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officers, of the Trustee in good faith determine that the withholding of such notice is in the interests of the bondholders. For the purposes of this Section 12.03, the term "default" shall mean any event of default specified in Section 9.02 hereof, not including in the case of the defaults specified in subdivision (a) or (d) thereof any periods of grace provided for therein.

Nothing herein contained shall require the Trustees to give any notice of any default which has been cured.

**Section 12.04.** If the Trustee or the Individual Trustee has or shall acquire any conflicting interest as defined in this Section 12.04, it or he shall, within ninety days after ascertaining that it or he has such conflicting interest, either eliminate such conflicting interest or resign, such resignation to become effective upon the appointment of a successor and such successor's acceptance of such appointment, and the Company shall take prompt steps to have a successor appointed in the manner provided in Section 12.06 hereof. For the purposes of this Section 12.04, the Trustee or the Individual Trustee shall be deemed to have a conflicting interest if

(1) the Trustee or the Individual Trustee is trustee under another indenture under which any other securities, or certificates of interest or participation in other securities, of the Company are outstanding, unless such other indenture is a collateral trust indenture under which the only collateral consists of bonds issued and outstanding under this Indenture; provided, that there shall be excluded from the operation of this subdivision (1) any indenture or indentures under which other securities or certificates of interest or participation in other securities of the Company are outstanding, if the Company shall have obtained the burden of proving, on application to the Securities and Exchange Commission and after opportunity for hearing thereon, that trusteeship under this Indenture and under such other indenture is not so likely to involve a material conflict of interest as

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(10%) or more of the voting securities of the Trustee is beneficially owned either by an underwriter for the Company or by any director, partner or executive officer of any such underwriter, or is beneficially owned, collectively, by any two or more such persons;

(6) the Trustee or the Individual Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default as hereinafter in this Section 12.04 defined, (A) five per cent (5%) or more of the voting securities, or ten per cent (10%) or more of any other class of security, of the Company, not including bonds issued under this Indenture and securities issued under any other indenture of the Company under which the Trustee or the Individual Trustee is also trustee, or (B) ten per cent (10%) or more of any class of security of any underwriter for the Company;

(7) the Trustee or the Individual Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default as hereinafter in this Section 12.04 defined, five per cent (5%) or more of the voting securities of any person who, to the knowledge of the Trustee or the Individual Trustee, owns ten per cent (10%) or more of the voting securities of, or controls directly or indirectly or is under direct or indirect common control with, the Company;

(8) the Trustee or the Individual Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default as hereinafter in this Section 12.04 defined, ten per cent (10%) or more of any class of security of any person who, to the knowledge of the Trustee or the Individual Trustee, owns fifty per cent (50%) or more of the voting securities of the Company; or

(9) the Trustee or the Individual Trustee owns, on May 15 in any calendar year, in the capacity of executor, administrator, testamentary or inter vivos trustee, guardian, committee or conservator, or in any other similar capacity, an aggregate of twenty-five per cent (25%) or more of the voting securities, or of any class of security, of any person, the beneficial ownership of a specified percentage of which would have constituted a conflicting

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to make it necessary in the public interest or for the protection of investors to disqualify the Trustee or the Individual Trustee, as the case may be, from acting as such under one of such indentures;

(2) the Trustee or any of its directors or executive officers or the Individual Trustee is an obligor upon the bonds issued under this Indenture or an underwriter for the Company;

(3) the Trustee or the Individual Trustee directly or indirectly controls or is directly or indirectly controlled by or is under direct or indirect common control with the Company or an underwriter for the Company;

(4) the Trustee or any of its directors or executive officers or the Individual Trustee is a director, officer, partner, employee, appointee, or representative of the Company or of an underwriter (other than the Trustee or the Individual Trustee) for the Company who is currently engaged in the business of underwriting, except that (A) one individual may be a director and an executive officer of the Trustee and also a director and an executive officer of the Company, but may not be at the same time an executive officer of both the Trustee and of the Company, and (B), if and so long as the number of directors of the Trustee in office is more than nine, one additional individual may be a director and an executive officer of the Trustee and a director of the Company, and (C) the Trustee or the Individual Trustee may be designated by the Company or by any underwriter for the Company to act in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent, or depository, or in any other similar capacity, or, subject to the provisions of subdivision (1) of this Section 12.04, to act as trustee, whether under an indenture or otherwise;

(5) ten per cent (10%) or more of the voting securities of the Trustee is beneficially owned either by the Company or by any director, partner or executive officer of the Company or twenty per cent (20%) or more of such voting securities is beneficially owned, collectively, by any two or more of such persons; or ten per cent

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interest under subdivision (6), (7) or (8) of this Section 12.04. As to any of such securities of which the Trustee or the Individual Trustee acquired ownership through becoming executor, administrator or testamentary trustee of an estate which included them, the provisions of the preceding sentence shall not apply, for a period of not more than two years from the date of such acquisition, to the extent that such securities included in such estate do not exceed twenty-five per cent (25%) of such voting securities or twenty-five per cent (25%) of any such class of security. Promptly after May 15 in each calendar year, the Trustee and the Individual Trustee shall make a check of its and his holdings of such securities in any of the above-mentioned capacities as of such May 15. If the Company fails to make payment in full of principal or interest upon the bonds outstanding under this Indenture when and as the same become due and payable, and such failure continues for thirty days thereafter, the Trustee and the Individual Trustee shall make a prompt check of its and his holdings of such securities in any of the above-mentioned capacities as of the date of the expiration of such thirty-day period, and after such date, notwithstanding the foregoing provisions of this subdivision (9), all such securities so held by the Trustee or the Individual Trustee, with sole or joint control over such securities vested in it or him, shall, but only so long as such failure shall continue, be considered as though beneficially owned by the Trustee or the Individual Trustee for the purposes of subdivisions (6), (7) and (8) of this Section 12.04.

In the event that any person shall at any time become an obligor upon any of the bonds, so long as such person shall continue to be such obligor the provisions of the foregoing subdivisions (1) to (9), inclusive, of this Section 12.04 shall be applicable to the Trustee and the Individual Trustee and such obligor with the same effect as if the name of such obligor were substituted for that of the Company in such provisions.

The specification of percentages in subdivisions (5) to (9), inclusive, of this Section 12.04 shall not be construed as including