

take out or maintain insurance or to make changes in respect thereof upon appropriate request by such noteholder or noteholders, such noteholder or noteholders may take out such insurance on behalf and in the name of the Mortgagor, and the Mortgagor will pay the cost thereof.

(b) In the event of damage to or the destruction or loss of any portion of the Mortgaged Property which shall be covered by insurance, unless the majority noteholders shall otherwise agree, the Mortgagor shall replace or restore such damaged, destroyed or lost portion so that the Mortgaged Property shall be in substantially the same condition as it was in prior to such damage, destruction or loss, and shall apply the proceeds of the insurance for that purpose. The Mortgagor shall replace the loss or shall commence such restoration promptly after such damage, destruction or loss shall have occurred and shall complete such replacement or restoration as expeditiously as practicable, and shall pay or cause to be paid out of the proceeds of such insurance all costs and expenses in connection therewith so that such replacement or restoration shall be so completed that the portion of the Mortgaged Property so replaced or restored shall be free and clear of all mechanics' liens and other claims.

SECTION 9. The Mortgagor will furnish adequate telephone service to the widest practicable number of persons in rural areas.

SECTION 10. In the event of the failure of the Mortgagor in any respect to comply with the covenants and conditions herein contained with respect to the procuring of insurance, the payment of taxes, assessments and other charges, the keeping of the Mortgaged Property in repair and free of liens and other claims, any noteholder or noteholders shall have the right (without prejudice to any other rights arising by reason of such default) to advance or expend moneys for the purpose of procuring such insurance, or for the payment of insurance premiums, taxes, assessments or other charges, or to save the Mortgaged Property from sale or forfeiture for any unpaid tax or assessment, or otherwise, or to redeem the same from any tax or other sale, or to purchase any tax title thereon, or to remove or purchase any mechanics' liens or other encumbrance thereon, or to make repairs thereon or to prosecute or defend any suit in relation to the Mortgaged Property or in any manner to protect the Mortgaged Property and the title thereto, and all sums so advanced for any of the aforesaid purposes with interest thereon at the rate of five per centum (5%) per annum shall be deemed a charge upon the Mortgaged Property in the same manner as the notes at the time outstanding are secured and shall be forthwith paid to the noteholder or noteholders making such advance or advances upon demand. It shall not be obligatory for any noteholder in making any such advances or expenditures to inquire into the validity of any such tax title, or of any of such taxes or assessments or sales therefor, or of any such mechanics' liens or other encumbrance.

SECTION 11. The Mortgagor will not, without the approval in writing of the majority noteholders: (a) construct, make, lease, purchase or otherwise acquire any extensions or additions to its system or enter into any contract therefor, except such extensions or additions as may be financed with loans evidenced by additional notes or out of surplus earnings; (b) enter into any contract or contracts for the operation or maintenance of all or any part of its property, for the interchange of traffic and the divisions of toll revenues, or for the use by others of any of the Mortgaged Property; (c) incur any expenses for legal, engineering, supervisory, management, accounting or other similar services, except such reasonable expenses as are incurred in the routine course of business; or (d) deposit any of its funds, regardless of the source thereof, in any bank which is not insured by the Federal Deposit Insurance Corporation, or the successor thereof.

SECTION 12. The Mortgagor will not pay its directors, as such, any salaries for their services, except such as shall have been approved by the majority noteholders, provided that nothing herein contained shall preclude any director from serving the Mortgagor in any other capacity and receiving compensation therefor. Directors' fees, salaries, wages and other compensation paid for services shall be reasonable and in conformity with the usual practice of corporations of the size and nature of the Mortgagor.