

to provide, in whole or in part, the means to pay, redeem, purchase or otherwise acquire any part of such underlying bonds then outstanding, and the Corporate Trustee shall thereupon authenticate and deliver to the Telephone Company, or as directed by its written order, signed by its President or a Vice President, bonds of any series requested by it secured by this indenture of an aggregate principal amount equal to the aggregate principal amount of the underlying bonds to be so paid, redeemed purchased or otherwise acquired, provided that in each case an amount of money equal to the aggregate principal amount of the underlying bonds so to be paid, redeemed, purchased or otherwise acquired shall simultaneously with the delivery by the Corporate Trustee to the Telephone Company of said bonds secured hereby be deposited with the Corporate Trustee/ it shall upon demand of the Telephone Company, and upon the delivery to the Corporate Trustee, in bearer form, or accompanied by proper instruments of assignment and transfer, of any one or more of the underlying bonds so paid, redeemed, purchased or otherwise acquired by the Telephone Company, pay to it or as directed by its written order, signed as aforesaid, a sum equal to the principal amount of such underlying bonds so delivered to the Corporate Trustee.

Option of Telephone Company
to other
depositories.

In lieu of such deposit with the Corporate Trustee, the Telephone Company may designate other depositories for such moneys in the manner provided in and subject to the provisions of subdivision (2) of Section 3 of this Article Second.

Resolutions, etc.,
to be delivered
to Corporate
Trustee.

Whenever the Telephone Company shall request the authentication of bonds for any of the purposes expressed in this subdivision (2), it shall deliver to the Corporate Trustee, in addition to said underlying bonds or cash and to the writings required by Section 1 of this Article Second, a certified copy of a resolution of its Board of Directors, requesting the Corporate Trustee to authenticate and deliver to the Telephone Company, or as directed by its written order, signed by its President or a Vice President, a stated amount of bonds issued under this indenture of a series to be therein designated to be sold or otherwise disposed of, for or in respect of the payment, purchase, redemption or acquisition of a stated number of underlying bonds, and stating that said amount of bonds to be issued hereunder is required for such purpose.

Disposition of
underlying bonds.

(3) Every underlying bond which shall be deposited with the Corporate Trustee under the provisions of this Section 4, of Article Second, if not cancelled, shall be forthwith cancelled by the Corporate Trustee and be delivered by it to the trustee or trustees under the indenture or mortgage under which such underlying bond was issued.

Future issues
of additional
bonds.

Section 5. Additional bonds secured by this indenture may from time to time be issued hereunder for any one or more of the purposes, and subject to the conditions, specified in this Section 5, of Article Second.

Purposes of
issue

A. The purposes for which such bonds may be authenticated and delivered by the Corporate Trustee, and for which such bonds or their