

aforesaid or the dividends thereon:

(1) Of the dividend warrants then due with interest on any overdue dividends at the rate of seven per centum (7%) per annum; and

(2) of the principal of all said outstanding Trust Certificates with interest thereon at the rate of seven per centum (7%) per annum from the last preceding dividend date, whether said Certificates or any of them shall then have matured by their terms or not; all of said payments to be in full, if said proceeds shall be sufficient and if not, then pro rata, without preference of principal over dividends, or of dividends over principal or otherwise (subject, however, to Section 1 of this Article IV), and without regard to the dates of maturity thereof.

481 The foregoing provisions, however, are subject to the condition that if at any time after the principal of the Trust Certificates shall have been declared and have become due and payable, as hereinbefore provided, but before December 1, 1929, all arrears of rental (with interest upon any overdue instalment at the rate of seven per centum (7%) per annum), the expenses of the Trustee and all other sums which shall have become due and payable by the Lessee hereunder or under said Lease (other than the principal of Trust Certificates and rental instalments which shall not at the time have matured according to their terms), shall be paid by the Lessee before any sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance of performance of any covenant or condition of this Agreement or said Lease shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Trustee, if so requested by the holders of a majority in principal amount of the Trust Certificates then outstanding, and which shall not have then matured according to their terms, shall, by written notice to the Lessee, waive the default by reason of which the principal of the Trust Certificates shall have been declared and become due and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Neither such retaking possession nor any withdrawal or lease or sale of the Trust Equipment by the Trustee, nor any action or failure or omission to act, against the Lessee or in respect to the Trust Equipment, on the part of the Trustee or on the part of any holder of any Trust Certificate or dividend warrant, nor any delay or indulgence granted to the Lessee by the Trustee or any such holder, shall effect the obligations of the Lessee under this Agreement or under said Lease or under its guaranty.

#### ARTICLE V.

SECTION 1. The Trustee covenants and agrees to apply and distribute the rentals received by it under clauses (a), (b), (c) and (d) of Article First of said Lease, when and as the same shall be received, for the following purposes, to wit:

(a) to the payment of the necessary and reasonable expenses of the trust connected with the Trust Equipment and said Lease thereof;

(b) to the payment of any and all taxes, assessments and governmental charges upon the income or property of the trust, or the agreements evidencing the same, which the Trustee may be required to pay and of any and all taxes, assessments or governmental charges which the Trustee may be required to pay on or to retain from the principal of the Trust Certificates or from the dividends payable thereon under any present or future law of the United States of America or of any state, county, municipality or other taxing authority therein (other than Federal income taxes in excess of 2%);

(c) to the payment of the dividend warrants attached to the Trust Certificates when and as the same shall become payable according to the terms thereof or hereof; and