sprague and the Company subject to certain limitations, including, in the Company's opinion, a 20% cap on the increase from the initial estimate, subject to a sharing arrangement. In November 2019, Sprague asserted that it was owed $427,000 and the Company asserted that its obligation under the Agreement could not exceed $104,000. Mediation efforts were unsuccessful and in July 2021, Sprague commenced an action against the Company in the Rhode Island Superior Court (Superior Court) seeking monetary damages of $427,000, interest and attorney's fees. In December 2022, the Superior Court denied Sprague's Motion for Summary Judgment filed in September 2022 and granted in part and denied in part the Company's Cross Motion for Summary Judgment also filed in September 2022. The matter went to trial before the Superior Court in May 2024. On October 28, 2024, the Superior Court rendered its decision and found that the Company's obligation with respect to the increased cost of constructing the breasting dolphin was $104,000. On January 24, 2025 the Superior Court entered judgment for Sprague in the amount of $173,000 which included, as required by law, prejudgment interest at 12% per annum. The $173,000 judgment was paid on January 29, 2025. Neither the Company nor Sprague appealed the judgment within the applicable time period

Loss on sale of discontinued operations on the condensed consolidated statements of income and retained earnings includes no legal and professional fees related to the Sprague Litigation for the three months and six months ended June 30, 2026 and $0 and $8,000 for the same periods in 2025.

11. Segment information:

As the Company operates solely within the leasing industry, it constitutes a single reportable segment, with all revenues, operating expenses and assets attributable to this segment reflected in the consolidated financial statements. The Company's chief operating decision maker (CODM), Robert H. Eder, Chairman/President evaluates performance based on the consolidated results.

The following information is used by the CODM for making operating decisions and assessing the performance of the leasing segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues:				
Long-term land leases:				
Contractual	$ 896,000	$ 891,000	$ 1,786,000	$ 1,776,000
Contingent	33,000	32,000	64,000	60,000
Billboard leases:				
Contractual	280,000	273,000	557,000	543,000
Contingent	201,000	187,000	201,000	187,000
Short-term leases:				
Contractual	236,000	237,000	480,000	465,000
Interest income	26,000	23,000	50,000	47,000
	$ 1,672,000	$ 1,643,000	$ 3,138,000	$ 3,078,000
Property tax expense	$ 111,000	$ 79,000	$ 222,000	$ 222,000
Income from continuing operations	$ 778,000	$ 784,000	$ 1,379,000	$ 1,386,000
Assets	$ 10,268,000	$ 9,364,000	$ 10,268,000	$ 9,364,000

12. Subsequent events:

At the July 29, 2026 regularly scheduled quarterly board meeting, the Board of Directors voted to declare a quarterly dividend of $.09 per share for shareholders of record on August 14, 2026, payable August 21, 2026.

Item 4 Management's Discussion and Analysis of Financial Condition and Results of Operations.

1. Overview:

Critical accounting policies:

The Company believes that its revenue recognition policy for long-term leases with scheduled rent increases meets the definition of a critical accounting policy which is discussed in the Company's Annual Report for the year ended December 31, 2025. There have been no changes to the application of this accounting policy since December 31, 2025.

2. Liquidity and capital resources:

Historically, the Company has had adequate liquidity to fund its operations.

Cash and cash commitments:

At June 30, 2026, the Company had cash and cash equivalents of $1,922,000. In addition to these funds, the Company has $1,353,000 invested in U.S. Treasury securities that yield 3.73% and mature in September 2026.

To date, all tenants have paid their monthly rent in accordance with their lease agreements.

The Terminal Sale Agreement and related documentation provides that the Company is required to secure an approved remediation plan and to remediate contamination caused by a leak in 1994 from a storage tank at the Terminal. At June 30, 2026, the Company's accrual for the remaining cost of remediation was $433,000 of which $96,000 is expected to be incurred during the balance of 2026. Any subsequent increases or decreases to the expected cost of remediation will be recorded in gain (loss) on sale of discontinued operations, net of taxes.

The declaration of future dividends will depend on future earnings and financial performance.

