

per annum until the payment of said principal sum, semi-annually on the first day of May and on the first day of November in each year, at the office of Bank of America National Trust and Savings Association, at 300 Montgomery Street, in 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 Ten Million Dollars (\$10,000,000) 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), a Supplemental Indenture dated as of November 1, 1941, a Supplemental Indenture dated December 9, 1941, a Supplemental Indenture dated as of March 1, 1948, and a Supplemental Indenture dated as of November 1, 1950, 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; and, if such modification or alteration shall affect the rights of the holders of bonds of one or more, but less than all, of the series of bonds then outstanding, such modification or alteration shall be assented to by the holders of at least seventy-five per cent (75%) in principal amount of the bonds of each series so affected.

At the option of the Company, in the manner, upon the notice, and upon the conditions specified in the Indenture, this bond or any portion thereof may be redeemed at any time upon payment of the principal amount hereof, or the portion to be redeemed, as the case may be, and accrued interest to the date of redemption and a premium, if any, of the principal amount thereof or the portion to be redeemed, as follows:

Premium	If Redemption Effected	
	On or After	And Prior to
4%	November 2, 1950	November 2, 1951
3.86%	November 2, 1951	November 2, 1952
3.77%	November 2, 1952	November 2, 1953
3.68%	November 2, 1953	November 2, 1954
3.58%	November 2, 1954	November 2, 1955
3.48%	November 2, 1955	November 2, 1956
3.37%	November 2, 1956	November 2, 1957
3.27%	November 2, 1957	November 2, 1958
3.16%	November 2, 1958	November 2, 1959
3.05%	November 2, 1959	November 2, 1960
2.93%	November 2, 1960	November 2, 1961
2.81%	November 2, 1961	November 2, 1962
2.69%	November 2, 1962	November 2, 1963
2.57%	November 2, 1963	November 2, 1964
2.44%	November 2, 1964	November 2, 1965
2.3%	November 2, 1965	November 2, 1966
2.17%	November 2, 1966	November 2, 1967
2.03%	November 2, 1967	November 2, 1968
1.88%	November 2, 1968	November 2, 1969
1.73%	November 2, 1969	November 2, 1970
1.58%	November 2, 1970	November 2, 1971
1.42%	November 2, 1971	November 2, 1972
1.26%	November 2, 1972	November 2, 1973