

notice in writing delivered to any officer of the Company or deposited in the mails addressed to the Company at Lawrence, Kansas, declare the principal of all bonds then outstanding to be immediately due and payable. Upon any such declaration the principal of all the bonds then outstanding hereunder shall become and be immediately due and payable, anything in this Mortgage Deed of Trust or in said bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that at fault by any time after the principal of said bonds shall have been so declared due and payable and prior to any foreclosure sale of the property hereby mortgaged, the holders of a majority in amount of the bonds hereby secured and then outstanding, by written notice to the Company and to the Corporate Trustees, shall have the right, if the reasonable compensation and expenses of the Trustees

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shall first be paid, and upon such default being remedied by the Company, to waive on behalf of all the bondholders any such default and its consequences and to rescind such declaration and to abandon and discontinue any proceedings taken on account of such default, and in case of any such waiver, or in case any proceedings taken by the Trustees on account of any such default shall have been discontinued or abandoned, or determined adversely, then and thereupon the Trustees and the bondholders shall be restored to their former respective positions and rights hereunder, and any previous declaration accelerating the maturity of the bonds shall be deemed rescinded and of no effect.

Section 2. In case default shall be made in the payment of any interest upon any of the bonds at any time outstanding hereunder, according to the tenor thereof, and such default shall continue for a period of sixty days after such demand, or in case default shall be made by the Company in due observance or performance of any other condition, covenant, obligation or requirement imposed upon the Company in said bonds or in this Mortgage Deed of Trust, any such last mentioned default shall continue for a period of sixty days after written notice thereof to the Company from the Corporate Trustee or from any holder of any of said bonds, or in case the principal of said bonds shall have been declared due as hereinabove provided, or shall have otherwise become due, and shall be unpaid, then and in every such case the Trustees may of their own motion, and shall upon written request of the holders of at least twenty-five per cent in amount of the bonds secured hereby and then outstanding, and upon indemnity or security to them as hereinafter provided, institute and carry on such suit or suits to foreclose the lien of this Mortgage Deed of Trust as may be authorized by law. And in any such case the Trustees may proceed to protect and enforce their rights and the rights of the bondholders

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hereunder, whether for the specific performance of any covenant or agreement herein contained, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable remedy as may be most effective to protect and enforce the rights aforesaid; and upon the bringing of any suit to foreclose the Mortgage Deed of Trust the Trustees shall be entitled as a matter of right to have a receiver appointed of all the mortgaged property and franchises and of the earnings, income, rents, issues and profits thereof, and the Company does hereby irrevocably consent to such appointment.

Section 3. The Company covenants and agrees that it will not at any time insist upon or plead, or in any manner whatever claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force, nor will it claim, take or insist upon any benefit or advantage from any law now or hereafter in force providing for the valuation or appraisal of the mortgaged properties prior to any sale or sales thereof, nor will it, after any such sale or sales, claim or exercise any right under any statute now or hereafter in force, or otherwise, to redeem the property so sold, or any part thereof; and the Company hereby expressly waives all benefit and advantage of any such laws and covenants that it will not invoke any such laws in order to hinder, delay or impede the execution of any power herein granted and delegated to the Trustees, but that it will suffer and permit the execution of any such power as no such law or laws had been made or executed.

Section 4. In the event of any foreclosure sale to enforce the security of this Mortgage Deed of Trust, the property hereby mortgaged shall be sold in one parcel and as an entirety (unless the holders of a majority in amount of the then outstanding bonds shall otherwise request in writing), and this provision shall bind the parties hereto and each and every of the holders of said bonds at any time outstanding.

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In case of any sale the whole of the principal of the outstanding bonds, if not previously declared due, shall at once become due and payable, anything in said bonds or in this Mortgage Deed of Trust contained to the contrary notwithstanding.

The proceeds or avails of any sale shall, subject to the provisions of Section 6 of Article IV hereof, be applied as follows:

First. To the payment of costs and expenses of foreclosure and sale, including reasonable compensation to the Trustees, their agents, attorneys and counsel and of all proper expenses, liabilities and advances incurred or made hereunder by the Trustees, and of all taxes, assessments or liens prior to the lien of these presents, except any taxes, assessments or other superior liens subject to which such sale may have been made.

Second. To the payment of the whole amount then owing or unpaid upon the bonds hereby secured for the principal and interest, together with interest on overdue installments of interest; and in case such proceeds shall be insufficient to pay the whole amount so due and unpaid the said bonds, then to the payment of such principal and interest, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, ratably, in proportion to the aggregate of such principal and accrued and unpaid interest.

Third. To the payment of the surplus, if any, to the Company, its successors or

Waiver of de-
fault by
bondholders.

Foreclosure
in case of
default.

Right to have
receiver
appointed.

Waiver of
stay, exten-
sion or re-
demption
rights.

Property to
be sold as
an entirety.

Application
of proceeds
of foreclo-
sure sale.