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Series I, 5%, due May 1, 1991", an Eleventh Supplemental Indenture, dated as of September 1, 1962, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series J, 4 $\frac{7}{8}$ %, due September 1, 1992", a Twelfth Supplemental Indenture, dated as of April 1, 1964, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series K, 4.65%, due April 1, 1994", a Thirteenth Supplemental Indenture, dated as of March 1, 1966, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series L, 5.15%, due March 1, 1996", a Fourteenth Supplemental Indenture, dated as of March 1, 1967, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series M, 6 $\frac{3}{8}$ %, due March 1, 1997", a Fifteenth Supplemental Indenture, dated as of November 1, 1967, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series N, 6 $\frac{1}{2}$ %, due November 1, 1997", a Sixteenth Supplemental Indenture, dated as of March 1, 1969, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series O, 7 $\frac{1}{2}$ %, due March 1, 1999", a Seventeenth Supplemental Indenture, dated as of June 1, 1970, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series P, 9 $\frac{3}{4}$ %, due June 1, 2000", an Eighteenth Supplemental Indenture, dated as of January 1, 1971, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series Q, 6 $\frac{1}{8}$ %, due December 31, 1985", a Nineteenth Supplemental Indenture, dated as of September 1, 1971, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series R, 8 $\frac{3}{4}$ %, due September 1, 1995", a Twentieth Supplemental Indenture, dated as of April 1, 1972, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series S, 8%, due April 1, 2002", a Twenty-First Supplemental Indenture, dated as of April 1, 1973, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series T, 7.95%, due April 1, 2003" and a Twenty-Third Supplemental Indenture, dated as of March 1, 1976, pre-

scribing the form or forms of three new series of Bonds of the Company to be designated, respectively, "First Mortgage Bonds, Series U, 4.85%, due April 1, 1989", "First Mortgage Bonds, Series V, 7 $\frac{3}{4}$ %, due March 1, 1994", and "First Mortgage Bonds, Series W, 9 $\frac{7}{8}$ %, due January 1, 1996" (which Original Indenture, as supplemented and modified by the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, Eighteenth, Nineteenth, Twentieth, Twenty-First, Twenty-Second and Twenty-Third Supplemental Indentures, is hereafter called the "Mortgage"); and

WHEREAS, there are now issued and outstanding under the Original Indenture \$39,782,240 principal amount of First Mortgage Bonds of the Company, consisting of \$750,000 Series C Bonds, 3 $\frac{1}{2}$ %, due July 1, 1978, \$975,000 Series D Bonds, 3 $\frac{1}{4}$ %, due July 1, 1980, \$2,000,000 Series E Bonds, 4%, due January 1, 1984, \$1,500,000 Series F Bonds, 3 $\frac{5}{8}$ %, due April 1, 1986, \$1,128,000 Series G Bonds, 4%, due May 1, 1986, \$1,305,000 Series H Bonds, 4 $\frac{3}{4}$ %, due May 1, 1986, \$2,000,000 Series I Bonds, 5%, due May 1, 1991, \$2,000,000 Series J Bonds, 4 $\frac{7}{8}$ %, due September 1, 1992, \$2,000,000 Series K Bonds, 4.65%, due April 1, 1994, \$3,000,000 Series L Bonds, 5.15%, due March 1, 1996, \$3,000,000 Series M Bonds, 6 $\frac{3}{8}$ %, due March 1, 1997, \$3,000,000 Series N Bonds, 6 $\frac{1}{2}$ %, due November 1, 1997, \$1,500,000 Series O Bonds, 7 $\frac{1}{2}$ %, due March 1, 1999, \$3,000,000 Series P Bonds, 9 $\frac{3}{4}$ %, due June 1, 2000, \$624,240 Series Q Bonds, 6 $\frac{1}{8}$ %, due December 31, 1985, \$3,000,000 Series R Bonds, 8 $\frac{3}{4}$ %, due September 1, 1995, \$3,000,000 Series S Bonds, 8%, due April 1, 2002, \$3,000,000 Series T Bonds, 7.95%, due April 1, 2003, \$650,000 Series U Bonds, 4.85%, due April 1, 1989, \$1,350,000 Series V Bonds, 7 $\frac{3}{4}$ %, due March 1, 1994 and \$1,000,000 Series W Bonds, 9 $\frac{7}{8}$ %, due January 1, 1996; and

WHEREAS, Section 2.03 of the Original Indenture provides that any series of Bonds, other than Bonds of Series A, may be established by resolution of the Board of Directors of the Company, and that in the event of the establishment of any new series of Bonds there shall be executed by the Company and the Trustees and delivered to the Trustees a supplemental indenture prescribing the form

or forms of the Bonds of the new series and in respect thereof pursuant to the Original Indenture.

