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ARTICLE THIRD.
Pledge of Securities of other Corporations.

Securities
subject to lien
of indenture to
be deposited with
Corporate
Trustee.

Section 1. If the Telephone Company shall request the Corporate Trustee to authenticate any bonds under the provisions of Section 5 of Article Second hereof, on account of stock, bonds or other securities, the Telephone Company shall simultaneously with the delivery to it of such bonds, or with the payment to it of deposited moneys, as the case may be by the Corporate Trustee, deposit with the Corporate Trustee certificates for all such shares of stock, except as much thereof as may be required to qualify directors, and such bonds or other securities, which stock, bonds and other securities shall thereupon become subject to the lien of this indenture. Such certificates of stock, and such bonds, if registered, shall be accompanied by irrevocable powers of attorney sufficient to enable the Corporate Trustee to make such transfers thereof as it may be authorized by this indenture to make.

Corporate
Trustee may
preserve exist-
ence of company
whose stock is
pledged.

Section 2. The Corporate Trustee, at the request of the Telephone Company, may do whatever may be necessary for the purpose of maintaining, preserving, renewing or extending the corporate existence of any company all or a part of whose capital stock shall be held by the Corporate Trustee hereunder, and for such purpose, from time to time and whenever requested in writing by the Telephone Company, the Corporate Trustee shall sell, assign, transfer and deliver (for a nominal consideration if the Telephone Company shall so desire) a sufficient number of shares of stock then held by the Corporate Trustee hereunder to qualify persons to act as Directors or, or in any official relation to the several companies which shall have issued such shares; and in every such case the Corporate Trustee may make such arrangements as it shall deem necessary for the protection of the trusts hereunder.

Qualification
of Directors.

Until default
no securities
to be transfer-
red to Trustees
and Telephone
Company to re-
ceive dividends
and interest.

Section 3. So long as there shall be no continuing default in the character hereinafter in Section 2 of Article Ninth hereof specified no shares of stock, registered bonds or other securities held by the Corporate Trustee shall be transferred into the name of the Corporate Trustee or the Individual Trustee or any other person; and until such default the Telephone Company shall have the right to receive, hold and dispose of, free from all the trusts hereof, the dividends, other than stock dividends, or other income which may be paid upon any stocks, bonds or other securities which may at any time be owned by it and be pledged with the Corporate Trustee, and the Corporate Trustee shall from time to time deliver to the Telephone Company all such suitable orders in the premises as are necessary and proper to enable the Telephone Company to collect and receive the same, and the Corporate Trustee at once shall pay over to the Telephone Company any such dividend or income which may be collected or received by it.

Certain moneys
to be paid to
Corporate
Trustee.

In case (1) any sum shall be paid on account of the principal of any bonds or (except as herein otherwise expressly provided) of any obligation or indebtedness subject to the lien of this indenture, or in case (2) any sum on account of the interest on any such bond or obligations shall be paid out of the proceeds of any sale or condemnation of property covered by mortgage, or trust deed securing such bonds, obligations