

tractors and other vehicles then owned by the Mortgagor, or which may thereafter be owned or acquired by the Mortgagor. From and after the time of such written demand of the majority noteholders, such vehicles shall be deemed to be part of the Mortgaged Property for all purposes hereof.

SECTION 13. Any noteholder may, at any time or times in succession without notice to or the consent of the Mortgagor and upon such terms as such noteholder may prescribe, grant to any person, firm or corporation who shall have become obligated to pay all or any part of the principal of or interest on any note held by or indebtedness owed to such noteholder or who may be affected by the lien hereby created, an extension of the time for the payment of such principal or interest, and after any such extension the Mortgagor will remain liable for the payment of such note or indebtedness to the same extent as though it had at the time of such extension consented thereto in writing.

SECTION 14. The Mortgagor, subject to applicable laws and rules, regulations and orders of regulatory bodies, will charge for telephone service furnished by it rates which shall yield revenues at least sufficient to enable the Mortgagor to pay and discharge all taxes and expenses when due, and also to make any payments in respect of principal of and interest on the notes when and as the same shall become due. The Mortgagor will, not less than ninety (90) days prior to the effective date of any proposed change in its rates, give to the holder or holders of the notes at the time outstanding written notice of such proposed change and a copy of a schedule showing the then existing rates and the proposed changes therein.

SECTION 15. (a) The Mortgagor will not declare or pay any dividends on its Capital Stock or purchase or redeem any of its Capital Stock, unless after such action:

- (1) the Mortgagor's adjusted net worth will be at least ten percentum (10%) of its adjusted assets; and
- (2) there will be a credit balance in its Unappropriated Earned Surplus account after transferring therefrom amounts required as reserves under other sections of this Mortgage; and
- (3) its Current Assets will equal or exceed its Current Liabilities plus four percentum (4%) of the amounts advanced on all outstanding notes not repaid in full, less prepayments on such notes, provided, however, if such prepayments exceed four percentum (4%) of the amounts advanced on such notes, its Current Assets will equal or exceed its Current Liabilities;

provided, however, that the foregoing requirements shall not apply to the declaration or payment by the Mortgagor of dividends on issues of preferred stock, if the terms of such issues have been approved by the majority noteholders in writing.

(b) During such time or times as the Mortgagor's adjusted net worth is less than ten percentum (10%) of its adjusted assets, the Mortgagor will:

- (1) when requested in writing by the majority noteholders, make no increases in salaries, wages, fees and other compensation paid to officers, directors and employees of the Mortgagor without prior written approval of the majority noteholders; and
- (2) promptly furnish the majority noteholders with certified copies of the minutes of all meetings of its stockholders and directors; and
- (3) take all required action to increase its charges for telephone service or to execute a plan, acceptable to and approved in writing by the majority noteholders, for reducing expenses, if the operation of the Mortgaged Property for the preceding calendar year resulted in a decrease in the Mortgagor's Earned Surplus accounts and if so requested in writing by the majority noteholders; and