will be surrendered on said Sinking Fund Payment Date. Said statement is in §*4.23(e)* of the Original Indenture and in Section 6 of this Article referred to as "the statement", and the balance resulting from such deduction in said statement is in said §*4.23(e)* and in Section 6 of this Article referred to as the amount, or the principal amount, "set forth in the statement".

Section 6. It shall be the duty of the Principal Trustee to apply the cash paid to it under this Article for the account of the Sinking Fund, in the manner and on the conditions provided in §*4.23(e)* of the Original Indenture (including the provisions of Section 2 of Article II of this Supplemental Indenture), to the purchase or redemption of Bonds of the 1974 Series, at prices not exceeding the Sinking Fund redemption price, in an aggregate principal amount equal to the amount set forth in the statement.

Section 7. Any cash balance at any time in the Sinking Fund amounting to less than a sum sufficient to redeem $25,000 principal amount of Bonds of the 1974 Series (unless otherwise directed by the Company) shall be added to any succeeding Sinking Fund cash payment or payments, and be applied to such purchase or redemption along with such succeeding payment or payments.

Section 8. All Bonds purchased, redeemed, or retired under the provisions of this Article and the appurtenant coupons shall forthwith be cancelled, and the Principal Trustee shall note on its records the fact of such cancellation and shall deliver the Bonds so cancelled to or upon the order of the Company.

Bonds so purchased, redeemed or retired, or surrendered to the Principal Trustee in satisfaction of all or any part of the Company's obligation under this Article, shall not thereafter, so long as any Bonds of the 1974 Series are outstanding, be made the basis for the issue of bonds, or the withdrawal of cash, or the taking of a credit under any of the provisions of the Indenture.

When none of the Bonds of the 1974 Series are outstanding then the aggregate principal amount of Bonds purchased, redeemed, or retired or surrendered to the Principal Trustee in satisfaction of the Company's obligations under this Article, may be made the basis for the issue of bonds, under the provisions of §3.07 of the Original Indenture, or the withdrawal of cash, or the taking of a credit under any of the provisions of the Indenture.

ARTICLE IV.

Dividend and Replacement Fund Covenants

The Company hereby convenants that, so long as any of the Bonds of the 1974 Series shall remain outstanding, the covenants and agreements of the Company set forth in §*4.10* and §*4.11* of the Original Indenture shall be and remain in full force and effect, and be duly observed and complied with by the Company, irrespective of whether or not any First Mortgage Bonds, 2$\frac{7}{8}$% Series due 1969, shall then remain outstanding.

ARTICLE V.

The Trustees

The Trustees accept the trust created by this Supplemental Indenture upon the terms and conditions in the Original Indenture and in this Supplemental Indenture set forth. The recitals in this Supplemental Indenture are made by the Company only and not by the Trustees. Each and every term and condition contained in *Article 13* of the Original Indenture shall apply to this Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Supplemental Indenture.