

If any of the events of default specified in Section 2 of Article Seven hereof shall have happened and shall be continuing, the Trustee may in its discretion effect any such renewal, extension, exchange, substitution or change, without any request of the Company, but shall be under no duty in respect thereof.

All shares of stock and all bonds or other obligations issued in renewal or extension of or exchange or substitution for any shares of stock or of bonds or other obligations, as the case may be, under the provisions of this Section shall, to the same extent and in the same manner as those for which they are exchanged or substituted, forthwith become subject to this Indenture and shall be deposited with the Trustee hereunder as soon as practicable.

The Trustee may receive the opinion of any counsel satisfactory to it (who may be counsel for the Company) as conclusive evidence that any such renewals, extension, exchange, substitution or change is in compliance with this Section; and such opinion shall be full protection for any action taken by the Trustee pursuant thereto.

Section 11. Unless some one of the events of default specified in Section 2 of Article Seven hereof shall have happened and shall be continuing, the Company shall have the right to vote, for all purposes not contrary to the covenants herein contained and with the same force and effect as though such shares were not subject to this Indenture, upon all shares of stock pledged hereunder. Subject only to the actual exercise by the Company of rights in respect thereof conferred by this Indenture and subject to all the provisions of this Indenture, the Trustee shall have and may exercise all the rights of owner in respect of any bond or other obligation or share of stock held under this Indenture or in any manner whatever upon the trusts hereof.

After one or more of the events of default specified in Section 2 of Article Seven hereof shall have happened and while the same shall be continuing, in addition to the other remedies herein provided, the Trustee may, if it shall deem it advisable so to do, vote upon and exercise all the powers of an owner, with reference to any shares of stock pledged hereunder, but after every such default shall have been remedied or every such default and all of its consequences shall have been waived as provided in Section 2 of Article Seven hereof, the right of the Company to vote upon any such shares of stock shall revive and shall continue as though no such event of default had taken place.

ARTICLE SEVEN.

Remedies of Trustee and Bondholders.

Section 1. Neither (a) any coupon or claim for interest on any Bond which shall have been extended in contravention of the provisions of Section 1 of Article Three hereof, nor (b) any coupon or claim for interest, which in any way, at or after maturity, shall have been transferred or pledged separate or apart from the Bond to which it relates, shall be entitled, in case of default hereunder, to any benefit of or from this Indenture, except after the prior payment in full of the principal of all the Bonds and of all coupons and claims for interest not so extended, transferred or pledged.

Section 2. If one or more of the following events, herein called events of default, shall happen, that is to say:

(1) default shall be made in the payment of the principal of any of the Bonds, or any part thereof, when and as the same shall become due and payable, whether at maturity, by proceedings for redemption or otherwise as therein herein or in any indenture supplemental hereto provided;

(2) default shall be made in the payment of any instalment of interest on any of the Bonds, when and as the same shall become due and payable, and such default shall have continued for a period of sixty days;

(3) default shall be made in the payment of any sinking fund instalment payable in respect of any of the Bonds, and such default shall have continued for a period of sixty days;

(4) default shall be made in the observance or performance of any other of the covenants of this Indenture or of any indenture supplemental hereto, and such default shall have continued for a period of ninety days after written notice to the Company from the Trustee, specifying such default and requiring the same to be remedied;

(5) by decree of a court of competent jurisdiction, the Company or any subsidiary company shall be adjudicated a bankrupt or, by order of such a court, a receiver or receivers shall be appointed of all or of any substantial part of the property of the Company or of any subsidiary company, and any such decree or order shall have continued unstayed on appeal or otherwise and in effect for a period of sixty days; or

(6) the Company or any subsidiary company shall file a petition in voluntary bankruptcy or shall make an assignment for the benefit of creditors, or shall consent to the appointment of a receiver or receivers of all or any part of its property;

