

SALE OF SUCH PROPERTY MADE IN CONFORMITY TO THE PROVISIONS OF THIS SECTION.

THE MONEYS RECEIVED BY THE TRUST COMPANY UPON ANY SUCH SALE OR CONDEMNATION, OR IN PAYMENT OF THE PRINCIPAL OF ANY OBLIGATIONS RECEIVED AS PART OF THE CONSIDERATION OF RELEASED PROPERTY, SHALL BE APPLIED AS AND WHEN DIRECTED BY THE COMPANY IN A RESOLUTION ADOPTED BY ITS BOARD OF DIRECTORS, A CERTIFIED COPY WHEREOF SHALL BE FILED WITH THE TRUST COMPANY, IN ANY OR MORE OF THE FOLLOWING WAYS, AS MAY BE SPECIFIED IN SUCH DIRECTION OR DIRECTIONS, NAMELY:

(1) THE TRUST COMPANY SHALL PAY OVER TO THE COMPANY (IN LIEU OF AUTHENTICATING BONDS IN RESPECT OF PROPERTY ADDITIONS) OUT OF SUCH PROCEEDS FROM TIME TO TIME, SUMS EQUAL TO ONE AND ONE-FOURTH TIMES THE PRINCIPAL AMOUNT OF BONDS WHICH WOULD BE ISSUABLE IN RESPECT OF SUCH PROPERTY ADDITIONS UNDER SECTION 3 OF ARTICLE II OF THIS INDENTURE IF SUCH PROPERTY ADDITIONS WERE MADE THE BASIS FOR THE AUTHENTICATION OF BONDS UNDER SAID SECTION, BUT ONLY UPON THE DELIVERY TO THE TRUST COMPANY OF SUBSTANTIALLY THE SAME WRITINGS AND OTHER INSTRUMENTS AS WOULD BE REQUIRED IF APPLICATION WERE THEN MADE FOR THE PAYMENT OF CASH UNDER SECTION 4 OF ARTICLE II OF THIS INDENTURE IN RESPECT OF SUCH PROPERTY ADDITIONS.

(2) THE TRUST COMPANY SHALL APPLY SUCH PROCEEDS, OR ANY PART THEREOF, IN PURCHASING IN THE OPEN MARKET OR IN REDEEMING ANY OF THE BONDS SECURED BY THIS INDENTURE IN THE MANNER AND UPON THE CONDITIONS PROVIDED IN SECTION 2 OF ARTICLE IV OF THIS INDENTURE.

ALL OBLIGATIONS RECEIVED BY THE TRUST COMPANY UNDER THIS SECTION (UNLESS RELEASED UNDER THE PRECEDING PROVISIONS HEREOF) SHALL BE HELD AND COLLECTED BY THE TRUST COMPANY, WHICH SHALL, HOWEVER, BE UNDER NO LIABILITY OR ACCOUNTABILITY/TO TAKE ANY STEPS BY LEGAL PROCEEDINGS OR OTHERWISE TOWARD SUCH COLLECTION, WHICH IN ITS JUDGMENT MAY INVOLVE IT IN EXPENSE OR LIABILITY, UNLESS REQUESTED SO TO DO IN WRITING AND ADEQUATELY INDEMNIFIED. ALL AMOUNTS COLLECTED ON ACCOUNT OF THE PRINCIPAL OF SUCH OBLIGATIONS SHALL BE APPLIED AS HEREINBEFORE PROVIDED, AND ALL AMOUNTS RECEIVED ON ACCOUNT OF INTEREST SHALL BE PAID TO THE COMPANY AS PROVIDED IN SECTION I OF ARTICLE XI OF THIS INDENTURE.

THE RESOLUTIONS, CERTIFICATES, DIRECTIONS, OPINIONS, STATEMENTS AND OTHER WRITINGS REFERRED TO AND PROVIDED FOR IN THIS SECTION SHALL BE FULL WARRANT TO THE TRUSTEES, AND EACH OF THEM, FOR THEIR ACTION ON THE FAITH THEREOF, AND THEY SHALL INCUR NO LIABILITY FOR ANYTHING DONE BY THEM PURSUANT TO THIS ARTICLE.

SEC. 2. WHILE IN THE POSSESSION OF THE MORTGAGED PROPERTY, THE COMPANY SHALL ALSO HAVE FULL POWER IN ITS DISCRETION FROM TIME TO TIME, WITHOUT COMPLIANCE WITH THE PROVISIONS OF SECTION I OF THIS ARTICLE (A) TO DISPOSE OF IN GOOD FAITH AND FOR AN ADEQUATE CONSIDERATION FREE FROM THE LIEN OF THIS INDENTURE, ANY BONDS, SHARES OF STOCK AND/OR OTHER SECURITIES NOT DEPOSITED, AND NOT BY ANY PROVISION OF THIS INDENTURE SPECIFICALLY REQUIRED TO BE DEPOSITED, WITH THE TRUST COMPANY; AND (B) TO DISPOSE OF, FREE FROM THE LIEN OF THIS INDENTURE, ANY PORTION OF THE MACHINERY, TOOLS, APPLIANCES, FURNITURE, FIXTURES AND OTHER MOVABLE PROPERTY EMBRACED WITHIN THIS INDENTURE, WHICH MAY HAVE BECOME UNFIT FOR USE, UPON REPLACING THE SAME BY OR SUBSTITUTING FOR THE SAME NEW MACHINERY, TOOLS, APPLIANCES, FURNITURE, FIXTURES AND OTHER PROPERTY OF EQUAL VALUE, WHICH SHALL FORTHWITH BECOME SUBJECT TO THE LIEN OF THIS INDENTURE; AND (C) TO USE AND CONSUME MATERIALS AND SUPPLIES; AND (D) TO EXERCISE ANY AND ALL RIGHTS UNDER CHOSSES IN ACTION AND CONTRACTS; AND (E) TO MODIFY LEASES AND CONTRACTS ALL SUCH MODIFIED LEASES AND CONTRACTS TO BECOME FORTHWITH SUBJECT TO