

and including "extra legal" medical aid coverage, and, in all cases where occupational disease liability may exist, occupational disease liability coverage, in limits of not less than \$10,000 for any one employee and \$25,000 aggregate for the policy period. The Corporation will also, from time to time, increase or supplement the classes and amounts of insurance specified above to the extent required to conform to the accepted practice of the telephone industry for companies of the size and character of the Corporation. The Corporation will, upon request of the majority noteholders, submit to the noteholder designated in such request a schedule of its insurance in effect on the date specified in such request and also originals or duplicate originals of such insurance policies or bonds as may be requested. If the Corporation shall at any time fail or refuse to take out or maintain insurance or to make changes in respect thereof upon appropriate request by such noteholder or noteholders, such noteholder or noteholders may take out such insurance on behalf and in the name of the Corporation, and the Corporation will pay the cost thereof.

"(b) In the event of damage to or the destruction or loss of any portion of the Trust Estate which shall be covered by insurance, unless the majority noteholders shall otherwise agree, the Corporation shall replace or restore such damaged, destroyed or lost portion so that the Trust Estate shall be in substantially the same condition as it was in prior to such damage, destruction or loss, and shall apply the proceeds of the insurance for that purpose. The Corporation shall replace the loss or shall commence such restoration promptly after such damage, destruction or loss shall have occurred and shall complete such replacement or restoration as expeditiously as practicable, and shall pay or cause to be paid out of the proceeds of such insurance all costs and expenses in connection therewith so that such replacement or restoration shall be so completed that the portion of the Trust Estate so replaced or restored shall be free and clear of all mechanics' liens and other claims.

"SECTION 8. In the event of the failure of the Corporation in any respect to comply with the covenants and conditions herein contained with respect to the procuring of insurance, the payment of taxes, assessments and other charges, or the keeping of the Trust Estate in repair and free of liens and other claims, the Trustee or any noteholder or noteholders shall have the right (without prejudice to any other rights arising by reason of such default) to advance or expend moneys for the purpose of procuring such insurance, or for the payment of insurance premiums, taxes, assessments or other charges, or to save the Trust Estate from sale or forfeiture for any unpaid tax or assessment, or otherwise, or to redeem the same from any tax or other sale, or to purchase any tax title thereon, or to remove or purchase any mechanics' liens or other encumbrance thereon, or to make repairs thereon, or to prosecute or defend any suit in relation to the Trust Estate, or in any manner to protect the Trust Estate and the title thereto, and all sums so advanced for any of the aforesaid purposes with interest thereon at the rate of five per centum (5%) per annum shall be deemed a charge upon the Trust Estate in the same manner as the notes at the time outstanding are secured and shall be forthwith paid to the Trustee or noteholder or noteholders making such advance or advances upon demand. It shall not be obligatory for the Trustee or any noteholder in making any such advances or expenditures to inquire into the validity of any such tax title, or of any of such taxes or assessments or sales therefor, or of any such mechanics' liens or other encumbrances.

"SECTION 9. The Corporation will not, without the approval in writing of the majority noteholders: (a) enter into any contract or contracts for the operation or maintenance of all or any part of its property, for the use by others of any of the Trust Estate, or for toll-traffic, operator assistance, extended scope or switching services to be furnished by or for connecting or