

The Indenture contains provisions for a sinking fund for the retirement of Bonds of the 1981 Series, and the Bonds of that Series are subject to redemption for the sinking fund, on May 1, 1963 and on each November 1 and May 1 thereafter, by the giving of notice as provided in the next preceding paragraph, upon payment of the principal amount thereof plus accrued interest to the date fixed for redemption; all as provided in the Indenture.

To the extent permitted by, and as provided in, the Indenture, modifications or alterations of the Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Company and of the holders of the Bonds and coupons may be made with the consent of the Company, upon the written consent of the holders of not less than $66\frac{2}{3}\%$ in principal amount of the Bonds then outstanding, or by an affirmative vote of not less than $66\frac{2}{3}\%$ in principal amount of the Bonds entitled to vote then outstanding, at a meeting of Bondholders called and held as provided in the Indenture, and, in case one or more but less than all of the series of Bonds then outstanding under the Indenture are so affected, upon the written consent of the holders of not less than $66\frac{2}{3}\%$ in principal amount of the Bonds of each series then outstanding and affected by such modification or alteration or by an affirmative vote of not less than $66\frac{2}{3}\%$ in principal amount of the Bonds of each series entitled to vote then outstanding and affected by such modification or alteration; provided, however, that no such modification or alteration shall be made which will affect the terms of payment of the principal of, or interest or premium, if any, on this Bond, or permit the creation of any lien equal or prior to the lien of the Indenture or deprive the holder hereof of the benefit of the lien on the mortgaged property, or reduce the percentage of the principal amount of the Bonds required for any modification or alteration of the Indenture.

In case an event of default, as defined in the Indenture, shall occur, the principal of all the Bonds at any such time outstanding under the Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Indenture. The Indenture provides that such declaration may in certain events be rescinded by the holders of a majority in principal amount of the Bonds outstanding.