

purchase money, proceeds or avails, together with any sums which may at the time of such sale be held by the Trustee, or be payable to it under any of the provisions of this Indenture as a part of the trust estate, shall be applied as follows, to-wit:

First, to the payment of the costs, expenses, fees and other charges of such sale and all proceedings leading to such sale, including reasonable attorney's or solicitors' fees, and to the payment of all reasonable compensation due to and all expenses and liabilities incurred and advanced or disbursements made by the Trustee, or by any holders of bonds under the terms of this Instrument and to the payment of all taxes, charges, assessments or liens prior to the lien of these Presents, except any taxes, charges, assessments, or other superior liens subject to which such sale shall have been made, and to the payment of the cost of preparing this Indenture and service in connection therewith if then unpaid.

Second: Any balance then remaining to the payment of the whole amount owing or unpaid upon the principal and interest of the outstanding bonds secured hereby, with interest on the overdue instalments of interest at the rate borne by the bonds on which such instalments are overdue and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the said bonds then to the payment of such principal and interest, ratably according to the aggregate of such principal and the accrued and unpaid interest, without preference or priority of principal over interest or interest over principal, or of any instalment of interest over any other instalment of interest.

Third: Any surplus then remaining, to the Company, its Successors or Assigns, or to whomsoever may be lawfully entitled to receive the same.

Section 7. Upon any judicial sale of the property hereby mortgaged or of any part thereof, the purchaser in making payment therefor shall be entitled after paying in cash so much as shall be necessary to cover all payments required by the terms of this instrument to be paid to the principal and interest of the bonds hereby secured, to appropriate and use toward the payment of the remainder of the purchase price, with the consent of the respective holders thereof, any of the bonds or coupons issued hereunder and entitled to participate in the proceeds of such sale, reckoning each bond or coupon so appropriated and used at such sum as shall be payable thereon out of the net proceeds of the sale; and proper receipts shall thereupon be given to the holders of such bonds and coupons for the amount so payable thereon, and the bonds and coupons, if the net proceeds of the sale shall be sufficient to pay them in full, shall be delivered up to the person making the sale for cancellation, or otherwise disposed of under the decree of the Court, or if the proceeds of such sale shall not be sufficient to pay such bonds or coupons in full, then proper endorsement shall be made thereon of the amount so paid, and they shall then be returned to the holders. Upon any sale as aforesaid by the Trustee or pursuant to judicial proceedings, the Trustee or any bondholder or any other person may bid for and may become the purchaser of the property offered for sale, for itself or himself, without accountability in respect thereof, except for the payment of the purchase price and in compliance with the terms of sale.

Section 8. Except as herein expressly provided to the contrary, no remedy herein conferred upon or reserved to the Trustee, or to the holders of bonds hereby secured, is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 9. No delay or omission of the Trustee, or of any holder of bonds hereby secured to exercise any right or power accruing upon any default continuing as aforesaid, shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee, or to the bondholders, may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or by the Bondholders.

Section 10. The Company covenants that in case default shall be made in the payment of any instalment of interest on any bond or bonds at any time outstanding and secured by this Indenture, and such default shall have continued for Sixty (60) days after presentation of said coupons for payment, or in case default shall be made in the payment of the principal of any such bonds when the same shall be due, the Trustee shall have the right to