

The Company shall have the right, subject to the conditions hereinafter contained, to satisfy any sinking fund payment (which term as used in this paragraph shall be deemed to include a sinking fund payment which the Company has elected to anticipate as hereinafter provided) in whole or in part, by delivering to the Trustee for the sinking fund, Bonds of the 1968 Series due 1988 theretofore issued and then outstanding hereunder together with, in the case of coupon Bonds, all coupons appertaining thereto and unmatured at the time of such delivery, and the Trustee shall credit such sinking fund payment with an amount equal to the principal amount of the Bonds of the 1968 Series due 1988 so delivered, plus the interest which would be payable on such Bonds on the redemption of such Bonds for the sinking fund on the next ensuing May 1. All registered Bonds without coupons and all such coupon Bonds registered as to principal so delivered, if not registered in the name of the Company, shall be accompanied by duly executed written instruments of transfer in favor of the Company. If the Company elects so to deliver Bonds of the 1968 Series due 1988 for credit on any sinking fund payment, it shall deliver such Bonds together with, in the case of coupon Bonds, all unmatured coupons thereto appertaining to the Trustee, at least 45 days prior to, but not more than 90 days prior to, the sinking fund payment date.

The Company may anticipate by not more than six (6) months in whole at any time, or in part from time to time, any sinking fund payment due on any sinking fund payment date, by directing the Trustee to call for redemption at the principal amount thereof together with interest accrued thereon to the redemption date, Bonds of the 1968 Series due 1988 (such direction to be given to the Trustee not later than 45 days prior to the date to be fixed for the redemption of such Bonds, unless a shorter time shall be accepted as sufficient by the Trustee) and paying to the Trustee not later than the day preceding the date fixed for the redemption of such Bonds, cash sufficient to provide for the redemption thereof. The notice of redemption of such Bonds to be given by the Trustee in such event may state that such Bonds will be redeemed only to the extent that the Trustee on or prior to the redemption date receives funds sufficient for such purpose.

All cash received by the Trustee under the provisions of this Section 12.01 in respect of any sinking fund payment shall be held upon the