

pledged hereunder) shall be sold in one parcel and as an entirety (unless the holders of a majority in amount of the then outstanding bonds shall otherwise request in writing) and this provision shall bind the parties hereto and each and every of the holders of said bonds at any time outstanding. In case of any sale the whole of the principal of the outstanding bonds, if not previously declared due, shall at once become due and payable, anything in said bonds or in this mortgage contained to the contrary notwithstanding.

The proceeds or avails of any sale shall, subject to the provisions of Section 5 of Article Five hereof, be applied as follows:

FIRST. To the payment of costs and expenses of foreclosure and sale, including reasonable compensation to the Trustees, their agents, attorneys and counsel and of all proper expenses, liabilities and advances incurred or made hereunder by the Trustees or by any holder or holders of said bonds, and of all taxes, assessments or liens prior to the lien of these presents, except any taxes, assessments or other superior liens subject to which such sale may have been made.

SECOND. To the payment of the whole amount then owing or unpaid upon all the bonds hereby secured for principal and interest, together with interest on overdue installments of interest; and in case such proceeds shall be insufficient to pay the whole amount so due or unpaid upon the said bonds, then to the payment of such principal and interest, without preference or priority of one series over any other series, or of principal over interest or of interest over principal or of any installment of interest over any other installment of interest, ratably, in proportion to the aggregate of such principal and accrued and unpaid interest.

THIRD. To the payment of the surplus, if any, to the Company, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same.

In case of any such sale of the mortgaged property, or any part thereof, the Trustees or any bondholder or bondholders may bid for and purchase such property, and upon compliance with the terms of sale may hold, retain, possess and dispose of the same in their, his or their own absolute right, without further accountability therefor, and in case of any such sale the purchaser or purchasers for the purpose of making settlement for or payment of the purchase price, shall be entitled to turn in and use any of the outstanding bonds hereby secured and any matured and unpaid coupons thereof, in order that there may be credited as paid on the purchase price the sum apportionable and applicable to such bonds and coupons out of the net proceeds of such sale, after allowing for the proportion of the total purchase price required to be paid in actual cash; and such purchaser or purchasers shall be credited on account of the purchase price payable by him or them with the sums apportionable and applicable out of such net proceeds to the payment of, or as a credit on, the bonds and coupons so turned in by him or them.

SECTION 5. No mere delay or omission of the Trustees or of any holders of any of said bonds to exercise any right or power arising from any default on the part of the Company, shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by the Trustees or bondholders of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom, except as may be otherwise provided herein. No remedy hereunder is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and in addition to any and every other remedy given hereunder or otherwise existing.