$300,000 for each accident, and with property damage limits of $25,000 for each accident; 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 Corporation, 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 Corporation, 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 Corporation 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 Corporation. The Corporation 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 Corporation 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 Corporation, and the Corporation will pay the cost thereof.

(b) In the event of damage to or the destruction or loss of any portion of the Trust Estate which shall be covered by insurance, unless the majority noteholders shall otherwise agree, the Corporation shall replace or restore such damaged, destroyed or lost portion so that the Trust Estate shall be in substantially the same condition as it was in prior to such damage, destruction or loss, and shall apply the proceeds of the insurance for that purpose. The Corporation shall replace the loss or shall commence such restoration promptly after such damage, destruction or loss shall have occurred and shall complete such replacement or restoration as expeditiously as practicable, and shall pay or cause to be paid out of the proceeds of such insurance all costs and expenses in connection therewith so that such replacements or restoration shall be so completed that the portion of the Trust Estate so replaced or restored shall be free and clear of all mechanics' liens and other claims.

SECTION 8. In the event of the failure of the Corporation in any respect to comply with the covenants and conditions herein contained with respect to the procuring of insurance, the payment of taxes, assessments, and other charges, or the keeping of the Trust Estate in repair and free of liens and other claims, the Trustee or any noteholder or noteholders shall have the right (without prejudice to any other rights arising by reason of such default) to advance or expend moneys for the purpose of procuring such insurance, or for the payment of insurance premiums, taxes, assessments, or other charges, or to save the Trust Estate from sale or forfeiture for any unpaid tax or assessment, or otherwise, or to redeem the same from any tax or other sale, or to purchase any tax title thereon, or to remove any purchase any mechanics' liens or other encumbrance thereon, or to make repairs thereon, or to prosecute or defend any suit in relation to the Trust Estate, or in any manner to protect the Trust Estate and the title thereto, and all sums so advanced for any of the aforesaid purposes with interest thereon at the rate of

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