

business day shall be deemed to be a Sinking Fund Date.

SECTION 2. The Company covenants and agrees that it will forthwith create and, so long as any of the Bonds of Series C, are outstanding, maintain a Sinking Fund, and that it will pay to the Bankers, as Series C Sinking Fund Agent for the Company, the following amounts:

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(a) Upon each Sinking Fund Date, so long as any Bonds of Series C are outstanding, for the account of such Sinking Fund, cash sufficient in amount to retire, at prices not exceeding the then prevailing Sinking Fund Price (as hereinafter defined) an amount of Bonds of Series C equal to 1% of the greatest principal amount of Bonds of Series C which shall ever have theretofore been authenticated ninety days prior to such Sinking Fund Date. The Company may retire Bonds of Series C by redemption or otherwise in excess of or in advance of the foregoing requirements and shall be credited on its obligation as aforesaid in subsequent periods for any such excess or advance resulting from the retirement of such Bonds up to and including 90 days prior to the Sinking Fund Date upon which payment is then to be made, provided that the Company shall not be entitled to any credit for Bonds retired in compliance with the minimum requirements contained in Section 11 of Article V of the Original Indenture or the retirement of Bonds pursuant to the provisions of Article VII or of Section 3 of Article IX or of Article X of the Original Indenture, or Bonds by reason of the retirement of which other Bonds have been authenticated pursuant to the provisions of Section 7, Article II of the Original Indenture, or Bonds purchased by the Company except through the Series C Sinking Fund Agent or with the consent of the Series C Sinking Fund Agent; and

(b) If the amount of Bonds so to be retired on any Sinking Fund Date shall be less than  $\frac{1}{2}$  of 1% of the greatest principal amount of Bonds of Series C which shall ever have theretofore been authenticated ninety days prior to such Sinking Fund Date; then during the period of ninety days prior to such Sinking Fund Date, an amount or amounts of cash as called for, from time to time, by the Series C Sinking Fund Agent for the purchase of Bonds of Series C during such period, sufficient to purchase such Bonds at prices not exceeding par and accrued interest to the date of purchase; but the aggregate of such amount or amounts to be paid by the Company to the Series C Sinking Fund Agent under this subdivision (b) shall not exceed, in any one such ninety-day period, the amount by which  $\frac{1}{2}$  of 1% of the greatest principal amount of Bonds of Series C which shall ever have been theretofore authenticated ninety days prior to such Sinking Fund Date, exceeds the principal amount of Bonds to be retired on such next succeeding Sinking Fund Date as provided in subdivision (a).

Provided, however, that in any quarter yearly period not more than 1% of the greatest principal amount of the Bonds of Series C which shall ever have theretofore been authenticated ninety days prior to the Sinking Fund Date terminating such period, may be called for redemption (not including Bonds purchased after call for tenders) pursuant to this Article

SECTION 3. Ninety days prior to each Sinking Fund Date, the Company will deliver a statement to such Series C Sinking Fund Agent showing the principal amount of Bonds of Series C which are to be retired on the next succeeding Sinking Fund Date as provided in sub-division (a) of Section 2, and the method of calculating such amount.

SECTION 4. It shall be the duty of such Series C Sinking Fund Agent to apply, on each Sinking Fund Date, whatever amounts of cash are paid to it under subdivision (a) of Section 2 of this Article for the account of such Sinking Fund, to the purchase or redemption of Bonds of Series C at prices not to exceed the Sinking Fund Price then in effect. Prior to such purchase, the Company shall give notice to all holders of Bonds of Series C by publication three times a week in one week in one daily newspaper of general circulation published in the Borough of Manhattan, City and State of New York and in one such newspaper