

TO THE TRUSTEE AT ANY TIME WHEN IT PAYS SUCH SUM INTO THE SINKING FUND OF THE COMPANY'S ELECTION TO INVEST THE SAME, OR ANY PART THEREOF, IN PERMANENT BETTERMENTS OR ADDITIONS TO THE COMPANY'S PLANT, BUT NOT IN EXCESS OF THE COST THEREOF; AND ON RECEIVING SUCH NOTICE THE TRUSTEE SHALL HOLD THE AMOUNT SO REQUESTED BY THE COMPANY AS A SPECIAL FUND TO BE RETURNED TO THE COMPANY FROM TIME TO TIME UPON ITS WRITTEN DEMAND SIGNED BY ITS PRESIDENT OR VICE PRESIDENT AND ACCOMPANIED BY A COPY OF A RESOLUTION OF ITS BOARD OF DIRECTORS, CERTIFIED TO BY ITS SECRETARY, AUTHORIZING SUCH WITHDRAWAL AND INVESTMENT, AND FURTHER ACCOMPANIED BY A PROPER AFFIDAVIT SIGNED BY THE PRESIDENT OR VICE PRESIDENT OF THE COMPANY SHOWING THAT SUCH PERMANENT BETTERMENTS OR ADDITIONS HAVE BEEN MADE OR CONTRACTED AND SHOWING THAT THE SUM APPLIED FOR BY THE COMPANY FROM THE SPECIAL FUND DOES NOT EXCEED THE ACTUAL COST TO THE COMPANY OF SUCH BETTERMENTS OR ADDITIONS MADE OR CONTRACTED, BUT SUCH BETTERMENTS OR ADDITIONS SHALL NOT INCLUDE ANY ITEMS SHOWN UPON THE APPRAISAL OF THE COMPANY'S PLANT MADE BY THE AMERICAN APPRAISAL COMPANY OF MILWAUKEE, WISCONSIN, AND DATED MARCH 10, 1927. THE TRUSTEE MAY REQUIRE OTHER PROOF, IN ITS DISCRETION, AS IT DEEMS NECESSARY, BUT THE DOCUMENTS ABOVE MENTIONED SHALL CONSTITUTE FULL AUTHORITY TO THE TRUSTEE FOR MAKING PAYMENTS OUT OF THE SPECIAL FUND ON ACCOUNT OF SUCH BETTERMENTS AND ADDITIONS. THE TRUSTEE SHALL NOT BE REQUIRED TO INQUIRE INTO THE NECESSITY AND/OR EXPEDIENCY OF SUCH PERMANENT BETTERMENTS OR ADDITIONS.

SECTION 2. THE SINKING FUND MONEYS SHALL BE APPLIED (SUBJECT TO THE PROVISIONS OF SUBDIVISION (C) OF SECTION 2 OF THIS ARTICLE III AND TO THE PROVISIONS OF ARTICLE VI HEREOF) TO THE PURCHASE AND RETIREMENT, OR TO THE REDEMPTION PRIOR TO MATURITY, OF BONDS ISSUED UNDER THIS INDENTURE OF TRUST IN THE MANNER PROVIDED AS FOLLOWS:

(A) SO LONG AS NO DEFAULT ON THE PART OF THE COMPANY EXISTS THE TRUSTEE MAY, AND AT THE REQUEST IN WRITING OF THE PRESIDENT OR VICE PRESIDENT OF THE COMPANY SHALL, PURCHASE BONDS SECURED HEREBY IN THE OPEN MARKET OR AT PRIVATE SALE OR ON ANY PUBLIC EXCHANGE AT THE MARKET PRICE THEREOF, AT THE BEST PRICE OR PRICES AT WHICH BONDS CAN THEN BE PURCHASED BY THE TRUSTEE, (IN NO EVENT, HOWEVER, AT ANY PRICE IN EXCESS OF THE CURRENT REDEMPTION PRICE OF SUCH BONDS, OR IF PARTICULAR BOND OR BONDS HAVE NO REDEMPTION PRICE THEN NOT IN EXCESS OF THE FACE AMOUNT OF THE PRINCIPAL THEREOF.)

(B) IF NO OFFERINGS TO SELL SUCH BONDS WITHIN THE LIMITATION OF PRICE HEREIN-ABOVE SET FORTH SHALL BE MADE OR IF SUCH OFFER OR OFFERS SHALL NOT BE SUFFICIENT TO EXHAUST THE SUM THEN IN THE HANDS OF THE TRUSTEE AVAILABLE FOR THE PURCHASE OF BONDS UNDER THE PROVISIONS OF SUBDIVISION (A) OF SECTION 2 OF THIS ARTICLE, AND IF THE TRUSTEE SHALL AT SUCH TIME DEEM ITSELF UNABLE TO PURCHASE SUCH BONDS, IN ANY MANNER PROVIDED IN THIS SECTION, SUFFICIENT TO EXHAUST SUCH SUM, (THE COMPANY NOT THEN BEING IN DEFAULT) THEN THE TRUSTEE SHALL TAKE OR CAUSE TO BE TAKEN SUCH PROCEEDINGS AS MAY BE REQUIRED BY THE PROVISIONS OF THE BONDS TO BE REDEEMED AND OF SECTION 3 OF THIS ARTICLE III TO REDEEM BONDS IN THEIR INVERSE NUMERICAL ORDER; AND ANY PUBLICATION OF NOTICE OF REDEMPTION AND MAILING OF NOTICE OF REDEMPTION SO REQUIRED MAY BE DONE BY THE TRUSTEE INSTEAD OF BY THE COMPANY, AND WITHOUT ITS ORDER, AND SHALL BE DONE FOR THE BONDS TO BE REDEEMED HEREUNDER IN THE SAME MANNER AS IS REQUIRED BY SECTION 3 OF THIS ARTICLE FOR THE REDEMPTION OF ALL BONDS SECURED HEREBY AT ONE TIME; AND ANY OTHER ACT REQUIRED BY OR PERMITTED TO BE DONE BY THE COMPANY MAY BE PERFORMED BY THE TRUSTEE, AND IN ALL OTHER MATTERS IN CONNECTION WITH THE REDEMPTION OF BONDS UNDER THIS SECTION, THE PROVISIONS OF SECTION 3 OF THIS ARTICLE SHALL BE APPLICABLE IN EVERY RESPECT. ANY BONDS WHICH ARE PURCHASED OR REDEEMED FOR THE SINKING FUND HEREUNDER, TOGETHER WITH THE COUPONS APPERTAINING THERE-TO, SHALL BY THE TRUSTEE BE IMMEDIATELY CANCELLED AND DELIVERED TO THE COMPANY.