

entitled to retain possession and control of all property now or hereafter pledged, assigned, mortgaged or conveyed to or held by the Trustee under this Indenture.

SECTION 7.6. Suits by Trustee. All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds and without the production thereof at any trial or other proceeding relative thereto. Any such suit or proceeding instituted by the Trustee shall be brought in its name as trustee, and any recovery of judgment shall be, subject to the rights of the Trustee, for the ratable benefit of the holders of the Bonds then outstanding.

SECTION 7.7. Waiver of Remedies. The Trustee, upon the written request of the holders of 66-2/3% in principal amount then outstanding of the Bonds, shall waive any default hereunder and its consequences, except a default (i) in the payment or prepayment of the principal of or interest on any Bond when and as the same shall become due and payable, (ii) permitting the creation of any lien on the Trust Estate equal or prior to the lien of this Indenture or depriving the holder of any Bond of a lien upon the Trust Estate, (iii) in the due performance or observance of the covenants and obligations of the Company contained in the second or third sentences of Section 4.5(b), Section 4.11, Section 4.12, Section 4.15 or Section 4.17 or (iv) in or arising out of the obligation of Krystal to pay all amounts required to be paid under the Lease Assignments. No waiver pursuant to this Section 7.7 shall be made unless, prior to such waiver, the Company shall have cured any default hereunder and shall have made provision satisfactory to the Trustee for the payment of all payments of the principal of and interest on the Bonds and all other amounts which would then be due hereunder or upon the Bonds if the default to be so waived had not happened, together with provisions for the payment of all expenses of the Trustee in connection with such default and waiver. In case of any such waiver, or in case any proceeding taken on account of any such default shall have been discontinued or abandoned or determined adversely to the Trustee, then, and in every such case, the Company, the Trustee and the holders of the Bonds shall be restored to their former positions and rights hereunder respectively. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.