WHEREAS, the Board of Directors of the Company, in accordance with the provisions of the Mortgage, by a resolution has established a new series of Bonds to be designated "First Mortgage Bonds, Series X, 9 $\frac{7}{8}$ %, due August 1, 1996" (which Bonds being hereinafter sometimes collectively referred to as "Bonds of Series X") and has authorized the execution and delivery of this Twenty-Fourth Supplemental Indenture;

WHEREAS, all acts and proceedings required by the Articles of Incorporation and By-Laws of the Company in connection with the execution and delivery of the Bonds of Series X, and all actions requisite on the part of the stockholders and officers necessary to make the Series X Bonds, Company, authenticated and delivered by the Company, duly issued, the valid, binding and legal obligation of the Company, and to constitute this Twenty-Fourth Supplemental Indenture a valid, binding and legal instrument for the securing of the Bonds of Series X, in accordance with their terms, have been taken, and the execution and delivery of this Twenty-Fourth Supplemental Indenture has been duly authorized by all the proper authorities having jurisdiction in the premises;

NOW, THEREFORE, THIS TWENTY-FOURTH SUPPLEMENTAL INDENTURE WITNESSETH:

That, in order to secure the payment of principal and interest on, all Bonds at any time issued and outstanding under the Mortgage according to their tenor, purport and effect, and specifically but without limitation the Series X Bonds, pursuant to the Mortgage, and to secure the observance of all the covenants and conditions contained therein, and to determine the terms and conditions of the Bonds of Series X to which the Series X Bonds are, and are to be, attached, and held, and for and in consideration of the mutual covenants herein contained and of the value of the Bonds by the holders thereof and of the sum of One Dollar (\$1.00), lawful money of the United States,

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or forms of the Bonds of the new series and other provisions made in respect thereof pursuant to the Original Indenture; and

WHEREAS, the Board of Directors of the Company, pursuant to the provisions of the Mortgage, by a resolution duly adopted by it, has established a new series of Bonds to be designated, "First Mortgage Bonds, Series X, 9½%, due August 1, 1996" (such new series of Bonds being hereinafter sometimes collectively called "Series X Bonds" or "Bonds of Series X") and has authorized the execution and delivery of this Twenty-Fourth Supplemental Indenture; and

WHEREAS, all acts and proceedings required by law and by the Articles of Incorporation and By-Laws of the Company, including all actions requisite on the part of the stockholders, directors and officers necessary to make the Series X Bonds, when executed by the Company, authenticated and delivered by the Corporate Trustee and duly issued, the valid, binding and legal obligations of the Company, and to constitute this Twenty-Fourth Supplemental Indenture a valid, binding and legal instrument for the security of the Bonds in accordance with their, and its, terms, have been done and performed; and the execution and delivery of this Twenty-Fourth Supplemental Indenture has been duly authorized by all requisite governmental authorities having jurisdiction in the premises and in all other respects;

NOW, THEREFORE, THIS TWENTY-FOURTH SUPPLEMENTAL INDENTURE WITNESSETH:

That, in order to secure the payment of the principal of, and interest on, all Bonds at any time issued and outstanding under the Mortgage according to their tenor, purport and effect, including specifically but without limitation the Series X Bonds to be issued pursuant to the Mortgage, and to secure the performance and observance of all the covenants and conditions in the Mortgage contained, and to determine the terms and conditions upon and subject to which the Series X Bonds are, and are to be, issued, secured and held, and for and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the holders thereof and of the sum of One Dollar (\$1.00), lawful money of the United States of America, duly

