

MORTGAGE RECORD 75

(3) Such money or securities, if received by the Corporate Trustee under Sec. 8.05 or otherwise, in respect of shares of the capital stock of any subsidiary held by the Corporate Trustee or upon redemption or payment and cancellation of subsidiary first mortgage bonds of any subsidiary or of any other obligations then held by the Corporate Trustee, or if received by the Corporate Trustee under Sec. 8.17 as the proceeds of the sale, exchange, or other disposition of all subsidiary first mortgage bonds, other obligations and capital stock of any subsidiary at the time pledged with the Corporate Trustee, may be paid or delivered to the Company in whole or in part (including any amount thereof in excess of the principal amount of the subsidiary first mortgage bonds so redeemed or paid, or sold, exchanged or otherwise disposed of) upon deposit with the Corporate Trustee hereunder of subsidiary first mortgage bonds (not previously made the basis for the issue of Bonds or withdrawal of money or securities under this Indenture) in a principal amount at least equal to the principal amount of subsidiary first mortgage bonds and other obligations so redeemed or paid, or so sold, exchanged, or otherwise disposed of, as the case may be; or may be paid or delivered to the Company to reimburse the Company for all or any part of the cost of property additions of the Company (not previously made the basis for the issue of Bonds or withdrawal of money or securities under this Indenture), upon delivery to the Corporate Trustee of the documents and opinion specified in paragraphs (b), (c), (e) and (f) of Sec. 4.04 with such modifications thereof or omissions therefrom as may be proper to make the same applicable to the withdrawal of money instead of to the authorization or legality of the issue of Bonds.

Sec. 4.10. Bonds may be authenticated and delivered and money, or bonds or other obligations of the United States Government, on deposit with the Corporate Trustee may be applied from time to time upon application of the Company under the preceding Sections of this Article unless an event of default as defined in Sec. 10.02 shall have happened and be then continuing. The provisions of this Article relating to payment of money deposited with the Corporate Trustee are also subject to paragraph (c), of Sec. 9.07.

ARTICLE 5.

Redemption of Bonds

Sec. 5.01. In the creation of any particular series of Bonds hereunder the Company may reserve the right to pay and redeem before maturity all of the Bonds of such series as an entirety, or, at the option of the Company, any part thereof, at such time or times and at such price or prices and on such terms as the Board of Directors of the Company may determine (except Bonds of Series A which shall be subject to redemption as provided in Secs. 3.04) and as shall be appropriately specified in each of the Bonds of such series.

Sec. 5.02. In case a part only of the Bonds of a series is to be paid and redeemed as above provided, the particular Bonds to be redeemed shall be determined by the Corporate Trustee by lot, in such manner as the Corporate Trustee in its uncontrolled discretion shall determine to be fair.

Sec. 5.03. In case the Company shall desire to exercise such right to redeem and pay all or, as the case may be, any part of the Bonds of a particular series, in accordance with the right reserved so to do, it shall give notice of its intention to pay and redeem such Bonds and of the time when and the place where the same shall be payable and redeemable, by publication in a daily newspaper or newspapers of general circulation in such city or cities as shall be specified in the Bonds to be redeemed, or if not so specified, in the city or cities in which the principal of the Bonds so to be redeemed is payable, and in such other city or cities or place, if any, as may be designated by resolution of its Board of Directors, at least once in each of two calendar weeks prior to the redemption date, the first publication to be made at least thirty and not more than sixty days prior to the date so fixed for redemption, specifying in said notice the series and numbers of the Bonds so to be redeemed, if less than all are to be redeemed, and the date fixed for redemption. If any of the Bonds to be redeemed in whole or in part are Bonds registered as to principal, similar notices, addressed to the persons respectively who shall appear on the bond register of the Company to be registered owners thereof at their addresses as the same shall appear upon such bond register, shall be deposited by the Company in the United States mail, postage prepaid, at least thirty days prior to the date fixed for redemption but such mailing shall not be a condition precedent to such redemption, and failure so to mail any such notice shall not affect the validity of the proceedings for the redemption of such Bonds.

Sec. 5.04. On or before the date designated in such notice there shall be deposited with the Corporate Trustee moneys equivalent to the redemption price of the Bonds so called, and the accrued interest on the principal amount of the Bonds so called to the date designated in the call, and all proper expenses and charges payable to the Trustees hereunder. The moneys so deposited with the Corporate Trustee, if equal in amount to the redemption price and accrued interest on all of said Bonds so called, and all expenses and charges payable hereunder, shall on and after the date so designated, stand in lieu of the security of this Indenture with respect to all Bonds so called, and such Bonds shall not thereafter be entitled to the benefits of this Indenture, except that said moneys shall be held by the Corporate Trustee for and be paid by it to the holders of said Bonds as and when the same with all coupons thereto appertaining, maturing on and after said redemption date, if an interest payment date, and if not an interest payment date, maturing after said date of redemption, shall be surrendered to the Corporate Trustee at any time thereafter, duly assigned to bearer, if registered.

Sec. 5.05. In the event that the principal of any of the Bonds called for redemption is payable in a city or cities where the corporate Trustee does not have an office, said Trustee may appoint any bank, trust company or national bank located in such city as depository of the moneys deposited under Sec. 5.04 in respect of the Bonds payable in such city or cities, and may deposit such moneys with the depository so appointed, to be applied as in Sec. 5.04 provided. After such deposit, the Corporate Trustee shall not be under any further liability in respect of the application of said moneys.

Sec. 5.06. In case of any call of Bonds for redemption hereunder, the Bonds so called for redemption shall on the date stated in such call become and be due and payable at their redemption price and from and after said date interest shall cease to be payable on said Bonds, unless payment to the holders thereof is refused upon presentation at the place where the principal thereof is expressed to be payable pursuant to such call, due notice thereof under the terms of this Indenture having been given. The withholding of payments during such time as may be reasonably required by the Corporate Trustee or the Company to satisfy itself as to the right of any demandant to receive the same, shall not be deemed a refusal to pay.

Sec. 5.07. Upon the surrender of any Bonds so called for redemption, at the place or any of the places where the principal thereof is expressed to be payable, together with all coupons thereto appertaining maturing on or after said date of redemption, the Company shall pay or cause to be paid to the holders thereof the redemption price aforesaid. If, upon presentation for payment of any Bonds so called for redemption, there shall not be surrendered with such Bonds the coupons maturing on such redemption date, if an interest payment date, the Company shall receive such Bonds, together with all coupons maturing after such redemption date, and shall pay in respect thereof the redemption price hereinbefore provided, exclusive of accrued interest, and such coupons shall be paid to the holders upon presentation and surrender thereof at any office where the same are expressed to be payable.

Sec. 5.08. All Bonds redeemed and paid as herein provided, together with all coupons appertaining thereto, and Stock Purchase Warrants attached thereto, if any, shall immediately upon such redemption be canceled and/or created by the Corporate Trustee which shall deliver such canceled Bonds, Warrants and coupons or its certificate of such creation to the Company upon the written request of any officer of the Company; provided, however, that if any Bonds of Series A shall be redeemed prior to January 1, 1934,