

vided that the Company shall pay to the Trustee, promptly after the expiration or termination of the applicable subscription period, a sum in cash equal to any net proceeds realized by the Company on any sale or other disposition of such subscription privileges or, in the event of the exercise of such privileges by the Company, a sum in cash equal to the average market price of such privileges during the subscription period applicable thereto;

provided, however, and it is hereby agreed that, except as in this Indenture otherwise expressly provided, the Company shall not be entitled to receive and the Trustee shall not pay over to the Company,

“(a) any sum paid or collected on account of the principal of any of the bonds, notes or other evidences of indebtedness from time to time pledged under this Indenture; (b) any sum paid or collected on account of interest on any of the bonds or notes or other evidences of indebtedness subject to this Indenture, which shall have been collected or paid out of the proceeds of any sale of or compensation for the property covered by any mortgage securing such bonds, notes or other evidences of indebtedness or out of the proceeds of the sale of any other property of the company liable upon such obligations; (c) any dividends or moneys paid on any shares of stock pledged hereunder which shall have been collected or paid otherwise than out of net earnings or earned surplus determined as aforesaid; or (d) any shares of stock issued in respect of any stock dividend or dividends paid on any shares pledged hereunder, and the Company covenants and agrees that certificates properly endorsed in blank or accompanied by appropriate instruments of assignment and transfer, representing all shares so issued, shall promptly be deposited and pledged with the Trustee hereunder as additional security for the Bonds.

“The Company covenants and agrees forthwith upon receipt by it to pay over to the Trustee all cash coming within the provisions of the foregoing *Subdivisions (a), (b) and (c)*, and all such cash, whether paid over by the Company to the Trustee or received directly by the Trustee, and all cash received by the Trustee pursuant to the foregoing *Subdivision (d)*, shall be applied by the Trustee as provided in § 9.01 or § 9.02.