

assessments or other superior liens subject to which said sale may have been made then.

(b) (1) Unless the principal of the 1984 Bond and all the Indenture Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST: to the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments become due and payable, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the 1984 Bond or the Indenture Bonds.

SECOND: to the payment to the persons entitled thereto of the unpaid principal of the 1984 Bond and any of the Indenture Bonds which shall have become due and payable (other than any of the Indenture Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the 1982 Indenture), in the order of their due dates, with interest on the principal amount of the 1984 Bond and the Indenture Bonds at the respective rates specified therein from the respective dates upon which the 1984 Bond and the Indenture Bonds became due and payable, and, if the amount available shall not be sufficient to pay in full the principal of the 1984 Bond and the Indenture Bonds due and payable on any particular date, together with the interest, then to the payment first of the interest, ratably, according to the amount of the interest due on that date, and then to the payment of the principal, ratably, according to the amount of the principal due on that date, to the person entitled thereto without any discrimination.

THIRD: to the prepayment of the 1984 Bond and to the payment of the interest on and the principal of the Indenture Bonds, to the purchase and retirement of Indenture Bonds and to the redemption of