

ment or payment of the purchase price, or any part thereof, of the property purchased by presenting such Notes in order that there may be credited thereon the sums payable out of the net proceeds of such sale to the payee or holder of such Notes as his ratable share of such net proceeds, after the deduction of all costs, expenses, compensations and other charges to be paid therefrom as herein provided; and thereupon such purchaser shall be credited on account of such price payable by him with the portion of such net proceeds that shall be applicable to the payment of, and that shall have been credited upon, the Notes so presented on account of principal and interest; and if the portion so payable in respect of such Notes and interest thereon shall be less than the amount for which the Company may be liable thereon, then the receipt, endorsed thereon under the direction of any person authorized to receive payment of the purchase price for the amount to be so allowed or credited thereon, shall constitute such partial payment and settlement and shall be conclusive proof of the amount thereof. At any such sale any holder of the Notes may bid for and purchase the property 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.

(1) Upon any sale made under or by virtue of this Mortgage, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, the Trustees on behalf of the holders of Notes may bid for and acquire the Trust Estate or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the indebtedness of the Company secured by this Mortgage, the net proceeds of sale after deducting therefrom the expenses of the sale and costs of the action and any other sums which the Trustees are authorized to deduct under this Mortgage. The person making such sale shall accept such settlement without requiring the production of any of the Notes and without such production there shall be deemed credited thereon the pro rata share of the net proceeds of such sale ascertained and established as aforesaid. The Trustees, upon so acquiring the Trust Estate or any

part thereof shall be entitled to hold, lease, rent, operate, manage and/or sell the same in any manner provided by applicable laws.

*SECTION 7.03. Collection of Indebtedness by Trustees; Deficiency Judgment.*

(a) In case an Event of Default described in clause (a) of Section 7.01 hereof shall have happened, then, upon written demand of the Trustees, the Company will pay to the Trustees, for the benefit of the holders of the Notes then outstanding, the whole amount which then shall have become due and payable on all such Notes then outstanding, for principal, interest or premium, as the case may be, and after the happening of said Event of Default will also pay to the Trustees interest at the rate of six per cent (6%) per annum on the then unpaid principal of the Notes and (to the extent permitted by applicable law) on the overdue interest, and in addition thereto such further amount as shall be sufficient to cover the cost and expenses of collection, including reasonable compensation to the Trustees, their agents and counsel and any expenses or liabilities incurred by the Trustees hereunder. In case the Company shall fail forthwith to pay such amounts upon such demand, the Trustees in their own name and as trustees of an express trust, shall be entitled and empowered to institute such action or proceedings at law or in equity as may be advised by their counsel for the collection of the sum so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Company by execution issued thereon or otherwise as provided by law, and collect moneys adjudged or decreed to be payable out of the property of the Company wherever situated, as well as out of the Trust Estate, in any manner provided by law.

(b) The Trustees 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; and the right of the Trustees to recover 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