

DESCRIPTION OF MORTGAGED PREMISES:

Any and all real estate, and any and all interests in real estate, in the states of Washington and Oregon, or elsewhere, which the Corporation now owns, or which it may hereafter acquire, in said states, or elsewhere, together with all rights, privileges and easements of every kind and nature appurtenant thereto.

Also all buildings, plants, systems, works, improvements, structures, fixtures, appliances, machinery, materials, supplies, tools, implements, office furniture, telephone and telegraph, lines, switchboards, wires, cables, poles, conductors, ^{subways, conduits,} stations, sub-stations, equipment (central office) subscribers stations and general instruments, housewiring connections and all appliances, apparatus, fixtures, fittings and equipment of every nature and kind whatsoever, and any and all interest therein, appertaining to or useful in the transaction of its business in said States, or elsewhere, which the corporation now owns or which it may hereafter acquire.

Also all rights of way, franchises, ordinances, privileges, immunities, consents, permissions, leases, patents, patent-rights, licenses, license agreements and other rights, privileges, contracts and agreements, and any and all interests therein, appertaining to or useful in the transaction of its business in said States, or elsewhere, which the corporation now owns, or which it may hereafter acquire.

Also all stocks, bonds or other securities which the corporation now owns or which it may hereafter acquire.

Also all other property, real and personal and any and all interests therein, which the corporation now owns or which it may hereafter acquire in said states or elsewhere of whatsoever kind or description, and appertaining to or useful in the transaction of its business, in said states or elsewhere.

Also all tolls, incomes, rents, issues, profits, benefits and advantages to be derived received or had, of and from the property hereby mortgaged or pledged, or intended so to be, and from any and all interests therein, which the corporation now owns, or which it may hereafter acquire.

PRIOR LIEN

A Portion of said property, rights, privileges, and franchises is hereby conveyed subject to the lien of the first mortgage executed by Puget Sound Telephone Company to The First National Bank of Everett, Trustee, dated July 1, 1927, to secure and issue of First Mortgage Five Per Cent Gold Bonds Series A, due July 1, 1952, under which mortgage, bonds of One Million Two Hundred Thousand Dollars (\$1,200,000) principal amount are outstanding at the date of this indenture.

HABENDUM.

TO HAVE AND TO HOLD all and singular the property, rights, privileges and franchises hereby conveyed and assigned, or intended so to be together with all and singular the reversions, remainders, revenues, incomes, issues and profits, privileges and appertanances, now or hereafter belonging or in anywise appertaining thereto (hereinafter in this indenture sometimes referred to collectively as the "mortgaged premises"), unto the Trustees and their successors in the trust hereby created and their assigns forever.

BUT IN TRUST, NEVERTHELESS, for the equal prorata benefit and security, except as provided in Section 1 of Article Seventh hereof, of each and every holder of the bonds and coupons issued and to be issued under this indenture without preference, priority or distinction, as to the lien or otherwise of one bond over or from the others by reason of priority in the issue or negotiation thereof, or by reason of the date of maturity thereof; so that each and all of said bonds issued and to be issued hereunder shall have the same