

Bonds of the 1977 Series herein referred to). The Bonds of the 1977 Series shall be substantially in the forms set forth in the recitals herein and shall be executed, authenticated and delivered in accordance with the provisions of, and shall in all respects be subject to all of the terms, conditions and covenants of the Indenture. The Bonds of the 1977 Series shall be registered Bonds without coupons, or coupon Bonds payable to bearer and with the privilege of registration as to principal, or both, provided that no Bonds of the 1977 Series shall be issued in coupon form so long as the right of conversion set forth in Section 6.01 hereof exists. The aggregate principal amount of Bonds of the 1977 Series which may be executed by the Company and authenticated by the Trustee and at any one time outstanding shall be limited to \$2,600,000 principal amount, except as provided in § 2.13 of the Indenture.

SECTION 1.02. The coupon Bonds of the 1977 Series shall be dated as of July 1, 1952, and the registered Bonds of the 1977 Series shall (subject to the provisions of § 2.10 and § 2.13 of the Indenture) be dated as provided in § 2.06 of the Indenture. All Bonds of the 1977 Series shall mature on July 1, 1977 and shall bear interest at the rate of four and one-half per centum ($4\frac{1}{2}\%$) per annum, payable semi-annually on the first day of January and on the first day of July in each year until payment of the principal thereof becomes due and payable, whether at stated maturity, by declaration or otherwise, and thereafter if default be made in the payment of such principal, at the rate of six per centum (6%) per annum, until the principal thereof shall be paid, but at or prior to maturity in the case of coupon Bonds only upon surrender of the respective coupons attached thereto as they severally mature. Bonds of the 1977 Series in definitive form may be engraved or printed or lithographed on steel-engraved borders, as the Board of Directors may determine.

SECTION 1.03. The Bonds of the 1977 Series shall be coupon Bonds registerable as to principal, of the denomination of \$1,000 each, numbered consecutively from M1 upward, and registered Bonds, without coupons, of any denomination, bearing appropriate serial numbers. Coupon Bonds of the 1977 Series may be exchanged, upon surrender thereof, with all unmatured coupons attached, at the principal office of the Trustee, for a registered Bond or registered Bonds of the

1977 Series without coupons, of authorized denominations, for the same aggregate principal amount; registered Bonds of the 1977 Series without coupons may be exchanged, upon surrender thereof at said office, for one or more such registered Bonds of the 1977 Series without coupons for the same aggregate principal amount, of other authorized denominations; registered Bonds of the 1977 Series without coupons may, subject to Section 1.01 hereof, be exchanged, upon surrender thereof at said office for a coupon Bond or Bonds of the 1977 Series for the same aggregate principal amount, with coupons representing interest from the next preceding interest payment date to which interest was paid, and for a registered Bond for any portion thereof not divisible by \$1,000; all such exchanges to be made upon payment of charges and subject to the terms and conditions set forth in Article 2 of the Indenture. Prior to the termination of the right of conversion set forth herein, each registered Bond of the 1977 Series without coupons which may become issuable but which shall not be convertible with respect to any portion thereof shall be appropriately stamped by the Trustee to indicate that such Bond is not convertible.

ARTICLE II.

ISSUE OF BONDS OF THE 1977 SERIES.

SECTION 2.01. The Company may, upon the execution and delivery of this Supplemental Indenture or from time to time thereafter and notwithstanding the provisions of § 3.07 of the Original Indenture, execute and deliver to the Trustee for authentication and the Trustee shall from time to time authenticate and deliver to or upon the order of the Company, up to an aggregate of Two Million Six Hundred Thousand Dollars (\$2,600,000) principal amount of Bonds of the 1977 Series upon compliance by the Company with the provisions of § 3.06 of the Indenture, except that the application of the Company for the authentication and delivery of such Bonds need not be accompanied by a net earnings certificate. The cash so deposited with the Trustee pursuant to said § 3.06 in connection with the issue of the Bonds of the 1977 Series may from time to time be withdrawn by the Company upon compliance by the Company with the applicable provisions of Subdivision (II) of § 7.02 of the Indenture.