

under and not previously cancelled by the Trustee or called for redemption, in any manner deemed by the Trustee to be fair and proper, taking into consideration the principal amount of coupon Bonds of the 1968 Series due 1987 which are outstanding and the principal amount of registered Bonds of the 1968 Series due 1987 without coupons which are outstanding.

SECTION 7.02. The Bonds of the 1968 Series due 1987 shall in the manner provided in Section 7.01 hereof and in Article 4 of the Indenture be subject to redemption, as provided in the last paragraph of §7.02 of the Indenture, with money received by the Trustee as the proceeds of all or any part of the mortgaged property taken through the power of eminent domain or sold pursuant to the exercise of any right of any municipal, state or governmental body or agency to purchase, or designate a purchaser of, or order the sale of such property, or sold in lieu of and in reasonable anticipation of such event, at the applicable redemption prices set forth in the forms of Bonds of the 1968 Series due 1987 contained in Section 5.02 hereof, together in each case with accrued interest to the redemption date.

SECTION 7.03. The Bonds of the 1968 Series due 1987 shall in the manner provided in Section 7.01 hereof and in Article 4 of the Indenture be subject to redemption in part from time to time at the principal amount thereof, together with accrued interest thereon to the redemption date, through the operation of and for the purposes of the sinking fund provided therefor in Article VIII hereof.

ARTICLE VIII.

SINKING FUND FOR BONDS OF THE 1968 SERIES, DUE 1987

SECTION 8.01. The Company covenants and agrees that, so long as any of the Bonds of the 1968 Series due 1987 are outstanding, it will deposit with the Trustee, as and for a sinking fund for the redemption of bonds of such series on April 1, 1969, and thereafter on April 1 in each of the years 1970 to 1986, both inclusive, cash in the amount of Twenty-Two Thousand Dollars (\$22,000); provided, however, that the amount of such payments shall be reduced when and as any proceeds from the sale or condemnation of mortgaged property shall have been applied to the retirement of Bonds of the 1968 Series due 1987, by an amount