

be designated the Company's "First Mortgage Bonds, 5 $\frac{3}{8}$ % Series due 1990," and as to coupon bonds shall be dated May 1, 1960, and as to registered bonds, shall be dated on the interest payment date next preceding the date of issuance; or if issued on an interest payment date, shall be dated on the date of issuance, or if issued prior to the first interest payment date, shall be dated May 1, 1960, shall mature May 1, 1990, shall bear interest at the rate of five and three-eighths per cent (5 $\frac{3}{8}$ %) per annum, payable semi-annually on May 1st and November 1st of each year, shall be redeemable and shall contain such other terms and provisions as hereinbefore set forth.

Section 2. If any of the bonds of the 5 $\frac{3}{8}$ % Series due 1990 are redeemed prior to maturity from funds in the Depreciation Fund provided in Article III of said Indenture or from funds in the Sinking Fund, then and in such event the notice of redemption provided for in Section 3 of Article V of said Indenture shall also contain a statement setting forth the source of the funds being used for the redemption of said bonds.

Section 3. The Company covenants and agrees that it will not make any redemption prior to May 1, 1965, of any bond of said 5 $\frac{3}{8}$ % Series due 1990 (other than redemption effected by the operation of the required annual payments paid into the Sinking Fund) unless it shall first have delivered to the Trustees a certificate signed and sworn to by the President or a Vice President and the Treasurer or an Assistant Treasurer of the Company, to the effect that (i) the Company is not making such redemption for the purpose of refunding the bonds to be redeemed by the application or utilization, directly or indirectly, of borrowed funds, or the proceeds of the sale of any debt security, having an interest cost to the Company (computed in accordance with accepted financial practice) of less than 5 $\frac{3}{8}$ % per annum, and (ii) the Company does not contemplate replacing the funds supplied to the redemption of the Bonds so to be redeemed by other borrowed funds, or the proceeds of the sale of any debt security, having an interest cost to the Company (computed in accordance with accepted financial practice) of less than 5 $\frac{3}{8}$ % per annum.