

next date upon which they may be redeemed with sinking fund moneys under Section 2.03 hereof, or if not redeemable for sinking fund purposes such price shall not exceed the sinking fund redemption price of Series A Bonds applicable on the next ensuing September 1.

SECTION 2.03. If upon any July 16 the Corporate Trustee shall not have purchased bonds in an amount sufficient to exhaust the sinking fund moneys available therefor, the amount of such moneys remaining unexpended, if \$25,000 or more (or any amount less than \$25,000, if so requested by the Company), shall be applied by the Corporate Trustee on the next September 1 to the redemption of outstanding Series A Bonds, in the manner and with the same effect as provided in Article Three of the Mortgage for redemption of Bonds at the option of the Company, at redemption prices which shall be the following percentages of their principal amount:

On September 1, 1951, at 103% ;
 on September 1, 1952, at 102½% ; thereafter
 to and including September 1, 1954, at 102¼% ; thereafter
 to and including September 1, 1956, at 102% ; thereafter
 to and including September 1, 1958, at 101¾% ; thereafter
 to and including September 1, 1961, at 101½% ; thereafter
 to and including September 1, 1964, at 101¼% ; thereafter
 to and including September 1, 1967, at 101% ; thereafter
 to and including September 1, 1970, at 100¾% ; thereafter
 to and including September 1, 1973, at 100½% ; thereafter
 to and including September 1, 1976, at 100¼% ; and
 thereafter at 100%

provided, however, that at the option of the Company exercised by notice in writing delivered to the Corporate Trustee on or before July 20 in any year, any Optional Use Payment which has not been exhausted by purchase of bonds for the sinking fund pursuant to Section 2.02 shall be applied, as a whole or in part as directed by the Company, to the redemption for sinking fund purposes of Qualified