3. **Results of operations:**

Three months ended June 30, 2026 compared to three months ended June 30, 2025:

Revenue increased $29,000 from 2025 and consists of increased contractual and contingent revenue from Lamar ($21,000), scheduled rent increases ($5,000) and a net increase in other sources of revenue ($3,000),

Operating expenses increased $22,000 due principally to an increase in property taxes ($34,000) as 2025 included an adjustment that reduced property tax expense to reflect the amount assessed by the City of Providence and repairs and maintenance costs associated with Steeple Street building ($36,000) offset by a reduction in professional fees related to the Company's billboard operations ($48,000).

General and administrative expenses are consistent with the prior period.

Six months ended June 30, 2026 compared to six months ended June 30, 2025:

Revenue increased $60,000 from 2025, due principally to scheduled rent increases and contingent rent associated with our land leases ($14,000), an increase in contingent and contractual rent from Lamar ($28,000), increased revenue from Metropark ($9,000), along with an increase in other revenue ($9,000).

Operating expenses increased $43,000 due to increased repairs and maintenance associated with the Steeple Street building ($46,000) and rent for leased billboard location ($12,000) and offset by an decrease in professional fees associated with billboard operations ($18,000) and a net increase in other operating expenses ($3,000).

General and administrative expense decreased $36,000 due principally to decreased payroll related costs ($8,000), office expenses ($3,000), professional fees ($20,000) and a net decrease in various other expenses ($5,000).

The Company’s effective income tax rate is approximately 28.5% and 26% of income before income taxes for the six months ended June 30, 2026 and 2025, respectively.

Item 5 Legal proceedings.

Not applicable.

Item 6 Defaults upon senior securities.

Not applicable

Item 7 Other information.

Not applicable

Item 8 Exhibits

Voting Trust Agreement dated May 22, 2026 attached hereto as Exhibit 1.

Item 9 Certifications.

I, Robert H. Eder, certify that:

(i) I have reviewed this Quarterly Disclosure Statement of Capital Properties, Inc.;

(ii) Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

(iii) Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: August 10, 2026

By: /s/ Robert H. Eder
Robert H. Eder
Chairman and Principal Executive Officer

Item 9 Certifications.

I, Susan R. Johnson, certify that:

(i) I have reviewed this Quarterly Disclosure Statement of Capital Properties, Inc.;

(ii) Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

(iii) Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: August 10, 2026

By: /s/ Susan R. Johnson
Susan R. Johnson
Treasurer and Principal Financial Officer

DATED: August 10, 2026

EXHIBIT 1

VOTING TRUST AGREEMENT

THIS VOTING TRUST AGREEMENT is entered into by Robert H. Eder of Palm Beach, Florida and Stephen J. Carlotti of Newport, Rhode Island (the foregoing, along with their successors in trust, collectively hereinafter sometimes being referred to as the "Trustees") with an address c/o Hinckley Allen, 100 Westminster Street, Suite 1400, Providence, Rhode Island 02903, Capital Properties Inc., a Rhode Island corporation (the "Company") with an address of 5 Steeple Street, Unit 303, Providence, Rhode Island 02903 and Robert H. Eder of Palm Beach Florida and Steven W. Gold in their capacities as the trustees of The Eder 2022 Community Property Trust (the "Stockholder" or the "Trust") with an address of 130 Sunrise Avenue, Apt. 507, Palm Beach, Florida 33480.

Preliminary Statement

The Stockholder is the owner of 3,453,420 shares of the Class A Common Stock of the Company in book entry form which shares represent approximately 53% of the issued and outstanding Class A Common Stock of the Company. Pursuant to Section 12.1.32 the trustees of the Trust are authorized to enter into a voting trust agreement. The Trust provides for certain distributions upon the death of the said Robert H. Eder. Stockholder wishes by the creation of this Voting Trust to ensure continuity of control of the Company. The Trustees have consented to act under this Agreement for the purposes hereinafter provided.