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paid to the Company by the Trustees at or before the sealing and delivery hereof, and for other valuable consideration, the receipt whereof is hereby acknowledged, the Company has executed and delivered this Twenty-Fourth Supplemental Indenture and has granted, bargained, sold, aliened, remised, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed, and by these presents does grant, bargain, sell, alien, remise, release, convey, assign, transfer, mortgage, pledge, grant a security interest in, and set over and confirm unto Bank of America National Trust and Savings Association and M. J. Barrett, as Trustees, and to their successors in said trust and to their assigns forever, with power of sale, all property, real, personal or mixed, tangible or intangible, of every kind, character and description and wheresoever situate, including all proceeds and products thereof, which is now owned or held by the Company, including, without limiting the generality of the foregoing, the following described property:

PART I

CLAUSE FIRST

All hydro, steam and diesel electric generating plants and all electrical transmission and distributing systems, and all gas manufacturing plants and distributing systems, and all water collecting and distributing systems, and all telephone systems now owned or held by the Company, and all interest therein now held or hereafter acquired by the Company and all accessions and future additions to, and extensions to, any such plants and systems, together with all property, real, personal or mixed, now owned or held, or hereafter acquired, and all interest therein now held or hereafter acquired by the Company and which now comprises or appertains to, or may hereafter comprise or appertain to, or is now, or may hereafter be, used in connection with any such plant or system hereinabove described, mentioned or referred to.

CLAUSE SECOND

All lands, water rights and all other real property acquired by the Company since the execution and delivery of the Twenty-Fourth Supplemental Indenture and now owned or held by it, and all interest therein held or hereafter acquired by the Company, including:

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All that certain lot, piece or parcel of land situated in the County of Elko, State of Nevada, more particularly described as follows:

The southeasterly 50 feet of Lot 1 on the plat of the TOWN OF LAMONI, the County Recorder of Elko County, 5, 1924 being more particularly described as follows:

Beginning at the Southwest corner of the above described plat of point of beginning; thence N.66°37' E. to Corner No. 2, the Southeast corner N.18°28' W. a distance of 50.00 feet to S.66°37' W. a distance of 50 feet to S.18°28' E. a distance of 50 feet to the point of beginning.

CLAUSE THIRD

All federal, state, municipal and other franchises acquired under the Constitution of the United States (including patents, licenses, permits, consents, grants, privileges, leases and contracts of every kind and description) now owned or hereafter acquired by the Company subsequent to the execution and delivery of the Third Supplemental Indenture and now owned or hereafter acquired by the Company, including all renewals, extensions, enlargements and amendments thereof.

CLAUSE FOURTH

Also, subject to the rights reserved to the Company by the other provisions of the Mortgage, all other personal or mixed, tangible or intangible (other than real property as hereinafter defined) of every kind, character and wheresoever situate, and all proceeds and products thereof now owned or hereafter acquired by the Company subsequent to the execution and delivery of the Twenty-Third Supplemental Indenture and now held by it.

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All that certain lot, piece or parcel of land situate in the County of Elko, State of Nevada, more particularly described as follows:

The southeasterly 50 feet of Lot 2 in Block A, as shown on the plat of the TOWN OF LAMOILLE filed in the office of the County Recorder of Elko County, Nevada on September 5, 1924 being more particularly described as follows:

Beginning at the Southwest corner of Lot 2 in Block A, as shown on the above described plat, Corner No. 1, the point of beginning, thence N.66°37' E. a distance of 50 feet to Corner No. 2, the Southeast corner of said Lot 2, thence N.18°28' W. a distance of 50.00 feet to Corner No. 3, thence S.66°37' W. a distance of 50 feet to Corner No. 4, thence S.18°28' E. a distance of 50 feet to Corner No. 1, the point of beginning.

CLAUSE THIRD

All federal, state, municipal and other franchises (including, without in any respect limiting the generality of the foregoing, all franchises acquired under the Constitution of the State of California), permits, consents, licenses, grants, privileges and immunities, leases and contracts of every kind and description acquired by the Company subsequent to the execution and delivery of the Twenty-Third Supplemental Indenture and now owned or held by it, and all renewals, extensions, enlargements and modifications of any of them.

CLAUSE FOURTH

Also, subject to the rights reserved to the Company in and by the other provisions of the Mortgage, all other property, real, personal or mixed, tangible or intangible (other than excepted property as hereinafter defined) of every kind, character and description and wheresoever situate, and all proceeds and products thereof, acquired by the Company subsequent to the execution and delivery of the Twenty-Third Supplemental Indenture and now owned or held by it.

