

premium of two and one-half (2½) per cent, on the principal thereof, the bonds specified in such notice as called for redemption on such date; and the first publication of such notice shall be not less than thirty days before such redemption date. If the Company shall propose to redeem on such interest date less than all the bonds at the time outstanding hereunder, it shall, before publishing such notice, inform the Corporate Trustee of the par amount of bonds which it shall propose to redeem, and the Corporate Trustee shall thereupon draw by lot, in such manner as it may deem proper, bonds to such par amount, and shall certify to the Company the serial numbers of the bonds so drawn and the bonds so certified shall be specified in such notice by their serial numbers as the bonds called for redemption on such redemption date.

In case any bond registered hereunder shall be called for redemption, a notice similar to the published notice shall be sent by the Company,

(p.16)

postage prepaid, to the registered holder thereof at least thirty days before the redemption date, provided the address of such registered holder appears upon the registry book. If on or before such redemption date the Company shall deposit with the Corporate Trustee a sum sufficient for the redemption of the bonds which shall have been called for redemption in the published notice, such bonds so called for redemption shall be considered redeemed and they shall become and be payable at the date of redemption specified in such notice at the office of the Corporate Trustee, at par, together with interest, to such date and a premium of two and one-half (2½) per cent, on the principal thereof. On and after the redemption date specified in such notice the Corporate Trustee shall take up and pay out of the moneys which shall be deposited by the Company with the Corporate Trustee for that purpose, the bonds which shall have been specified in such notice as called for redemption, together with the premium thereon and the accrued interest to such redemption date. Such payment by the Corporate Trustee of the sum payable for principal, together with the premium thereon and for accrued interest, shall be made to the bearer of such bond and coupons, unless it shall then be registered, in which case such payment shall be made to or on the order of the registered holder, but in either case, only upon surrender of such bond with all coupons for interest attached not due at the date of redemption specified in the notice. All unpaid interest installments represented by coupons, on or prior to the date of redemption specified in the notice, shall continue to be payable to the bearers severally and respectively of such coupons, from and after the redemption date on which any bonds called for redemption become payable, as aforesaid, the moneys deposited by the Company for the payment and redemption thereof shall be held by the Corporate Trustee upon a special trust for the payment of such bonds in the manner specified,

(p.17)

at par, together with accrued interest to such redemption date and a premium of two and one-half (2½) per cent. on the principal thereof; and from and after such redemption date, if such moneys shall have been so deposited, no further interest shall accrue upon any such bonds, and any coupons for interest maturing after such date shall become and be null and void, anything in such bonds, or in such coupons, or in this Mortgage Deed of Trust, to the contrary notwithstanding. All bonds redeemed and paid by the Corporate Trustee with the moneys deposited by the Company, as aforesaid, shall be cancelled by the Corporate Trustee and shall be delivered to the Company and shall not be reissued.

Section 6, The Company shall have the right to acquire by purchase from the holders thereof on any interest day, all or any of the bonds secured hereby and then outstanding, by (a) publishing notice of its intention to do so, in substantially the like manner and for the same period as in Section 5 of this Article I specified in case of an exercise by the Company of the right of redemption therein mentioned, and (b) by depositing with the Corporate Trustee on or prior to the day specified in such notice, a sum equal to the principal amount of all the bonds designated in said notice, together with all interest accrued thereon at the date so specified, and a premium of two and one-half (2½) per cent. on the principal thereof. If the Company shall propose to purchase on such interest date less than all the bonds at the time outstanding hereunder, it shall, before publishing such notice, inform the Corporate Trustee of the par amount of bonds it shall propose to purchase, and said Trustee shall thereupon draw by lot, in such manner as it may deem proper, bonds to such par amount, and shall certify to the Company the serial numbers of the bonds so drawn, and the bonds so certified shall be designated in such notice by their serial numbers as the bonds proposed to be purchased by the Company on such date. In case the Company shall pro-

(p.18)

pose to purchase any bond registered hereunder, a notice thereof similar to the published notice shall be sent by the Company, postage prepaid, to the registered holder thereof at least thirty days before the interest date fixed for purchase; provided the address of such registered holder appears upon the registry book. If on or before the interest date, in such notice the Company shall deposit with the Corporate Trustee a sum equal to the principal and interest, together with a premium of two and one-half (2½) per cent. on the principal as aforesaid of the bonds designated in such notice, the Company shall be entitled to have delivered for its account at the office of the Corporate Trustee, on the interest date specified in such notice, all bonds designated in such notice, properly endorsed in blank, for transfer to bearer so far as they may be registered, and with all unmatured coupons, to be paid for with the funds so deposited, at par and accrued interest to such interest date, and said premium of two and one-half (2½) per cent. on the principal thereof; and thereafter each and every bond designated in such notice which shall not have been so delivered to the Corporate Trustee for sale to the Company shall, as against the Company and its property and until delivered to the Corporate Trustee for sale to the Company, cease to be entitled to the benefit or security of any lien under this Mortgage Deed of Trust and cease to be entitled to have any further interest accrue or be payable

30 days' notice.  
Notice of Trustee of amount to be redeemed.

Serial numbers to drawn by lot.

Deposit of funds with Corporate Trustee.

Corporate Trustee to pay bonds.

Corporate Trustee to hold funds on special trust.

Bonds to cease drawing interest.

Redeemed bonds to be cancelled.

Company may purchase its bonds by (a) publishing notice as provided in Section 5 of Article I. and (b) depositing with Corporate Trustee necessary funds.

Called bonds not delivered to Corporate Trustee shall cease to be a lien and cease to draw interest.