

## MORTGAGE RECORD 83

or its equivalent except liens for taxes not due, or, if due, in course of contest and secured by sufficient bond, judgments in course of appeal or otherwise in contest and secured by sufficient bond and liens securing indebtedness for the payment or redemption of which the necessary money has been deposited (stating where or with whom such money has been deposited); and

(5) All such deeds, conveyances, transfers or instruments of further assurance as may be necessary for the purpose of effectually subjecting such bondable property to the direct lien and operation of this Indenture, together with an opinion of counsel that the same are sufficient for the purpose, or an opinion of counsel that no such deeds, conveyances, transfers or instruments are necessary for such purpose.

The request, certificates, opinions and instruments hereinbefore in this Article provided for shall be full warrant and authority to the Trustee for the payment of any moneys as requested therein; but before making any such payment the Trustee may, in its discretion, cause to be made such independent investigation as it may see fit, and may decline to take action unless satisfied by such investigation of the truth and accuracy of the matters so investigated. The expense of any such investigation shall be paid by the Company, or, if paid by the Trustee, shall be repaid by the Company upon demand, with interest from the date of payment thereof by the Trustee at the rate of six per centum per annum, and all sums so paid by the Trustee with interest as aforesaid shall be secured hereby, having the benefit of the lien hereby created in priority to the indebtedness evidenced by the bonds and coupons.

All or any part of any such moneys in the hands of the Trustee, and not theretofore paid over or requested to be paid over to reimburse the Company as aforesaid, shall, in accordance with a request in writing signed by the President or a Vice-President and by the Treasurer or an Assistant Treasurer of the Company, be applied by the Trustee to the redemption of any bonds (if they be then redeemable) issued and outstanding hereunder specified in such request, or to the purchase of such bonds at not exceeding their redemption price if they be then redeemable, or, if they be not then redeemable, at not exceeding the price at which they are next thereafter redeemable, or, if they are never redeemable, at not exceeding 110% of the principal amount thereof and accrued interest; and any bonds so redeemed or purchased shall be cancelled and cremated by the Trustee and no other bonds shall be issued under the provisions of this Indenture by reason of the redemption or purchase and cancellation of such bonds.

The provisions of this Article shall not apply to any moneys at any time deposited with the Trustee hereunder for the purpose of purchasing, redeeming and/or discharging bonds secured by any mortgage prior in lien to this Indenture upon any property now or hereafter owned by the Company, but all such moneys shall be held and applied by the Trustee to the purposes for which the same were deposited and in accordance with the terms and provisions under which the same were deposited.

## ARTICLE X

## Remedies in Case of Default.

SECTION 1. In case of the happening of any one or more of the following events (herein sometimes referred to as "events of default"), that is to say: (1) in case default shall be made in the payment of any installment of interest on any bond issued hereunder when and as such interest shall become due and payable, and any such default shall continue for a period of ninety days, or (2) in case default shall be made in the payment of the principal of any such bond when and as the same shall become due and payable, or (3) in case default shall be made in the due observance or performance of any other covenant, obligation, requirement or condition herein imposed upon or required to be kept or performed by the Company and any such last mentioned default shall continue for a period of ninety days after written notice thereof shall have been given to the Company by the Trustee, which may, in its discretion give such notice, and shall do so upon written request of the holders of not less than twenty-five per centum in aggregate principal amount of the bonds then outstanding, or (4) in case, in any judicial proceeding brought by any party other than the Trustee or the Company, a Receiver shall be appointed for the Company or the Company shall be adjudicated a bankrupt or insolvent and the order appointing such receiver or making such adjudication shall have remained unvacated for a period of ninety days, or (5) in case the Company shall file a voluntary petition in bankruptcy or a voluntary petition under the provisions of Section 77B of the Act of Congress, as amended, relating to bankruptcy or (6) in case a petition shall be filed against the Company under the provisions of said Section 77B of the Act of Congress, as amended, relating to bankruptcy and an order of court approving such petition shall have remained unvacated for a period of ninety days, or (7) in case the Company shall make an assignment for the benefit of creditors, then, and in each and every such case the Trustee, either personally or by their agents or attorneys, may forthwith enter into and upon all or any part of the mortgaged properties, and may exclude the Company, its agents and servants, wholly therefrom and may use, operate, manage and control the same, and conduct the business thereof, either personally or by superintendents, managers, receivers, agents, servants or attorneys, for the benefit of the holders and owners of the bonds issued hereunder, to the fullest extent authorized by law. Upon every such entry, the Trustee may, from time to time, at the expense of the mortgaged properties and of the Company, maintain, restore and insure or keep insured, the tools, machinery, equipment, plants or other properties, buildings and structures of which it shall become possessor, as aforesaid; and likewise may, from time to time, at the expense of the mortgaged properties and of the Company, make all necessary or proper repairs, renewals, replacements, alterations, additions, betterments and improvements thereto and thereon, as to the Trustee or trustee in possession may thereto and thereon, as to the Trustee or trustee in possession may seem judicious. The Trustee or trustee in possession, in case of such entry, shall have the right to manage the mortgaged properties and to carry on the business and to exercise all the rights, privileges and franchises of the Company, either in the name of the Company or otherwise, as the Trustee or trustee in possession shall deem best. In such case the Trustee or trustee in possession shall be entitled to collect and receive all tolls, dividends, earnings, income, rents, issues and profits of the mortgaged properties and of every part thereof. After deducting the expenses of operating the properties, and of conducting the business thereof, and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements and all payments which may be made for taxes, assessments, insurance and other proper charges upon the properties, or any part thereof, as well as just and reasonable compensation for their own services and for the services of all counsel, agents and employees by them properly engaged and employed, the Trustee or trustee in possession shall apply the moneys arising as aforesaid, subject to the provisions of Section 3 of Article III hereof, as follows:

First. In case the principal of none of the bonds shall have become due, by declaration or otherwise, to the payment of the interest in default thereon in the order of the maturity of the installments of such interest, with interest thereon at the same rates borne by the respective bonds, such payments to be made ratably to the persons entitled thereto according to the amount due to each by the terms of the bond or bonds held by him; or

Second. In case the principal of any of the bonds, less than the whole number outstanding, shall have become due, to the payment of all the interest then due on all the bonds outstanding (with interest on the overdue installments thereof at the same rates borne by the respective bonds) in the order of the maturity of the installments, and, if any surplus remains, toward the payment of the principal of the bonds then due, such payments in every instance to be made ratably to the persons entitled thereto according to the amounts due them for interest and principal respectively; or

Third. In case the principal of all the bonds shall have become due, by declaration or otherwise, to the payment of the whole amount then due and unpaid either for principal or interest, or for both principal and interest, upon the bonds, with interest on the overdue installments of interest