

indebtedness hereby secured, or for the enforcement of any other proper, legal or equitable remedy available under applicable law.

In case of any sale of the Collateral pursuant to any judgment or decree of any court or otherwise in connection with the enforcement of any of the terms of this Security Agreement and Conditional Assignment, the purchaser or purchasers, for the purpose of making settlement for or payment of the purchase price, shall be entitled to turn in and use the Bonds and any claims for matured and unpaid interest on the Bonds and any claim for any other amounts arising under the Bonds.

The proceeds and avails of any sale of the Collateral and the proceeds and the avails of any remedy hereunder shall be paid and applied as follows; provided, however, that if the holders of both Bonds elect to pursue their remedies hereunder, either collectively or separately, any recovery shall be for the equal and pro rata benefit of the bondholders:

(a) First, to the payment of all taxes, assessments or liens superior to the lien of these presents, except any taxes, assessments or other superior lien subject to which said sale may have been made;

(b) Second, to the payment to the bondholders of the amount then owing or unpaid on the Bonds for principal or interest and all allowable collection expenses, and in case such proceeds shall be insufficient to pay in full the whole amount so due and owing or unpaid upon the Bonds with application to be made first to

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