

for construction; and the said six hundred thousand dollars (\$600,000) of bonds, which are hereby required to be certified and delivered by the Trustee upon the execution and delivery of this instrument, are to provide for the payment of the indebtedness already incurred and to be incurred in constructing said present system complete and ready for use. All additions thereto will be considered as extensions of the said system.

(c) Upon the demand of said Telephone Company, made by its Board of Directors, accompanied by the affidavits of its President, Engineer and Treasurer that betterments, improvements or extensions have been made since the last certification and delivery of bonds by the Trustee, and showing in what they have consisted, and the actual cost thereof to the Telephone Company it shall be the duty of said Trustee to certify and deliver to said Telephone Company of said bonds, an amount not exceeding ninety (90) per cent of the actual cost of such improvements, betterments or extensions as shown by such affidavits. The aforesaid right of the Telephone Company to demand and receive bonds for improvements, betterments or extensions, shall, however, be subject to the following conditions, to-wit: The Trustee shall at all times have the right to employ at the expense of the Telephone Company a competent person or persons, to inspect the books and telephone system of the Telephone Company, for the purpose of verifying the claim of the Telephone Company that it has made betterments, improvements or extensions of its system since the last certificate of bonds, and as to the cost thereof; and it shall not be the duty of the Trustee to certify and deliver to the Telephone Company bonds on account of such improvements, betterments, or extensions if the right of the Telephone Company to the same under the terms herein be not thus verified. The expense of inspecting said books and telephone system shall be paid in advance of such inspection, or a sufficient sum, to be determined by the Trustee, shall be deposited in advance of inspection with the Trustee to meet