

## MORTGAGE RECORD 75

ARTICLE V.  
SINKING FUND.

SECTION 1.--For the purpose of this Article, the first day of November, 1927 and the first day of each February, May, August and November in each year thereafter are called Sinking Fund Payment Dates. If any of said days is a Sunday or a legal holiday, then the next succeeding business day shall be a Sinking Fund Date.

SECTION 2.--The Company covenants and agrees that it will forthwith create and, so long as any of the Bonds of the 1927 Series are outstanding maintain a Sinking Fund, and that it will pay to the Bankers, as Sinking Fund Agent, for the Company for Bonds of the 1927 Series, upon each Sinking Fund Payment Date, so long as any Bonds of the 1927 Series are outstanding, for the account of such Sinking Fund, cash sufficient in amount to retire, at prices not exceeding the Sinking Fund Price then in effect (as hereinafter defined), one hundred fifty-six thousand two hundred fifty dollars (\$156,250) aggregate principal amount of Bonds of the 1927 Series. The Company may retire Bonds of the 1927 Series by redemption or otherwise in excess of or in advance of the foregoing requirements, and shall be credited on its obligation, as aforesaid, for any such excess or advance resulting from the retirement of such Bonds up to and including sixty days prior to the Sinking Fund Payment Date upon which payment is then to be made, provided that the Company shall not be entitled to any credit for Bonds retired in compliance with the minimum requirements contained in Section 5 of this Article V, for the retirement of Bonds pursuant to the provisions of Article VI of of Article VIII hereof, or Bonds by reason of the retirement of which other Bonds have been authenticated pursuant to the provisions of Section 4 of Article II hereof; and the Company may satisfy all or any part of its obligation, as aforesaid, by the surrender, on any Sinking Fund Payment Date, to the Bankers of Bonds of the 1927 Series. The Company shall also be credited on or may satisfy its obligation, as aforesaid, by the purchase, through or with the consent of the Sinking Fund Agent for the 1927 Series, or by the surrender to the Bankers, of Interim Certificates for the Bonds of the 1927 Series which may have been issued by the Central Union Trust Company of New York, but if the Company takes such credit, or so satisfies its obligation, such Interim Certificates shall be delivered to the Central Company to be held by the Central Company until such time as definitive Bonds are ready for exchange for Interim Certificates, at which time the Company covenants and agrees that it will cause definitive Bonds of the 1927 Series to be authenticated by the Central Company, equal in principal amount to the amount of such Interim Certificates and such Bonds of the 1927 Series so authenticated shall forthwith be cancelled by the Central Company, and no Bonds of the 1927 Series shall be issued in place thereof, nor shall the Company be entitled to additional credit for such Bonds when so cancelled.

All cash paid by the Company to said Sinking Fund Agent pursuant to the provisions of this Section 2 shall be applied to the retirement of Bonds of the 1927 Series, as provided in Section 4 of this Article.

Provided, however, that in any quarter-yearly period not more than \$156,250 principal amount of the Bonds of the 1927 Series which shall ever have theretofore been authenticated may be called for redemption (not including Bonds purchased after call for tenders) pursuant to this Article.

SECTION 3.--Sixty days prior to each Sinking Fund Payment Date, the Company will deliver a statement to such Sinking Fund Agent showing the principal amount of Bonds of the 1927 Series which are to be retired on the next succeeding Sinking Fund Payment Date and the method of calculating such amount, stating separately the principal amount of Bonds the Company intends to surrender. Such statement is in Section 4 of this Article referred to as the statement.

SECTION 4.--It shall be the duty of such Sinking Fund Agent to apply on each Sinking Fund Payment Date the cash paid to it under Section 2 for the account of such Sinking Fund to the purchase or redemption of Bonds of the 1927 Series in the principal amount set forth in the statement furnished sixty days prior to such Sinking Fund Payment Date, at prices not exceeding the Sinking Fund Price then in effect.

Prior to each Sinking Fund Payment Date the Company may give notice to all holders of Bonds of the 1927 Series by publication three times a week in one week in one daily newspaper of general circulation published in the Borough of Manhattan, City and State of New York, and in one such newspaper published in the City of Chicago, State of Illinois (the first publication to be made not more than fifty days and not less than forty-five days before such Sinking Fund Payment Date) of the intention of the Sinking Fund Agent to apply such cash and inviting sealed proposals to be made to such Sinking Fund Agent for the sale of Bonds of the 1927 Series on the Sinking Fund Payment Date next succeeding in the principal amount set forth in the statement at prices not to exceed the Sinking Fund Price then in effect. Proof of such publication shall be filed by the Company with the Sinking Fund Agent. Such notice shall state the amount of Bonds to be purchased at not exceeding the Sinking Fund Price then in effect and that proposals shall be made for all or any part of the Bonds offered whether so expressed or not, and shall state the last date upon which such written proposals shall be received by the Sinking Fund Agent which such last date shall be not less than thirty-five days prior to such Sinking Fund Payment Date.

From the Bonds offered in response to such notice, the Sinking Fund Agent, as agent for the Company accept such Bonds as are offered at the lowest prices not exceeding the Sinking Fund Price specified in such notice to an amount not exceeding that set forth in such statement. Should there be two or more proposals at the same price aggregating more than the amount of Bonds to be purchased by the Sinking Fund Agent, such proposals shall be accepted pro rata.

If thirty-five days before the next Sinking Fund Payment Date there shall not have been offered in response to such notice at prices not exceeding the Sinking Fund Price then in effect Bonds of the 1927 Series equal in principal amount to the amount set forth in such statement, then in such event Bonds of the 1927 Series equal to the amount by which the sum set forth in such statement exceeds the total amount of Bonds so offered shall be drawn by the Sinking Fund Agent by lot in such manner as it shall determine and it shall forthwith give the Company notice to that effect, specifying the numbers of the Bonds so to be redeemed.

In lieu of so inviting proposals for the sale of Bonds of the 1927 Series, the Company may invite proposals for the sale of Interim Certificates for the Bonds of the 1927 Series which may have been issued by Central Union Trust Company of New York. If any such Interim Certificates are so purchased, it shall be the duty of the Sinking Fund Agent to deliver such Interim Certificates so purchased to the Central Company to be held by the Central Company until such time as definitive Bonds are ready for exchange for Interim Certificates, at which time the Company covenants and agrees that it will cause definitive Bonds of the 1927 Series to be authenticated by the Central Company equal in principal amount to the amount of such Interim Certificates so purchased and such Bonds of the 1927 Series so authenticated shall forthwith be cancelled by the Central Company and no Bonds of the 1927 Series shall be issued in place thereof.

The Company upon receipt of such notice from the Sinking Fund Agent, shall forthwith give notice of intention to redeem such Bonds of the 1927 Series by publication in one daily newspaper of general circulation published in the Borough of Manhattan, City and State of New York and in one such newspaper published in the City of Chicago, State of Illinois, once a week for four successive weeks, the first publication to be made not less than thirty days and not more than thirty-five days prior to the next succeeding Sinking Fund Payment Date. Such notice shall state the date of redemption (which shall be the next succeeding Sinking Fund Payment Date), the place of redemption (which shall be the office of the Sinking Fund Agent in the Borough of Manhattan, City and State of New York), the Sinking Fund Price then in effect and the numbers of the Bonds to be redeemed. A copy of such notice shall also