

redemption at the option of the Company before maturity at such price or prices; (g) be entitled to the benefit of such sinking fund or funds or improvement fund or funds and be subject to redemption for such fund or funds at such price or prices; (h) be payable without deduction for such taxes, assessments and governmental charges; (i) be entitled to the benefit of such provisions respecting the payment or reimbursement, in whole or in part, of any taxes which may be assessed upon such bonds or the income received therefrom, or against the holder or holders thereof, by any state or other taxing authority; and (j) be convertible at the option of the holder into capital stock of the Company of such class or classes, and upon such terms and conditions; all as shall be determined by the Board of Directors of the Company at the time such series is created.

So long as any bonds of any of the present series are outstanding, the bonds of any other series that shall be created hereunder shall have a maturity date not more than twenty years and not less than fifteen years after the date of the coupon bonds of such series and shall have a sinking fund provided therefor in a supplemental indenture executed in connection with the creation of the bonds of such series, commencing not later than ten years prior to the maturity of the bonds of such series and calculated to be sufficient in the aggregate to retire all of the bonds of such series at or before the maturity thereof (including the payment at maturity as one of the series of payments). The sinking fund for any such new series shall be so established that either

(A) payments for such sinking fund for the period commencing ten years prior to the maturity of the bonds of such series shall be semi-annual and shall be calculated approximately on a cumulative basis (i.e., with substantially equal semi-annual payments to be applied to the payment of interest and the retirement of bonds) or on a straight line basis (i.e., with substantially equal semi-annual payments to be applied to the retirement of bonds only); or

(B) for each calendar year during the period commencing with the second full calendar year after the date of the coupon bonds of such new series and continuing to and including the year in which falls the maturity date of the latest maturing series of bonds to remain outstanding immediately after the date