

upon like funds held by it on deposit.

The Mortgagor Company covenants and agrees that it will not sell to the Sinking Fund any of the bonds secured hereby and held in its treasury except such bonds as may have been previously marketed and bought in by it.

ARTICLE SEVEN

REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 1. In the event that (1) default shall be made in the payment of any interest on any bond or bonds secured by this Indenture, or in the performance of any of the covenants of the Mortgagor Company contained in Section 5 of Article Three hereof, relating to the payment of taxes, assessments and governmental charges, and any such default shall have continued for a period of ninety (90) days; or in the event that (2) default shall be made in the due and punctual payment of the principal of any such bond; or in the event that (3) default shall be made in the due observance or performance of any other covenant or condition herein required to be kept or performed by the Mortgagor Company, and any such last-mentioned default shall have continued for a period of ninety (90) days after written notice thereof to the Mortgagor Company from the Trustee, whose duty it shall be to give such notice at the request, in writing, of the holders of at least ten (10) per cent. in amount of the bonds at the time outstanding hereunder; then and in each and every such event of default the Trustee personally or by its agents or attorneys may enter into and upon all or any part of the estates, properties and franchises hereby conveyed and each and every part thereof and may exclude the Mortgagor Company, its agents and servants wholly therefrom, and in such case, the Trustee, at the expense of the trust estate, shall have the right by its superintendents, managers, receivers, depositaries, agents, servants and attorneys, to manage and operate the mortgaged estates, properties and franchises and to carry on the business and regulate the tolls, make all necessary and proper repairs, renewals and replacements and useful alterations, extensions, enlargements and additions thereto and thereon as to it may seem judicious, and generally to exercise all the rights and powers of the Mortgagor Company, either in the name of the Mortgagor Company or otherwise, as the Trustee shall deem best; and it shall be entitled to collect and to receive all tolls, earnings, incomes, rents, issues and profits of the same and every part thereof; and, after deducting the expenses of operating said estates, properties and franchises, and of conducting the business thereof, and of all repairs, maintenance, renewals, replacements, alterations, extensions, enlargements and additions, and all payments which may be made for taxes, assessments, insurance and prior or other proper charges upon the mortgaged estates, properties and franchises, or any part thereof, as well as just and reasonable compensation for its own services, and for all counsel, agents, clerks, servants and other employees by it properly engaged and employed, and such sum or sums as may be sufficient to indemnify it against any liability, loss or damage, for or on account of any matter or thing done in good faith in pursuance of its duty, it shall apply the moneys arising as aforesaid as follows:

In case the principal of the bonds shall not have become due, to the payment of the interest in default, in the order of the maturity of the instalments of such interest, with interest thereon at the rate of five (5) per cent. per annum; such payments to be made ratably to the persons entitled thereto, without discrimination