Agreements

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good, valuable and sufficient consideration, the receipt and sufficiency whereof is hereby acknowledged, the parties hereto promise, covenant, undertake and agree as follows:

1. Transfer of Stock to Trustees. The Stockholder shall cause the Shares as set forth in Exhibit A to be registered in the name of the Trustees in book entry form, and shall also deposit with the Trustees certificates representing any other shares of capital stock of the Company

having general voting powers which he, she or it acquires during the term of this Agreement (the shares set forth in Exhibit A and any other shares required to be deposited with the Voting Trustees pursuant to this Agreement are hereinafter referred to as the "Shares"). All such stock certificates shall be so endorsed, or accompanied by such instruments of transfer as to enable the Trustees to cause such certificates to be transferred into the names of the Trustees, which the Trustees shall forthwith cause to be done as hereinafter provided. Upon receipt by the Trustees of proper notification of the transfer of the same into the names of the Trustees, the Trustees shall hold the same subject to the terms of this Agreement and shall thereupon issue and deliver to the Stockholder, voting trust certificates representing his interests in the Company's capital stock deposited pursuant to this Agreement. All certificates for the Company's capital stock transferred and delivered to the Trustees pursuant hereto shall be surrendered by the Trustees to the Company and cancelled and new certificates therefor shall be issued to and held by the Trustees.

2. Agreement. Copies of this Agreement and of every agreement supplemental hereto or amendatory hereof shall be provided to each person depositing stock with the Trustees under this Agreement and to the Company, and shall be filed and maintained by the Trustees at the offices of Hinckley Allen, 100 Westminster Street, Suite 1400, Providence, Rhode Island 02903 (or at such other place as the Trustees shall from time to time determine and to which they shall give written notice to all parties to this Agreement), and shall be open to inspection by any beneficiary of the trust under this Agreement, daily during business hours. All voting trust certificates shall be issued, received and held subject to all of the terms of this Agreement. All persons, firms, corporations, or organizations for whose benefit stock is deposited hereunder who accept a voting trust certificate issued hereunder, shall be bound by the provisions of this Agreement with the same effect as if they had executed this Agreement.

3. Voting Trust Certificates. Each voting trust certificate to be issued and delivered by the Trustees in respect of the capital stock of the Company, as hereinbefore provided, shall state the

number of shares which it represents, shall be signed by one of the Trustees and shall be in substantially the form of Exhibit B hereto.

4. Transfer of Certificates.

4.01 Transfer of any voting trust certificate shall be subject to any restrictions, provisions and conditions applicable to the stock which it represents, whether imposed by law, specified on such stock certificates or specified in this Agreement or in any other agreement. Subject to the provisions of the foregoing, the voting trust certificates shall be freely transferable on the books of the Trustees, at such office as the Trustees may designate, by the registered owner thereof, either in person or by attorney duly authorized, upon surrender thereof, according to the rules established for that purpose by the Trustees, and the Trustees may treat the registered holder as owner thereof for all purposes whatsoever, but they shall not be required to deliver new voting trust certificates hereunder without the surrender of such existing voting trust certificates.

4.02 If a voting trust certificate is lost, stolen, mutilated or destroyed, the Trustees, in their discretion, may issue a duplicate of such certificate upon receipt of: (i) evidence of such fact satisfactory to them; (ii) indemnity satisfactory to them; (iii) the existing certificate, if mutilated; and (iv) their reasonable fees and expenses in connection with the issuance of a new trust certificate.

4.03 The Trustees shall not be required to recognize any transfer of a voting trust certificate not made in accordance with the provisions hereof, unless the person claiming such ownership shall have produced indicia of title satisfactory to the Trustees and shall, in addition, deposit with the Trustees indemnity satisfactory to them.

5. Term. This Agreement will become effective when signed by all the parties hereto and will continue for a period of ten years unless sooner terminated by a written declaration of termination signed by all of the Trustees and by the holders of a majority in interest of the voting trust certificates.

6. Termination Procedure.

6.01 Upon the termination of the voting trust at any time, as hereinafter provided, the Trustees shall mail written notice of such termination to the registered owners of the voting trust certificates, at the addresses appearing on the transfer books of the Trustees. From the date specified in any such notice (which date shall be fixed by the Trustees) the voting trust certificates shall cease to have any effect, and the holders of such voting trust certificates shall have no further rights under this voting trust other than to receive certificates for shares of stock of the Company or other property distributable under the terms hereof upon the surrender of such voting trust certificates.

