

and depreciation fund as provided in § 5.18 of the Original Indenture, as heretofore amended and supplemented by the First Supplemental Indenture and Second Supplemental Indentures, and through the application of proceeds of property sold to public bodies, at the principal amount thereof, without premium, together with interest accrued thereon to the date of redemption.⁷

(C) *Sinking Fund for Series D Bonds.*

The Company covenants and agrees that so long as any of the Bonds of Series D remain outstanding it will provide a sinking fund for the benefit of the holders of Bonds of Series D as follows:

That it will, annually, on or before July 1, 1956, and on or before July 1 of each succeeding year up to and including July 1, 1961, pay in cash, to the Trustee, and pay to the Trustee for cancellation of Bonds of Series D, the sum of \$100,000, of which \$50,000 shall be paid to the Trustee for the redemption of Bonds of Series D previously retired and not the amount of an aggregate principal amount, equal to 1% (1%) of the sum of the greatest aggregate principal amount of Series D Bonds at any one time outstanding hereunder.

All cash received by the Trustee pursuant to this Subdivision (C) of Section 2 shall be applied by the Trustee (a) to the purchase of Series D Bonds upon tenders from the holders of Series D Bonds, (b) to the purchase of Series D Bonds in the open market or at private sale, and/or (c) if on the 75th day after any sinking fund deposit the Trustee has on hand unexpended sinking fund moneys equal to or exceeding \$5,000, to the redemption of Series D Bonds in hereinafter provided.

The Trustee in its discretion may from time to time determine whether Bonds of Series D are to be purchased

for the sinking fund upon tenders or in the open market or at private sale but no such Bond shall be purchased at a price in excess of the principal amount thereof, plus accrued interest to the date of delivery to the Trustee.

In the event that any Series D Bonds are to be purchased by the Trustee upon tenders from the holders thereof pursuant to Subdivision (C) of this Section 2, notice of invitations for tenders to sell Series D Bonds and the amount available for the purchase thereof at the lowest prices offered (not exceeding the principal amount thereof and accrued interest) on or before a specified date, shall be published by the Trustee in the manner provided in Subdivision (B) of this Section 2 and the Trustee shall also mail at the date of the first such publication a copy of such notice to each holder of Series D Bonds registered as to principal at his address as registered with the Trustee, but failure to mail, or any defect in the mailing of such notice, or any such, shall not affect the validity or effectiveness of the publication asking for tenders as above provided. ~~At the time of the publication asking for tenders as above provided, the Trustee shall mail to each holder of Series D Bonds then outstanding a notice in writing and such waiver is filed with the Trustee.~~

In requesting tenders of Series D Bonds to absorb any such sinking fund moneys the Trustee shall reserve the right, as between it and any bondholder making a tender, to reject any or all tenders, if in its opinion Series D Bonds can be otherwise purchased at a lower price or prices than those contained in the tenders. Interest on all Series D Bonds purchased for the sinking fund through tenders shall cease on the date fixed for such purchase in the notice.

In the event the retirement of Bonds of Series D is to be made by purchases in the open market, such purchases may be made by the Trustee in any market where the Series D