

said insurance is actually carried or in effect; and shall not be liable by reason of the failure of said property to be insured.

It is further stipulated and agreed that in the event that default be made in the punctual payment of said acceptances or drafts of the Oil Corporation or any of them when due, at maturity, by acceleration in accordance herewith or under the provisions of such acceptance agreement, or when otherwise due; or of any interest thereon when it shall become due and payable, or in the event the Oil Corporation shall fail to put the Acceptors in funds to meet said drafts when so due, or in the event a Receiver or Receivers shall be appointed of said Oil Corporation or of the insolvency thereof, or in the event the Oil Corporation shall make an assignment for the benefit of creditors, then the obligations of the Oil Corporation under said acceptance agreement, shall become and be immediately due and payable, and upon the request of The Bank, or of the holders of ten per cent (10%) in principal amount of the said acceptances or drafts then outstanding, the Trustee is authorized to sell and shall sell the said Oil held by it under the terms of this agreement, at public sale to the highest bidder for cash, at the front door of the County Court House in the City of Tulsa, County of Tulsa, and State of Oklahoma, first giving at least ten days' written notice of the time, terms and place of said public sale, and the Oil to be sold, by the posting of such written notice in at least five public places in said County of Tulsa, in the State of Oklahoma, a copy of such notice shall be sent by the Trustee to the Oil Corporation at 25 Broad Street, New York, N.Y., by registered mail, posted at least ten days prior to the date of sale. All notices and publication thereof other than that hereinbefore required to be given and including that, if any, required by statute, is hereby expressly waived, but the Trustee may, at its option, give notice and conduct said sale in any manner provided for or permitted by the Laws of Oklahoma. Demand for the performance of any covenant or agreement herein is also hereby expressly waived.

All Oil herein mentioned and referred to shall be merchantable oil or products or by-products thereof, as hereinbefore defined.

COMPARED

The Oil Corporation will replace all Oil lost through any cause other than the negligence of the Trustee.

At any sale, The Bank, any Acceptor, Purchaser or any holder of any such acceptance, or draft, or the Trustee, may purchase the said Oil.

The Oil Corporation authorizes the Trustee in the event of sale, to execute and deliver to the purchaser a bill of sale conveying to the Purchaser the Oil sold thereat which bill of sale shall convey absolutely all of the right and title of the Oil Corporation therein, and any statement of facts or recital by the Trustee in relation to the non-payment of the indebtedness secured to be paid, the notice of sale, receipt of the money and execution of the conveyance to the purchaser shall be received as conclusive evidence of such facts against the Oil Corporation.

It is further understood and agreed by and between the parties hereto that in the event of any sale by the Trustee, the proceeds of such sale shall be applied, first, to the payment of the reasonable and necessary expenses, fees and advances of the Trustee and of The Bank pursuant to the provisions hereof and of the said acceptance agreement and in respect to the property or the sale of the Oil; second, to the payment of the acceptances or drafts, principal and interest intended to be secured hereby; and the residue, if any, shall be paid to the Oil Corporation upon demand. In the event of any sale, the proceeds thereof shall immediately be deposited in The United States Mortgage and Trust Company in the City of New York as a trust fund, in the name of said Exchange Trust Company