6.02 Within 30 days after the termination of this voting trust, the Trustees shall deliver to the registered holders of all voting trust certificates, stock certificates for the number of shares of such class or classes of the Company's capital stock represented thereby as to which they shall be entitled upon the surrender for cancellation of such voting trust certificates, properly endorsed or accompanied by properly endorsed instruments of transfer, if appropriate, at the place designated by the Trustees and after payment, if the Trustees so require, by the persons entitled to receive such stock certificates of, any tax or governmental charge in respect of the transfer or delivery of such stock certificates.

6.03 If the Trustees for any reason shall be unable to comply with the provisions of the preceding paragraph, the Trustees may, at any time subsequent to 30 days after the termination of this Agreement, deposit with the Company stock certificates representing the number of shares of capital stock represented by the voting trust certificates then outstanding, along with written authority to the Company to deliver such stock certificates in exchange for voting trust certificates representing a like interest in the capital stock of the Company; and upon such deposit, all further liability of the Trustees for the delivery of such stock certificates and the delivery or payment of dividends upon surrender of the voting trust certificates, shall cease, and the Trustees shall not be required to take any further action hereunder.

7. Dividends.

7.01 If any dividend in respect of the stock deposited with the Trustees is paid, in whole or in part, in stock of the Company having general voting powers, the Trustees shall likewise hold, subject to the terms of this Agreement, the stock certificates which are received by them on account of such dividend, and the holder of each voting trust certificate representing stock on which such dividend has been paid shall be entitled to receive a voting trust certificate issued under this Agreement for the number of shares and class of stock received as such dividend with respect to the shares represented by such voting trust certificate. Holders entitled to receive the dividends discussed above shall be those registered as such on the transfer books of the Trustees at the close of business on the day fixed by the Company or by law for the taking of a record to determine those holders of its stock entitled to receive such dividends.

7.02 If any dividend in respect of the stock deposited with the Trustees is paid other than in capital stock of the Company having general voting powers, then the Trustees shall promptly distribute the same among the holders of voting trust certificates registered as such at the close of business on the day fixed by the Company or by law for the taking of a record to determine the holders of stock entitled to receive such distribution. Such distribution shall be made to such holders of voting trust certificates ratably, in accordance with the number of shares represented by their respective voting trust certificates.

7.03 In lieu of receiving cash dividends upon the capital stock of the Company and paying the same to the holders of voting trust certificates pursuant to the provisions of this voting trust, the Trustees may instruct the Company in writing to pay such dividends directly to the holders of the voting trust certificates specified by the Trustees. Upon receipt of such written instructions, the Company shall pay such dividends directly to the holders of the voting trust certificates. The Trustees may at any time before such payment revoke such instructions and by written notice to the Company direct it to make dividend payments to the Trustees. The Company shall not be liable to any holder of a voting trust certificate or any person claiming to be entitled to any such dividends by reason of adhering to any written instructions of the Trustees.

8. Subscription Rights. If any stock or other securities of the Company are offered for subscription to all the holders of the Company's capital stock deposited hereunder, the Trustees promptly, upon receipt of notice of such offer, shall mail a copy thereof to each of the registered holders of the voting trust certificates. Upon receipt by the Trustees, at least five days prior to the last day fixed by the Company for subscription and payment, of a request from any such registered holder of voting trust certificates to subscribe in his behalf, accompanied by the sum of money required to pay for such stock or securities (or a promise to pay such sum), the Trustees shall make such subscription and payment (or a promise to make such payment), and upon receipt from the Company of the certificates for shares or securities so subscribed for, shall issue to such holder a voting trust certificate in respect thereof if the same be stock having general voting powers, but if the same be securities other than stock having general voting powers, the Trustees shall mail or deliver such securities to the certificate holder in whose behalf the subscription was made, or may instruct the Company to make delivery directly to the certificate holder entitled thereto.

9. Dissolution of Company. In the event of the dissolution or total or partial liquidation of the Company, whether voluntary or involuntary, the Trustees shall receive the moneys, securities, rights, or property to which the holders of the Company's capital stock deposited hereunder are entitled, and shall distribute the same among the registered holders of voting trust certificates in proportion to their interests, as shown by the transfer books of the Trustees, or the Trustees may in their discretion deposit such moneys, securities, rights, or property with any bank or trust company, licensed and doing business in the State of Rhode Island, with authority and instructions to distribute the same as provided, and upon such deposit, all further obligations or liabilities of the Trustees in respect of such moneys, securities, rights, or property so deposited shall cease.

