

Section 10. In case of a sale or sales of the trust estate, the purchaser, for the purpose of making settlement or payment for the property purchased, shall be entitled to turn in or apply towards the payment of the purchase price, and to be credited with, any Bonds and any due and unpaid coupons thereto appertaining, to the extent of the amount distributable upon such Bonds and coupons upon a distribution among the holders thereof of the net proceeds of such sale, after making the deductions allowable under the terms hereof for the costs and expenses of the sale and otherwise; but such Bonds and coupons shall be deemed to be paid only to the extent so applied. At any such public sale the Trustee, and at any such sale, whether public or private, any holder or holders of Bonds may bid for and purchase the property so sold and may make payment therefor as aforesaid and upon compliance with the terms of sale may hold, retain and dispose of such property without further accountability, and the receipt of the Trustee or of any person duly appointed to make such sale shall be sufficient discharge for the purchase money to any purchaser.

Section 11. In case of a sale under any provision of this Article, the principal of all the Bonds then outstanding, if not previously due, immediately thereupon shall become and be due and payable, anything in the Bonds or in this Indenture contained to the contrary notwithstanding.

Section 12. In case default shall be made in the payment of any interest upon any of the Bonds, or any part thereof, and such default shall continue for a period of sixty days, or in case default shall be made in the payment of the principal of any of the Bonds, or any part thereof, when and as the same shall become due and payable by the terms thereof or hereof, whether at maturity, by declaration, by proceedings for redemption or otherwise as therein and herein provided, the Company, upon the demand or successive demands of the Trustee, will pay to the Trustee for the benefit of those entitled thereto the whole amount due and payable at the time of any such demand on all such Bonds and coupons for principal or interest, or both, as the case may be, with interest upon the overdue principal and interest at the rate borne by the several Bonds; and in case the Company shall fail to pay the same forthwith upon such demand, the Trustee, in its name as trustee and as trustee of an express trust for the benefit, ratably, of the holders of the Bonds and coupons, shall be entitled to recover judgment against the Company for the whole amount so due and unpaid. The Trustee shall be entitled to recover judgment as aforesaid either before or after or during the pendency of any proceedings for the enforcement of the lien of this Indenture upon the trust estate or in such proceedings and its right to recover such judgment shall not be affected by any sale hereunder or by the exercise of any other right, power or remedy for the enforcement of the provisions of this Indenture or by the foreclosure of the lien hereof and, in case of the sale of the trust estate and of the application of the net proceeds of sale to the payment of the indebtedness represented by the Bonds and coupons, the Trustee, in its name as trustee and as trustee of an express trust for the benefit, ratably, of the holders of said Bonds and coupons (subject to the provisions of Section 1 of this Article) shall be entitled to receive and enforce payment of the amount of any deficiency, that is to say, any amount then remaining due and unpaid upon all or any of the Bonds and coupons then outstanding, and shall be entitled, in its name as such trustee, to recover judgment for any portion of such indebtedness remaining unpaid, with interest at the rates provided in the several Bonds evidencing the same. All rights of action upon or under any of said Bonds or coupons or under any provisions of this Indenture may be enforced by the Trustee without the possession of any of the Bonds or coupons or the production thereof upon any trial or other proceedings relative thereto. No recovery of any judgment by the Trustee and no levy of any execution under such judgment upon property subject to the lien hereof or upon any other property shall, in any manner or to any extent, affect or impair the lien of the Trustee hereunder or any right, powers or remedies of the Trustee or the holders of the Bonds, but such liens, rights, powers and remedies shall continue in effect and unimpaired as before. Any moneys collected by the Trustee under this Section shall be applied by the Trustee first, to the payment of the expenses, disbursements and compensation of the Trustee, its agents and attorneys and, second, towards payment of the amounts then due and unpaid upon the Bonds and coupons in respect of which such moneys shall have been collected, ratably and without any preference or priority of any kind, according to the amounts due and payable upon such Bonds and coupons respectively at the date fixed by the Trustee for the distribution of such moneys, upon presentation of the several Bonds and coupons and stamping such payment thereon, if partly paid, and upon surrender thereof, if fully paid, subject, however, to the provisions of Section 1 of this Article.

