

the Corporate Trustee to the Company. At any time, however, (unless there shall have happened and be continuing an event of default as defined in Section 10.02), upon application of the Company, the Corporate Trustee shall invest any cash so held (other than moneys deposited for the payment of principal of or interest on the bonds after such principal and interest shall have become payable and other than moneys set aside for the redemption of bonds) in securities of the United States Government designated in such request or in other securities which are legal investments for savings banks in the State of New York and which are designated in such request and not disapproved by the Corporate Trustee, the income from any such securities (unless there shall have happened and be continuing an event of default as defined in Section 10.02) to be paid to the Company as and when received by the Corporate Trustee, and at any time upon application of the Company the Corporate Trustee shall sell any such securities, provided, however, that any loss which may be sustained when such securities are sold shall immediately upon request of the Corporate Trustee be paid over to the Corporate Trustee by the Company, and provided also that any gain on the sale of any securities so purchased or otherwise received by the Corporate Trustee (unless there shall have happened and be continuing an event of default as defined in Section 10.02) shall immediately be paid over by the Corporate Trustee to the Company, and provided that all expenses in connection with making and/or selling such investments shall immediately upon request of the Corporate Trustee be paid over to the Corporate Trustee by the Company. The Corporate Trustee may in its discretion (but shall not be under any duty to) sell any such securities without request of the Company if it shall deem such action necessary for the protection of the trust estate or in order to enable it to make any payment required to be made by it in accordance with the provisions hereof; and the Company shall be liable for any loss and entitled to any gain resulting therefrom as above provided. The Trustees shall not be responsible to the Company or to any holders of bonds or coupons for any depreciation in the value of any such securities or for any loss arising therefrom. If the Corporate Trustee has knowledge of the existence of any event of default or that any default has been made in the payment of interest on any of the bonds, any moneys held by it and subject to payment, repayment or reversion to the Company need not be so