10. <u>Reorganization of Company</u>. In case the Company is merged into or consolidated with another corporation, or all or substantially all of the assets of the Company are transferred to another corporation, then in connection with such transfer the term "Company" for all purposes of this Agreement shall be taken to include such successor corporation, and to the extent such stock has general voting powers the Trustees shall receive and hold under this Agreement any stock of such successor corporation received on account of the ownership, as Trustees hereunder, of the stock held hereunder immediately prior to such merger, consolidation and transfer; but if such stock shall not possess general voting powers such stock shall be distributed to the certificate holders in accordance with Section 7.02 hereof. Voting trust certificates issued and outstanding under this Agreement at the time of such merger, consolidation or transfer may remain outstanding or the Trustees may, in their discretion, substitute for such voting trust certificates new voting trust certificates in appropriate form, and the terms "stock" and "capital stock" as used herein shall be taken to include any stock which may be received by the Trustees in lieu of all or any part of the capital stock of the Company.

11. <u>Rights, Powers and Duties of Trustees</u>.

11.01 Until the actual delivery to the holders of voting trust certificates issued hereunder of stock certificates in exchange therefor, and until the surrender of the voting trust certificates for cancellation, title to all the Company's stock deposited hereunder shall be vested in the Trustees, and the Trustees shall have the right, acting as hereinafter provided, to exercise in person or by their nominees or proxies, all stockholders' rights and powers in respect of all stock deposited hereunder, including the right to vote thereon and to take part in or consent to any corporate or stockholders' action of any kind whatsoever, whether ordinary or extraordinary. The right to vote shall include the right to vote for the election of directors and in favor of or against any resolution or proposed action of any character whatsoever, which may be presented at any meeting or require the consent of stockholders of the Company. It is expressly understood and agreed that the holders of voting trust certificates shall not have any right, either under said voting trust certificates or under this Agreement, or under any agreement express or implied, or otherwise, with respect to any Shares held by the Trustees hereunder to vote such Shares or to take part in or consent to any corporate action, or to do or perform any other act or thing which the holders of the Company's common stock are now or may hereafter become entitled to do or perform.

11.02 In voting the stock held by them hereunder, either in person or by their nominees or proxies, the Trustees shall exercise their best judgment to select suitable directors of the Company and shall otherwise, insofar as they may as stockholders of the Company, take such part or action in respect to the management of its affairs as they deem necessary to the end that the Trustees may be advised of the affairs of the Company and the management thereof; and in voting upon any matters that may come before them at any stockholders' meeting, the Trustees shall exercise like judgment, but no Trustee shall be personally responsible with respect to any action taken pursuant to the Trustees' vote so cast or in any matter or act committed or omitted to be done under this Agreement, provided such commission or omission does not amount to willful misconduct on the Trustee's part. No Trustee shall be responsible for any vote or act committed or omitted to be done by any predecessor or successor Trustee or otherwise except for the Trustee's own individual willful misconduct.

11.03 The Trustees shall at all times keep, or cause to be kept, complete and accurate records of all Shares deposited with them hereunder, the identity, addresses and ownership of the depositing stockholders, and all certificates of beneficial interest issued by the Trustees. Such records shall be open to inspection by any depositing stockholder at all reasonable times.

11.04 Whenever action is required of the Trustees, such action may be taken at a meeting of the Trustees or by written consents signed by the Trustees. Except as otherwise expressly provided herein, the concurrence of a majority of the Trustees shall be necessary for the validity of any action taken by them. A certificate signed by any Trustee shall be conclusive evidence to all persons as to who are then serving as Trustees and as to the taking of any action by the Trustees.

11.05 Except for transfers to voting trust certificate holders as permitted or required herein and except for transfer or pledge necessary to satisfy the indemnity obligations set forth in Section 13 hereof, the Trustees shall not sell, transfer, hypothecate, pledge or otherwise create any lien against the Shares without the prior express written approval or direction of the holders of a majority of the outstanding voting trust certificates.