then and in each and every such case, during the continuance of such event of default, the Trustee may and upon the written request of the holders of not less than one-fourth in principal amount of the Bonds then outstanding, shall, by written notice to the Company, declare the principal of all the Bonds then outstanding (if not then due and payable) to be due and payable and, upon any such declaration, the same shall become and be immediately due and payable. This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have so become due and payable and prior to the date of maturity thereof stated in the Bonds, all defaults shall have been made good and all arrears of interest upon all such Bonds (with interest at the rate borne by the several Bonds on any overdue interest) and the expenses of the Trustee shall either be paid by the Company or be collected out of the income of the trust estate before any sale of the trust estate shall have been made, then and in every such case the holders of a majority in principal amount of the Bonds then outstanding, by written notice to the Company and to the Trustee, may waive the default by reason of which the principal of the Bonds shall have so become due and payable and may rescind and annul such declaration and its consequences; but no such waiver, rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 3. In case any one or more of the events of default shall happen and be continuing, the Trustee itself or by its agents or attorneys may, but shall not be required to, enter upon and take possession of all or any part of the trust estate and may exclude the Company, its agents and servants wholly therefrom; and having and holding the same, may use, operate, manage and control the trust estate and conduct the business thereof, either personally or by its superintendents, managers, receivers, agents, servants or attorneys, and may purchase material and manufacture, produce and sell all products produced in such business; and the Trustee may take possession of all material on hand on the trust estate and use, sell and dispose of the same and, at the expense of the trust estate, from time to time, either by purchase, repair or construction, may maintain and restore and insure or keep insured all property provided for use or sale in connection with such business and likewise, from time to time, at the expense of the trust estate, may make all necessary or proper repairs, renewals and replacements and useful alterations, additions, betterments and improvements to and of the trust estate as to it may seem judicious; and in such case the Trustee may manage the trust estate and carry on such business and exercise all rights and powers of the Company, either in the name of the Company or otherwise, as the Trustee shall deem best, and may collect and receive all earnings, income, rents, issues and profits of the same and of every part of the trust estate. After deducting the expenses of operating the trust estate and of conducting the business thereof and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements and all payments which may be made for taxes, assessments, insurance and prior and other proper charges upon the trust estate, or any part thereof, as well as just and reasonable compensation for its own services and for those of all agents, attorneys, counsel, clerk, servants and others employees by it engaged and employed, the Trustee shall apply the moneys arising as aforesaid and all other the income of the trust estate as follows:

(1) in case the principal of all the Bonds shall not have become due, to the payment of the interest in default in the order of the maturity of the instalments of such interest, with interest on each such instalment at the rate borne by the several Bonds, such payments to be made ratably to the persons entitled thereto, without discrimination or preference, and after payment of all arrears of interest to the payment of any instalments of any sinking fund payable in respect of Bonds of any series then in default;

(2) in case the principal of all 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 of such interest, with

interest on the overdue instalments thereof at the rate borne by the several Bonds, and next to the payment of the principal of all the Bonds; in every instance such payments to be made ratably to the persons entitled to such payments, without any discrimination or preference.

The provisions, however, of sub-divisions (1) and (2) of this Section are not intended in any wise to modify the provisions of Section 1 of this Article, but are subject thereto.

Upon compliance with all the provisions of this Indenture as to which the Company shall be in default and the payment in full of whatever may be due for principal or interest and of all instalments of any sinking fund which shall have become due and whatever may be payable for any other purpose required by any provision of this Indenture, possession of the trust estate, except the shares of stock and bonds and other obligations and other property held by the Trustee hereunder, shall be returned to the Company or whomsoever shall be entitled thereto.

Section 4. If one or more of the events of default mentioned in Section 2 of this Article shall have happened and shall be continuing, then and in every such case the Trustee, either directly or by its attorneys or agents, may in its discretion forthwith proceed to sell subject to the then prior liens, if any, existing thereon all and singular the trust estate. Such sale or sales shall be made to the highest bidder at public auction at such place in the Borough of Manhattan, City of New York, New York, and/or at such other place or places and at such time or times and on such terms as the Trustee may fix and briefly specify in the notice thereof, to be given as hereinafter provided, or as may be required by law. In the event of any sale, whether made under the power of sale herein granted or conferred or under or by virtue of judicial proceedings or a judgment or decree of foreclosure or otherwise, the whole of the property subject to the lien hereof shall be sold in one parcel and as an entirety, unless such sale as an entirety is impracticable by reason of some statute or other cause or unless a court of competent jurisdiction shall otherwise direct or unless the Trustee in its discretion shall consider such sale as an entirety to be inadvisable and not in the interest of the holders of the Bonds or unless the holders of a majority in principal amount of the Bonds then outstanding shall in writing request the Trustee to cause the same to be sold in parcels. In case of such request in writing, the sale shall, in so far as may be lawful, be made in such parcels and in such order as may be specified in such request and in the notice of such sale.

Section 5. Notice of any sale, whether under or by virtue of the power of sale herein contained or by virtue of judicial proceedings or any judgment or decree of sale, shall state the time when and the place where the same is to be made and shall contain a brief general description of the property to be sold and shall be sufficiently given if published once in each week for four successive weeks prior to such sale in a newspaper of general circulation in the place where such sale is to be made and in a newspaper of general circulation in the Borough of Manhattan in the City of New York, and in such other manner as may be required by law. The Trustee may adjourn any such sale or cause the same to be adjourned from time to time by announcement at the time and place appointed for such sale or for any adjourned sale or sales and without further notice or publication, such sale may be made at the time and place to which the same shall be so adjourned.

