SECTION 7.10. Direction of Remedies. The holders
of a majority in aggregate principal amount of the Bonds
then outstanding shall have the right by an instrument in
writing delivered to the Trustee to direct the time, method
and place of conducting any proceeding for any remedy open
to the Trustee with respect to this Indenture or of exercising
any power or trust conferred upon the Trustee hereunder,
subject to the provisions of Section 8.1, with respect to the
furnishing of indemnity; provided, however, that such
determination shall not be otherwise than in accordance with
law and the provisions of this Indenture, and the Trustee,
subject to the provisions of Section 8.1, shall have the right
to decline to follow any such direction if the Trustee in good
faith shall, by the Chairman of the Board of Directors, the
President or a Vice President of the Trustee, determine that
the proceeding so directed would involve it in personal
liability or would be unjustly prejudicial to the holders of
Bonds not joining in such direction. If no such instrument
has been received from the holders of the Bonds, the Trustee
may take such action, if any, as it shall determine.

SECTION 7.11. Exercise of Rights and Remedies.
Notwithstanding any other provision of this Article VII, the
rights and remedies referred to in this Article VII shall be
exercised only if and to the extent not prohibited by the laws
of any state in which the Trust Estate or any part thereof is
located.

SECTION 7.12. Notification of Default. The Trustee
shall promptly notify the Company and Krystal of any Event of
Default; provided, however, that failure to give such
notification shall not affect the obligations of the Company
or the rights of the Trustee and the holders of the Bonds
hereunder.

ARTICLE VIII

The Trustee

SECTION 8.1. Rights and Obligations of Trustee.
(a) The Trustee accepts the trusts hereby created and agrees
to perform the duties herein required of it upon the terms and
conditions hereof. The Trustee shall have the full and

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