

basis for the authentication and delivery of Bonds pursuant to Section 3.01 or to the withdrawal of cash pursuant to Section 3.02, if (A) within six months prior to the date of acquisition by the Corporation, such plant additions have been used or operated, by a person or persons other than the Corporation, in a business similar to that in which it has been or is to be used or operated by the Corporation, and (B) the fair value to the Corporation of such plant additions as set forth in the certificate or opinion required by said Sections 3.01 and 3.02 is not less than \$25,000 and not less than one percent (1%) of the aggregate principal amount of Bonds and Notes at the time outstanding. Such certificate or opinion shall cover the fair value to the Corporation of any plant additions so used or operated which have been so subjected to the lien of this Indenture since the commencement of the current calendar year, and as to which a certificate or opinion of an independent engineer, appraiser, or other expert has not previously been furnished.

SECTION 3.05. Any series of Bonds which may be authorized and issued pursuant to this Article Three shall be entitled to be secured under this Indenture equally and ratably with, but not Senior to, the Notes and any series of Bonds theretofore authorized and issued and then outstanding, but said additional series of Bonds may vary from the outstanding Notes and Bonds as to date, maturity, rate of interest, sinking fund requirements and in other respects as may be provided in an indenture or indentures supplemental hereto.

SECTION 3.06. Nothing contained in this Indenture shall be construed to prevent or limit the right of the Corporation to refund any of the Notes by the issuance of additional Notes to Noteholders which additional Notes are of the same tenor as, and in the same amount as the unpaid principal of, and are in lieu of or in substitution for any of the Notes at the time outstanding.

ARTICLE FOUR.

REDEMPTION OF BONDS — SINKING FUND.

SECTION 4.01. The Corporation may, at its option, redeem all or from time to time any part of any series of Bonds, on any date or any dates prior to maturity, upon such terms and conditions as may be specifically provided with respect to such series of Bonds.

Prepayment may be made of any of the Notes to the extent that such prepayment is permitted under the terms of the particular Note which is to be prepaid.

SECTION 4.02. In case the Corporation shall desire to exercise such right to redeem all, or, as the case may be, any part of the Bonds in