

ARTICLE IV

REDEMPTION OF BONDS

SECTION 1. This Company, at its option, may redeem the Bonds of Series A as a whole, or in part from time to time, on any interest payment date, at a redemption price equal to the principal sum thereof plus (1) all accrued interest on such principal sum to the date fixed for redemption, and (2) a premium equal to a percentage of such principal sum determined as follows: 4% if redeemed before December 31, 1939; 4 1/2% if redeemed thereafter but before December 31, 1943; 5% if redeemed thereafter but before December 31, 1947; 5 1/2% if redeemed thereafter but before December 31, 1951; 6% if redeemed thereafter but before December 31, 1955; 6 1/2% if redeemed thereafter but before December 31, 1959; 7% if redeemed thereafter but before December 31, 1963; 7 1/2% if redeemed thereafter but before December 31, 1967; 8% if redeemed thereafter but before December 31, 1971; 8 1/2% if redeemed thereafter but before December 31, 1975; 9% if redeemed thereafter but before December 31, 1979; 9 1/2% if redeemed thereafter but before December 31, 1983; but without premium if redeemed on or after January 1, 1986.

Upon the creation of any other series of Bonds the Company may, and in the case of Emergency Bonds shall reserve the right to redeem on any date prior to maturity all or from time to time any part of the Bonds of such series at such time or times and on such terms as shall be determined by the Board of Directors and specified in the supplemental indenture providing for the creation of such series and as shall be appropriately expressed in the Bonds of such series.

Except as otherwise provided in respect of Bonds of any particular series, the procedure for redemption of Bonds of all series which by their terms are redeemable shall be as hereinafter in this Article IV provided.

SECTION 2. In case the Company shall desire to exercise such right to redeem all or any part of the Bonds of a particular series in accordance with the right reserved so to do, it shall publish a notice of such redemption, which shall be for four successive weeks a daily newspaper in the City of Chicago, State of Illinois, and in a Daily Newspaper in each other city in which the principal of such Bonds is payable, the first publication in each such newspaper to be not less than ten days and not more than 60 days before the date fixed for redemption. It shall not be necessary for all of such publications in any such city to be made in the same newspaper. Such notice shall specify the series of the Bonds to be redeemed, the date fixed for redemption and the redemption price thereof, and shall state that payment of such redemption price will be made at the office or agency of a Trustee or agencies of the Company at which the principal of such Bonds is payable, and that on and after said date interest thereon will cease to accrue. A copy of such notice shall be mailed by the Company at least 60 days prior to the date fixed for redemption to the Corporate Trustee and to the registered owners of registered Bonds without coupons and to coupon Bonds registered as to principal so to be redeemed, at their last address as they shall appear upon the bond register books, but neither failure to give such notice by mail nor any defect therein shall affect the validity of the proceedings for the redemption of the Bonds.

If the Company shall elect to redeem less than all of the Bonds of any series then outstanding, it shall give the Corporate Trustee adequate notice in advance of the aggregate principal amount of the Bonds of such series to be redeemed, and the Company shall also give notice by mail to the holders of the Outstanding Bonds, in such manner as it shall deem appropriate (and for that purpose the Company shall upon

request of the Corporate Trustee, close or cause to be closed for a period not exceeding 10 days the bond registry books), the distinguishing numbers of a principal amount of Bonds equal to such aggregate principal amount of Bonds to be redeemed. In any drawing by lot under this Section 3, each registered Bond without coupons shall be represented by a separate number for each \$1,000 of its principal amount. The Corporate Trustee, after such drawing, shall promptly notify the Company in writing of the serial numbers of the Bonds so drawn, and in the case of any registered Bond without coupons to be redeemed in part only, the portion of the principal amount thereof to be redeemed. The notice of redemption shall specify the numbers of coupon Bonds and registered Bonds without coupons so drawn, and in case of any registered Bond without coupons which is to be redeemed in part only (by reason of the fact that distinguishing numbers representing only part of the principal amount thereof shall have been so drawn), the notice shall specify the serial number of such Bond and the portion of the principal amount thereof to be redeemed and shall state that on and after the date fixed for the redemption, upon surrender of such registered Bond, new Bonds of the same series and maturity in principal amount equal to the unredeemed portion of such registered Bond will be issued without expense to the holder of such registered Bond.

In case less than all of the Bonds of Series A are to be called for redemption, there shall not be included in the drawing provided for in this Section 3 the distinguishing numbers of any Bonds of Series A then held by the Exchange Agent under the Exchange Agency Agreement dated as of January 1, 1948, entered into between the Company and The First National Bank of Chicago, as Bond Scrip Agent under the Plan, or

held by the Bond Scrip Agent under the Bond Scrip Agreement dated as of January 1, 1948, entered into between the Company and The First National Bank of Chicago, as Bond Scrip Agent. The Company at the time it shall give notice to the Corporate Trustee of its election to redeem, less than all of the Outstanding Bonds of any series, to evidence the ownership of Bonds of such series owned by the Company, shall deliver to the Corporate Trustee an Officers' Certificate setting forth the serial numbers of any Bonds of such series owned by the Company; and in case of the redemption of Bonds of Series A shall also deliver to the Corporate Trustee a certificate signed by a Vice President of The First National Bank of Chicago or its successor as such Exchange Agent, stating the serial numbers of the Bonds of Series A remaining undistributed under the Plan, and a certificate signed by a Vice President of The First National Bank of Chicago, or its successor as such Bond Scrip Agent, stating the serial numbers of the Bonds of Series A then held by it as such Bond Scrip Agent under said Bond Scrip Agreement. If any certificate of such Exchange Agent or Bond Scrip Agent shall show that such Agent no longer holds any Bonds of Series A, a certificate from such Agent under the foregoing provision shall not thereafter be required.

SECTION 3. If publication of notice of redemption shall have been completed as above provided, the Bonds or portions of Bonds specified in such notice shall become due and payable on the date and at the place stated in such notice, at the applicable redemption price, and on and after such date (unless the Company shall fail to deposit with the Corporate Trustee, as hereinafter provided, funds sufficient for the payment of such Bonds at the redemption price) interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, and the coupons for such interest payable