

ARTICLE ONE.**Creation of Series E Bonds.**

SECTION 1.01. There shall be a Series of Bonds designated "General Mortgage 4.95% Bonds, Series E, due July 1, 1988", limited in aggregate principal amount to \$37,443,000, except for Bonds issued in lieu of lost, stolen or destroyed Bonds. The Series E Bonds (a) shall be dated July 1, 1963 (except that registered Bonds shall be dated as of the date of authentication); (b) shall mature July 1, 1988; (c) shall bear interest at the rate of 4.95% per annum, payable semi-annually on January 1 and July 1 in each year commencing with January 1, 1964; (d) shall be payable both as to principal and interest at the office or agency of the Company in the Borough of Manhattan, the City of New York, State of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts; (e) shall be issuable in the form of coupon Bonds, registrable as to principal, of the denomination of \$1,000 and of registered Bonds without coupons of the denomination of \$1,000 or any multiple of \$1,000, and the coupon Bonds and registered Bonds without coupons of the several denominations shall be interchangeable and transferable and the coupon Bonds shall be registrable as to principal at the office or agency of the Company in the Borough of Manhattan, the City of New York, State of New York, in the manner provided in Article One of the Mortgage, but without service charge to the holder thereof; (f) shall be redeemable before maturity at the option of the Company, as a whole or in part, on any date on and after July 1, 1968, upon the notice and in the manner provided in Article Three of the Mortgage, at redemption prices which shall be the following percentages of their principal amount:

If Redeemed During Twelve Months' Period Commencing July 1

| Year | % | Year | % | Year | % |
|-------------|----------|-------------|----------|-------------|----------|
| 1968..... | 104.95 | 1975..... | 103.15 | 1982..... | 101.35 |
| 1969..... | 104.70 | 1976..... | 102.90 | 1983..... | 101.05 |
| 1970..... | 104.45 | 1977..... | 102.65 | 1984..... | 100.80 |
| 1971..... | 104.20 | 1978..... | 102.35 | 1985..... | 100.55 |
| 1972..... | 103.95 | 1979..... | 102.10 | 1986..... | 100.30 |
| 1973..... | 103.65 | 1980..... | 101.85 | 1987..... | 100.00 |
| 1974..... | 103.40 | 1981..... | 101.60 | | |