

San Francisco, California, or, at the option of the registered holder, at the office of Irving Trust Company, in the Borough of Manhattan, City and State of New York.

This bond is one of an authorized issue of bonds of the Company, limited to the aggregate principal amount of One Hundred Million Dollars (\$100,000,000) which may at any time be issued and outstanding, known as First Mortgage Bonds, all issued and to be issued pursuant to the terms and conditions of, and irrespective of the time of actual issue, equally secured by an Indenture dated as of March 1, 1939, duly executed, acknowledged and delivered by the Company to Bank of America National Trust and Savings Association (therein termed the "Corporate Trustee") and W. J. Kieferdorf (therein termed "Individual Trustee"), as Trustees (under date of March 26, 1940, William C. Koenig was appointed successor Individual Trustee and under date of April 29, 1963, William W. Bertram was appointed successor Individual Trustee to succeed William C. Koenig), Supplemental Indentures dated as of November 1, 1941, December 9, 1941, March 1, 1948, November 1, 1950, May 1, 1951, May 1, 1952, November 1, 1953, November 1, 1954, November 1, 1955, May 1, 1957, May 1, 1958, May 1, 1960, May 1, 1961, May 1, 1962, May 1, 1963, June 1, 1964 and January 1, 1965 to which Indenture and Supplemental Indentures (hereinafter referred to as the "Indenture") reference is hereby made for a description of the property, rights and franchises thereby mortgaged and pledged, the nature and extent of the security thereby granted, and the rights of the holders of said bonds and of the Trustees in respect to such security.

With the consent of the Trustees, and to the extent permitted by, and as provided in, the Indenture, any of the provisions of the Indenture, or of any indenture supplemental thereto, may, upon the proposal of the Company, be modified or altered by the affirmative written assents of the holders of at least seventy-five per cent (75%) in principal amount of the bonds then outstanding under the Indenture and any indenture supplemental thereto: provided that no such modification or alteration (a) shall give to any bond or bonds secured by the Indenture preference over any other bond or bonds thereby secured, (b) shall authorize the creation by the Company of any lien prior or equal to the lien of the Indenture upon any of the trust property at the time of such modification subject thereto, (c) shall authorize or permit the extension of the time or times of payment of the principal of or the interest or