Section 13. The Company for itself, its successors and assigns, hereby expressly covenants with the Trustee that, at and immediately upon the commencement of any action, suit or other proceedings by the Trustee pursuant to the terms hereof to obtain judgment for the principal of and/or interest on any of the Bonds, or to enforce any right hereunder, the Company or its successors or assigns shall and will, severally waiving the issue and service of process, enter its or their voluntary appearance in such action, suit or proceeding and consent to the entry of judgment for such principal and interest and interest upon overdue principal and instalments of interest at the rate borne by the several Bonds and for the lawful costs and expenses and compensation of the Trustee and of its agents and attorneys, and that, at and upon the commencement of any such action, suit or proceeding, the Company and its successors and assigns shall and will, if required by the Trustee, consent to the appointment of a receiver or receivers of its property and business and of the earnings, income and profits thereof, with power to and in such receiver or receivers to continue all then pending actions and to hold and enforce all such choses in action as have accrued or are to accrue to the Company, as well as to receive and hold all such earnings, income and profits, for the sole benefit of the Trustee and the holders of the Bonds and coupons then outstanding and with such other or further powers as the court making such appointment shall confer. In case a receiver shall be appointed of the Company or of any of its property or of any part of the trust estate or shall be appointed hereunder, the Trustee shall, notwithstanding the appointment of any such receiver, be entitled as pledgee to continue to retain possession and control of all or any stocks, bonds or obligations or other property pledged with it hereunder.

Section 14. The Company will not at any time insist upon or plead or in any manner whatever claim or take the benefit or advantage of any stay or extension or redemption law, now or at any time hereafter in force; nor will it claim, take or insist upon any benefit or advantage from any law now or hereafter in force providing for the valuation or appraisal of the trust estate, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provisions herein contained or to the decree of any court of competent jurisdiction; nor after any such sale or sales will it claim or exercise any right under any statute enacted by any State, or otherwise, to redeem the property so sold or any part thereof, and it hereby expressly waives all benefit and advantage of any such law of laws, and it covenants that it will not hinder, delay or impede the execution of any power herein granted and delegated to the Trustee, but that it will suffer and permit the execution of every such power as though no such law or laws had been made or enacted. If any law such as is hereinbefore in this Section mentioned or referred to and now in force, of which the Company or its successor or successors might take advantage despite the provisions hereof, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to constitute any part of the contract contained herein or to protect the Company against the operation or application of the provisions of this Section.

Section 15. No holder of any of the Bonds or of any coupons hereby secured shall have any right to institute any suit, action or proceeding in equity or at law or any special or other statutory proceeding for the collection thereof or for the enforcement of this Indenture or for the interpretation hereof or for the execution of any trust hereof or for the appointment of a receiver hereunder or for any remedy under this Indenture (full power and authority being hereby delegated to the Trustee to bring and defend, as representative of and for and on behalf of the holders of the Bonds and each of them, any action at law or suit in equity or other proceedings for the interpretation or enforcement of this Indenture) unless previously the holders of not less than ten per cent. in principal amount of the Bonds then outstanding shall have given to the Trustee written notice of the happening of some one or more of the events of default specified in Section 2 of this Article and of the continuance thereof as hereinbefore provided and unless the holders of not less than one-fourth in principal amount of the Bonds

then outstanding shall have made written request upon the Trustee and shall have afforded it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in the name of the Trustee and unless also there shall have been tendered from time to time to the Trustee security and indemnity satisfactory to the Trustee against the cost, expenses and liabilities to be incurred therein or thereby and unless the Trustee shall have refused to institute such proceedings or failed so to do for an unreasonable time; but upon such event of default, notice, request, tender and refusal or failure, any holder of any Bonds or coupons shall have and may exercise full individual right of action upon said Bonds or coupons under this Indenture. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture for the benefit of the holders of the Bonds and to any action or cause of action for any remedy hereunder; provided that the holder of any Bond of any series, which shall, by the terms thereof or of any supplemental indenture executed in respect thereof, be convertible into stock of the Company, without reference to the Trustee and without its consent, may, in his own behalf and for his own benefit, enforce, and may institute and maintain any proceedings suitable to enforce, his right to convert his Bond in accordance with the provisions of such Bond and of such supplemental indenture. It is understood and intended that no holder of any Bond shall have any right in any manner whatever to affect, disturb or prejudice the lien of this Indenture by his action or to enforce any right hereunder, except in the manner herein provided, and that all proceedings hereunder shall be instituted and maintained in the manner herein provided and for equal benefit of all holders of outstanding Bonds and coupons.

Section 16. Anything to the contrary in this Indenture notwithstanding, no holder of any Bond or of any coupon hereby secured shall be a necessary or indispensable party to any suit, action or proceeding in equity or at law or any special or other statutory proceeding for the enforcement of this Indenture, for the interpretation hereof or for the execution of any trust hereof; and it is understood and intended that each and every holder of any Bond secured by this Indenture agrees by the acceptance of such Bond that the Trustee herein named and/or its successor in the trust be and it hereby is appointed, irrevocably, the agent and attorney of the holders of the Bonds and each of them to bring and defend any suit, action or proceeding as representative of and for and on behalf of such holders and each of them to the end that any judgment, decree or order rendered or made and entered for or against the Trustee in any such suit, action or proceeding shall be binding upon the holders of the Bonds and each of them as though they and each of them had been parties to said suit, action or proceeding.

