

MORTGAGE OF REAL ESTATE

$2\frac{1}{4}\%$ of the principal amount of bonds redeemed on or after May 1, 1952, and before May 1, 1954;
 2% of the principal amount of bonds redeemed on or after May 1, 1954, and before May 1, 1956;
 $1\text{-}3/4\%$ of the principal amount of bonds redeemed on or after May 1, 1956, and before May 1, 1957;
 $1\frac{1}{8}\%$ of the principal amount of bonds redeemed on or after May 1, 1957, and before May 1, 1959;
 $1\frac{1}{4}\%$ of the principal amount of bonds redeemed on or after May 1, 1959 and before May 1, 1960;
 1% of the principal amount of bonds redeemed on or after May 1, 1960, and before May 1, 1961;
 $3/4\%$ of the principal amount of bonds redeemed on or after May 1, 1961 and before May 1, 1963;
 $\frac{1}{2}\%$ of the principal amount of bonds redeemed on or after May 1, 1963, and before May 1, 1964;
 $\frac{1}{4}\%$ of the principal amount of bonds redeemed on or after May 1, 1964, and before November

1, 1964;

Without premium if redeemed on or after November 1, 1964.

At the option of the holder and upon payment of the charge therefor provided in Section 12 hereof, any coupon bonds of the 1965 Series upon surrender thereof with all unmatured coupons appertaining thereto at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall be exchangeable for a like aggregate principal amount of fully registered bonds of the same series of authorized denominations; all such coupon bonds to be exchanged as aforesaid shall be in bearer form or, if registered, accompanied by a written instrument of transfer in form approved by the registrar duly executed by the registered owner or by his duly authorized attorney. At the option of the registered owner, and upon payment of the charge therefor provided for in Section 12 hereof, any fully registered bonds of the 1965 Series, upon surrender thereof, for Cancellation, at said office or agency of the Company together with a written instrument of transfer in form approved by the registrar duly executed by the registered owner or by his duly authorized attorney, shall be exchangeable for a like aggregate principal amount of coupon bonds of the same series, with all unmatured coupons attached, or for a like aggregate principal amount of fully registered bonds of the same series of other authorized denominations. The bonds of the 1965 Series may bear such legends as may be necessary to comply with any law or with any rules or regulations made pursuant thereto or with the rules or regulations of any stock exchange or to conform to usage with respect thereto.

The holder of any coupon bond of the 1965 Series may have the ownership thereof registered as to principal at the office or agency of the Company in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer of such bond shall be valid unless made at said office or agency by the registered holder in person or by his duly authorized attorney and similarly noted on such bond; but the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer. Fully registered bonds of the 1965 Series shall also be transferable at said office or agency of the Company.

ARTICLE III.

GENERAL PROVISIONS AS TO ISSUE OF BONDS.

SECTION 20. The aggregate principal amount of bonds which may be secured by this Indenture shall be such aggregate principal amount as may now or hereafter from time to time to authenticated and delivered under the provisions hereof, provided, however, that until an indenture or indentures supplemental hereto shall be executed and delivered by the Company to the Trustees pursuant to authorization by the Board of Directors of the Company and filed for record in all counties in which the Mortgaged and Pledged Property is located, increasing or decreasing the amount of future advances and other indebtedness and sums which may be secured by this Indenture, this Indenture may secure future advances and other indebtedness and sums not to exceed in the aggregate Two Hundred Million Dollars (\$200,000,000), and all such advances and other indebtedness and sums shall be secured by this Indenture equally, to the same extent and with the same priority, as the amount originally advanced on the security of this Indenture, viz.: Forty-six Million Dollars (\$46,000,000) and such advances and other indebtedness and sums may be made or become owing and may be repaid and again made or become owing and the amount so stated shall be considered only as the total amount of such advances and other indebtedness and sums as may be outstanding at one time. Upon the execution, delivery and filing for record of such indenture or indentures supplemental hereto, increasing or decreasing the amount of future advances and other indebtedness and sums which may be secured by this Indenture, the amount of future advance and other indebtedness and sums which may be secured by this Indenture shall be the amount stated in the last such indenture supplemental hereto. No such indenture shall decrease the amount of future advance and other indebtedness and sums which may be secured by this Indenture to an amount less than the amount of such future advances and other indebtedness and sums then secured by this Indenture.

SECTION 21. Nothing in this Indenture contained shall limit the power of the Board of Directors of the Company to fix the price at which the bonds authenticated and delivered under