

or in case upon the liquidation or dissolution of any company or upon the reduction of its capital stock any sum shall be paid upon any stock, bonds or other securities of such company pledged hereunder, then in every such case any such sum shall be paid to and received by the Corporate Trustee and shall be disposed of as hereinafter provided in respect to proceeds of property released from the lien hereof under the provisions of Article Ten hereof. The Corporate Trustee may receive and act upon the statement of the Company as to whether any such payment is made in case of liquidation or dissolution of any such company. In case default shall be made in the payment of the principal or interest of any of the bonds which shall be held by the Corporate Trustee under the provisions of this Article, or of any bonds then secured by the same mortgage as the bonds so held by the Corporate Trustee, then if the Company is in no way in default hereunder, the Corporate Trustee, at the written request of the Company, shall, or if the Company is so in default the Corporate Trustee in its discretion, may cause proper proceedings to be instituted and prosecuted in some court of competent jurisdiction, to foreclose or enforce the mortgage by which such bonds in default are secured, or to enforce the payment of such bonds. The Corporate Trustee shall not be responsible for any act done by it in good faith under the provisions of this Article.

ARTICLE FOUR.

Until some default shall have been made in the due and punctual payment of the interest or of the principal of the bonds hereby secured, or of some part of such interest or principal, or in the due and punctual performance and observance of some covenant or condition hereof obligatory upon the Company, and until such default shall have continued for the period of grace, if any, herein provided in respect thereof, the Company shall be suffered and permitted to retain actual possession of all the property hereby mortgaged, and to manage, operate, use and enjoy the same and every part thereof, with the rights, privileges and easements appertaining thereto, and to collect, receive, use, disburse, distribute as dividends and enjoy the tolls, income, rents, issues and profits thereof. Until such a default, continued as aforesaid, the Company may from time to time sell, exchange, scrap or otherwise dispose of, free from the lien hereof, any and all such personal property, including machinery and other fixtures, at any time held or acquired for its use in connection with its plants or business as may, in its judgment, have become unfitted for satisfactory use through age, wear or otherwise, or as may, in its judgment, have become in any way undesirable or unnecessary for the purposes of its business, renewing or replacing the same, or acquiring in general substitution therefor other property of equal or greater value, so as to maintain its plants and property in first class operating condition and to keep the value of the security hereof unimpaired. No purchaser of any such property shall be required to set to the application of the purchase money payable therefor. If at any time the Company shall pay or cause to be paid the principal and interest due upon all of the bonds hereby secured and then outstanding, or shall provide for such payment by depositing with the Corporate Trustee hereunder for the discharge of such bonds and coupons the entire amount due thereon for principal and interest, and shall well and truly keep and perform all its obligations hereunder according to the true intent and meaning hereof, then and in that case all moneys (other than such deposited amount) and all other property then held by the Trustees hereunder, and all the property hereby conveyed or pledged shall revert to the Company, and the estate, right, title and interest of the Trustees shall be and become void, and the Trustees, in such case, on demand of the Company and at its cost and expense, shall fully release and discharge this mortgage.