11.06 At any time when there are two or more trustees serving hereunder, the trustees may delegate to one of the trustees the power to exercise all or any part of the powers granted to the Trustees hereunder and thereafter during the period of such delegation, all delegated powers shall be exercised by such trustee and shall be conclusively presumed to have been approved by the trustees. Any such delegation may be terminated at any time by a vote of a majority of the trustees.

12. Successor Trustees.

12.01 In the event of the resignation, refusal to act, death or permanent disability or incapacity to act of any of the Trustees named herein (the disability or incapacity having been certified by two doctors licensed to practice medicine in the state where the Trustee shall then reside), the remaining Trustee or Trustees (acting unanimously) may, by written notice to the Secretary of the Company and all voting trust certificate holders signed and delivered at any time before or after the need for a successor Trustee arises, (a) determine that no successor Trustee need be appointed in which event the remaining Trustee or Trustees will continue to serve hereunder, or (b) may designate a successor Trustee. If for any reason there are no Trustees holding office and no successor Trustees have been designated, the successor Trustees will be the person or persons appointed by a vote of a majority in interest of the \registered holders of the voting trust certificates. Any such vote of such registered holders shall be taken at a special meeting of such holders called by the Company for such purpose in the manner provided in

Paragraph 14 hereof. Pending any appointment of a successor Trustee, the remaining Trustee or Trustees shall have and may exercise all the rights, powers and privileges conferred upon the Trustees by this Agreement. The rights, powers and privileges of each of the Trustees named hereunder shall be possessed by any Successor Trustee with the same effect as though such successor had originally been a party to this Agreement.

12.02 The Trustees shall affix their signatures to this Agreement and each successor Trustee shall accept appointment or election hereunder by affixing his or her signature to this Agreement within 30 days after notification of his or her appointment or election as such. By affixing their signatures to this Agreement, the Trustees and each successor Trustee agree to be bound by the terms hereof.

13. Compensation and Reimbursement of Trustees. The Trustees shall serve without compensation. The Trustees shall have the right to incur and pay such reasonable expenses and charges and to employ and pay such agents, attorneys and counsel as they may deem necessary and proper. Any such expenses or charges incurred by and due to the Trustees may be deducted from the dividends, proceeds, or other money or property received by the Trustees on the stock deposited hereunder, and any expenses or charges not thus paid will be paid by the Company. Nothing herein contained shall disqualify any Trustee or his successor Trustee, or any firm in which he is interested, from serving the Company or any of its subsidiaries as an officer or director or in any other capacity (including without limitation as legal counsel or financial adviser) or from holding any class of stock in the Company or becoming a creditor of the Company or otherwise dealing with it in good faith, or from depositing his stock in trust pursuant to this Agreement. The provisions of the foregoing notwithstanding, each Trustee shall be entitled to be fully indemnified by the assets contained in this Voting Trust against all costs, charges, expenses, loss, liability and damage (other than those for which the Trustee is responsible under Paragraph 11.02 hereof) incurred by the Trustee in the administration of this trust or in the exercise of any power conferred upon the Trustees by this Agreement.

14. Meeting of Voting Trust Certificate Holders. A meeting of the voting trust certificate holders may be called at any time by any one of the Trustees and must be called by the Trustees, if any, otherwise by the Company, if required under Paragraph 12 hereof. Written notice of any such meeting shall be given to all registered holders of voting trust certificates, and such notice shall contain the date, time and place of such meeting. At any such meeting, a quorum shall consist of a majority in interest of the registered holders of voting trust certificates.

15. Amendments. This Agreement may be amended by a written amendment signed by all the Trustees and by the holders of a majority in interest of the voting trust certificates.

16. Sale and Transfer of Company's Stock. Except as otherwise provided in this Agreement, the Trustees shall not sell, hypothecate, pledge, assign or otherwise transfer the stock of the Company held pursuant to this Agreement.

17. Notices; Distributions.

17.01 Unless otherwise specifically provided in this Agreement, any notice to or communication with the holders of the voting trust certificates hereunder shall be deemed to be sufficiently given or made if mailed, postage prepaid or by a recognized overnight carrier with proof of delivery, to such holders at their respective addresses appearing on the transfer books of the Trustees, which shall in all cases be deemed to be the addresses of voting trust certificate holders for all purposes under this Agreement, without regard to what other or different addresses the Trustees may have for any voting trust certificate holder on any other books or records of the Trustees. Every notice so given shall be effective, whether or not received, and the date of mailing shall be the date such notice is deemed given for all purposes.

