

IN DEFAULT HEREUNDER, TO THE KNOWLEDGE OF THE TRUSTEE, THE COMPANY SHALL HAVE FULL POWER, FROM TIME TO TIME, TO DISPOSE OF, FREE FROM THE LIEN OF THIS INDENTURE, ANY PORTION OF THE MACHINERY OR OTHER EQUIPMENT HEREBY CONVEYED, WHICH MAY HAVE BECOME UNFIT OR NO LONGER REQUIRED FOR USE, UPON REPLACING THE SAME BY, OR SUBSTITUTING FOR THE SAME, NEW MACHINERY OR EQUIPMENT OF AT LEAST EQUAL VALUE OR UTILITY TO THAT DISPOSED OF; AND SUCH SUBSTITUTED PROPERTY SHALL FORTHWITH BECOME AND BE SUBJECT TO THE LIEN OF THIS INDENTURE.

ARTICLE NINTH

REMEDIES IN CASE OF DEFAULT

SECTION 72. IN CASE DEFAULT SHALL BE MADE IN THE PAYMENT OF INTEREST ON ANY BOND, AND ANY SUCH DEFAULT SHALL CONTINUE FOR A PERIOD OF SIXTY DAYS; OR IN CASE DEFAULT SHALL BE MADE IN THE PAYMENT OF THE PRINCIPAL OF ANY BOND WHEN DUE; OR IN CASE 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 COMPANY, AND ANY SUCH LAST-MENTIONED DEFAULT SHALL CONTINUE FOR A PERIOD OF SIXTY DAYS AFTER WRITTEN NOTICE THEREOF SHALL HAVE BEEN GIVEN TO THE COMPANY BY THE TRUSTEE, WHICH MAY, IN ITS DISCRETION, GIVE SUCH NOTICE, AND SHALL DO SO UPON THE WRITTEN REQUEST OF THE HOLDERS OF TWENTY-FIVE PER CENT. IN AGGREGATE PRINCIPAL AMOUNT OF THE BONDS THEN OUTSTANDING; THEN, AND IN EACH AND EVERY SUCH CASE, THE TRUSTEE, EITHER PERSONALLY OR BY ITS AGENTS OR ATTORNEYS, MAY FORTHWITH ENTER INTO AND UPON ALL OR ANY PART OF THE MORTGAGED PROPERTIES, AND MAY EXCLUDE THE COMPANY, ITS AGENTS AND SERVANTS, WHOLLY THEREFROM AND MAY USE, OPERATE, MANAGE AND CONTROL THE SAME, AND CONDUCT THE BUSINESS THEREOF, EITHER PERSONALLY OR BY ITS SUPERINTENDENTS, MANAGERS, RECEIVERS, AGENTS, SERVANTS OR ATTORNEYS, FOR THE BENEFIT OF THE HOLDERS AND OWNERS OF THE BONDS, TO THE FULLEST EXTENT AUTHORIZED BY LAW. UPON EVERY SUCH ENTRY, THE TRUSTEE MAY, FROM TIME TO TIME, AT THE EXPENSE OF THE MORTGAGED PROPERTIES AND OF THE COMPANY, MAINTAIN, RESTORE AND INSURE, OR KEEP INSURED, THE TOOLS, MACHINERY, EQUIPMENT, RAILWAYS, TRACKS, PLANTS AND OTHER PROPERTIES, BUILDINGS AND STRUCTURES OF WHICH IT SHALL BECOME POSSESSED, AS AFORESAID; AND LIKEWISE MAY, FROM TIME TO TIME, AT THE EXPENSE OF THE MORTGAGED PROPERTIES AND OF THE COMPANY, MAKE ALL NECESSARY OR PROPER REPAIRS, RENEWALS, REPLACEMENTS, ALTERATIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS THERETO AND THEREON, AS TO THE TRUSTEE MAY SEEM JUDICIOUS. THE TRUSTEE, IN CASE OF SUCH ENTRY, SHALL HAVE THE RIGHT TO MANAGE THE MORTGAGED PROPERTIES AND TO CARRY ON THE BUSINESS AND TO EXERCISE ALL THE RIGHTS, PRIVILEGES AND FRANCHISES OF THE COMPANY, EITHER IN THE NAME OF THE COMPANY OR OTHERWISE, AS THE TRUSTEE SHALL DEEM BEST. IN SUCH CASE THE TRUSTEE SHALL BE ENTITLED TO COLLECT AND RECEIVE ALL TOLLS, DEVIDENDS, EARNINGS, INCOMES, RENTS, ISSUES AND PROFITS OF THE MORTGAGED PROPERTIES AND OF EVERY PART THEREOF. AFTER DEDUCTING THE EXPENSES OF OPERATING THE PROPERTIES, AND OF CONDUCTING THE BUSINESS THEREOF, AND OF ALL REPAIRS, MAINTENANCES, RENEWALS, REPLACEMENTS, ALTERATIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS, AND ALL PAYMENTS WHICH MAY BE MADE FOR TAXES, ASSESSMENTS, INSURANCE AND OTHER PROPER CHARGES UPON THE PROPERTIES, OR ANY PART THEREOF, AS WELL AS JUST AND REASONABLE COMPENSATION FOR ITS OWN SERVICE AND FOR THE SERVICES OF ALL COUNSEL, AGENTS AND EMPLOYEES BY IT PROPERLY ENGAGED AND EMPLOYED, THE TRUSTEE SHALL APPLY THE MONEYS ARISING AS AFORESAID, SUBJECT TO THE PROVISIONS OF SECTION 33 HEREOF, AS FOLLOWS:

FIRST. IN CASE THE PRINCIPAL OF THE BONDS SHALL NOT HAVE BECOME DUE, TO