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in connection with aircraft liability, also passenger bodily injury limits of \$100,000 per person and \$300,000 for each accident; (5) Comprehensive, or separate fire, theft and windstorm insurance covering loss of or damage to all owned motor vehicles, trailers, and aircraft of the Mortgagor, having a unit value in excess of \$1,000, in an amount not less than the actual cash value of the property insured; and (6) Fire and extended coverage insurance on each building, each building and its contents, and materials, supplies, poles and crossarms, owned by the Mortgagor, having a value at any one location in excess of \$5,000, or in excess of one percent of the total plant value, whichever is larger, and in an amount not less than 80 percent of the current cost to replace the property new, less depreciation.

The Mortgagor 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 Mortgagor. The Mortgagor 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. If the Mortgagor 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 Mortgagor, and the Mortgagor will pay the cost thereof.

5. Section 10 of Article II of the Mortgage is amended to read as follows:

SECTION 10. Salaries, wages and other compensation paid by the Mortgagor for services, and directors' fees shall be reasonable and in conformity with the usual practice of corporations of the size and nature of the Mortgagor. Except as specifically authorized in writing in advance by the majority noteholders, the Mortgagor will make no advance payments or loans, or in any manner extend its credit, either directly or indirectly, with or without interest, to any of its directors, trustees, officers, employees, stockholders, members or affiliated companies. As used in this section, the term "affiliated companies" shall have the meaning prescribed for this term by the Federal Communications Commission in its prevailing uniform system of accounts for Class A telephone companies.

6. Section 15 of Article II of the Mortgage is amended to read as follows:

SECTION 15. (a) Except as specifically authorized in writing in advance by the majority noteholders, the Mortgagor will not declare or pay any dividends on its capital stock, membership certificates or equity capital certificates (other than in shares of such capital stock or in such certificates), or make any other distribution to its stockholders, members or subscribers, or purchase, redeem or retire any of its capital stock, membership certificates or equity capital certificates, or make any investment in affiliated companies, unless after such action the Mortgagor's current assets will equal or exceed its current liabilities, and the Mortgagor's adjusted net worth will be at least forty percentum (40%) of its adjusted assets, or at least the sum of the following (whichever is the smaller amount):

- (1) ten - - - percentum (10%) of its adjusted assets, plus
- (2) thirty percentum (30%) of its adjusted net worth, if any, in excess of (a)(1) above, plus