

wise to pay, and all expenses of all such repairs, alterations, additions and improvements, and to apply the remainder of the monies so received by the Mortgagee as follows: (1) To the payment of all interest in default on the Bank Note or any part thereof; (2) toward the payment of the principal of the Bank Note, or any unpaid part thereof; (3) to the payment of all interest in default on any other indebtedness secured hereby with interest on overdue installments thereof at the rate of six per cent (6%) per annum; and (4) toward the payment of the principal of the other indebtedness hereby secured. Provided, however, that when and if all such installments due of principal and interest under the terms of this Indenture, and all defaults under the terms of this Indenture, shall have been made good the Mortgagee shall surrender possession unto the Company its successors and assigns; the same right of entry, however, to exist upon any subsequent default.

Upon the occurrence of any of the events specified in any of the immediately foregoing sub-paragraphs (a) to (h), inclusive, the Mortgagee may, and shall upon the written direction of the Bank (so long as the Bank Note or any part thereof remains unpaid), or of Cities Service, to the extent permitted by law, by such officer or agent as it may appoint, with or without entry sell all property subject to the lien hereof as an entirety or in such parcels as the Mortgagee may see fit at public auction before the 21st Street entrance of the Jefferson County Courthouse in the City of Birmingham, Alabama, or at such other place as may be required by law, or by order of court, having first given notice of such sale by publication at least once in each for not less than four (4) successive calendar weeks immediately preceding the date fixed for any such sale in a daily newspaper published and of general circulation in Birmingham, Alabama, and any other notice which may be required by law, and from time to time may adjourn such sale in its discretion by an announcement at the time and place fixed for such sale without further notice, and upon such sale to make and deliver to the purchaser or purchasers a good and sufficient deed or deeds, transfer or transfers for the same, which sale shall be a perpetual barrier, both at law and in equity, against the Company and the Subsidiaries, and all persons and corporations lawfully claiming, or who may claim by, through or under any of them. The Mortgagee is further hereby irrevocably appointed the true and lawful attorney of the Company and of each of the Subsidiaries, in its name and stead, for the purpose of effectuating any such sale to execute and deliver all necessary deeds, bills of sale, assignments and transfers, and to substitute one or more corporations or persons with like power, the Company and each of the subsidiaries hereby ratifying and confirming all that its said attorney, or said substitute or substitutes, shall lawfully do by virtue hereof.

In the event of default by the Company, in the performance of any of the covenants or conditions in this Indenture, the Mortgagee shall have the right and power to take appropriate additional proceedings for the enforcement of its rights hereunder, and may either after entry or without entry proceed by suit or suits at law, or in equity, to enforce payment of the indebtedness or obligations hereby secured or intended so to be, and to foreclose this Indenture and sell the property subject to the lien of this Indenture under judgment or decree of a court or courts of competent jurisdiction.

No remedy by the terms of this Indenture conferred upon or reserved by the Mortgagee is intended to be exclusive of any other remedy, but each and every such remedy shall, to the extent permitted by law, be cumulative and shall be in addition to any other remedy given hereunder, or now or hereafter existing at law or in equity or by statute.