

DOUGLAS COUNTY

tract, the Mortgagor shall terminate such employment or operating contract, as the case may be, within thirty (30) days after the date of such notice. All contracts in respect of the employment of managers or superintendents of such transmission and distribution system or for the operation thereof shall contain provisions to permit the enforcement of the foregoing provisions.

ARTICLE III
REMEDIES OF THE MORTGAGEE AND THE NOTEHOLDERS

Section 1.- If one or more of the following events (hereinafter called "events of default") shall happen, that is to say:

- (a) Default shall be made in the payment of interest on or of any installment of principal of any of the notes when and as the same shall become due and payable and such default shall continue for thirty (30) days;
 - (b) Default shall be made in the due observance or performance of any other of the covenants, conditions, or agreements on the part of the Mortgagor in any of the notes or in this Mortgage contained and such default shall continue for a period of thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Mortgagor by any noteholder;
 - (c) An event of default as defined in the Construction Loan Contract;
 - (d) The Mortgagor shall be adjudicated a bankrupt or insolvent, or shall make an assignment for the benefit of its creditors, or shall consent to the appointment of a receiver of itself or of its property;
 - (e) The Mortgagor shall file a petition in bankruptcy or institute proceedings for its reorganization, or proceedings instituted by others for its reorganization shall not be dismissed within thirty (30) days after the institution thereof;
 - (f) A receiver or liquidator of any substantial portion of its property shall be appointed and the order appointing such receiver or liquidator shall not be vacated within thirty (30) days after the entry thereof;
 - (g) The Mortgagor shall forfeit or otherwise lose its corporate charter or any of its franchises, approvals, permits, licenses, consents, easements, or rights of way required to carry on any material portion of its business; or
 - (h) A final judgment shall be entered against the Mortgagor and shall remain unsatisfied or without a stay in respect thereof for a period of thirty (30) days,
- then in each and every such case any noteholder may, by notice in writing to the Mortgagor and delivery of a copy thereof to the other noteholders, declare all unpaid principal of and accrued interest on any of the notes held by such noteholder to be due and payable immediately; and upon any such declaration all unpaid principal of and all accrued interest on all notes so declared to be due shall become due and payable immediately, anything contained in this Mortgage or in the notes to the contrary notwithstanding; provided, however, that if at any time after the unpaid principal of and accrued interest on any of the notes shall have been so declared due and payable, all installments of principal which shall have matured by the terms of such notes and all arrears of interest on such notes shall be paid by the Mortgagor to the respective noteholders, and all other defaults hereunder and under the notes shall have been made good or secured to the satisfaction of all of the noteholders, then and in every such case, the noteholder or noteholders who shall have declared the principal of and interest on notes held by them to be due and payable may, by written notice to the Mortgagor and delivery of a copy thereof to the other noteholders, annul such declaration or declarations and waive such default or defaults and the consequences thereof, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 2.- If one or more of the events of default shall happen the holder or holders of not less than a majority in principal amount of the notes at the time outstanding, for itself or themselves and as the agent or agents of the other noteholders, personally or by attorney, in its or their discretion may in so far as not prohibited by law:

- (a) Take immediate possession of the Mortgaged Property; collect and receive all credits, outstanding accounts, and bills receivable of the Mortgagor; manage, control, and operate the Mortgaged Property as fully as the Mortgagor might do if in possession thereof; collect and receive all of the tolls, rents, revenues, issues, income, profits, benefits, and additions derived, received, or had thereof or therefrom, and issue binding receipts therefor;
 - (b) Proceed to protect and enforce the rights of the Mortgagee and the noteholders under this Mortgage by suits or actions in equity or at law in any court or courts of competent jurisdiction, whether for specific performance of any covenant or any agreement contained herein, or in aid of the execution of any power herein granted or for any foreclosure hereof or hereunder or for any sale of the Mortgaged Property, or any part thereof, or to collect the debts hereby secured or for the enforcement of such other or additional appropriate legal or equitable remedies as may be deemed most effectual to protect and enforce the rights of the Mortgagee and the noteholders hereunder; and in the event of the institution of any such suit or action the noteholder or noteholders instituting such action or suit shall have the right to have appointed a receiver of the Mortgaged Property and of all tolls, rents, issues, income, receipts, profits, benefits, and additions derived, received, or had thereof and therefrom upon commencement of such suit or action or at any time thereafter and such receiver shall have all of the usual powers and duties of receivers in like and similar cases and if application shall be made for the appointment of such receiver the Mortgagor hereby expressly consents that the court to which such application shall be made may make said appointment;
 - (c) Sell or cause to be sold all and singular the Mortgaged Property, or any part thereof, and all right, title, and interest, claim, and demand therein or thereto, at public auction at such place in any county in which the property, or any part thereof, to be sold is located, at such time and upon such terms as may be specified in the notice of sale to be given as hereinafter provided. The notice of any sale pursuant to this Mortgage shall state the time when and the place where the same is to be made and shall contain a brief general description of the property to be sold, and shall be given by mailing a copy thereof to the Mortgagor at least fifteen (15) days prior to the date fixed for such sale and by publishing the same once in each week for two successive calendar weeks prior to the date of such sale in a newspaper of general circulation published in said county, the first such publication to be not less than fifteen (15) days nor more than thirty (30) days prior to the date fixed for such sale. Any sale to be made under this subparagraph (c) of this section may be adjourned from time to time by announcement at the time and place appointed for such sale or for such adjourned sale or sales, and without further notice or publication the sale may be had at the time and place to which the same shall be adjourned. In the event that another or different notice of sale or another or different manner of conducting the same shall be required by law, the notice of sale shall be given or the sale shall be conducted, as the case may be, in accordance with the applicable provisions of law.
- Section 3.- If within thirty (30) days after the holder or holders of not less than a majority in principal amount of the notes at the time outstanding shall have had knowledge of the happening of an event or events of default, such noteholder or noteholders shall not have proceeded to exercise the rights or to enforce the remedies herein or by law conferred upon or reserved to the Mortgagee or to the noteholders, any noteholder, for itself and as the agent of the other noteholders, may proceed forthwith to exercise such rights and to enforce such remedies, but no holder or holders of less than a majority in principal amount shall be entitled to exercise any of the rights or to enforce any of the remedies