Section 17. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise.

Section 18. In case the Trustee shall have proceeded to enforce any right under this Indenture by sale, foreclosure or otherwise and such proceedings shall have been discontinued and abandoned, because every default upon which the same shall be founded shall have been remedied or because of the waiver of such default, as herein provided, or for any other reason, or shall have been determined adversely to the Trustee, then, and in every such case, the Company and the Trustee shall severally and respectively be restored to their former position and rights hereunder and in respect of the trust estate and all rights, remedies and powers of the Trustee shall continue as though no such proceedings had been taken.

Section 19. No delay or omission of the Trustee or of any holder of any of the Bonds to exercise any right or power accruing hereunder upon any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; nor shall the action of the Trustee or of the holders of the Bonds, in case of any default or in case of any default and the subsequent waiver of such default, affect or impair the rights of the Trustee or of such holders with respect to any subsequent default on the part of the Company or impair any right resulting therefrom, and every power and remedy given by this Article to the Trustee or to the holders of the Bonds, respectively, may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or such holders.

ARTICLE EIGHT.

Release of Property Included in the Trust Estate.

Section 1. The Company may in the ordinary course of business sell or otherwise dispose of, free from the lien of this Indenture and without reference to the Trustee, any machinery, equipment, fixtures and/or other movable property covered by the lien hereof, which shall have become obsolete or unfit for use and/or which shall be no longer necessary or advantageous in the business of the Company. In the event of any such sale or other disposition, the proceeds thereof shall be invested in other machinery, equipment, fixtures and/or other property which shall become and be subject to the lien of this Indenture.

Section 2. The Company may, without reference to the Trustee, make such changes, alterations or substitutions in or of the terms, covenants, stipulations or conditions of any and all leases or contracts, which may at any time become subject to the lien of this Indenture, as it shall deem advantageous, and/or substitute for any such lease or contract a new lease or a new contract covering the same land or property or interests therein, which new lease or contract shall become and be subject to the lien of this Indenture. The Company may, without reference to the Trustee, lease any real estate subject to the lien hereof, which shall not constitute an essential part of any of its plants and shall not otherwise be necessary or advantageous for the business of the Company, provided such lease shall be expressly made subject to termination at any time after a period of not to exceed five years by the Company or by the Trustee or by any purchaser at a sale under this Indenture, or by any of them, in the case of the happening of any event of default specified in Section 2 of Article Seven hereof. The Company may also, without reference to the Trustee, grant to states or counties or municipalities and other subdivisions therein for public purposes easements in any land subject to the lien hereof, and to any person or corporation easements in any such lands for any industrial railroad when, in the opinion of the Board of Directors of the Company, the granting of any such easement will be beneficial to the property and/or business of the Company.

Section 3. The Company may, without reference to the Trustee, remove from lands or leaseholds forming part of the trust estate hereunder any machinery, apparatus, equipment or other movable property, which is subject to the lien hereof, for the purpose of storing or using the same in any other place or places deemed desirable, whether within or without the county where such property was located before such removal, but the lien of this Indenture shall be effectively preserved on all such property so removed.

Section 4. Unless and until an event of default as defined in Section 2 of Article Seven hereof shall have happened and shall be continuing, the Company shall have the right to sell or otherwise dispose of, free from the lien of this Indenture without any release therefrom by the Trustee, any property or any interest in property subject to the lien hereof, provided that the value of the property or interest in property involved in any one sale or other disposition under this Section shall not exceed twenty-five thousand dollars and that the aggregate value of all property and interests in property sold or otherwise disposed of by the Company under this Section and by subsidiary companies under sub-division (3) of Section 12 of Article Three hereof during any year ending May 31 shall not exceed one hundred thousand dollars; and provided, further, that a certificate of the President or a Vice-President of the Company as to the value of such property or interest involved in every such sale or other disposition and the price for which the same is to be sold shall in every case be filed with the Trustee. The Trustee shall, however, in every case of a sale or other disposition under this Section, when so requested by the Company, expressly release any such property or interest from the lien hereof, upon the delivery to the Trustee of a certificate of the Company, signed by its President or by one of its Vice-Presidents and by the Treasurer or an Assistant Treasurer or by the Comptroller or Auditor of the Company, setting forth the facts entitling the Company to sell or otherwise dispose of the same under this Section, which certificate the Trustee may accept as conclusive evidence of the matters therein stated. The proceeds of every sale or other disposition made pursuant to the provisions of this Section shall be applied by the Company, within one year after the date of such sale or other disposition to the acquisition of other prop-