

(b) All right, title and interest of the Borrower in, to and under any and all grants, privileges, rights-of-way and easements now owned, held, leased, enjoyed or exercised, or which shall hereafter be owned, held, leased, acquired, enjoyed or exercised by the Borrower for the purposes of and in connection with the construction or operation by or on behalf of the Borrower of water mains and pipe lines and service lines.

(c) All right, title and interest of the Borrower in and to the water transmission and distribution system now owned, or to be acquired or constructed or to be constructed by the Borrower with the proceeds of the loan evidenced by the notes described herein, in the County of Douglas, State of Kansas, to serve consumers in and near the city of Lawrence, Kansas, and in and to all extensions and improvements thereof and additions thereto, including all water mains, pipe lines, service lines, meters, meter boxes, fixtures, appliances, machinery and other equipment and any and all other property of every nature and description used or acquired for use by the Borrower in connection therewith.

(d) All right, title, and interest of the Borrower in, to and under all licenses, franchises, ordinances, privileges and permits heretofore granted, issued or executed or which may hereafter be granted, issued or executed to it or its assignors by State of Kansas or by any county, township, municipality, village or other political subdivision thereof, or by any agency, board, commission, or department of any of the foregoing, authorizing the construction, acquisition or operation of a water system insofar as the same may by law be assigned, granted, bargained, sold, conveyed, transferred, mortgaged, or pledged.

(e) All rents, incomes, revenues, profits and benefits at any time derived, received, or had from any and all of the above described property of the Borrower (all the property hereinabove described in paragraphs (a), (b), (c), (d), and (e) hereof, together with all rights, interests, easements, hereditaments and appurtenances thereunto belonging, the rents, issues, and profits thereof and revenues and income therefrom, all improvements and personal property now or later attached thereto or reasonably necessary to the use thereof, all water, water rights, and water stock pertaining thereto, and all payments at any time owing to Borrower by virtue of any sale, lease, transfer, conveyance or condemnation of any part thereof or interest therein, being hereinafter called the "property"):