

at its option, as an additional fund for the retirement of Bonds of the 1978 Series, redeem, on August 1, 1969 and on August 1 in any year or years thereafter, an additional principal amount (in an integral multiple of \$50,000) of Bonds of the 1978 Series not exceeding the amount redeemed on the then immediately preceding June 1 pursuant to Section 4.01. Any such option shall be non-cumulative and shall be exercised by the Company furnishing written notice thereof to the Trustee at least 45 days prior to the date of any redemption pursuant to this Section 4.02.

SECTION 4.03. *Fixed Sinking Fund for Bonds of the 1984 Series.* As a fund for the retirement of Bonds of the 1984 Series, the Company covenants that it will (subject to the last sentence of Section 3.04 and to Division C of Section 3.05) redeem (i) on August 1, 1969 and on each August 1 thereafter to and including August 1, 1974, \$5,000,000 principal amount of Bonds of the 1984 Series, and (ii) on August 1, 1975 and on each August 1 thereafter, \$7,000,000 principal amount of Bonds of the 1984 Series.

SECTION 4.04. *Optional Sinking Fund for Bonds of the 1984 Series.* The Company may, at its option, as an additional fund for the retirement of Bonds of the 1984 Series, redeem, on August 1, 1969 and on August 1 in any year or years thereafter, an additional principal amount (in an integral multiple of \$50,000) of Bonds of the 1984 Series not exceeding the amount then being redeemed on such date pursuant to Section 4.03; *provided*, that the aggregate principal amount of Bonds of the 1984 Series redeemed from time to time pursuant to this Section 4.04 shall not exceed \$20,000,000; and *provided further*, that the Company may not redeem Bonds of the 1984 Series pursuant to this Section 4.04 unless (i) such redemption is not being made as a part of a refunding or anticipated refunding operation, by the application, directly or indirectly, of borrowed funds, (ii) the Company does not contemplate replacing the funds applied to the redemption of such Bonds by other borrowed funds, and (iii) the Company shall have delivered to the Trustee an Officers' Certificate to both such effects. Any such option shall be non-cumulative and shall be exercised by the Company furnishing written notice thereof to the Trustee at least 45 days prior to the date of any redemption pursuant to this Section 4.04.