

outstanding, which have been assumed by the Telephone Company.

Mortgage dated March 1, 1910, by Houston Home Telephone Company to Mercantile Trust Company (now Bankers Trust Company) of New York, Trustee, securing 5% Gold Coupons Bonds, due March 1, 1935, under which mortgage bonds of the aggregate principal amount of approximately Nine Hundred and Fifty Thousand Dollars (\$950,000) are outstanding, which have been assumed by the Telephone Company.

First Mortgage dated October 2, 1899, and Two Supplements there to bearing the same date, by the Missouri and Kansas Telephone Company (predecessor in name of The Telephone Company) to Old Colony Trust Company and Charles J. Hubbard, of Kansas City, Missouri, Trustees, securing First Mortgage 5 per cent bonds with Sinking Fund, due October 1, 1929 under which mortgage bonds of the aggregate principal amount of approximately Two Hundred and Fifty Seven Thousand Dollars (\$257,000.) are outstanding.

Certain mortgages securing interest bearing obligations of the aggregate principal amount of Two Hundred and Nine Thousand Dollars (\$209,000), a detailed statement of which indebtedness is to be filed with the Corporate Trustee within six months after the execution and delivery of this indenture, as provided in Section 8, of Article Sixth hereof.

Habendum.

TO HAVE AND TO HOLD all and singular the property, rights and 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 appurtenances, now, or hereafter belonging or in anywise appertaining thereto (herein after 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.

Grant in Trust.

But in trust nevertheless, for the equal pro-rata benefit and security, except as provided in Section 1 of Article Ninth 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 the bonds issued and to be issued hereunder shall have the same right, lien and privilege under this indenture and shall be equally secured hereby, with the same effect as if the same had all been made, issued and negotiated simultaneously on the date hereof; provided, nevertheless, and these presents are upon the express condition, that, if the Telephone Company its successors or assigns, shall well and truly pay or cause to be paid the principal, of all of the bonds secured by this indenture, with interest and premium, if any, according to their true intent and meaning, or shall provide for the payment of such bonds and interest and premium if any, by depositing with the Corporate Trustee the entire

Proviso for Defeasance.