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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, agents, servants, attorneys or receivers; and upon every such entry, the Trustee, at the expense of the Trust Estate, from time to time, either by purchase, repairs or construction, may maintain and restore the Trust Estate, whereof it shall become possessed, as aforesaid, and may insure and re-insure the same, as may seem to it to be judicious; and likewise, from time to time at the expense of the Trust Estate, the Trustee may make all necessary or proper repairs, renewals and replacements, and useful alterations, additions, betterments and improvements thereto and thereon as to it may seem judicious; and in every such case the Trustee shall have the right to manage and operate the Trust Estate and to carry on the business thereof and exercise all rights, and powers of the Corporation with respect thereto either in the name of the Corporation or otherwise as it shall deem best; and the Trustee shall be entitled to collect and receive all earnings, revenues, rents issues, profits and income of the Trust Estate and every part thereof; and after deducting the expenses of conducting the business thereof and of all maintenance, repairs, renewals, replacements, alterations, additions, betterments and improvements and all payments which may be made for taxes, assessments, insurance and prior or other proper charges upon the Trust Estate or any part thereof, as well as just and reasonable compensation of the Trustee and all attorneys, agents, clerks servants, and other employees by it properly engaged and employed, for services rendered in connection with the operation, management and control of the Trust Estate and the conduct of the business thereof, the Trustee shall apply the moneys arising as aforesaid as follows:

(1) In case the principal of the Bonds and of the Certificates shall not have become due, first, to the payment of the interest in default, in the order of the maturity of such interest, with interest on the overdue interest at the rate of six per cent. per annum, such payments to be distributed ratably to the registered owners of Certificates entitled thereto, without discrimination or preference, and second, to the payment of any instalment then in default in respect to the payments provided for in Section 1 of Article Four hereof, and third, to the payment of any other sums required to be paid by the Corporation under this Indenture; or

(2) In case the principal of the Bonds and of the Certificates shall have become due by declaration or otherwise, first, to the payment of the amounts due for principal and interest on the Bonds, such amounts to be distributed ratably to the registered owners of the Certificates, without any discrimination or preference as between principal or interest, and second, to the payment of interest at the rate of six per cent. per annum on such principal and interest, and third, to the payment of any other sums required to be paid by the Corporation under this Indenture; or

(3) In case the principal of the Bonds and of the Certificates shall not have become due and there exists no default in the payment of interest on the Bonds, then to the remedying of any other default then existing; provided, however, that if payment shall be made in full, from the moneys arising as aforesaid, or from other moneys made available by the Corporation, of whatever may have become due for principal and interest and of whatever shall have been payable for other purposes, and if the Corporation shall make provision satisfactory to the Trustee for the payment of the next two ensuing monthly instalments, as provided for in Section 1 of Article Four hereof, and shall do such other acts and things as the Trustee may deem necessary in order to make good the default or defaults then existing and of which the Trustee shall have had notice, possession of the Trust Estate, at the request of the Corporation shall be returned to the party entitled to the possession thereof.

iii The Trustee, with or without entry, personally or by attorney, in its discretion and in so far as the laws of the State of North Carolina permit, either

(1) may sell to the highest and best bidder, all and singular the Trust Estate, and all the estate, right, title and interest, claim and demand therein, and right of redemption thereof, such sale or sales to be made at public auction at such place in the City of Wilmington, State of North Carolina, or at such other place or places (within or without the State of North Carolina), and at such time or times and upon such terms as the Trustee may fix and specify in the notice of sale to be given as hereinafter in Section 4 of this Article Six provided, or as may be required by law; or

(2) may proceed to protect and enforce its rights and the rights of the registered owners of the Certificates by a suit or suits in equity or by an action or actions at law, whether for the specific performance of any covenant, condition or agreement in the Bonds or in this Indenture contained, or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or duties under the Bonds or this Indenture, or the rights of the registered owners of the Certificates.

Section 2. In case any one or more of the events of default shall happen, the Trustee may, and upon the written request of the registered owners of at least twenty per cent. in principal amount of the Certificates then outstanding and upon being indemnified as hereinafter provided, shall, take all steps needful to protect and enforce its rights and the

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