17.02 Any notice to any Trustee hereunder shall be sufficient if mailed, postage prepaid, by certified or registered mail or by recognized overnight carrier with proof of delivery to the Trustee at the address set forth in the introduction to this Agreement with a copy sent to the Company at its principal place of business. Each Trustee may from time to time, by written notice given to the Company at its principal place of business, designate another address to which notices intended for the Trustee shall be sent.

17.03 All distributions of cash, securities, or other property hereunder by the Trustees to the holders of voting trust certificates may be made, in the discretion of the Trustees, by mail (regular, registered or certified mail, as the Trustees may deem advisable) or recognized overnight carrier with proof of delivery, in the same manner as hereinabove provided for the giving of notices to the holders of voting trust certificates.

18. Miscellaneous. This Agreement will be construed in accordance with, and governed by, the laws of the State of Rhode Island. This Agreement is binding upon and will inure to the benefit of the parties hereto and their respective heirs, administrators, executors, successors and assigns. Paragraph titles are for convenience of reference only and are not to be considered in the interpretation or construction of any of the provisions hereof. The invalidity or unenforceability of any term or provision of this Agreement or of any voting trust certificate shall in no way impair or affect the balance hereof or thereof, which shall remain in full force and effect. This Agreement may be executed in any number of counterparts, each of which, when executed shall be deemed to be an original and all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the 22nd day of May, 2026.

In the presence of:	Capital Properties, Inc. as to Sections 6.03,7.03,12.01, and 17.02 only
____________________	By____________________ Susan R. Johnson, Treasurer

Alexander Gardner

Robert H. Eder, individually and
in his capacity as trustee of
The Eder 2022 Community Property Trust

Alexander Gardner

Steven W. Gold, in his capacity as trustee of
The Eder 2022 Community Property Trust

Linda Kalenkiewicz

Stephen J. Carlotti

Exhibit A

Stockholder	Number of Shares
The Eder 2022 Community Property Trust_	3.453.420

Exhibit B

VOTING TRUST CERTIFICATE

No.__________________ Shares_______________

This certifies that the undersigned trustees have received a certificate or certificates in the name of _______________________ ___________________(the "Certificate Holder") evidencing ownership of ______________shares of the Class A Common Stock of Capital Properties, Inc, a Rhode Island corporation (the "Company"), and that said shares are held subject to all of the terms and conditions of a certain Voting Trust Agreement dated May 22, 2026 , (the "Agreement") between, among others, Robert H. Eder and Stephen J. Carlotti as Trustees, and the Certificate Holder, and the Certificate Holder is entitled to all of the benefits set forth in the Agreement. Copies of the Agreement and of every amendment and supplement thereto are on file at the offices of Hinckley Allen, 100 Westminster Street, Suite 1400, Providence, Rhode Island 02903 and shall be available for the inspection of every beneficiary thereof during normal business hours. The Certificate Holder, by the acceptance hereof, assents to and is bound by such Agreement with like effect as if the Agreement had been signed by him or her in person. This certificate bears the legend:

> "This Certificate subject to a certain Voting Trust Agreement, dated , by and among Robert H. Eder and Stephen J. Carlotti as Trustees, and certain stockholders of the Company, a copy of which agreement will be furnished by the Trustees to the holder of this certificate upon written request and without charge, and these Certificates can only be transferred subject to, and in accordance with, the Agreement."

Subject to the provisions of the foregoing, this certificate is transferable only on the books of the trustees, by the registered holder in person or the holder's duly authorized attorney, and the holder hereof, by accepting this certificate, manifests the holder's consent that the trustees may treat the registered holder hereof as the true owner for all purposes, except the delivery of stock certificates, which delivery shall not be made without the surrender of this certificate or otherwise pursuant to the Agreement.

IN WITNESS WHEREOF, the trustees have executed this certificate on the   day of

______________________________.

Trustees

By______________________________

Trustee