

SECTION 2. The Company covenants and agrees that it will on August 1, 1974 create, and so long as any of the Bonds of the 1989 Series are outstanding maintain, a Sinking Fund for the Bonds of the 1989 Series, and that it will pay to the Principal Trustee on or before each Sinking Fund Payment Date, so long as any Bonds of the 1989 Series are outstanding, for the account of such Sinking Fund, cash sufficient in amount to redeem, at the principal amount thereof and accrued interest to the date fixed for redemption (herein called the "Sinking Fund redemption price"), \$300,000 aggregate principal amount of Bonds of the 1989 Series. On any Sinking Fund Payment Date, as an Optional Sinking Fund, the Company may redeem an additional \$300,000 principal amount of Bonds of the 1989 Series. The right to make Optional Sinking Fund payments shall not be cumulative and no such optional payments shall operate to reduce the amount of any mandatory Sinking Fund payment. Any cash payment due on a particular Sinking Fund Payment Date may be made prior to such date but not earlier than January 1 of the year in which due. No bonds shall be redeemed through the Sinking Fund prior to August 1, 1974.

All cash paid by the Company to the Principal Trustee pursuant to the provisions of this Article shall be applied to the retirement of Bonds of the 1989 Series as provided in this Article.

SECTION 3. The Company may satisfy all or any part of its obligations as aforesaid by the surrender to the Principal Trustee, on or prior to any Sinking Fund Payment Date, of Bonds of the 1989 Series then outstanding, and the Company may utilize for such purpose Bonds of the 1989 Series which it may have purchased in the open market or otherwise at any time after the authentication and delivery thereof, each Bond so surrendered to be received by the Principal Trustee in lieu of cash in an amount equal to the Sinking Fund redemption price of such Bond.

SECTION 4. Not less than forty-five (45) days prior to each Sinking Fund Payment Date, the Company will deliver a statement of the Company to the Principal Trustee stating (i) whether or not the Company will meet an Optional Sinking Fund obligation in addition to the mandatory Sinking Fund obligation, (ii) the aggregate principal amount and serial numbers of Bonds of the 1989 Series which the Company intends to surrender on or prior to the next succeeding Sinking Fund Payment Date in satisfaction of its Sinking Fund obligation or obligations pursuant to this Article and (iii) deducting

from the principal amount of Bonds to be retired on said Sinking Fund Payment Date the aggregate principal amount of Bonds of the 1989 Series which the Company states will be surrendered on or prior to said Sinking Fund Payment Date. Said statement is in §4.23(e) of the Original Indenture and in Section 5 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 5 of this Article referred to as the amount, or the principal amount, "set forth in the statement".

SECTION 5. 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 redemption of Bonds of the 1989 Series at the Sinking Fund redemption price, in an aggregate principal amount equal to the amount set forth in the statement; provided, however, that the publication of the notice of intention to redeem, as provided in the last paragraph of §4.23(e) of the Original Indenture shall not be required and said notice shall be sufficiently given if mailed, postage prepaid, by the Company or by the Principal Trustee or any agent on behalf of the Company, at least 30 days before the applicable Sinking Fund Payment Date to the registered owners of Bonds of the 1989 Series which are to be redeemed in whole or in part at their addresses as the same shall appear on the bond registry of the Company.

Not less than 30 days prior to each Sinking Fund Payment Date, Bonds of the 1989 Series equal in aggregate principal amount to the amount to be redeemed shall be selected by the Principal Trustee in the manner described in §5.03 of the Original Indenture (as modified by Section 2 of Article II of this Supplemental Indenture), and the Principal Trustee shall forthwith give the Company notice to that effect specifying the Bonds (by distinctive numbers or otherwise) which, or portions of which, are to be redeemed and the principal amount thereof to be redeemed in the case of Bonds to be redeemed in part only.

SECTION 6. All Bonds redeemed or surrendered to the Principal Trustee under the provisions of this Article shall be cancelled as of the applicable Sinking Fund Payment Date 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.