

trust or setting aside and segregation in trust shall have been made, except with respect to any Bond or portion thereof so called for redemption on which the Corporation shall default in the payment of the redemption price, together with interest accrued thereon to the date fixed for redemption. On presentation and surrender of such Bonds on or after the date fixed for redemption at the place of payment specified in the notice the said Bonds shall be paid and redeemed at the applicable redemption price, together with interest accrued thereon to the date fixed for redemption.

Upon presentation of any Bond which is redeemed in part only, the Corporation shall execute and the Trustee shall authenticate and deliver to the holder thereof, at the expense of the Corporation, a new Bond or Bonds in principal amount equal to the unredeemed portion of the Bond so presented or, at the option of the holder, the same may be presented for notation thereon of the payment, as of the date fixed for redemption, of the redeemed portion of the principal thereof.

SECTION 4.05. In the event of the payment of a portion of any Bond registered in the name of an institutional purchaser the Trustee, in lieu of requiring the presentation of such Bond to be partially paid and redeemed and noting such payment thereon, may in its letter transmitting such payment to any such Bondholder, instruct such holder to endorse such payment on such Bond and accept from such holder a certificate that such payment has been so endorsed as conclusive evidence of such endorsement of payment, provided that the Trustee shall have first attained a written undertaking from such Bondholder that such holder will not sell, transfer or otherwise dispose of any Bond so partially paid without first presenting such Bond to the Trustee either (a) for notation thereon of the portion of the principal amount thereof so paid, or (b) in exchange for a new Bond or Bonds of aggregate principal amount equal to the unpaid portion thereof.

SECTION 4.06. Nothing contained in this Indenture shall be construed to prevent or limit the right of the Corporation to prepay or redeem, in whole or in part, any of the Notes or the Mooresville Bonds, provided, however, that if less than all the outstanding Mooresville Bonds are to be redeemed, they shall be redeemed, as nearly as practicable, pro rata in proportion to the aggregate principal amount of Mooresville Bonds registered in the name of each registered holder, and if the Company exercises its right under this section to prepay any of the outstanding Notes, it shall also prepay a pro rata share of the outstanding Mooresville Bonds in proportion to the ratio that the aggregate principal amount of Mooresville Bonds outstanding at the time bears to the aggregate principal amount of all Notes and Mooresville Bonds outstanding at the time.