

- 19 -

to the Trustee and the Trustee may pay over said amount to Liberty Life Insurance Company, if said Liberty Life Insurance Company is then the holder of all the bonds outstanding under this issue and at the option of Liberty Life Insurance Company, all sums received from said life insurance may be applied to the payment of any bonds then outstanding. If the said Liberty Life Insurance Company is not at the time of the payment of said sum, the owner of all of the bonds outstanding, then the Trustee shall hold said sum and apply the same pro rata on any bonds then outstanding whether then due or not.

ARTICLE V.

EVENTS OF DEFAULT.

Section 1. The following events shall be events of default under this First Mortgage, and the words "event of default" or "events of default" shall mean, whenever same are used in this Mortgage, one or more of the following events:

- (a) If default shall be made in the payment of any installment of interest on any of the bonds issued hereunder when and as the same shall become payable as therein and herein expressed and such default shall continue for the period of thirty days;
- (b) If default shall be made in the payment of the principal of any of said bonds when the same shall become due and payable either by the terms hereof, by acceleration or otherwise, as herein provided;
- (c) If default shall be made in payment to the Liberty Life Insurance Company (or to the Trustee in the event the Liberty Life Insurance Company does not then own said bond or bonds to be redeemed) of the sum or sums to be deposited for redemption of said bonds as provided in Section 1 of Article III.
- (d) If default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Company, its successors or assigns, in the said bonds or in this First Mortgage contained, and such default shall continue for the period of sixty days after written notice to the Company from the Trustee or from the legal holder or holders of at least a majority in amount of the principal of said bonds then outstanding secured hereby and unpaid, specifying such default and requiring the same to be remedied; and
- (e) If an order shall be made for the appointment of a receiver or receivers of the Company, or of the trust estate or of any part thereof, or for the sequestration of its assets, or the winding up or liquidation of its business and affairs, or if any action shall be taken by the Company for any of the purposes specified in this subdivision (e) or if the Company shall be adjudicated a bankrupt, or if there shall be filed a petition for voluntary or involuntary