

ture 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 XVI hereof.

ARTICLE XVI.

SINKING FUND FOR BONDS OF THE 1968 SERIES, DUE 1991

SECTION 16.01. The Company covenants and agrees that, so long as any of the Bonds of the 1968 Series due 1991 are outstanding, it will deposit with the Trustee, as and for a sinking fund for the redemption of bonds of such series on May 1, 1972, and thereafter on May 1 in each of the years 1973 to 1990, both inclusive, cash in the amount of Twenty-Five Thousand Dollars (\$25,000); 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 1991, by an amount equal to five per cent (5%) of the Bonds of the 1968 Series due 1991 so retired through the application of the proceeds from the sale or condemnation of such properties.

The dates upon which payments are required for the sinking fund as above provided are hereinafter referred to as "sinking fund payment dates."

The Company shall have the right, subject to the conditions hereinafter contained, to satisfy any sinking fund payment (which term as used in this paragraph shall be deemed to include a sinking fund payment which the Company has elected to anticipate as hereinafter provided) in whole or in part, by delivering to the Trustee for the sinking fund, Bonds of the 1968 Series due 1991 theretofore issued and then outstanding hereunder together with, in the case of coupon Bonds, all coupons appertaining thereto and unmatured at the time of such delivery, and the Trustee shall credit such sinking fund payment with an amount equal to the principal amount of the Bonds of the 1968 Series due 1991 so delivered, plus the interest which would be payable on such Bonds on the redemption of such Bonds for the sinking fund on