

Release in any case where requested by Telephone company.

(3) In any case of a sale, exchange or disposal made or desired to be made by the Telephone Company under the provisions of subdivision (1) of this Section 3 of Article Eighth, the Trustees shall also, upon the request of the Telephone Company, signed by its President or a Vice President, and upon compliance with the provisions of clauses (b) and (c) of subdivision (2) of this Section 3, of Article Eighth, execute and deliver a release from all lien of this indenture of the property, rights, privileges or franchises or securities so sold, exchanged or disposed of, and shall execute and deliver all instruments required by the Telephone Company to accomplish such purpose.

Disposition of cash proceeds.

Section 4. All moneys received by the Telephone Company as the consideration for the sale, exchange or other disposition of any of the mortgaged property or securities and paid to or deposited with the Corporate Trustee shall be applied by it, subject to the limitations of Section 9 of this Article Eighth, if and as requested by a resolution of the Board of Directors of the Telephone Company, to any of the purposes specified in subdivisions (1) or (3) or clause (a) of subdivision (2) of Part A of Section 5 of Article Second hereof, or to reimburse the Telephone Company for expenditures made subsequent to the date of this indenture for any of said purposes. The seventy five per cent (75%) limitation prescribed in subdivision (1) of Part B of said Section 5 shall not apply in any such case. All such other property or securities shall forthwith become subject to the lien of this indenture, and the Corporate Trustee may rely as conclusive evidence as to the valuation of the property or securities purchased or to be purchased with such moneys, and as to the right of the Telephone Company to hold the same, on an affidavit of the officers of the Telephone Company as provided in Section 3 of this Article Eighth.

Compliance with prior mortgages.

Section 5. If under the provisions of any mortgage or deed of trust under which underlying bonds are issued, in case of a release of any portion of the mortgaged premises, there is required to be made with the trustee or trustees under any such mortgage or deed of trust, a deposit of moneys or of securities received in payment for said property released, the Telephone Company shall not be required to deposit with the Corporate Trustee hereunder such moneys or securities to the extent that they may be required to be deposited with the trustees under said prior mortgages or deeds of trust and all such cash or securities so deposited may be used and disposed of by the Telephone Company as provided in said prior mortgages or deeds of trust, anything in this indenture to the contrary notwithstanding; provided, that (subject to the rights aforesaid) the property so deposited and the proceeds thereof shall be subject to the lien of this indenture, and provided further that any such deposits remaining with any of said trustees, upon the discharge and cancellation of said mortgages