retire through a sinking fund, on June 1, 1960, and on each June 1 thereafter to and including June 1, 1979 (such dates being hereafter referred to respectively as the "sinking fund dates"), a principal amount of Bonds of Third Series equal to one per cent (1%) of the greatest principal amount of Bonds of Third Series at any one time outstanding under the Indenture prior to March 1 of the year in which the particular sinking fund date occurs.

In determining the amount of Bonds of Third Series to be retired on any sinking fund date, any excess over a multiple of $1,000 shall be disregarded.

The principal amount of Bonds of Third Series required to be retired by the Company on any sinking fund date shall, at the option of the Company, be reduced by:

(a) An amount equal to the principal amount of Bonds of Third Series theretofore redeemed at the option of the Company and not theretofore bonded which the Company elects to use for such purpose; provided that the Company shall have delivered to the Trustee not less than sixty days prior to such sinking fund date an officers' certificate notifying the Trustee of such election and stating the principal amount of Bonds of Third Series so to be used and that they have not theretofore been bonded; and

(b) An amount equal to the principal amount of Bonds of Third Series which shall be delivered uncancelled by the Company to the Trustee for the sinking fund not less than sixty days prior to such sinking fund date, together with an officers' certificate stating that such bonds were theretofore sold or otherwise disposed of by the Company for a consideration and reacquired by the Company; provided that all coupon bonds so delivered shall be accompanied by all unmatured coupons appertaining thereto and all registered bonds without coupons and all coupon bonds registered as to principal shall be accompanied by duly executed instruments of transfer.

SECTION 2. The Company covenants and agrees to notify the Trustee in writing not less than sixty days prior to each sinking fund date of the principal amount of Bonds of Third Series required to be retired on such date under the provisions of Section 1 of this Article III (after giving effect to the reductions permitted by subparagraphs (a) and (b) of said Section 1) and to pay to the Trustee at least three business days prior to such sinking fund date a sum in cash equal to the applicable redemption price of such bonds through operation of the sinking fund.

SECTION 3. All cash deposited with the Trustee for the sinking fund, as aforesaid, shall be held in trust for the Bonds of Third Series and shall be applied by the Trustee to the redemption of outstanding Bonds of Third Series on the sinking fund date immediately following such deposit in the manner herein and in the Indenture provided. Such bonds shall be called for redemption by the Trustee, after receiving the notice from the Company provided for in Section 2 of this Article III, at the redemption price then applicable in the case of redemption of Bonds of Third Series through operation of the sinking fund.

Notice of redemption having been given as provided in Article IV of the Indenture and in Section 2 of Article I of this Third Supplemental Indenture, the Bonds of Third Series so called for redemption, or the specified portions thereof, shall, on the date designated in such notice, become due and payable, at the respective places at which the principal of the bonds to be redeemed is payable, at the redemption price then applicable in the case of redemption of Bonds of Third Series through the operation of the sinking fund, and upon presentation and surrender thereof with, in the case of coupon bonds, all interest coupons maturing subsequent to the redemption date and, in the case of registered bonds or of coupon bonds which shall at the time be registered as to principal, accompanied by duly executed assignments or transfer powers, such bonds or the specified