

MORTGAGE OF REAL ESTATE

17276 PROVISIONS—ARRANGED BY—CHERRYVILLE

(g) If a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against the Company under the provisions of said Section 77, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of the entry of such order, judgment or decree;

(h) If, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Company or of the whole or any substantial part of its property, and such custody or control shall not be terminated within sixty days from the date of assumption of such custody or control; or

(i) If a default shall occur under any indenture under which any bonds, notes or other similar evidences of indebtedness of the Company may have been issued, and if such default shall continue for the period of grace, if any, therein specified; then, and in each and every such case, the Trustee may, in its discretion and, upon written request of not less than twenty-five per cent. (25%) of the Bondholders, shall be notice in writing delivered to the Company declare the principal amount of all Bonds, if not already due and payable, to be immediately due and payable; and upon any such declaration all Bonds shall become and be immediately due and payable, anything in this Indenture or in any of the Bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that, if at any time after the principal of the Bonds shall have been so declared due and payable and prior to the date of maturity thereof as stated in the Bonds and before any sale of the trust estate shall have been made, all arrears of interest upon all such Bonds, at the rates specified therein to be paid until maturity, up to and including the most recent interest date expressed therein (with interest, on each overdue instalment of interest in default and included in such arrears, at the greater of (i) the rate specified in such Bonds to be payable until maturity or (ii) five per cent (5%) per annum, and the expenses of the Trustee, its agents and attorneys) shall either be paid by or for the account of the Company or be collected and paid out of the trust estate, and all defaults as aforesaid (other than the payment of principal which has been so declared due and payable) shall have been made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, a majority of the Bondholders may waive such default and its consequences and rescind such declaration; but no such waiver shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

SECTION 2. If an event of default shall happen and be continuing, then, and in every such case, the Company upon demand of the Trustee shall forthwith surrender to the Trustee the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to enter and take possession of all of the trust estate and to hold, operate and manage the trust estate and from time to time make all necessary repairs and such alterations, additions, advances and improvements as it may deem wise; and to receive the rents, income and profits thereof and use the same to pay all proper costs and expenses of so taking, holding and managing the trust estate, including reasonable compensation to the Trustee, its agents and attorneys, and all charges of the Trustee hereunder and any taxes and assessments and other charges prior to the lien of this Indenture which the Trustee may deem it wise to pay and all expenses of such repairs, additions and improvements, and, subject to Section 2 of Article IV, to apply the remainder of the moneys so received by it as follows:

(a) in case the principal of any of the Bonds shall not have become due, to the payment of the interest in default, in the order of the maturity of the instalments of such interest, with interest, at the greater of (i) the rate specified in such Bonds to be payable until maturity or (ii) five per cent (5%) per annum, on the instalments thereof in default; such payments to be made ratably to the persons or parties entitled thereto, with discrimination or preference; or

(b) in case the principal of any of the Bonds shall have become due, by declaration or other-