Section 6. Upon the completion of any sale or sales, the Trustee shall deliver to the accepted purchaser or purchasers a good and sufficient deed or good and sufficient deeds and/or other instruments conveying, assigning or otherwise transferring the properties sold. The Trustee and/or its successor is hereby appointed the true and lawful attorney, irrevocably, of the Company for it and in its name to make all necessary instruments of conveyance and transfer and for that purpose may execute in the name of the Company all necessary acts of conveyance, assignment and transfer and may substitute one or more persons or corporations with like power, the Company hereby ratifying and confirming all that said attorney or such substitute shall lawfully do by virtue hereof. Nevertheless, the Company, if so requested by the Trustee, shall ratify and confirm such sale or sales by executing and delivering all such proper instruments of conveyance, transfer or otherwise as may be designated in such request.

Section 7. Any sale or sales made under or by virtue of this Indenture, whether under any power of sale hereby granted or by virtue of judicial or statutory proceedings, shall divest all rights, title, interest, estate, claim and demand whatsoever, either at law or in equity, of the Company, its successors or assigns, of, in and to the trust estate so sold and shall be a perpetual bar at law and in equity against the Company, its successors and assigns, and against any and all persons claiming or to claim the trust estate or any part thereof so sold from, through or under the Company, its successors or assigns. No purchaser at any such sale or sales or his representatives or assigns shall be bound to see to the application of the purchase money upon or for any trust or purpose of this Indenture or be answerable in any manner whatsoever for any loss, misapplication or non-application of any such purchase money paid by him or any part thereof or be bound to make any inquiry as to the authorization, necessity, expediency or regularity of any such sale or sales.

Section 8. The Trustee, however, instead of exercising the power of sale herein conferred upon it, may, in its discretion, and at the request of the holders of not less than one-fourth in principal amount of the Bonds then outstanding, and upon being indemnified to its satisfaction, shall proceed by a suit or suits at law or in equity or by any special or other statutory proceedings, as the Trustee being advised by counsel may deem expedient for the protection of the Bonds secured hereby, to enforce the trusts hereby created and to sell the trust estate under the judgment or decree of a court or courts of competent jurisdiction or otherwise as provided by law. The Trustee is hereby irrevocably appointed the special agent and representative of the holders of the Bonds and vested with full power in their behalf to effect and enforce this Indenture for their benefit as provided herein, together with full power and authority to bring and defend, as Trustee, for and on behalf of the holders of the Bonds, and each of them, any action at law or suit in equity or otherwise for the interpretation or enforcement hereof; but anything in this Indenture contained to the contrary notwithstanding, the holders of a majority in principal amount of the Bonds then outstanding, in case of any subsisting event of default, shall, in so far as may be lawful, have the right, from time to time, to direct and control the method and place of conducting any sale of the trust estate, or any part thereof, or any proceeding for the appointment of a receiver or for the collection of any bonds or other obligations included in the trust estate or for the enforcement of any mortgage securing the same and any other proceedings taken by virtue of any provisions of this Indenture, but they shall have no right or power to involve the Trustee in any personal liability of any kind without first and from time to time indemnifying it to its satisfaction.

Section 9. In case of any sale of the trust estate, or any part thereof, whether under the power of sale hereby granted or by virtue of judicial or statutory proceedings, the purchase money, proceeds and avails of the trust estate, or of the part thereof sold, and, in case the Trustee shall have proceeded to collect any bonds or other obligations included in the trust estate or to enforce the lien thereof, the proceeds of any such collections or proceedings, together with all other sums which may then be distributable under any of the provisions of this Indenture, shall be applied as follows:

(1) to the payment of the costs, expenses, fees and other charges of such sale or sales and of any judicial proceedings wherein the same may be made and reasonable compensation to the Trustee, its agents and attorneys and to the payment of all expenses and liabilities incurred and advances or disbursements made by the Trustee and to the payment of all taxes, assessments or lien prior to the lien of this Indenture, except any prior liens and any taxes, assessments and other charges, subject to which the property shall have been sold;

(2) any amount then remaining to the payment of the whole amount due and unpaid upon the Bonds outstanding and all accrued and unpaid interest thereon, with interest on all overdue principal and each instalment of overdue interest at the rate borne by the several Bonds; and, in case such proceeds shall be insufficient to pay in full the whole amount of principal and interest so due and unpaid upon the Bonds, then to the payment of such principal and interest, ratably, according to the aggregate of such due and unpaid principal and interest, without preference or priority of principal over interest or of interest over principal or of any interest coupon over any other interest coupon, subject, however, to the provisions of Section 1 of this Article;

(3) any surplus then remaining to the Company or whomsoever may be lawfully entitled to receive the same.