

264

Fund Cash to the redemption of Registered Bonds. The New York Trustee shall promptly notify the Company of any determination made by it pursuant to this subdivision (b).

Thereafter, if exchanges of registered Bonds without coupons for coupon Bonds, or vice versa, or transfers of registered coupon Bonds to bearer, or vice versa, shall be made before the last date upon which written proposals for the sale of Bonds may be received by the New York Trustee as contemplated by this § 11, by the New York Trustee, with the approval of the Company, evidence by endorsements on the Bonds involved or otherwise as it shall deem appropriate to allocate Sinking Fund Cash among the Bonds issued on any such exchange or transfer.

(c) In the event that on the 60 day determination date there are outstanding any Bonds of 1977 Series which are unregistered coupon Bonds, the Company may, prior to each Sinking Fund Payment Date, give notice to all holders of such unregistered coupon Bonds of 1977 Series by publication three (3) times in one week in at least one daily newspaper of general circulation regularly published in the English language in the Borough of Manhattan, The City of New York, (in each case upon any day of the week and in any such newspaper, but the first publication in each case to be not more than fifty-five (55) days and not less than fifty (50) days before such Sinking Fund Payment Date) of the intention of the New York Trustee to apply Sinking Fund Cash to the purchase of an aggregate principal amount of unregistered coupon Bonds of 1977 Series specified in such notice (which aggregate principal amount shall be the aggregate principal amount of unregistered coupon Bonds to be retired pursuant to the provisions of subdivision (b) of this § 11) and inviting proposals to be made to the New York Trustee for the sale of such Bonds of 1977 Series on the next succeeding Sinking Fund Payment Date in the principal amount specified in such notice at prices not to exceed the principal amount thereof plus accrued interest thereon. Proof of such publication shall be filed by the Company with the New York Trustee.

The above notice shall state (i) that proposals shall be deemed to be made for all or any part of the Bonds offered, whether so expressed

265

or not; (ii) the last date upon which such written proposals shall be received by the New York Trustee (which such last date shall be not less than forty (40) days prior to such Sinking Fund Payment Date); and (iii) the date when Bonds accepted for purchase by the New York Trustee shall be delivered to the New York Trustee against payment therefor, which shall be the next succeeding Sinking Fund Payment Date.

From the unregistered coupon Bonds of 1977 Series offered in response to such notice, the New York Trustee shall, as agent for the Company, accept such Bonds as are offered at the price or prices deemed by it most favorable to the Company, not exceeding the principal amount thereof plus accrued interest thereon, up to aggregate principal amount not exceeding the aggregate principal amount of unregistered coupon Bonds to be retired pursuant to the provisions of subdivision (b) of this § 11. The New York Trustee shall notify the Company of the principal amount of all such Bonds so accepted for purchase and the respective prices to be paid therefor (including accrued interest, and on the next Sinking Fund Payment Date the Trustee shall, provided the Company shall deposit with the New York Trustee funds sufficient therefor, purchase such Bonds so accepted, upon presentation and surrender thereof to the Trustee, at such respective prices.

If forty (40) days before the next Sinking Fund Payment Date, there shall not have been offered in response to such notice and accepted, at prices not exceeding the principal amount thereof plus accrued interest thereon, unregistered coupon Bonds of 1977 Series equal in aggregate principal amount to the aggregate principal amount of such unregistered coupon Bonds to be retired pursuant to the provisions of subdivision (b) of this § 11, then in such event unregistered coupon Bonds of 1977 Series equal in aggregate principal amount to the sum by which the aggregate principal amount so to be retired exceeds the total aggregate principal amount of Bonds so accepted shall be drawn by the New York Trustee by lot in any manner deemed by the New York Trustee to be fair and proper, and it shall forthwith give the Company notice to that effect specifying the numbers of the Bonds of 1977 Series so drawn.