

Section 7.01 hereof, or default in the payment, when due, of any other payment of the principal of the Notes (whether at maturity or by acceleration or otherwise), the unpaid principal of the Notes and, to the extent permitted by law, any overdue interest, shall thereafter bear interest at the rate of six per cent (6%) per annum until paid in full or until the Company, the Trustees and the payees and holders of the Notes shall be restored to their former positions and rights hereunder in accordance with the provisions of Section 7.07 hereof.

The principal of and interest on each Note shall be payable at the principal office of the Trustee in any coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts, as follows: In the case of the Series A 5 1/4% Mortgage Notes, interest at the rate of five and one-quarter per cent (5 1/4%) per annum and in the case of the Series B 5 3/8% Mortgage Notes at the rate of five and three eights per cent (5 3/8%) per annum, in both cases, payable from the date of said Note to and including the last day of the month in which shall occur the date of said Note, shall be payable on the date of said Note; equal monthly instalments (herein termed Instalment Payments) in the amount specified therein shall be payable on the first day of each and every month commencing on the first day of the month following the date of said Note and continuing to and including the first day of the month immediately preceding the date of maturity of the Notes; the Instalment Payments shall be applied to the payment of interest and principal of the Notes in the manner therein provided, and the amount of the Instalment Payments specified in each of said Notes shall be such that upon the due payment of all Instalment Payments there shall have been paid to the payee of said Note ninety per cent (90%) of the principal amount thereof (as nearly as may be), together with accrued interest on the entire unpaid principal amount thereof to the first day of the month immediately preceding the date of maturity of the Notes at the rate of, in the case of the Series A 5 1/4% Mortgage Notes, five and one-quarter per cent (5 1/4%) per annum and in the case of the Series B 5 3/8% Mortgage Notes at the rate of five and three eights per cent (5 3/8%) per annum; the remaining balance of the unpaid principal amount of each of said Notes and all other amounts of the unpaid principal of each of said Notes, together with the accrued interest thereon at the rate of such Note shall be payable on the maturity date thereof. The Notes originally issued hereunder shall be dated the date on which they are issued, and Notes issued in exchange or substitution for Notes previously issued shall be dated so that there shall be no gain or loss to the Company, any payee or transferee.