

requirements in respect of any such series of bonds, and (ii) any cash so deposited, whether in full satisfaction or in partial satisfaction of the requirements of this subsection (I) whether becoming due on October 1 of the then current year or of a subsequent year, may be from time to time withdrawn, used or applied in the manner, to the extent, for the purposes and subject to the conditions provided in Section 31 hereof or in subdivisions⁽³⁾ and/or (4) of Section 61 hereof.

In case credit under the provisions of this subsection (I) is applied for in whole or in part upon the basis of the right to the authentication and delivery of bonds, the Company shall comply with all applicable provisions of this Indenture relating to such authentication and delivery; except that the Company shall not be required to comply with any earning requirements or to deliver to the Corporate Trustee any Resolution, Treasurer's Certificate, Net Earning Certificate or Opinion of Counsel such as is described in subdivisions (1), (2), (6) and (8) of Section 28 hereof.

Any election by the Company pursuant to clause (b) of subdivision (A) of this subsection (I) to make its right to the authentication and delivery of any bond(s) or fraction of a bond the basis of a credit under this subsection (I) shall operate as a waiver by the Company of its right to the authentication and delivery of such bond(s) or fraction of a bond and such bond(s) or fraction of a bond may not thereafter be authenticated and delivered hereunder, and any Property Additions which have been made the basis of any such right to the authentication and delivery of bond(s) or fraction of a bond so waived shall have the status of Funded Property and shall be deemed to have been made the basis of a credit under this Section.

(II) The Company further covenants that, so long as any of the bonds of the 1969 Series shall remain Outstanding, it will, as a sinking fund for the retirement of bonds of the 1969 Series, deliver to the Corporate Trustee on or before October 1 of each year, beginning with the year 1950 to and including the year 1959, an amount in cash and/or principal amount of bonds of the 1969 Series equivalent to one-half ($\frac{1}{2}$) of one per centum (1%), and on or before October 1 of each year beginning with the year 1960 to and including the year 1968, an amount in cash and/or principal amount of bonds of the 1969 Series equivalent to one per centum (1%), of the greatest principal amount of bonds of the 1969 Series prior to January 1 of such year at any one time Outstanding. All cash deposited by the Company with the Corporate Trustee pursuant to the provisions of this subsection (II) shall be applied by said Corporate Trustee from time to time and as soon as may be practicable, as the Company may request, to the purchase of bonds of the 1969 Series then Outstanding, or, at the option of the Company, to the redemption of bonds of the 1969 Series at the redemption price or prices at which the Company shall be entitled to redeem bonds with such cash, as specified in Section 19 hereof. On request of the Company the Corporate Trustee, prior to the receipt of cash sufficient to redeem the bonds to be called, shall for and in behalf of the Company call bonds for redemption on a date to be specified in such request. The Company hereby agrees promptly to reimburse the sinking fund for any premium paid in connection with such purchase or redemption under this subsection (II).

Bonds of any series purchased with cash deposited under any of the provisions of this Section, if redeemable, shall not be purchased with such cash at a cost to the Company in excess of the cost of redeeming bonds of such series on the next available redemption date (including accrued interest to such redemption date in such cost), at the lowest redemption price or prices at which bonds of such series are redeemable with the particular