

MORTGAGE OF REAL ESTATE

STATE PRINTING-JANARD CO.-BERKEVILLE

any substantial part, of the mortgaged property as an entirety to, any other corporation, or permit any other corporation, or permit any other corporation to merge into it, except as provided in Article XII.

SECTION 17. That the Company will, subject to the provisions of Article XII, at all times maintain its corporate existence and right to carry on business and duly procure all renewals and extensions thereof, and, subject to the provisions of this Indenture, will diligently maintain preserve and renew, all the rights, powers, privileges and franchises owned by it.

SECTION 18. That the recitals of fact and statements contained in this Indenture are true.

ARTICLE V.

REDEMPTION OF BONDS.

SECTION 1. With respect to any particular series of Bonds, the Company may reserve the right to redeem and pay off before maturity all or any part of the Bonds of such series at such time or times and from time to time, and on such terms, as the Board of Directors may determine and as shall be expressed in the Bonds of such series.

In case the Company shall desire to exercise such right to redeem all, or, as the case may be, any part of the Bonds, in accordance with the right reserved so to do, it shall give, in the manner provided in this Indenture or in the supplemental indenture creating the Bonds of such series and expressed in such Bonds, a notice or notices to the effect that the Company has elected to redeem all the Bonds or all the Bonds of a particular series or a part thereof, as the case may be, on a date therein designated, specifying, in the case of redemption of less than all series, the serial designation of the Bonds to be redeemed, and, in the case of partial redemption of any series, the distinctive numbers of the Bonds to be redeemed (to be stated in any one or more of the following ways--individually, in groups from one number up to another inclusive, or in groups from one number to another inclusive except such as shall have been previously called for redemption or otherwise retired), and in every case stating that on said date there will become and be due and payable upon each Bond so to be redeemed, at the principal office of the Trustee in the Borough of Manhattan, The City of New York, and at any other agency of the Company in such city or cities, if any, at which the principal of the Bonds so to be redeemed is payable, the full principal thereof or a specified amount of the principal thereof, as the case may be, together with the accrued interest on such principal to such date, with such premium, if any, as is specified in such Bonds, and that from and after such date interest thereon will cease to accrue. If notice by publication (if required) is duly given, failure to give notice by mail (if required) with respect to such redemption or any defect therein or in the mailing thereof shall not affect the validity of the proceedings for the redemption of any Bonds so to be redeemed.

In case the Company desires to redeem less than all the outstanding Bonds of any series, it shall, in each such instance, notify the Trustee in writing of its desire so to do and of the aggregate principal amount of the Bonds of such series to be redeemed, and thereupon the Trustee shall draw by lot, in any manner deemed by it proper, the Bonds to be redeemed, and shall notify the Company in writing of the numbers of the Bonds so drawn. The Bonds may be drawn by lot individually or, in the discretion of the Trustee, in groups of Bonds consecutively numbered or both such methods either including or excluding, for the purpose of such grouping, the numbers of Bonds previously called for redemption or otherwise retired. In case the Trustee shall draw the Bonds to be redeemed by lot from the distinctive numbers of the Bonds reserved against and exchangeable for outstanding Bonds, the outstanding Bonds with respect to which such numbers have been so drawn (to the extent of the principal amount of the reserved Bonds of which such numbers shall have been so drawn) shall be the Bonds designated for redemption. If there shall be drawn a number of a Bond which is reserved for exchange for any outstanding Bond of a large denomination the Company, upon surrender of such outstanding Bond for redemption, shall execute and the