

however, that nothing herein contained shall be construed to be a limitation upon the provisions of said Indenture for the vesting under said Indenture of all property of the Company acquired subsequent to the date of said Indenture, it being the intention of the parties hereto that all property of the Company owned on the date of said Indenture or thereafter or hereafter acquired, subject to the rights reserved in said Indenture by the Company, shall be covered by the granting and pledging clauses of said Indenture.

ARTICLE V.

CONCERNING PLEDGED SECURITIES.

Section 1. The Company covenants and agrees that the shares of capital stock of Telephone Service Company, a corporation (herein called the "Subsidiary"), pledged hereunder, constitute and represent all of the shares of stock of said Subsidiary now issued and outstanding; and said Subsidiary will not issue any shares of stock unless the same shall be forthwith delivered to the Corporate Trustee and pledged hereunder.

Section 2. So long as the Company shall not be in default as defined in Section 1. of Article VI of the Indenture, it shall be entitled to receive and dispose of for its own use, free of accountability to the Trustees therefor, any dividends declared on the pledged shares of said Subsidiary declared and paid out of earnings, regardless of when such earnings accrued. If any such dividends are received by the Corporate Trustee, they shall be promptly paid over to the Company. Any stock dividends declared or paid in respect of said shares, shall be paid to and held by the Corporate Trustee as additional security for the bonds hereby secured. In the absence of notice to the contrary, the Corporate Trustee shall be entitled to presume that all cash dividends have been declared out of earnings.

Section 3. So long as the Company is not in default as aforesaid, it may vote, in its discretion, all of the shares of