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CLAUSE FIFTH

All and singular the lands, real estate, chattels real and interests in land, ways, rights-of-way, alleys, passages, easements, permits and licenses, waters, water courses, water powers, water power rights, water power sites, rights of flowage and overflowage and riparian rights, factories, plants, buildings, structures, power houses, shops, dams, dam sites, canals, locks, aqueducts, gates, valves, fittings, hydrants, flumes, ditches, pipes, conduits, sluices, raceways, tailraces, receivers, abutments, reservoirs, water works and water wheels, machinery and appurtenances, dynamos, generators, turbines, engines, boilers, meters, transformers, condensers, pumps and tanks, fixtures, apparatus, equipment, furniture, appliances, tools, implements, stores and supplies, cables, wires, towers, poles, posts, transmission lines, distributing systems, stations and substations, all gas plants, holders, washers, purifiers, mains, pipes, services, meters and tanks, all contracts, leases and agreements for gas, water or water power or electric light, heat or power and all property of any nature appertaining to any of the plants, systems, business or operations of the Company acquired by the Company since the execution and delivery of the Twenty-Third Supplemental Indenture and now owned and held by it.

CLAUSE SIXTH

Together with all and singular the plants, buildings, improvements, additions, tenements, hereditaments, easements, rights, privileges, licenses and franchises and all other appurtenances whatsoever belonging or in anywise appertaining to the property hereby granted and conveyed, or intended so to be, or any part thereof, and the reversion and reversions, remainder and remainders, and the income, rents, revenues, issues, earnings and profits thereof, and every part and parcel thereof, and all the estate, right, title, interest, property, claim and demand of every nature whatsoever of the Company at law, in equity or otherwise, howsoever in, on and to the same and every part and parcel thereof, it being the intention of the parties hereto that no words of particular description of property contained herein shall in any manner limit, qualify or detract from, or be deemed to limit, qualify or detract from, the effect of the general words describing the properties which the Com-

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pany hereby mortgages and conveys in trust property of every kind and description acquired since the execution and delivery of the Twenty-Third Supplemental Indenture and now owned or held by it.

PART II EXCEPTED PROPERTY

There is, however, expressly excepted from the lien and operation of the Mortgage the following property of the Company (herein sometimes for brevity referred to as "excepted property") viz:

1. All property of the following character reserved for convenience referred to as "reserved property" owned or hereafter acquired by the Company:

A. Cash on hand and in bank; bills receivable; customers' service and extension contracts; Bonds issued under the Mortgage; evidences of indebtedness; shares of stock, documents, instruments, chattel paper, contract rights, contracts and other choses in action or hereafter acquired by the Company, and all of;—other than those which by express provision of the Mortgage are or may be subjected or released to the lien hereof;

B. Materials, supplies, appliances, and equipment purchased or acquired for resale in the ordinary course of business of supplying liquefied petroleum gas through or about customers' premises in such manner as to constitute public utility gas distribution service or for the purpose of consumption in the operation of any of the properties of the Company;

C. All motor cars and vehicles;

provided, however, and it is hereby expressly agreed that in the event of the happening of a default, as defined in Section 1 of the Twenty-Third Supplemental Indenture, as amended, all reserved property

pany hereby mortgages and conveys in trust as including all property of every kind and description acquired by the Company since the execution and delivery of the Twenty-Third Supplemental Indenture and now owned or held by it.

PART II

EXCEPTED PROPERTY

There is, however, expressly excepted and excluded from the lien and operation of the Mortgage the following described property of the Company (herein sometimes for convenience collectively referred to as "excepted property") viz:

1. All property of the following character (herein sometimes for convenience referred to as "reserved property"), whether now owned or hereafter acquired by the Company:

A. Cash on hand and in bank; bills and accounts receivable; customers' service and extension deposits; bonds (including Bonds issued under the Mortgage), notes and other evidences of indebtedness; shares of stock, certificates of interest, documents, instruments, chattel paper, general intangibles, contract rights, contracts and other choses in action now owned or hereafter acquired by the Company, and the proceeds thereof;—other than those which by express provisions of the Mortgage are or may be subjected or required to be subjected to the lien hereof;

B. Materials, supplies, appliances, goods, merchandise and equipment purchased or acquired for the purpose of sale or resale in the ordinary course of business or for the purpose of supplying liquefied petroleum gas through tanks located on or about customers' premises in such manner as not to constitute public utility gas distribution service under applicable law or for the purpose of consumption in the operation or repair of any of the properties of the Company; and

