

- 10 -

Section 4.05. Construction of 52-unit Motel. The Company will proceed to construct, as soon as practicable, on the real estate above described, a 52-unit Holiday Inn Motel, in accordance with plans and specifications furnished to Standard Life Association of Lawrence, Kansas.

Section 4.06. Company to Elect Director Designated by Bondholders.

Mr. E. R. Zook of Lawrence, Kansas, has been elected to the Company's Board of Directors in the interest of the Bondholders. From time to time the Bondholders may elect any one person they desire to represent them on the Company's Board of Directors, and in the event of such election by the Bondholders, the Trustee shall notify the Company in writing of the person chosen by the Bondholders to represent them. Forthwith, the Company shall call a meeting for the purpose of electing to its Board of Directors, and shall elect, the person so designated by the Bondholders, and for the purpose of discharging or accepting the resignation of, and shall discharge or accept the resignation of, the Bondholders' then representative on the Company's Board of Directors. The designation from time to time in the Trustee's notice to the Company shall be conclusive evidence to the Company of the person duly elected by the Bondholders, and neither the Company nor the Trustee shall be liable to the Bondholders, or any Bondholder, in connection with the selection by the Bondholders of the person to represent them on the Company's Board of Directors.

ARTICLE V

Remedies of Trustee and Bondholders

Section 5.01. The Definition of Event of Default; Acceleration of Maturity. The term "Event of Default" wherever used in this Indenture shall mean one of the following described events:

- (a) The failure of the Company to pay any instalment of either principal or interest when due on any of the bonds,
- (b) The failure of the Company to perform and comply with any other of the covenants, agreements, terms or conditions on the part of the company contained in this Indenture for a period of 60 days after written notice from the Trustee or from any registered Bondholder, specifying such failure and requiring the Company to remedy the same, shall have been given to the Company, or
- (c) The adjudication of the Company as a bankrupt by a court of competent jurisdiction.

In case an Event of Default shall occur and be continuing, the Trustee may, and upon the written request of the holders of a majority in principal amount of the Bonds at the time outstanding shall, declare the principal of all the Bonds then outstanding to be due and payable, and the same shall be due and payable.

Section 5.02. Trustee's Power to Sue and Foreclose. If one or more of the events of Default shall happen and shall be continuing, the Trustee may, and upon written request of the holders of a majority in principal amount of the Bonds then outstanding, the Trustee shall proceed to protect and enforce