

resulting from the receipt or disposition of any property described in paragraph (2) of this Subdivision (e), or from the exercise of any right of set-off which the Trustee could have exercised if a petition in bankruptcy had been filed by or against the Company at the date of such default; and

(2) all property received by the Trustee in respect of any claim as such creditor, as security therefor or in satisfaction or composition thereof or otherwise, after the beginning of such four months' period or an amount equal to the proceeds of any such property, if disposed of, subject, however, to the rights, if any, of the Company and its other creditors in such property or such proceeds.

(b) Nothing contained in this Section shall affect the right of the Trustee:

(1) to retain for its own account (i) payments made on account of any such claim described in Subdivision (e) of this Section by persons, other than the Company, who are liable thereon; (ii) the proceeds of the bona fide sale of any such claim by the Trustee to a third person; or (iii) dividends paid on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to Chapter X of an Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1938, as amended, or in proceedings under any applicable state law;

(2) to realize, for its own account, upon any property held by the Trustee as security for any such claim, if such property was so held prior to the beginning of such four months' period;

(3) to realize, for its own account, but only to the extent of the claim hereinafter mentioned, upon any property held by the Trustee as security for any such claim, if such claim was created after the beginning of such four months' period and such property was received as security therefor simultaneously with the creation thereof, and if the Trustee had

no reasonable cause to believe that a default hereunder in the payment of principal or interest would occur within four months; or

(4) to receive, for its own account, payment on any such claim against the release of any security held as described in paragraph (2) or (3) of this Subdivision (b), up to an amount equal to the fair value of such security.

For the purposes of paragraph (2) of Subdivision (e) of this Section and paragraphs (2), (3) and (4) of this Subdivision (b), property substituted after the beginning of such four months' period for property held as security at the time of such substitution shall, to the extent of the fair value of the property released, have the same status as the property released, and, to the extent that any such claim is created in renewal of or in substitution for or for the purpose of repaying or refunding any preexisting claim, such claim shall have the same status as such preexisting claim.

(c) If the Trustee shall be required to account, as provided in Subdivision (e) of this Section, the funds and property held in such special account and the proceeds thereof shall be apportioned between the Trustee and the Bondholders in such manner that the Trustee and the Bondholders realize, as a result of payments from such special fund and payments of dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to Chapter X of said Act referred to in Subdivision (b) (1) of this Section or in proceedings under any applicable state law, the same percentage of their respective claims, figured before crediting to the claim of the Trustee, anything on account of the receipt by the Trustee from the Company of the funds and property in such special account and before crediting to the claim of either the Trustee or the Bondholders dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to said Chapter X or in proceedings under any applicable state law, but after crediting thereon receipts on account of the indebtedness represented by their respective claims from all

sources other than from such dividends and from the funds and property so held in such special account.

(d) In case the Trustee shall have resigned or been removed within four months prior to the happening of such default, it shall nevertheless be subject to the provisions of this Section as though such resignation or removal had not occurred. If the Trustee shall have resigned or been removed prior to the beginning of such four months' period it shall nevertheless be subject to the provisions of this Section as though such resignation or removal had not occurred if and only if the receipt of property or reduction of claim which would have given rise to the obligation to account, if the Trustee had continued as Trustee, occurred after the beginning of such four months' period and within four months after such resignation or removal.

(e) The Trustee shall not be required to account, as provided in Subdivision (a) of this Section, if the creditor relationship arises from:

(1) the ownership or acquisition of securities issued under any mortgage, deed of trust, trust or other indenture, or similar instrument or agreement (including any supplement or amendment to any of the foregoing) whether or not any property, real or personal, is or is to be pledged, mortgaged, assigned or conveyed thereunder; or the ownership of any security or securities having a maturity of one year or more at the time of acquisition by the Trustee;

(2) statements made in the ordinary course of business in the capacity of trustee under any such mortgage, deed of trust, trust or other similar instrument or agreement, or in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent or depositary, or other similar capacity;

(3) an indebtedness created as a result of services rendered or promises rendered; or an indebtedness created as a result of goods or securities sold in a cash transaction;

(4) the ownership of stock or of securities of a corporation organized under the provisions of Section 25(e) of the Act approved December 23, 1913, known as the Federal Reserve Act, as amended, which is directly or indirectly a creditor of the Company; or

(5) the acquisition, ownership, acceptance or negotiation of drafts, bills of exchange, acceptances or obligations, falling within the classification of self-liquidating paper.

The word "security" or "securities" as used in this subdivision (e) shall have the same meaning as the definition of the word "security" in the Federal Securities Act of 1933, as amended, as in effect at the date of the execution of this Indenture.

SECTION 10. In any proceeding brought by the Trustee hereunder, it shall be held to represent all of the holders of the Bonds and it shall not be necessary to make such Bondholders parties to any proceeding.

SECTION 11. Subject to the provisions of Sections 8 and 9 of this Article, the Trustee and any successor or successors thereof, or any agent of the Company appointed for the purpose of Section 4 of Article IV or for any other purpose, may each acquire and hold Bonds and coupons and otherwise deal with the Company in the same manner and to the same extent and with like effect as though it were not Trustee hereunder, or as though it were not such agent.

SECTION 12. The Trustee hereby accepts the trust hereunder and agrees to perform the same but only upon the terms and conditions provided in this Indenture.

#### ARTICLE XIV.

##### SUPPLEMENTAL INDENTURE

SECTION 1. In addition to any supplemental Indenture otherwise authorized by this Indenture, the Company, when author-