

upon said property which lien is equal or is junior to the lien securing such bonds or other evidences of indebtedness held by the Corporate Trustees and prior to the lien of this indebtedness.

#### ARTICLE EIGHTH.

Possession until default and releases of  
Mortgaged property.

Telephone  
company to  
possess and  
operate mort  
gaged proper  
ty until default.

Section 1. As long as there shall be no continuing default under this indenture the Telephone Company shall be entitled to possess, manage, operate, use and enjoy, and be suffered and permitted to remain in the actual and undisturbed possession of all and singular the property, rights, privileges and franchises hereby mortgaged (except as provided in Articles Second and Third hereof as to cash and securities) and to receive, take and use the rents, income and profits thereof as if this indenture had not been made, with power in the ordinary course of business to use and consume the supplies and deal with the contracts and choses in action, and to alter, repair, change and add to its buildings, structures and any or all of its plant and equipment, and the appliances appertaining to or used in connection with its system, constructed or owned or hereafter constructed or acquired by the Telephone Company, <sup>or conveyed</sup> or intended to be conveyed hereby to the Trustees.

Alterations,  
etc., of mort  
gaged property.

Section 2. As long as there shall be no continuing default under this indenture, the Telephone Company may alter, remove, sell, exchange or otherwise dispose of such materials, appliances, equipment and other property as may become obsolete, worn out or no longer necessary or profitable for the use of the Telephone Company; provided, it shall promptly renew the same or substitute other property therefor which in its judgment may be of the same or greater utility or value, so that such alteration, removal or disposition will not impair the security of the bonds secured hereby; and may also alter or remove any improvements, buildings, fixtures or other structures upon or under the surface of any lands, tenements or hereditaments constituting a part of the mortgaged premises, if such alteration or removal will in its opinion enable it to use its property to better advantage in the judicious and profitable operation and management of its business; and the Telephone Company covenants that it will duly make any and all renewals and substitutions hereinabove provided for, and that it will keep its system and property up to as high efficiency for practical and profitable operation in every respect as before such alteration or removal.

Disposals of  
mortgaged  
property.

Section 3. As long as there shall be no continuing default under this indenture, subject to the limitations of Section 9 of this Article Eighth, the Telephone Company:

Cases where no  
release is re-  
quired.

(1) May from time to time sell, exchange or otherwise dispose, free from all lien of this indenture and without release by the Trustees, or either of them, any of the property, rights, privileges or franchises, (including any stocks, bonds or other securities) at any time subject to the lien hereof, not exceeding in any one case two hundred Thousand Dollars (\$200,000) in value, provided that in each case it shall replace the property, rights, privileges, or franchises or securities so sold, exchanged or