

thereof it shall give the Trustee notice thereof at such time and simultaneously deliver the same to the Trustee and the Trustee shall forthwith sell or exercise such rights in such manner as it may deem advisable and (d) if the Companies shall be In Default hereunder, the Trustee shall be entitled at any time in its discretion to sell or exercise such rights as may be in its possession.

§ 7.04. In case any sum shall be paid on account of the principal or premium of any pledged bond, or in retirement or redemption of any pledged stock, or shall be paid as interest or dividends which under the provisions of § 7.03 hereof the Pledgor Company is not entitled to receive, then, in any such case, any such sum when received by the Trustee shall be held by it as Deposited Cash hereunder.

§ 7.05. The Trustee at any time, upon receipt of a Request so to do, shall (a) cancel, or consent to the cancellation of, any of the pledged securities which, owing to foreclosure, reorganization, consolidation or sale of the property of the corporation which issued such securities, or for any reason, shall have become no longer of any value as security for the Bonds, or (b) consent to a reduction, increase or other change in the capitalization of any corporation whose stock is pledged hereunder, provided that the proportionate interest of the Pledgor Company in such corporation evidenced by such stock so pledged by it is not thereby reduced, if in either case the Request is accompanied by an Officers' Certificate setting forth such facts and by an Opinion of Counsel that the rights of the holders of the Bonds will not be prejudiced or impaired by such action.

§ 7.06. In case default shall be made in the payment of the principal of or interest on any of the pledged bonds or any bonds secured by a mortgage, deed of trust, or other instrument which secures or purports to secure any