

After the execution and delivery of this Eleventh Supplemental Indenture and upon compliance with the applicable provisions of the Mortgage, as supplemented, it is contemplated that there shall be an initial issue of bonds of the Twelfth Series for the aggregate principal amount of Twenty Million Dollars (\$20,000,000).

## ARTICLE II.

### Sinking or Improvement Fund for Bonds of the Twelfth Series.

SECTION 2. The Company covenants that, so long as any of the bonds of the Twelfth Series shall remain Outstanding, it will, on or before June 1, 1969, and on or before June 1 of each year thereafter, to and including the year 1990, deliver to (or deposit with) the Corporate Trustee:

(A) An Officers' Certificate which shall state:

(a) the greatest principal amount of all bonds of the Twelfth Series prior to January 1 of such year at any one time Outstanding;

(b) the aggregate principal amount of all bonds of the Twelfth Series retired prior to the date of such Officers' Certificate pursuant to the provisions of subdivision (3) or subdivision (4) of Section 61 of the Mortgage by use or application of the proceeds of insurance on, the release or other disposition of, or the taking by eminent domain of, property, or pursuant to the provisions of Section 64 of the Mortgage;

(c) the aggregate principal amount of bonds the right to the authentication and delivery of which (on the basis of the retirement of bonds of the Twelfth Series) shall have been waived prior to the date of such Officers' Certificate pursuant to the provisions of clause (c) of subdivision (4) of Section 59 of the Mortgage as the basis of the release of property, or pursuant to the provisions of subdivision (2) of Section 61 of the Mortgage as the basis of the withdrawal of cash representing proceeds of insurance on, the release or other disposition of, or the taking by eminent domain of, property;

(d) the amount remaining after deducting the sum of the amounts stated pursuant to clauses (b) and (c) above from the amount stated pursuant to clause (a) above;