

are subject to redemption prior to maturity (a) at the option of the Company or by the application of funds held by the Corporate Trustee as provided in Section 8.12 of the Mortgage, as supplemented and modified from time to time, as to each series as a whole at any time or in part from time to time, at the then effective optional redemption price or refinancing redemption price, whichever shall be applicable, and upon the terms and subject to the conditions set forth in the respective forms of the bonds of each such series contained in Section 6 of this Article Two; (b) on any interest payment date, beginning October 1, 1962, in the case of the bonds of the Second 1975 Series, beginning April 1, 1962, in the case of the bonds of the 1977 Series, and beginning October 1, 1960, in the case of the bonds of the Second 1977 Series, by operation of the respective Sinking Funds for such bonds provided for in Section 4 of this Article Two, upon payment of the principal amount thereof; and (c) at any time by the application of funds held by the Corporate Trustee as provided in Section 6D.09 and/or Section 6E.09 of the Mortgage, as supplemented and modified from time to time, upon the happening of the events set forth in said respective Sections, upon payment of the principal amount thereof; together, in any case, with interest accrued thereon to the redemption date; upon prior notice (unless waived as provided in Section 5.03 of the Mortgage) given by publication at least once in each week for three consecutive calendar weeks, the first publication to be not less than thirty nor more than sixty days prior to the redemption date, in a newspaper printed in the English language, customarily published on each business day and of general circulation in the Borough of Manhattan, City and State of New York; provided that notice of redemption shall be given by mail to each registered holder of bonds which, or portions of which, are to be redeemed, by mailing the same to such holders not less than thirty nor more than sixty days prior to the redemption date, and provided further that, if all of the bonds of the series in question at the time outstanding shall be registered bonds without coupons and/or coupon bonds registered as to principal, notice of redemption may be given solely by mail as aforesaid and publication of notice shall not be required. If in any instance notice of redemption be published as herein provided, the mailing of notice