C. All motor cars and vehicles;

provided, however, and it is hereby expressly agreed, that upon the happening of a default, as defined in Section 10.01 of the Original Indenture, as amended, all reserved property then held, owned and

possessed by the Company shall forthwith become and be, to the extent permitted by law, subject to the lien of the Mortgage and shall continue to be subject thereto so long as any such default shall subsist and until such default shall be cured or waived; and upon the happening of any such default, each item of reserved property then owned by the Company, or the evidence thereof, shall forthwith be delivered by the Company to the Trustee or to the Co-Trustee:

2. All property expressly wholly excepted by the provisions of the Mortgage.

3. All property released or otherwise disposed of pursuant to the provisions of Article VI of the Original Indenture.

The Company may, however, pursuant to the provisions of Clause Sixth of Part I of the granting clauses of the Original Indenture, subject to the lien and operation of the Mortgage all or any part of the excepted property described in this Part II.

TO HAVE AND TO HOLD the premises and all and singular the lands, properties, estates, rights, securities, franchises, privileges and appurtenances hereby mortgaged, transferred in trust, conveyed, pledged or assigned, or intended so to be, together with all the appurtenances thereunto belonging or in anywise appertaining, unto the Trustees, and their respective successors and assigns in trust forever;

SUBJECT, HOWEVER, to the exceptions and reservations and matters hereinabove recited, any permitted liens as defined in Section 1.01(y) of the Original Indenture, and as to any property hereafter acquired by the Company, to any liens thereon existing at the time of such acquisition.

BUT IN TRUST, NEVERTHELESS, for the equal and proportionate use, benefit, security and protection of those who from time to time shall hold the Bonds and coupons authenticated and delivered under the Mortgage and duly issued by the Company, without any preference, priority or distinction of any one Bond or coupon over any other by reason of the priority in time of issue, sale or negotiation thereof or otherwise, except insofar as a sinking fund established in accordance with the provisions of the Mortgage may afford addi-

tional security for the Bonds of any specific provided in Section 10.29 of the Original Indenture to said provisions, each and all of the Bonds shall have the same right, lien, security interest as the Mortgage and shall be equally secured thereby as if all of said Bonds and coupons had been matured simultaneously on the date of the delivery of the Bonds; and in trust for enforcing payment of the Bonds and of the interest thereon according to the terms and effect of the Bonds and coupons and of the Mortgage and the Bonds set forth, and upon the terms and purposes, and subject to the covenants, agreements and conditions in the Mortgage set forth and declared; that is to say:

ARTICLE I.

THE SERIES X BONDS

SECTION 1.01. (A) *Terms of the Series X Bonds.* The Series X Bonds of Series X shall be designated as "First Mortgage Bonds, 9½%, due August 1, 1996" of the Company, and shall all be registered Bonds without coupon forms hereinafter set forth.

The Bonds of Series X shall be dated as of the date of authentication thereof and shall bear interest from the date next preceding the date of authentication thereof if it be an interest payable day of Series X shall be due on August 1, 1996, at the rate of nine and five-eighths percent per annum to be paid semiannually on the first day of the month of August in each year until the payment thereof, payable until maturity. The principal of the Series X Bonds shall be payable in lawful money of the United States of America at the principal office of Bank of America Trust and Savings Association, in San Francisco, or its successor in trust under the Mortgage.

The Company may, by resolution of its Board of Directors, establish an additional office or agency in any

tional security for the Bonds of any specific series, and except as provided in Section 10.29 of the Original Indenture, so that, subject to said provisions, each and all of the Bonds and coupons shall have the same right, lien, security interest and privilege under the Mortgage and shall be equally secured thereby with the same effect as if all of said Bonds and coupons had been made, issued and negotiated simultaneously on the date of the delivery of the Original Indenture; and in trust for enforcing payment of the principal of the Bonds and of the interest thereon according to the tenor, purport and effect of the Bonds and coupons and of the Mortgage, and for enforcing the terms, provisions, covenants and stipulations in the Mortgage and the Bonds set forth, and upon the trusts, uses and purposes, and subject to the covenants, agreements and conditions in the Mortgage set forth and declared; that is to say:

ARTICLE I.

