

**Section 10. Purchaser's Right to Pay in Bonds at Sale.**

A purchaser at any sale under or in execution of the provisions hereof shall be entitled, in making settlement of the purchase price, to turn in and use any of the bonds secured by this Mortgage and any coupons then matured and unpaid, and to be credited therefor to the extent of the amount which would, upon distribution of the net proceeds of such sale, be payable thereon, subject, however, to the provisions in respect of extended coupons contained in Section 5 of Article Third of this Mortgage. Such bonds and coupons shall be deemed to be paid only to the extent so applied and credited. The Trustee or any bondholder or committee of bondholders or any person interested hereunder may purchase at such sale but the Trustee shall be under no obligation so to do, and, upon compliance with the terms of sale, may hold, retain, possess and dispose of such property in their or its own absolute right, without further accountability.

**Section 11. Disposition of Purchase Money.**

The purchase money, proceeds or avails of any sale of property under this Article, together with all other sums which then may be held by the Trustee, or be payable to it under any of the provisions of this mortgage, as part of the Trust Estate or the proceeds thereof, shall be applied by the Trustee as follows:

First, to the payment of the costs, expenses, fees and other charges of such sale, and a reasonable compensation to the Trustee, its agents and attorneys, and to the discharge of all expenses and liabilities incurred and advances or disbursements made by the Trustee hereunder, and to the payment of all taxes, assessments or liens prior to the lien of this Mortgage, except any expenses, liabilities, advances, taxes, assessments or liens subject to which the property shall have been sold.

Second, any surplus then remaining to the payment of the whole amount then due or unpaid upon the bonds and coupons issued hereunder and then outstanding for principal and interest, and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the bonds and coupons, then to the payment of such principal and interest ratably on the bonds then outstanding without preference or priority of principal over interest or of interest over principal, subject, however, to the provisions with respect to extended coupons contained in Section 5 of Article Third of this Mortgage.

Third, any surplus then remaining to the Company, its successors or assigns, or to whomsoever may lawfully be entitled to receive the same.

**Section 12. Principal Due in Case of Sale.**

In case of a sale under any of the foregoing provisions of this Article, whether made under the power of sale herein granted or under or by virtue of judicial proceedings, the principal of all bonds issued hereunder and then outstanding, if not previously due, shall immediately thereupon become due and payable, anything in said bonds or in this Mortgage to the contrary notwithstanding.

**Section 13. Right of Trustee to Judgment.**

The Company covenants that (1) in case default shall be made in the payment of any interest on any bonds at any time outstanding and secured by this Mortgage, and such default shall have continued for a period of sixty (60) days, or (2) in case default shall be made in the payment of the principal of any bonds when the same shall become payable, whether at maturity or by declaration or otherwise, or (3) upon a sale of the mortgaged and pledged property hereunder, as hereinbefore provided, upon demand of the Trustee, it will pay to the Trustee, for the benefit of the holders of the bonds and coupons hereby secured, the whole amount which shall then have become due and payable on all such bonds and coupons then outstanding for the interest or principal, or both, as the case may be, and all other sums due under this Mortgage and, in case the Company shall fail to pay the same forthwith upon such demand, the Trustee, in its own name, and as trustee of an express trust, shall be entitled to recover judgment 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 Mortgage, or for the enforcement of any remedy authorized by this Mortgage, and the right of the Trustee to recover such judgment shall not be affected by any entry or sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this Mortgage or the foreclosure of the lien hereof; and in case of a sale of the property subject to this Mortgage, and of the application of the proceeds of sale to the payment of the debt secured by this Mortgage, the Trustee, in its own name, and as trustee of an express trust, shall be entitled to enforce payment of and to receive all amounts then remaining due and unpaid upon any and all of the bonds and coupons issued under this Mortgage and then outstanding, together with interest thereon, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the debt then remaining unpaid with interest and for all other amounts, if any, which may be due under this Mortgage. No recovery of any such judgment by the Trustee, and no levy of any execution under any such judgment upon property subject to this Mortgage, or upon any other property of the Company, shall in any manner or to any extent affect the lien of this Mortgage upon the property or any part of the property subject to this Mortgage, or any rights, powers or remedies of the Trustee hereunder, or any lien, rights, powers or remedies of the holders of the bonds hereby secured, but such lien, rights, powers and remedies of the Trustee and of the bondholders shall continue unimpaired as before. The money thus collected by the Trustee under this Section shall be applied by it, first, to the payment of the advances, reasonable expenses, disbursements and compensation of the Trustee and its attorneys; second, to the payment of the amounts then due and unpaid on such bonds and coupons in respect of or for the benefit of which such money shall have been collected, ratably, without any preference or priority of any kind, according to the amounts due and payable upon such bonds and coupons respectively, upon presentation of the several bonds and coupons and stamping thereon such payment, if only partially paid, and upon surrender thereof, if fully paid, save and except, however, as otherwise provided in respect of extended coupons in Section 5 of Article Third of this Mortgage.

**Section 14. Specific Remedies Not Exclusive.**

The remedies herein conferred upon or reserved to the Trustee or to the holders of bonds hereby secured are not intended to be exclusive of any other remedy, but every remedy herein provided shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, and every power and remedy hereby given to the Trustee or to the holders of bonds issued hereunder to exercise from time to time and as often as may be expedient. No delay or omission of the Trustee or of any holder of bonds issued hereunder to exercise any right or power arising from any default hereunder shall impair any such right or power or shall be construed to be a waiver of any such default or of any subsequent default, or an acquiescence therein.

**Section 15. Control by Majority of Bonds.**

Anything in this Mortgage contained to the contrary notwithstanding, the holders of a majority in principal amount of the bonds hereby secured and then outstanding shall, from time to time, have the right, by an instrument in writing delivered to the Trustee, to waive the existence of any default and the consequences thereof, except as to the payment of principal and interest and as to payments to the Sinking Fund, and to direct and control the Trustee as to the method and place of taking any and all proceedings for any sale of any or all of the property subject hereto, or for the foreclosure of this Mortgage, or for the appointment of a receiver, or for the purpose of taking any other action or proceeding hereunder, and may at any time cause any proceeding authorized by the terms hereof so to be taken or to be discontinued or delayed, provided that any such action or proceeding so directed shall in the opinion of counsel for the Trustee be legal and provided that before taking any such action or proceeding the Trustee shall be indemnified to its satisfaction against any cost, expense and liability likely to be incurred therein or thereby.

**Section 16. Prohibition of Action by Bondholder.**

No holder of any bond or coupon hereby secured shall have any right to institute any suit, action or proceeding in equity or at law for the foreclosure of this Mortgage, or for the execution of any trust hereunder or for the appointment of a receiver or for any other remedy hereunder unless such holder previously shall have given to the Trustee written notice of any default and of the continuance thereof as hereinbefore provided; nor unless also the holders of twenty-five (25) per centum in principal amount of the bonds hereby secured, then outstanding, shall have made written request upon the Trustee to proceed and shall have afforded to it a reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; nor unless also they shall have offered to the Trustee indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby; nor unless also the Trustee shall have refused or neglected to act upon such notice, request and indemnity, it being understood and intended that no one or more holders of bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the lien of this Mortgage, or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of such outstanding bonds.

In any suit or action by the Trustee arising under this Mortgage, or on all or any of the bonds or coupons issued hereunder, the Trustee shall not be required to have possession of or to produce such bonds or coupons, but shall be entitled in all things to conduct any such suit or