

SECTION 7.07. The purchase money, proceeds and avails of any such sale, together with any other sums which then may be held by or for the Trustees under any of the provisions of this Indenture as part of the trust estate or of the proceeds thereof, shall be applied as follows:

*First.* To the payment of the costs and expenses of such sale, including reasonable compensation to the Trustees, their agents, attorneys and counsel, and of all expenses, liabilities and advances made or incurred by the Trustees under this Indenture and to the payment of all taxes, assessments and Prior Liens, except taxes and Prior Liens, if any, subject to which the property shall have been sold;

*Second.* To the payment of the whole amount then due and unpaid upon the outstanding Bonds, for principal, premium thereon, if any, and for interest, with interest on the overdue principal and, to the extent permitted by law, on overdue installments of interest from the respective dates on which the same became payable at the respective rates carried by the Bonds, and in case such proceeds shall be insufficient to pay in full such whole amount so due and unpaid, then to the payment thereof ratably, according to the aggregate of such principal, premium, if any, and interest, without preference or priority of any Bond over any other Bond of the same or of another series or of principal and premium, if any, over interest, or of interest over principal and premium, if any, or of any installment of interest over any other installment of interest; and

*Third.* To the payment of the surplus, if any, to the Company, its successors or assigns, or to whosoever may be lawfully entitled to receive the same.

SECTION 7.08. In case of any sale under the foregoing provisions of this Article Seven, any purchaser, for the purpose of making settlement or payment for the property purchased, shall be entitled to use and apply any Bonds and any unpaid appurtenant coupons and interest obligations by presenting such Bonds and coupons in order that there may be credited, as paid thereon, the sums payable out of the net proceeds of such sale to the holder of such Bonds and coupons, as his ratable share of such net proceeds; and such purchaser shall be credited on account of the purchase price payable by him with the sums payable out of such net proceeds which shall be