

in subdivision (5) of Part A of this Section 5 of Article Second, then from time to time such bonds shall be authenticated and delivered by the Corporate Trustee to the Telephone Company, or as directed by its written order, signed as aforesaid and accompanied in each case by a certificate or certificates as hereinafter provided.

Option of Telephone Company as to other depositaries.

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

Where issued on account of acquisition of stock or unsecured obligations or in respect of property of another corporation -

(4) Except as hereinafter in this paragraph of this subdivision (4) provided, bonds shall not be authenticated and delivered, or deposited, moneys paid out, by the Corporate Trustee, under this Section 5, of Article Second (a) on account of the purchase or acquisition by the Telephone Company of shares of stock, or (b) on account of the purchase or acquisition by the Telephone Company of any unsecured bonds, unsecured notes or other unsecured evidences of indebtedness of any other corporation, or (c) on account of expenditures made or liabilities incurred by the Telephone Company upon or in respect of the property of any corporation other than the Telephone Company where bonds or obligations secured by a first lien on the property of such corporation equal to the amount of such expenditures of liabilities certified to the Corporate Trustee shall not have been subjected to the lien of this indenture, if, upon any such authentication and delivery of bonds or payment of deposited moneys, the aggregate principal amount of bonds issued hereunder for such purposes, including bonds issued upon the deposit of moneys as provided in subdivision (3) of this Part B of this Section 5, which moneys have been or are paid out for such purposes would exceed one third of the aggregate principal amount of bonds issued under this Section 5 at the time outstanding; provided, however, that in applying the restriction expressed in this paragraph of subdivision (4) there shall be excluded an aggregate principal amount of bonds issued hereunder for such purposes, including bonds issued upon the deposit of moneys which have been or are paid out as aforesaid for such purposes, amounting to Twenty Five Million Dollars (\$25,000,000.).

Limitations as to corporations and property not subject to governmental regulation. -

Bonds shall not be authenticated and delivered, or deposited moneys paid out, by the Corporate Trustee, under this Section 5 of Article Second (a) on account of the purchase or acquisition by the Telephone Company of shares of stock of any other corporation which is not subject to supervision and regulation by a public service or public utility commission or other governmental authority or (b) on account of the purchase or acquisition by the Telephone Company of any bonds, notes or other evidences of indebtedness of any other such corporation, or (c) on account of expenditures made or liabilities incurred by the Telephone Company upon or in respect of the property of any other such corporation, if the aggregate principal amount of bonds issued hereunder for such purposes, including bonds issued upon the deposit of moneys as provided in subdivision (3) of