

ARTICLE VI.

Debenture Bondholders.

Section 1. No holder of any debenture bond or coupon secured hereby shall have the right to institute any suit, action or proceeding, at law or in equity, for any recovery on any such debenture bond or coupon, or for the foreclosure of this instrument, or for the execution of any trust or power hereunder, or for the appointment of a receiver, unless there shall have been given to the Trustee written notice of a default on the part of the Company as provided in Section 2 of Article V, nor unless, also, written request shall have been made of the Trustee to act as in said section provided, and reasonable opportunity shall have been given to the Trustee to proceed to exercise the power granted or to proceed in its own name to institute a suit, action, or proceeding, either at law or in equity, nor unless there shall have been tendered to the Trustee reasonable indemnity against the cost, expense and liabilities to be incurred by the Trustee, and the Trustee shall have neglected to comply with such request within a reasonable time. Such notification, request, and indemnity are declared to be conditions precedent to the execution of the powers and trusts of this instrument on the part of any individual debenture bondholder; it being understood, intended and hereby provided, that no one or more holders of debenture bonds or coupons secured hereby shall have any right in any manner whatever by his or her action to affect, disturb or prejudice the lien hereof or to enforce any right hereunder except in the manner herein expressly provided. In the event, however, of the refusal or failure of the Trustee to act upon request and tender of indemnity as hereinabove provided, then and not otherwise, the holders of Twenty-five (25) per cent, or more in amount of the debenture bonds then outstanding shall be authorized to institute for and on behalf of themselves and all other debenture bondholders similarly situated proceedings for the foreclosure of this instrument or for other remedy at law or in equity.

ARTICLE VII.

Trustee

Section 1. The Trustee hereby accepts the trusts and assumes the duties hereby created and imposed upon it, but only upon the following terms and conditions, to-wit:

(a) It shall incur no liability to anyone and shall be fully protected in acting upon any notice, request, consent, certificate, bond or other paper or document believed by it to be genuine and to have been signed by the proper person or persons.

(b) It may select and employ in and about the execution of this trust suitable agents, attorneys, representatives and employees, whose reasonable compensation and expenses, including travelling expenses shall be paid by the Company to it, and in default of such payment of such compensation and expenses, they shall, with interest at six (6) per cent per annum, payable semi-annually, be a charge upon the hereby mortgaged property and premises and the proceeds thereof, paramount to said bonds, and payable immediately without demand, and it shall not be answerable in any case for any act or default of any agent, attorney, representative, or employee selected with reasonable discretion. It shall not be personally liable for any loss or damage save for its gross negligence or wilful default; provided, that the trustee shall not incur any unusual expense under this trust, except upon the written request of the holders of more than Twenty-five (25) per cent of the debenture bonds secured hereby and outstanding at the time.

(c) It shall have a first lien upon the mortgaged property and funds for its reasonable expenses, counsel fees, compensation and disbursements incurred in and about the execution of the trust hereby created, and the exercise and performance of its powers and