THE SERIES X BONDS

SECTION 1.01. (A) *Terms of the Series X Bonds.* The Bonds of Series X shall be designated as "First Mortgage Bonds, Series X, 9 $\frac{5}{8}$ %, due August 1, 1996" of the Company. The Series X Bonds shall all be registered Bonds without coupons in substantially the forms hereinafter set forth.

The Bonds of Series X shall be dated as of the date of authentication thereof and shall bear interest from the interest payment date next preceding the date of authentication of such Bonds or from the date thereof if it be an interest payment date. All Bonds of Series X shall be due on August 1, 1996, and shall bear interest at the rate of nine and five-eighths percent (9 $\frac{5}{8}$ %) per annum, to be paid semiannually on the first day of February and the first day of August in each year until the payment of the principal thereof, payable until maturity. The principal of and interest on the Series X Bonds shall be payable in lawful money of the United States of America at the principal office of Bank of America National Trust and Savings Association, in San Francisco, California, or of its successor in trust under the Mortgage.

The Company may, by resolution of its Board of Directors, establish an additional office or agency in any other city or cities

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for the payment of interest and principal on the Bonds of Series X and if any such paying agency shall be so established, the Company shall maintain the same so long as any Bonds of Series X shall remain outstanding, and in such event interest and principal on the Bonds of Series X shall be payable at said office of the Trustee or, at the option of the registered owners of Bonds of Series X, at such other paying agency so established.

Definitive Bonds of Series X may be issued in the denomination of One Thousand Dollars (\$1,000) or any multiple of One Thousand Dollars (\$1,000), bearing appropriate serial numbers.

Upon compliance with the provisions of Section 2.06 of the Original Indenture and upon payment, at the option of the Company, of the charges therein provided, Bonds of Series X may be exchanged for a new Bond or Bonds of the same series of like aggregate principal amount.

The Trustee hereunder shall, by virtue of its office as such Trustee, be the Registrar and Transfer Agent of the Company for the purpose of registering and transferring Bonds of Series X.

(B) *Redemption Provisions for Bonds of Series X.* Bonds of Series X shall be subject to redemption prior to maturity at the option of the Company, as a whole at any time, or in part from time to time, except as hereinafter set forth, upon prior notice (unless such notice is waived as provided in Article IV of the Original Indenture) given by publication at least once each week for three (3) successive calendar weeks (the first publication to be not less than thirty (30) days nor more than ninety (90) days prior to the redemption date) in an authorized newspaper in the City and County of San Francisco, State of California, and/or otherwise as provided in Article IV of the Original Indenture, and notice of any such redemption shall be mailed to the registered owners of the Bonds to be redeemed not less than thirty (30) nor more than sixty (60) days before the redemption date, in addition to such notice being given by publication (unless such notice is waived by all holders of the Bonds to be redeemed). Such redemption shall be made upon the payment (except as hereinbelow set forth in this Subdivision (B)) of the following percentages of the principal

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amounts of the Bonds of Series X to be redeemed in every case with accrued interest to the date of redemption.

If redeemed during the twelve-month period ending on the last day of July,

1977	109.625%	1987
1978	109.12 %	1988
1979	108.61 %	1989
1980	108.11 %	1990
1981	107.60 %	1991
1982	107.09 %	1992
1983	106.59 %	1993
1984	106.08 %	1994
1985	105.57 %	1995
1986	105.06 %	1996

Notwithstanding the foregoing provision (B), the Company shall not have the right to redeem Bonds of Series X at its option prior to August 1, 1987, of a refunding, or anticipated refunding, operation, directly or indirectly, of money borrowed by the Company, the interest cost to the Company (expressed as a percentage of the principal amount of the Bonds) shall not be in excess of 95% per annum.

The Bonds of Series X are also subject to a sinking fund at the sinking fund redemption price defined in Subdivision (C) of this Section 1.01 and conditions set forth in said Subdivision (C). The sinking fund redemption price, through the operation of the Sinking Fund and Replacement Fund provided for in the Original Indenture, as more particularly set forth hereof, and also, at said sinking fund redemption price, application of certain money as provided in Section 1.01.

Upon presentation of any Bond of Series X for redemption in part only, the Company shall execute upon cancellation of such Bond, shall authenticate and register the same, without cost to such registered holder thereof, of any authorized denominations, for the unredeemed portion of the Bond, or, at the option of such registered holder, there