

indenture, or for any other payments, it will deposit such moneys five (5) days prior to such payment dates.

COVENANT NOT TO EXTEND OR REFUND COUPONS.

That it will not, directly or indirectly, extend, or assent to the extension of, the time for payment of any coupon or claim for interest on any bond issued hereunder, and that it will not, directly or indirectly, be a party to any arrangement therefor by purchasing or funding said coupons or claims for interest or in any other manner.

SECTION 2.

That at any and all times it will do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered by any other corporation or person obligated to the Corporation so to do, all and every such further acts, deeds, conveyances, mortgages and transfers and assurances as the Corporate Trustee or the Trustees shall reasonably require for the better assuring, conveying, mortgaging, assigning and confirming unto the Trustees all and singular the property, rights, privileges and franchises hereby conveyed or assigned, or intended so to be, or which the Corporation may hereafter become bound to convey, or assign to the Trustees.

COVENANT AS TO TITLE.

SECTION 3.

That it has good title to and is possessed of the lands and other property described in the granting clauses hereof and thereby granted, and the Corporation will warrant and defend the title to said lands and other property as well as to any lands and other property hereafter made subject to the lien of this indenture, to the Trustees, their successors in the trust and their assigns, for the benefit of the holders of bonds issued hereunder against claims and demands of all persons whomsoever; subject, however, in so far as affected thereby, to the liens described or referred to in the granting clauses hereof and in the case of any such lands and other property hereafter subjected to the lien of this indenture to the liens and encumbrances thereon, if any, at the time they shall become subject to the lien of this indenture.

COVENANT NOT TO CREATE PRIOR LIENS.

SECTION 4.

That it will not voluntarily create, or suffer to be created, any debt, lien or charge having priority to the lien of this indenture, upon the trust estate, but it shall not be required to pay any such debt, lien or charge so long as it shall, in good faith and by appropriate proceedings, contest the validity thereof, unless thereby, in the judgment of the Corporate Trustee, the security afforded by this indenture will be materially endangered. That it will not voluntarily create, or suffer to be created, any debt, lien or charge having priority to the lien of this indenture, upon the trust estate, but it shall not be required to pay any such debt, lien or charge so long as it shall, in good faith and by appropriate proceedings, contest the validity thereof, unless thereby, in the judgment of the Corporate Trustee, the security afforded by this indenture will be materially endangered.

--NOT TO ISSUE MORE UNDERLYING BONDS.

That it will not increase the outstanding issue of bonds under any underlying mortgage now or hereafter a lien upon the mortgaged premises or any part thereof.

--NOT TO EXTEND UNDERLYING BONDS.

That it will not extend or consent to the extension of the time of payment of the principal of any of the bonds of Puget Sound Telephone Company secured by its first mortgage to The First National Bank of Everett, Trustee, dated July 1, 1927, and before or at the maturity thereof will pay or cause to be paid the principal of, or will acquire and subject to the lien of this indenture, all such bonds and until the same are paid or discharged at maturity, or otherwise, will, except as provided in paragraph (2) of Section 2 of Article Second hereof, pay the interest thereon or cause it to be paid at the times and at the place or places therein or in the coupons attached thereto set forth, and will keep and perform all of the covenants and conditions in said first mortgage to be kept and performed by Puget Sound