

Section 6. Publication May Be Waived by All Bondholders.

Notwithstanding anything herein to the contrary, the Corporation shall not be required to make public advertisement with respect to any notice of redemption whenever it shall have received a written waiver of such requirement signed by the holders of all of the outstanding bonds of the series for which redemption is proposed, in any case where it is proposed to redeem the entire amount of outstanding bonds of any series. Such written waiver shall be signed in duplicate, one copy of which shall be retained by the Corporation and one copy delivered to the Trustee.

Section 7. Cancellation of Redeemed Bonds.

All bonds so redeemed and surrendered, and all coupons appertaining thereto, shall forthwith be cancelled by the Trustee and, upon written request of the Corporation delivered to the Corporation.

ARTICLE VII.

POSSESSION, USE AND RELEASE OF PROPERTY.

Section 1. Corporation to Possess Property until Default.

Unless a completed default of the character described in Section 1 of Article IX of this Indenture has occurred and has not been rescinded or annulled as provided in Section 1 of Article IX hereof or has not been otherwise cured or made good to the satisfaction of the Trustee, the Corporation shall be permitted to possess, use and enjoy the mortgaged and pledged property and every part thereof (except cash and securities which are especially required to be deposited with the Trustee under any of the provisions of this Indenture) and to receive and use the tolls, earnings, income, rents, issues and profits from all the mortgaged and pledged property; with full right and power, in the ordinary course of business, to use and consume materials and supplies and except as otherwise expressly provided to the contrary in this Indenture, to exercise any and all rights under or in relation to any choses in action, leases or contracts and to alter, change, add to, repair, dispose of and replace any and all facilities, machinery and fixtures, and any or all of its plant and equipment and the appliances appertaining to or used in connection with its telephone system now owned or hereafter constructed or acquired by the Corporation, and conveyed or intended to be conveyed to the Trustee by this Indenture; provided, however, that the security of the bonds issued under this Indenture shall not in any way be impaired or diminished thereby.

Section 2. Property Which May Be Disposed of without Trustee's Consent.

Unless a completed default of the character specified in Section 1 of Article IX of this Indenture has occurred and has not been rescinded or annulled as provided in Section 1 of Article IX hereof or has not been otherwise cured or made good to the satisfaction of the Trustee, the Corporation may at any time without any release or consent by the Trustee:

(1) Sell or otherwise dispose of, free from the lien of this Indenture, any machinery, equipment, tools or implements or other similar property comprising part of the mortgaged and pledged property, upon replacing such sold or otherwise disposed of property by other machinery, equipment, tools, implements or other similar property of a value at least equal to the full value to the Corporation of the property so disposed of; or

(2) Sell or otherwise dispose of, free from the lien of this Indenture, any of its property at the time subject to the lien of this Indenture (except cash or securities required by some other provision of this Indenture to be deposited with the Trustee hereunder, and except franchises, licenses or permits) which cannot be advantageously used in the proper and judicious operation of the business of the Corporation and the Fair Value of which does not exceed \$2,500; provided that the Fair Value of the property so sold or otherwise disposed of, together with the aggregate Fair Value of all other property so sold or otherwise disposed of pursuant to the provisions of this Paragraph (2) during the same calendar year, does not exceed the sum of \$10,000 and provided further that the proceeds of such sale or other disposition either (a) shall be applied by the Corporation to the replacement of such sold or otherwise disposed of property by property at least equal to the full value to the Corporation of the property so disposed of, or (b) if not so applied within six months after the receipt thereof shall be deposited with the Trustee to be withdrawn or paid out as provided in Article VIII; and the Corporation covenants to furnish to the Trustee on or before the last day of October, 1941, and on or before the last days of April and October in each year thereafter a Treasurer's Certificate containing a statement in reasonable detail of the action taken by the Corporation under this Paragraph (2) during the six months next preceding the first days of each such October and April; or

(3) Surrender in whole or in part or assent to the modification of any franchise, license or permit which the Corporation may now or hereafter hold or under which it may now or hereafter be operating, provided that either:

(a) The Corporation shall still have, under some other franchise, license or permit, or under the modified franchise, license or permit, or under a new franchise, license or permit, (received in exchange for the surrendered franchise, license, permit or otherwise, subject to the lien of this Indenture and free from any liens prior thereto or on a parity therewith, except Permitted Liens), authority, as set forth in an Opinion of Counsel, sufficient for the conduct of the same business or of an extended business in the same or substantially the same territory or an extended territory for the same or substantially the same or an extended or unlimited period of time or until a date not earlier than the maturity of the last maturing series of bonds at the time outstanding under this Indenture; or

(b) In the opinion of the Board of Directors and of an Independent Engineer it is no longer necessary or desirable for the Corporation to continue to operate in the territory affected or to comply with the terms and provisions of the franchise, license or permit, and such surrender or modification will not impair the value and efficiency of the property of the Corporation as an entirety or the value of the security for the bonds issued hereunder (the opinion of the Board of Directors and of such Independent Engineer on the subject stated in this subparagraph (b) to be evidenced respectively by a Resolution and an Independent Engineer's Certificate, delivered to the Trustee prior to the taking of the action specified in this Paragraph (3) of Section 2 of Article VII).

Section 3. Release of Other Property under Certain Conditions.

Unless a completed default of the character specified in Section 1 of Article IX of this Indenture has occurred and has not been rescinded or annulled as provided in Section 1 of Article IX hereof or has not been otherwise cured or made good to the satisfaction of the Trustee, the Corporation may sell, exchange or otherwise dispose of any of the mortgaged and pledged property and the Trustee shall release such property from the lien of this Indenture upon the application of the Corporation and the delivery to the Trustee of the following:

(1) A Resolution requesting such release;

(2) An Engineer's Certificate made and dated not more than ninety (90) days prior to the delivery to the Trustee of the application for such release;

(a) Stating that, in the opinion of the signers, such release is desirable in the conduct of the business of the Corporation, and that the security afforded by this Indenture, taking into consideration the amount of cash, if any, required to be deposited with the Trustee as hereinafter in this Section provided, will not be impaired by such release;

(b) Containing a brief description of the property or securities, the release of which is requested, and stating:

(i) The Fair Value thereof determined as of the date of the Certificate;

(ii) The Fair Value of all other property or securities released since the commencement of the current calendar year as set forth in certificates previously delivered to the Trustee;

(iii) The aggregate of the amounts stated pursuant to clauses (i) and (ii) above; and

(iv) The aggregate principal amount of bonds issued under this Indenture outstanding at the date of the certificate;

(c) Stating that the Corporation has sold or exchanged, or contracted to sell or exchange, the property or securities so to be released, for a consideration described in reasonable detail in the certificate, which consideration, in case all or substantially all of the property of the Corporation at the