

Section 1.02. At the option of the Company and upon notice given as provided in Article Seven of the Original Indenture, the bonds of Series K shall be redeemable, in whole or in part, at any time at the principal amount thereof, plus interest accrued thereon to the date fixed for redemption, plus a premium equal to the then applicable percentage of the principal amount thereof.

If redeemed on or before February 28, 1970—7.50%  
 Thereafter and on or before February 28, 1971—7.20%  
 Thereafter and on or before February 29, 1972—6.90%  
 Thereafter and on or before February 28, 1973—6.60%  
 Thereafter and on or before February 28, 1974—6.30%  
 Thereafter and on or before February 28, 1975—6.00%  
 Thereafter and on or before February 29, 1976—5.75%  
 Thereafter and on or before February 28, 1977—5.50%  
 Thereafter and on or before February 28, 1978—5.25%  
 Thereafter and on or before February 28, 1979—5.00%  
 Thereafter and on or before February 29, 1980—4.75%  
 Thereafter and on or before February 28, 1981—4.50%  
 Thereafter and on or before February 28, 1982—4.25%  
 Thereafter and on or before February 28, 1983—4.00%  
 Thereafter and on or before February 29, 1984—3.75%  
 Thereafter and on or before February 28, 1985—3.50%  
 Thereafter and on or before February 28, 1986—3.25%  
 Thereafter and on or before February 28, 1987—3.00%  
 Thereafter and on or before February 29, 1988—2.75%  
 Thereafter and on or before February 28, 1989—2.50%  
 Thereafter and on or before February 28, 1990—2.25%  
 Thereafter and on or before February 28, 1991—2.00%  
 Thereafter and on or before February 29, 1992—1.75%  
 Thereafter and on or before February 28, 1993—1.50%  
 Thereafter and on or before February 28, 1994—1.25%  
 Thereafter and on or before February 28, 1995—1.00%  
 Thereafter and on or before February 29, 1996—.75%  
 Thereafter and on or before February 28, 1997—.50%  
 Thereafter and on or before February 28, 1998—.25%  
 Thereafter and on or before February 28, 1999—.00%

all on the conditions and in the manner provided in the Indenture; provided, however, that no bond shall be redeemable, in whole or in part, at any time prior to March 1, 1979, directly or indirectly as a part of, or in anticipation of, any refunding operations involving the incurring of any indebt-