

## MORTGAGE RECORD 85

effect a plan of reorganization under the Federal Bankruptcy Laws, or shall admit its inability to pay its debts as they mature, or corporate action shall be taken by the Railroad Company in furtherance of any such purposes;

then and in each and every such case the Trustee personally, or by its agents or attorney, while such default shall continue, may enter into and upon all or any part of the mortgaged property, and may exclude the Railroad Company, its agents and servants wholly therefrom; and, having and holding the same, may use, operate, manage and control such mortgaged property, regulate the tolls for the transportation of passengers and freight thereon, and conduct the business thereof, either personally or by its superintendents, managers, receivers, agents and servants or attorneys; and upon every such entry the Trustee, at the expense of the trust estate, from time to time, either by purchase, repairs or construction, may maintain and restore, and may insure or keep insured, the rolling stock, tools and machinery and other property, buildings, bridges and structures erected or provided for use in connection with such mortgaged property in the manner and to the extent deemed necessary or appropriate by the Trustee, in its discretion; and likewise, from time to time, at the expense of the trust estate, may make all necessary or proper repairs, renewals and replacements, and useful alterations, additions, betterments and improvements thereto and thereon, as to the Trustee may seem judicious; and in such case the Trustee shall have the right to manage the mortgaged property and to carry on the business and exercise all rights and powers of the Railroad Company, either in the name of the Railroad Company or otherwise, as the Trustee shall deem best. And the Trustee shall be entitled to collect and receive all tolls, earnings, income, rents, issues and profits of the same and every part thereof, and also the income from stocks and bonds and other obligations and securities subject to this Indenture. And after deducting the expenses of operating such mortgaged property, and of conducting the business thereof and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements, and all payments which may be made for taxes, assessments, insurance, and prior or other proper charges upon the trust estate, or any part thereof, as well as just and reasonable compensation for its own services and for all attorneys and counsel, agents, clerks, servants and other employees by it properly engaged and employed, the Trustee shall apply the moneys arising as aforesaid, as follows:

(1) in case the principal of none of the Bonds shall have become due and be unpaid, to the payment of the interest in default in the order of the maturity of the instalments of such interest, with interest thereon at the same rates respectively borne by the Bonds on which such interest shall be in default, such payments to be made ratably to the persons entitled thereto, without discrimination or preference;

(2) in case the principal of any of the Bonds shall have become due, by declaration or otherwise, and shall be unpaid, first to the payment of the interest in default, in the order of the maturity of the instalments, with interest on the overdue instalments thereof at the same rates respectively borne by the Bonds on which such interest shall be in default, and next to the payment of the principal of all the Bonds, with interest thereon at the same rates respectively borne by such Bonds; in every instance such payments to be made ratably to the persons entitled to such payments, without any discrimination or preference.

SECTION 2. In case any one or more of the events of default shall happen, then and in such case, unless the principal of all the Bonds then outstanding shall already have become due and payable, the Trustee by notice in writing delivered to the Railroad Company, while any such default shall continue, may, and upon the written request of the holders of twenty per cent. in principal amount of the Bonds then outstanding shall, declare the principal of all the Bonds then outstanding to be forthwith due and payable, and upon any such declaration the same shall become and be forthwith due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any sale of the mortgaged property or any part thereof shall have been made in enforcement of this Indenture, all arrears of interest upon all the Bonds, with interest on overdue instalments of interest at the same rates borne by the respective Bonds on which instalments of interest may be overdue, together with the reasonable charges and expenses of the Trustee, its agents, attorneys and counsel, shall either be paid by the Railroad Company or be collected out of the income of the trust estate and all other defaults (except a default in the payment of the principal of the Bonds so declared due and payable) under the Bonds, or under this Indenture, shall be made good, or adequate provision made therefor, to the satisfaction of the Trustee, then and in such case, upon the written request of the holders of a majority in principal amount of the Bonds then outstanding, the Trustee shall, by written notice to the Railroad Company, rescind and annul such declaration in its entirety; but no such action shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 3. If one or more of the events of default shall happen, the Trustee, with or without entry, personally or by attorney, while such default shall continue, in its discretion, either

(a) may sell, subject to the then existing prior liens thereon, to the highest and best bidder, all and singular the mortgaged property and all right, title and interest, claim and demand therein, and right of redemption thereof; and such sale or sales shall be made at public auction at such place on the premises to be sold, and at such time and upon such terms as the Trustee may fix and briefly specify in the notice of sale to be given as herein provided, or as may be required by law; or

(b) may proceed to protect and to enforce its rights and the rights of 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 enforcement of any other appropriate legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or duties under this Indenture or the rights of holders of the Bonds.

SECTION 4. Upon the written request of the holders of twenty per cent. in principal amount of the Bonds then outstanding, in case one or more of the events of default shall happen, it shall be the duty of the Trustee, while such event of default shall continue, upon being indemnified as hereinafter provided, to take all steps needful for the protection and enforcement of its rights and the rights of the holders of the Bonds, and to exercise the power of entry or of sale herein conferred, or both, or to take appropriate judicial proceedings by action, suit or otherwise as the Trustee, being advised by counsel, shall deem most expedient in the interest of the holders of the Bonds.

SECTION 5. In the event of any sale, whether made under the power of sale hereby granted and conferred, or under or by virtue of judicial proceedings, or of some judgment or decree of foreclosure and sale, the whole of the mortgaged property shall be sold in one parcel as an entirety unless (1) the holders of a majority in amount of the Bonds then outstanding shall in writing request the Trustee to cause said property to be sold in parcels, in which case the sales shall be made in such parcels as shall be specified in such request, or unless (2) such sale as an entirety is impracticable by reason of some statute or other cause.

SECTION 6. Notice of any sale by the Trustee pursuant to the provisions of this Indenture shall state the time and place when and where the same is to be made, and shall contain a brief general description of the property to be sold, and shall be sufficiently given if published at least once in each of four successive calendar weeks prior to such sale in two daily newspapers printed in the English language and customarily published on each business day, one of general circulation in Omaha, Nebraska, and one of general circulation in the Borough of Manhattan, City of New York.

SECTION 7. The Trustee may adjourn, from time to time, any sale by it to be made under the provisions of this Indenture, 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 Trustee may make such sale at the time and place to which the same shall be so adjourned.

SECTION 8. Upon the completion of any sale or sales by it under this Indenture, the Trustee shall ex-