

sufficient number of shares to qualify directors need not be delivered by the Company and the Subsidiary Companies, but in no case, however, shall an amount of stock be so retained sufficient to reduce the amount of the stock in any Subsidiary Company held by the Trustee to less than an amount equal to a majority of all stocks and securities of such corporation which have voting power. All certificates for shares at the time of the delivery thereof shall be duly endorsed for transfer, and accompanied by any transfer stamps required by law to effect the transfer thereof. The Trustee shall transfer into its name as Trustee, or into the name or names of its nominee or nominees, any or all such shares of stock pledged hereunder (except qualifying shares) and may cause all or any securities held by it hereunder to be registered in its name or in the name of its nominee or nominees, but the Trustee may in its discretion cause such shares of Stock to be transferred into the name of the Company or into the name or names of the nominee or nominees of the Company.

The Trustee shall be under no obligation to accept a certificate for any shares of stock, or any security of any corporation, or to cause or permit a transfer thereof to be made to it, if, in the opinion of the Trustee, such acceptance or transfer will involve or render it liable to be subjected to any liability or expense, or render it liable to be subjected to any liability or expense, unless the Trustee be indemnified to its satisfaction for so doing.

SECTION 3. Unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the events of default as defined in said Section 1 of Article XI, shall have occurred, and in either case be then continuing, the Company and the Subsidiary Companies pledging the same shall have the right, except as hereinafter limited, to vote any shares of stock pledged hereunder with the same force and effect as though such shares were not so pledged; and from time to time, in case said shares of stock pledged hereunder shall then be in the name of the Trustee or its nominee or nominees, the Trustee, upon the request of the Company, or the proper Subsidiary Company evidenced by a written request signed by its President or a Vice-President and its Secretary or an Assistant Secretary, shall execute and deliver, or cause to be executed and delivered to the Company or such Subsidiary Company proper proxies for voting said Stock.

Neither the Company nor any Subsidiary Company shall, however, use or vote or permit to be used or voted any stock pledged hereunder to authorize, approve or assent to, the creation of any lien on any of the property or assets of any Subsidiary Company other than the Subsidiary Mortgagor Companies, or the issue of any additional shares of stock of any Subsidiary Company, except as expressly permitted by the provisions of this indenture.

Nor shall the Company nor any Subsidiary Company use or vote or permit to be used or voted any stock pledged hereunder for any other purpose contrary to its covenants herein contained or otherwise inconsistent with the provisions or purposes of this indenture.

Every power of attorney or proxy given to the Company or to any Subsidiary Company or its nominee or nominees pursuant to the provisions of this indenture shall, at the election of the Company, either (a) specify as the purpose or purposes for which the same may be used, the purpose or purposes expressed in such request and be limited so as expressly to authorize only the casting of a vote or votes or the giving of a consent or consents for a purpose or purposes stated in the power of attorney or proxy, which shall be not inconsistent with the provisions of this indenture, or (b) bear on its face