

Upon default hereunder by the Mortgagor the Trustees may (subject to the provisions of Section 4 of this Article) from time to time during the continuance, ^{thereof}, institute any suit or proceeding, or take any action, or exercise any powers, which by this Instrument they are in such event authorized to institute, take or exercise, but need not do so except:

(a) Upon written request of the holders of at least twenty per cent (20%) in amount of the bonds then outstanding hereunder, specifying the steps they desire the Trustees to take;

(b) Upon being tendered funds or indemnity approved by the Trustees to reimburse them for any expenses or liabilities they may thus incur, and if thereafter the Trustees deem such funds or indemnity insufficient they may decline to proceed further until additional funds or indemnity satisfactory to them are furnished; and

(c) Upon deposit with them of the bonds of the parties making such request or evidence satisfactory to them that such parties are the holders. They may conclusively presume that any registered bond belongs to the person to whom the last Registry was made.

The Trustees shall not be held to have declined to take steps requested unless and until they fail so to do for twenty (20) days after compliance by the bondholders with the above provisions of this Section. Every holder of said bonds and coupons accepts them subject to the express agreement that unless and until the Trustees shall have thus declined to act, every right of action hereunder, by judicial proceedings or otherwise, is vested exclusively in the Trustees, and that in no event, except in case of such declination, shall any holder or any number of holders of bonds outstanding hereunder have any right to institute any suit or proceeding under this Instrument, or take any action hereunder, or exercise any powers conferred by this Instrument on the Trustees.

Section 4: Right of 60% of Bondholders to Waive Certain Defaults by Mortgagor: Upon the written consent of the Bankers and of the holders of at least sixty per cent (60%) par value of the bonds then outstanding hereunder, the Trustees shall waive any default by the Mortgagor under this Instrument and its consequences, except an existing default in paying the principal of or interest on said bonds as such principal and interest matures in due course.

Section 5: Proof of Ownership of Bonds: Whenever under this Instrument any document is required or permitted to be executed by the holders of bonds or coupons, such

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