

extent provided in subsection (c) of § 9.04 notice of all defaults known to the Trustee, unless such defaults shall have been cured before the giving of such notice (the term "defaults" for the purposes of this § 10.02 being hereby defined to be the events specified in subsections (a), (b), (c), (d), (e) and (f) of § 10.01 not including any periods of grace provided for in said subsections); provided that, except in the case of default in the payment of the principal or interest on any of the Bonds, or in the payment of any sinking or purchase fund instalment, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors and/or responsible officers of the Trustee in good faith determine that the withholding of such notice is in the best interests of the bondholders.

§ 10.03. In case one or more of the events of default enumerated in § 10.01 shall exist, then and in each and every such case the Trustee, personally or by its attorneys or agents, is hereby authorized and empowered, either with or without a request by holders of Bonds as below provided, and whether or not the principal of the Bonds shall have matured or been declared due, to exercise any one or more of the following remedies, and to do or cause to be done any or all of the following acts and things, namely:

(1) The Trustee by its agents or attorneys, may enter into and upon and take possession of any or all of the mortgaged property and each and every part thereof, and may exclude the Company, its successors or assigns, its or their agents, servants and employees wholly therefrom, and have, hold, use, operate, manage and control the same and each and every part thereof and in the name of the Company or otherwise as it shall deem best, conduct the business thereof and exercise the franchises pertaining thereto and all the rights and powers of the Company, and use all of the then existing property and assets for that purpose, and at the expense of the mortgaged property, from time to

entitled thereto without discrimination or preference, subject, however, to the provisions of § 10.31.

(c) In case the principal of all of the Bonds shall have become due, by declaration or otherwise, then as provided in paragraph Second of § 10.12.

In case all payments provided for in clauses (a) and (b) above and payment of whatever may be payable for any other purpose required by any provision of this Indenture shall have been made in full, and no sale shall have been made as hereinafter provided, and compliance shall have been made by the Company with all other provisions of this Indenture as to which it shall be in default, the Trustee shall restore the possession of the trust estate (other than any cash and/or securities and/or stock at the time required to be held by the Trustee hereunder) to the Company or whosoever shall be entitled thereto.

(2) The Trustee may, with or without entry, collect or enforce the collection of all interest payable in respect of any bonds, notes or other evidences of indebtedness which may at the time be held in pledge hereunder and all dividends paid on any shares of stock which may at the time be held in pledge hereunder, and/or may exercise in its discretion any or all of the voting power represented by any such pledged stock in the election of directors or for any other purpose or purposes. Any sums so collected or received by the Trustee shall be held and applied by it in like manner as is provided in the foregoing subdivision (1) of this § 10.03 in respect of tolls, earnings, income, rents, issues, profits and revenues collected or received by the Trustee from or on account of the mortgaged property.

(3) The Trustee may, with or without entry, sell, subject to the prior liens, if any, then existing thereon or free from such of said liens as it in its discretion, may elect to discharge, to the highest and best bidder, all or any part or parts of the trust estate and of the right, title, interest, claim and demand of the Company therein and thereto, and the right of redemption thereof, at public auction, at such times and places

time, maintain, restore, insure and keep insured the properties, plants, equipment and apparatus provided or required for use in connection with such business and likewise, from time to time, at the expense of the trust estate, make all such necessary or proper repairs, renewals and replacements, and all such useful alterations, additions, betterments and improvements as to the Trustee may seem judicious, and collect and receive all tolls, earnings, income, rents, issues, profits and revenues of the same and of every part thereof, and after deducting therefrom the expenses of operation and all expenses incurred hereunder and all other proper outlays herein authorized, and all payments which may be made for taxes, assessments and other liens prior hereto and charges upon the mortgaged property or any part thereof, as well as just and reasonable compensation for its own services and for the services of such attorneys, agents and assistants as it may in the exercise of its discretion employ for any of the purposes aforesaid, the Trustee shall apply the rest and residue of such moneys received by it, as follows:

(a) In case the principal of none of the Bonds shall have become due, to the payment of the interest in default, in the order of the maturity of the instalments of such interest, with interest on the overdue instalments thereof at the same rates, respectively, as were borne by the Bonds on which such interest shall be in default; such payments to be made ratably to the parties entitled thereto without discrimination or preference, subject, however, to the provisions of § 10.31.

(b) In case the principal of any, but not all, of the Bonds shall have become due, first to the payment of the interest in default, in the order of the maturity of the instalments thereof, with interest on the overdue instalments thereof at the same rates, respectively, as were borne by the Bonds on which such interest shall be in default, and next to the payment of the principal of all Bonds then due, with interest on the overdue principal at the rates specified in the respective Bonds, such payments to be made ratably to the parties

and upon such conditions as to upset or reserve bids or prices and as to terms of payment and other terms of sale as the Trustee may fix and briefly specify in the notice of sale to be given as hereinafter provided, or as may be required by law, including power and authority to the Trustee to rescind or vary any contract of sale that may be entered into and to resell under the powers herein conferred.

(4) The Trustee may proceed to protect and enforce its rights and the rights of the bondholders under this Indenture by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement contained in this Indenture, or in aid of the execution of any power granted in this Indenture, or for the foreclosure of this Indenture, or for the enforcement of any other appropriate legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of the rights aforesaid.

In case any one or more of said events of default shall exist, it shall be the duty of the Trustee, upon being so requested in writing by the holders of not less than fifty-one per centum (51%) in principal amount of the Bonds then outstanding, and upon being indemnified to its satisfaction against costs, expenses and liability to the extent permitted by the provisions hereof, which may be incurred by acting in pursuance of such request, to proceed to exercise some one or more of the foregoing remedies; but this provision shall not be construed as authorizing the holders of said percentage of the Bonds outstanding to require the Trustee to exercise the particular remedy or remedies specified in such request or to control the discretion of the Trustee as to the time, place and manner of conducting the proceedings for the exercise of the remedy or remedies which the Trustee shall determine to exercise.

§ 10.04. In case the Trustee shall proceed by suit or suits at law or in equity after an event of default, it shall