

preference. In case the principal of the bonds secured hereby shall have become due, or shall, after each entry, become due, whether such maturity be according to the face of said bonds or whether because of declaration of maturity as herein provided, the Trustee in possession shall apply the same, first to the payment of any interest which may have become due on said bonds, together with interest on the overdue installments in the order of maturity of the installments of such interest, and next to the payment of the principal of the bond; in every instance ratably to the parties entitled thereto without any discrimination or preference. If, after each entry, all interest due on the bonds secured hereby then outstanding shall be fully paid out of the income of said property, and the principal of said bonds shall not be due by the terms of the bonds, or by declaration as herein provided, and there shall be no other default on the part of the Telephone Company under this mortgage, the Trustee in possession shall restore said property of the Telephone Company, but without prejudice to the rights of entry for any subsequent default.

(2) From and after any default in the payment of any principal or interest money secured by the said bonds, or of any mortgage payable to the Trustee under the provisions herein, continued for six (6) months, after written demand of payment, the Trustee with or without taking possession of the trust premises, may in its discretion, and shall upon the request of a majority in amount of the bonds hereby secured and then outstanding, sell & dispose of the trust premises by public auction as a whole, unless & except so far as such sale as a whole shall be impracticable by reason of some statute, and then in each parcel as shall be required by such statute, such sale or sales to be held at such time or times and at such place or places in said states of Missouri & Kansas, or either of them, as the Trustee may determine, or as shall be required by law, with full power to buy in or rescind any contract of sale or resell without being responsible for loss and for the purposes aforesaid to execute and make all such deeds & agreements and do all such things as the Trustee shall think fit. And such sale or sales shall perpetually bar the Telephone Company & all persons claiming by, through or under it, from all right and interest at law and in equity in the trust premises sold. But the Trustee shall not exercise the power of sale hereinbefore contained until it shall first have given public notice of such sale or sales, and the time or times & the place or places thereof, by advertising not less than twice a week for six (6) consecutive weeks in one or more newspapers published in each of the cities of St. Louis, Missouri, & Lawrence, Kansas, and such other notice, if any, as shall be required by law, and the Trustee shall have power, in its discretion, to adjourn any such sale from time to time and to make the sale at the time & place to which the same shall be adjourned, and shall give such notice of adjournments as the Trustee shall