

or other proper charges upon the trust estate, or any part thereof, as well as just and reasonable compensation for its own services and for all agents, clerks, servants and other employees by it engaged and employed and its counsel, the trustee shall apply the moneys arising as aforesaid as follows:

(a) In case the principal of the Bonds shall not have become due, to the payment of interest, if any, in default, in the order of the maturity of the instalments of such interest, with interest thereon at the rates which the respective Series bear; such payments to be made ratably to the persons entitled thereto, without discrimination or preference (save and except, however, as otherwise provided with regard to extended, transferred or pledged coupons in Article XII of this Indenture);

(b) In case the principal of the Bonds shall have become due, by declaration or otherwise, first to the payment of the accrued interest, in the order of the maturity of the instalments, with interest on the overdue instalments thereof at the rates which the respective Series bear, and next to the principal of the Bonds together with interest on the overdue principal at the same rate; in every instance such payment to be made ratably to the parties entitled to such payments without any discrimination or preference whatsoever (save and except, however, as otherwise provided with regard to extended, transferred or pledged coupons in Article XII of this Indenture).

In case of the happening of an event of default specified in Section 1 of this Article XI, the Trustee, such default subsisting, shall be entitled to vote on all shares of stock then subject to this Indenture, and, for the benefit of the holders of the Bonds hereby secured, shall be entitled to collect and receive all dividends on the shares of stock that shall then be subject to this Indenture, and all sums payable for principal, interest or otherwise upon any Bonds or obligations that shall then be subject to this Indenture, and to apply as hereinbefore in this Section provided the net moneys received; and, as holder of any such shares of stock and of any such Bonds or obligations, to perform any and all acts, or to make or execute any and all transfers, requests, requisition, or other instruments, for the purpose of carrying out the provisions of this Section; but in the event that a receiver of any property upon which this Indenture is a direct lien shall have been appointed and shall be in possession thereof, the trustee from time to time, in its discretion may, and if requested by the holders of a majority in amount of the Bonds hereby secured, it shall, turn over any part or all of the interest moneys and cash dividends declared and paid out of current earnings, so collected by it, to such receiver, and may co-operate with such receiver in managing and operating the entire properties of the Company in such manner as the trustee shall deem for the best interests of the holders of the Bonds hereby secured.

In case all of said payments shall have been made in full and no suit to foreclose or enforce this Indenture shall have been begun or sale made, as hereinafter provided, the Trustee, after making such provision as to it may seem advisable for the payment of the next semi-annual installments of interest to fall due upon the Bonds, and for the next payments to be made to the Sinking Funds, may in its discretion restore the possession of the property hereby conveyed to the Company and the Subsidiary Mortgagor Companies, their successors and assigns, provided that if any of the events of default specified in Section 1 of this Article XI shall subsequently happen, such restoration to the Company shall not, nor shall any previous entry by the Trustee be construed to exhaust or in any manner impair the powers of entry or sale or any powers hereby granted to or conferred upon said Trustee.