

The Bonds of the 1978 Series are subject to redemption at any time or from time to time, at the option of the Company, either as a whole or in part, upon payment of the then applicable Optional Redemption Price, expressed in percentages of the principal amount thereof and set forth below, together in each case with accrued interest to the date fixed for redemption (except that no redemption may be carried out prior to June 1, 1963, directly or indirectly as a part of, or in anticipation of, any refunding operation involving the incurring of indebtedness which has an interest rate or cost to the Company, computed in accordance with generally accepted financial practice, of 4.68% per annum or less), upon notice given by publication once in each of three separate calendar weeks in a daily newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York (the first of such publications to be not more than 60 and not less than 30 days before the redemption date), all subject to the conditions and as more fully set forth in the Indenture. The several Optional Redemption Prices and the several periods to which such prices are applicable are as follows:

If redeemed prior to December 1, 1959: 105%;

If redeemed during the twelve months' period beginning:

Dec. 1, 1959.....	104.625%	Dec. 1, 1969.....	102.00%
Dec. 1, 1960.....	104.25	Dec. 1, 1970.....	101.75
Dec. 1, 1961.....	104.00	Dec. 1, 1971.....	101.50
Dec. 1, 1962.....	103.75	Dec. 1, 1972.....	101.25
Dec. 1, 1963.....	103.50	Dec. 1, 1973.....	101.00
Dec. 1, 1964.....	103.25	Dec. 1, 1974.....	100.75
Dec. 1, 1965.....	103.00	Dec. 1, 1975.....	100.50
Dec. 1, 1966.....	102.75	Dec. 1, 1976.....	100.25
Dec. 1, 1967.....	102.50	Dec. 1, 1977.....	100.00
Dec. 1, 1968.....	102.25		

The Indenture contains provisions for a sinking fund for the retirement of Bonds of the 1978 Series, and the Bonds of that Series are subject to redemption for the sinking fund, on June 1, 1962 and

on each December 1 and June 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.