

SAUL DODSWORTH STATIONERY CO. KANSAS CITY, MO. 64104

Sec. 10.05. In case an event of default as defined in Sec. 10.02 shall happen and be continuing (whether or not the principal of the Bonds shall have been declared due, and either before or after the exercise of any other specific remedy in this Article provided for), the Trustees may, and upon being requested in writing by the holders of twenty-five per cent in amount of the Bonds then outstanding, and upon being indemnified to their satisfaction against costs and expenses which may be incurred by acting in pursuance of such request, and upon being furnished with an opinion of counsel that it is proper for them so to do, shall, in their discretion, either

(1) proceed to sell or dispose of all and singular the trust estate and all right, title and interest, claim and demand therein and right of redemption thereof which shall be then held or possessed by the Trustees, or in any manner shall be subject to this Indenture, or such portion thereof as the Trustees may deem necessary, at public auction at such place or places as the Trustees may deem best, upon such terms as to credit, partial credit and security for payment as they may think proper or expedient; or

(2) proceed to protect and to enforce their rights and the rights of the bondholders under this Indenture by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the foreclosure of this Indenture, or for the sale of the trust estate under the judgment or decree of any court or courts of competent jurisdiction, or for the enforcement of any other appropriate legal or equitable remedy as the Trustees, being advised by counsel learned in the law, shall deem most effectual to protect and enforce any of their rights or duties hereunder.

Sec. 10.06. The purchase money, proceeds or avails of any such sale or sales, whether under the power of sale hereby granted or pursuant to judicial proceedings, together with any other amounts of cash which then may be held by the Trustees under any of the provisions of this Indenture, as part of the trust estate, shall be applied in turn as follows:

(a) To the payment of the costs and expenses of such sale including a reasonable compensation to the Trustees, their agents, attorneys and counsel, and of all expenses, liabilities and advances made or incurred by the Trustees, under this Indenture, and to the payment 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 shall have been made.

(b) To the payment of the whole amount of the principal and interest which shall then be owing or unpaid upon the Bonds hereby secured or any of them with interest at the rate then borne by such Bonds on the overdue installments of interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the said Bonds, then to the payment of such principal and interest ratably 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, subject, however, to the provisions of Sec. 10.01.

(c) To the payment of the surplus, if any, to the Company, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same.

Sec. 10.07. The Trustees are hereby irrevocably appointed special agents and representatives of the holders of the Bonds and vested with full power in their behalf to effect and enforce this Indenture for their benefit as provided herein; but anything in this Indenture contained to the contrary notwithstanding the holders of a majority in principal amount of the Bonds hereby secured then outstanding shall have the right from time to time, if they so elect and manifest such election by an instrument or concurrent instruments in writing executed and delivered to the Corporate Trustee to direct and control the method and place of conducting any and all proceedings for any sale of the trust estate, or any adjournment thereof, or for the foreclosure of this Indenture, or for the appointment of a receiver or for any other action or proceeding hereunder, provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture, but they shall have no right to involve the Trustees in any personal liability of any kind to anybody without first and from time to time indemnifying them to their satisfaction.

Sec. 10.08. No holder of any Bond or coupon hereby secured shall have the right to institute any suit action or proceeding at law or in equity, or any special or other statutory proceeding upon or in respect of this Indenture, or for the execution of any trust or power hereof, or for any other remedy under or upon this Indenture, unless such holder shall previously have given to the Corporate Trustee written notice of the happening of an event of default as defined in Sec. 10.02, and of the continuance thereof as hereinbefore provided, nor unless also the holders of at least twenty-five per cent in principal amount of Bonds hereby secured then outstanding shall have made written request upon the Trustees and shall have afforded to the Trustees reasonable opportunity either to proceed themselves to exercise the powers hereinbefore granted, or to institute such action, suit or proceedings in their own names, nor unless also such holder or holders shall have offered to the Trustees security and indemnity satisfactory to them against the costs, expenses and liabilities to be incurred in or by reason of such action, suit or proceeding, and the Trustees shall have refused or neglected either to comply with such request within a reasonable time thereafter or to take other appropriate proceedings for the enforcement of this Indenture; and such notification, request and offer of indemnity are hereby declared, in every such case, at the option of the Trustees, to be conditions precedent to the execution of the trusts and powers of this Indenture, and to any action or cause of action for foreclosure or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more holders of Bonds or coupons shall have any right in any manner whatever to affect, disturb or prejudice the lien of this Indenture by his or their action, or to enforce any right hereunder, except in the manner herein provided and that all proceedings hereunder shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of such outstanding Bonds and coupons, subject to the provisions of Sec. 10.01. Nothing herein contained shall, however, affect or impair the right of any bondholder, which is absolute and unconditional, to enforce the payment of the principal and interest of his Bonds at and after the maturity thereof, or the obligation of the Company, which is also absolute and unconditional, to pay the principal of and interest on each of the Bonds to the respective holders thereof at the time and place in said Bonds and the appurtenant coupons expressed. The Trustees shall have the right to require the person or persons presenting any request under this or any other Section hereof to furnish satisfactory proof as to the ownership of the Bonds represented by him or them; and if such proof be so required, the said request shall be without effect until such proof has been furnished, but the Trustees shall be under no obligation to require such proof.

Sec. 10.09. In case, after default as herein provided, the Trustees shall proceed by suit or suits at law or in equity, or by any other judicial proceeding, the Trustees or their successors shall be entitled to have the trust estate sold by judicial sale under the order of a court or courts of competent jurisdiction for or toward the satisfaction of the principal and interest due or owing upon the then outstanding Bonds issued under or entitled to the benefit of the security of this Indenture, and for the enforcement of the rights, liens and security of the Trustees and the bondholders, and shall be entitled as a matter of right, pending any such suit or proceeding, to a receivership of the trust estate and of the earnings, revenues, issues, profits and income thereof, whether the trust estate shall or shall not be adequate and sufficient to pay and satisfy the Bonds then outstanding; but notwithstanding the appointment of any receiver the Trustees shall be entitled as pledgees to continue to retain the possession and control of any pledge, securities, cash, and other property pledged or to be pledged or deposited with them or either of them hereunder.

Sec. 10.10. The Company covenants that (1) in case default shall be made in the payment of any interest on any Bonds at any time outstanding and secured by this Indenture, or (2) in case default shall be made in the payment of the principal of any such Bonds when the same shall become payable, whether at