

ARTICLE XII

REMEDIES OF TRUSTEES AND BONDHOLDERS UPON DEFAULT

SECTION 65. The following events are hereby defined for all purposes of this Indenture (except where the term is otherwise defined for specific purposes) as "Defaults":

(a) Failure to pay the principal of any bond hereby secured when the same shall become due and payable, whether at maturity, as therein expressed, or by declaration or otherwise;

(b) Failure to pay interest upon any bond hereby secured for a period of sixty (60) days after such interest shall have become due and payable;

(c) Failure to pay interest upon or principal (whether at maturity as therein expressed or by declaration, or otherwise) of any Outstanding Prior Lien Bonds continued beyond the period of grace, if any, specified in the Prior Lien securing the same;

(d) Failure to pay an instalment of any fund required to be applied to the purchase or redemption of the bonds hereby secured for a period of sixty (60) days after the same shall have become overdue and payable;

(e) The expiration of a period of ninety (90) days following:

(1) the adjudication of the Company as a bankrupt by any court of competent jurisdiction;

(2) the entry of an order approving a petition seeking reorganization or arrangement of the Company under the Federal Bankruptcy Laws or any other applicable law or statute of the United States of America, or of any State thereof; or

(3) the appointment of a trustee or a receiver of all or substantially all of the property of the Company unless during such period such adjudication, order or appointment of a trustee or receiver shall be vacated or shall be stayed on appeal or otherwise or shall have otherwise ceased to continue in effect;

(f) The filing by the Company of a voluntary petition in bankruptcy or the making of an assignment for the benefit of creditors; the consenting by the Company to the appointment of a receiver or trustee of all or any part of its property; the filing by the Company of a petition or answer seeking reorganization or arrangement under the Federal Bankruptcy Laws, or any other applicable law or statute of the United States of America, or of any State thereof; or the filing by the Company of a petition to take advantage of any insolvency act;

(g) Failure to perform any other covenant or agreement contained herein or in any indenture supplemental hereto or in any bond secured hereby after the mailing by the Corporate Trustee or by holders of fifteen per centum (15%) in principal amount of the bonds at the time Outstanding hereunder to the Company of a written demand that such failure be cured and the continuance for a period of ninety (90) days thereafter. The Corporate Trustee may, and, if requested in writing so to do by the holders of a majority in principal amount of the bonds then Outstanding shall make such demand.

SECTION 66. The Corporate Trustee, shall, with ⁱⁿ ninety (90) days after the occurrence thereof, give to the bondholders, in the manner and to the extent provided in subdivision (c) of Section 100 hereof, notice of all defaults known to the Corporate Trustee, unless such defaults shall have been cured before the giving of such notice (the term "defaults" for the purposes of this Section being hereby defined to be the events specified in subdivisions (a), (b), (c), (d), (e)

(f) and (g) of Section 65 hereof not including any periods of grace provided for in said subdivisions); provided that, except in the case of default in the payment of the principal of or interest on any of the bonds, or in the payment of any instalment of any fund required to be applied to the purchase or redemption of any of the bonds hereby secured, the Corporate Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors and/or Responsible Officers, of the Corporate Trustee in good faith determine that the withholding of such notice is in the interests of the bondholders.

SECTION 67. Upon the occurrence of a Default, the Corporate Trustee may, and upon the written request of the holders of a majority in principal amount of the bonds then Outstanding shall, and the holders of twenty-five per centum (25%) in principal amount of the bonds at the time Outstanding hereunder may, by notice in writing given to the Company (and to the Corporate Trustee if such notice be given by bondholders) declare the principal of all of the bonds hereby secured and the interest accrued thereon immediately due and payable; subject, however, to the right of the holders of a majority in principal amount of all Outstanding bonds, by written notice to the Company and to the Trustees thereafter to annul such declaration and destroy its effect at any time before any sale hereunder, if, before any such sale, all covenants with respect to which Default shall have been made shall be fully performed or made good, and all arrears of interest with interest upon overdue instalments of interest (to the extent that payment of such interest is enforceable under applicable law) at the rate of six per centum (6%) per annum upon all bonds Outstanding hereunder and the reasonable expenses and charges of the Trustees, their agents and attorneys, and all other indebtedness secured hereby, except the principal of any bonds not then due by their terms and except interest accrued on such bonds since the last interest payment date, shall be paid, or the amount thereof shall be paid to the Trustees for the benefit of those entitled thereto.