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**Section 12.04.** Upon the occurrence of one or more Events of Default, as defined in Section 12.01 hereof, and only for as long as any such Event of Default shall continue, the Trustees, or either of them, personally or by their, its or his agents or attorneys, to the extent permitted by law, may, but shall not be obligated to, enter into and upon all or any part of the Mortgaged and Pledged Property, and may exclude the Company and/or any Consolidated Subsidiary and their respective agents, employees and other servants wholly therefrom; and having and holding the same, use, control, operate and manage the Mortgaged and Pledged Property or any part thereof, either personally or by its agents or attorneys or by the Company's and/or the Consolidated Subsidiary's superintendents, managers, agents, servants, attorneys, receivers or trustees, in such manner as the Trustees, or either of them, may deem best. Upon every such entry the Trustees, or either of them, at the expense of the Mortgaged and Pledged Property, if necessary from time to time, either by purchase, repair or construction, may maintain and restore the machinery, tools, fixtures, and other property, buildings, bridges and structures erected upon or provided for use in connection with the Mortgaged and Pledged Property whereof it shall become possessed as aforesaid; and likewise, if necessary from time to time, at the expense of the Mortgaged and Pledged Property, may make all necessary or proper repairs, renewals and replacements and useful alterations, additions, betterments, and improvements to and on the Mortgaged Property and Pledged Property, and purchase or otherwise secure the use of additional machinery, tools, fixtures and other property for use thereon, all to the extent permitted by law. To the extent permitted by law and only for so long as such Event of Default shall continue, the Trustees or either of them, shall have the further right to manage the Mortgaged and Pledged Property and exercise all rights and powers of the Company and/or the Consolidated Subsidiary with respect thereto, either in the name of the Company and/or the Consolidated Subsidiary or otherwise, as the Trustees, or either of them, shall deem best, and shall be entitled to collect and receive all earnings, income, rents, issues, revenues and profits of the same and every part thereof. After deducting the expenses of conducting the business thereof, and of all necessary repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements, and all payments which may be made for taxes, assessments, insurance and other proper charges having liens on the Mortgaged and Pledged Property, or any part thereof, prior to the Lien of this Indenture, as well as reasonable compensation for their own services and for the services of their counsel, agents, clerks, servants and other employees, the Trustees, or either of them, shall apply the balance of the moneys derived from the operation and management of the Mortgaged and Pledged Property together with Deposited Cash, if any, as follows:

- (i) if the principal of the Outstanding Bonds shall not have become due and be unpaid, to the payment of the interest due and unpaid on the Outstanding Bonds, in the order of the maturity of the instalments of such interest, such payments to be made ratably to the persons entitled thereto without discrimination or preference;

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