

4. In case default be made in the payment as and when due of any one or more of said notes, or in case of default by said Vendee, its successors or assigns, in the discharge of any obligation herein upon it imposed, the right of the Vendee to the possession or control of any of said cars and to receive or collect any mileage earnings due or to become due thereon shall at once cease and determine and said Vendee shall, at its own cost and expense, upon the demand of said Vendor, deliver each and every of said cars to said Vendor, at such place or places as said Vendor may direct; and in such event said Vendor, its successors or assigns, shall have the right at its or their option by its or their agents, employees or attorneys, to take immediate and exclusive possession of and remove any or all of said cars which may have been delivered to said Vendee herein, and for that purpose may pursue each and every of said cars wherever same may be found, and may for that purpose enter upon the premises of said Vendee, its successors or assigns; said Vendee, for itself, its successors or assigns, hereby agreeing to furnish to the Vendor, its successors or assigns, all the facilities and assistance in the recovery of said cars which said Vendor may require; and said Vendor shall have the right to sell said cars at public or private sale, with or without notice, (as it may elect) in one or more lots, at such place or places and on such terms as it may deem advisable, and at any such sale said Vendor may (if it so elect) become a purchaser of said cars. And in case of such default as aforesaid, all mileage earnings of said cars, and each of them, which at the date of such default may be due, or which shall thereafter become due shall thereupon be and become payable to the Vendor, and shall be applied to the payment of said notes then due and payable, or thereafter becoming due and payable, or to the payment of any other indebtedness due hereunder from said Vendee to said Vendor; upon such default, said Vendee shall forthwith notify the parties from whom such mileage earnings are due or to become due, to pay the same to said Vendor, but such notice shall not be necessary in order to enable the Vendor to collect or receive such earnings in case of such default. And to facilitate the vendor, in the event of such default, in securing possession of said cars, and the payment to it of said mileage earnings, said Vendee hereby appoints irrevocably said Vendor its agent and attorney in fact, and hereby authorizes said Vendor as such agent and attorney in fact of said Vendee, and in the name of the Vendee, to give such instructions and directions, verbal and written, as in the judgment of the Vendor may be desirable and necessary to enable the Vendor to obtain possession of said cars, and the payment of such mileage earnings. The remedies herein created in favor of the Vendor, shall not be deemed exclusive, but shall be deemed cumulative and in addition to any and all other remedies, existing at law or in equity, upon the part of said Vendor.

5. In the event of a sale made by said Vendor, as heretofore provided, by reason of the default of said Vendee, it is hereby expressly stipulated and agreed that it shall not be necessary to have present at such place or places where such sale or sales may be made, said cars or any one of said cars; and should said Vendor become the purchaser at any such sale or sales, in lieu of paying in cash the purchase price bid, the Vendor may apply the amount of such bid or bids as a credit upon said notes, or any other indebtedness due from said Vendee to said Vendor under the terms of this agreement.

6. In the event of a sale made as herein provided, the proceeds thereof shall be applied as follows:

- (a) First, to the payment of the costs and expenses of the recovery, transportation, custody and disposition of said cars, with all charges incident thereto;
- (b) Second, to the payment of any balance that may be then due and owing upon said notes, or any of them, or other indebtedness from the Vendee to the Vendor arising hereunder; it being expressly agreed that in the event default is made in the payment of any one