

be retired on the next succeeding Sinking Fund Payment Date, the aggregate principal amount of Bonds of 1965 Series which the Company states will be surrendered on such date. Such statement is in this Article referred to as "the statement", and the balance resulting from such deduction in said statement is hereinafter in this Article referred to as the amount, or the principal amount, "set forth in the statement". Such statement shall also state the total principal amount of registered Bonds of 1965 Series outstanding, the names of the registered owners of such Bonds, the principal amount of such Bonds owned by each such registered owner and the total principal amount of unregistered coupon Bonds outstanding.

(e) It shall be the duty of the New York Trustee to apply the Sinking Fund Cash to the purchase or redemption of Bonds of 1965 Series, at prices not exceeding such current Sinking Fund Redemption Price, in a principal amount equal to the amount set forth in the statement.

(f) If, on the date (hereinafter referred to as the "60 day determination date") which is 60 days prior to the Sinking Fund Payment Date on which redemption is to be effected, all Bonds of 1965 Series are registered Bonds, the New York Trustee shall apply the Sinking Fund Cash to the redemption of Bonds of 1965 Series pro rata among the registered owners of such Bonds in the ratio which the principal amount of such Bonds held by each registered owner on the 60 day determination date, bears to the total principal amount of Bonds of 1965 Series outstanding on the 60 day determination date; *provided, however*, that the portion of the principal amount of each registered Bond to be redeemed shall be \$1,000 or a multiple thereof. The New York Trustee in its uncontrolled discretion shall determine the pro rata allocation among the several registered owners of the principal amount of the Bonds of 1965 Series to be then redeemed and the numbers of the coupon Bonds reserved therefor. The New York Trustee shall promptly advise the Company as to the allocation so made