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after the date fixed for redemption shall be void. On presentation and surrender of such Bonds on or after such date at any place or places of payment in said notice specified, accompanied by appropriate transfer powers in blank in the case of coupon Bonds registered as to principal and registered Bonds without coupons, and with all coupons, if any, thereto appertaining and maturing on or after such date, they shall be paid and redeemed by the Company at the applicable redemption price. If the Company, having completed publication of notice of redemption as required, fails so to deposit, or to direct the authentication from cash so available and held by the Corporate Trustee, of a sum of money equal to such redemption price, the Bonds so called for redemption, nevertheless, shall be redeemed and payable on the date fixed for redemption.

Upon presentation of any registered Bond without coupons which is redeemed in part only, the Company shall execute and the Corporate Trustee shall authenticate and deliver to the registered holder thereof, without expense to such holder, a new registered Bond or Bonds without coupons or new coupon Bonds of the same series, and maturity in principal amount equal to the unredeemed portion of the Bond so presented.

Section 4. If the Company shall deposit in trust with the Corporate Trustee on, or within 60 days prior to, the date fixed for redemption an amount in cash sufficient to redeem all Bonds, or portions thereof, then called or to be called for redemption, and shall furnish to the Corporate Trustee proof satisfactory to it that notice of redemption of such Bonds has been published as herein provided, or provision satisfactory to the Corporate Trustee shall have been made for giving such notice, then the Bonds or portions of Bonds to be redeemed

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shall no longer entitle the holders thereof to any right or benefit under the Mortgage, save and except the right to receive the redemption price therefor, and such Bonds shall no longer be considered as outstanding under the Mortgage.

All money deposited with the Corporate Trustee for the redemption of Bonds shall be held in trust for the benefit of the holders of such Bonds, but subject to the provisions of Section 4 of Article XVII.

Section 5. If the date fixed for redemption be a legal holiday or a day on which banking institutions are authorized by law to be closed, then payment of the redemption price may be made on the next succeeding day that is not a legal holiday or a day on which banking institutions are authorized by law to be closed, with the same force and effect as if made on the nominal date fixed for redemption, and no interest shall accrue for the period after the date fixed for redemption.

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ARTICLE V

AVAILABLE NET INCOME

Section 1. The Company covenants that Available Net Income for each calendar year, beginning with the calendar year 1948, and continuing as long as any Bonds are outstanding under the Mortgage, shall be determined and applied as provided in this Section 1, subject to the provisions of Section 7 of this Article V.

The Available Net Income for the calendar year 1948 and for each calendar year thereafter shall be determined not later than March 15 of the following calendar year; and Available Net Income for each year shall be applied, to the extent that the same shall suffice therefor, during the succeeding calendar year for the following purposes and in the following order:

(a) To the payment of the amounts currently to be paid into the Capital Fund out of Available Net Income pursuant to the requirements of Section 1 of Article VII of Section 1 of Article VI;

(b) To the payment of the amount currently required to be paid into the Emergency Sinking Fund pursuant to the requirements of Section 2 of Article VII;

(c) To the payment, first of the amount currently required to be paid into the Series A Sinking Fund pursuant to the requirements of Section 1 of Article VII or into any sinking fund equivalent in dollar amount that may be established for the retirement of Bonds of any series issued for the purpose of refunding the Bonds of Series A, and next of any amounts currently required to be paid into any sinking fund established by any indenture supplemental to the Mortgage for the retirement of Bonds of any series other than Series A and series created for the purposes of Sections 2 and 4 of Article III;

(d) To the payment of the currently payable Contingent Interest on all Outstanding General Mortgage Bonds

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of Series A or Outstanding General Mortgage Bonds of any series issued for the purpose of refunding General Mortgage Bonds of Series A, and the unpaid accumulations of Contingent Interest thereon, including General Mortgage Bonds of Series A which have been converted but upon which Contingent Interest is payable under Section 4 of Article XI of the General Mortgage;

(e) To the payment of the currently payable Contingent Interest on all Outstanding General Mortgage Bonds of series other than Series A and other than General Mortgage Bonds of any series issued for the purpose of refunding General Mortgage Bonds of Series A, and the unpaid accumulations of Contingent Interest thereon, with such priority among the Bonds of such other series as shall be provided in the Bonds of such series, subject to the provisions of Section 3 of this Article V;

(f) To the payment of the current annual installment required to be paid into the Series A sinking fund pursuant to the provisions of subsections (b) and (c) of the General Mortgage, or into any sinking fund equivalent in dollar amount that may be established for the retirement of General Mortgage Bonds of any series issued for the purpose of refunding General Mortgage Bonds of Series A;

(g) To the payment of any amounts currently required to be paid into any sinking fund established by the General Mortgage for the retirement of General Mortgage Bonds of any series other than Series A and series created for the purpose of Section 3 of Article III of the General Mortgage; and

(h) To the payment of any amounts currently required to be paid into the Company's Sinking Fund established pursuant to the requirements of Section 3 of Article VII.

Subject to the provisions of Section 6 of Article VI, any remaining Available Net Income, after deducting therefrom such amounts as shall have been charged to operating expenses and added to such Available Net Income representing the