

if in an amount equal to \$50,000 or more, shall, unless the Company shall at the time be in default in the payment of interest on some one or more of the bonds or an event of default as defined in Section 10.02 shall have happened and be continuing, be applied (except as to any balance insufficient to effect the redemption of the smallest outstanding bond or portion thereof which shall then be redeemable) to the redemption of bonds as provided in subdivision (2) of Section 4.06 on the earliest practicable date or dates on which the bonds of each redeemable series shall be redeemable, and the Company covenants that it will promptly call for redemption the bonds to be redeemed with such cash. All sums required for the payment of interest and premium in connection with the redemption of such bonds shall be furnished by the Company. So far as practicable, bonds of different series shall be redeemed pro rata according to the respective principal amounts of bonds of such series then outstanding.

SECTION 6.05. If the acquisition and construction of the New Pipe Line shall be abandoned for any reason, or shall be unreasonably delayed, or if the New Pipe Line shall not be completed (within the meaning of Section 1.12) on or before January 1, 1950, subject in any case, other than abandonment, to delays due to *force majeure*, the Trustees, or either of them, may in the discretion of the Corporate Trustee complete the acquisition, construction, laying or expansion of capacity of the New Pipe Line and for such purposes the Trustees, or either of them, may in their absolute discretion make any and all necessary contracts with contractors or construction engineers for work, labor or materials in the name of the Company, and may sign the name of the Company as its attorneys or attorney in fact, hereby irrevocably appointed by the Company for such purposes, to any and all papers and documents necessary in and about the work of constructing or laying the New Pipe Line, or, at the election of the Corporate Trustee in its sole discretion, the Trustees, or either of them, may make any such contracts in the name of the Trustees or in the name of either of them and may, but shall not be obliged so to do, at any time, pay out of the Pipe Line Construction Fund any outstanding bills, liabilities or indebtedness incurred by the Company or by the Trustees, or either