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9-3-08

Cape Horn Railroad Company to Merchants Savings & Trust Co.

THIS INDENTURE, dated this first day of May, 1908, by and between THE CAPE HORN RAILROAD COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of Washington, hereinafter called the "Railroad Company", and the OREGON-WASHINGTON LOGGING COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of Oregon, with its principal place of business and office at Portland, Oregon, hereinafter designated as "Logging Company", and Merchants Savings & Trust Company, a corporation created and existing under and by virtue of the laws of Oregon, with its principal place of business at Portland, Oregon, hereinafter designated as "Trustee", WITNESSETH:

That, Whereas, the Board of Directors of the said "RAILROAD COMPANY" and "LOGGING COMPANY" and the stockholders thereof, by resolution duly adopted and recorded in the Minute Books of each of said companies, determined that the said "RAILROAD COMPANY" cause to be issued and executed the negotiable bonds of said "RAILROAD COMPANY" to the amount of one hundred twenty five thousand (\$125,000.00) dollars; said bonds to be of the denomination of five hundred dollars each, fifteen thousand (\$15,000.00) dollars thereof, payable three years after date; twenty five thousand (\$25,000.00) dollars payable four years after date; twenty five thousand (\$25,000.00) Dollars payable five years after date; thirty thousand (\$30,000.00) dollars payable six years after date, and thirty thousand (\$30,000.00) dollars payable seven years after date, dated the first day of May, 1908, and to bear interest at the rate of seven (7) per cent. per annum, payable semi-annually, and that the same be secured by mortgage of even date therewith upon all of the property, real, personal and mixed, rolling stock, and upon all of the rights, rights-of-way, privileges, easements, contracts, traffic agreement, and franchises now owned, or which may hereafter be acquired by said "RAILROAD COMPANY", the same to be further secured by a mortgage upon certain timber lands belonging to the said "LOGGING COMPANY"; said bonds and interest coupons attached thereto and the certificate of the "TRUSTEE" endorsed thereon, to be substantially in the following form, to wit:

UNITED STATES OF AMERICA.

STATE OF WASHINGTON:

NO. \_\_\_\_\_

CAPE HORN RAILROAD COMPANY.

\$500.00

FIRST MORTGAGE SEVEN PER CENT GOLD BOND.

The CAPE HORN RAILROAD COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of Washington, for value received, promises to pay to the bearer hereof, on the first day of May, 1911, Five Hundred (\$500.00) Dollars, in Gold Coin of the United States of America, of the present standard of weight and fineness, at the office of Merchants Savings & Trust Company, Trustee, in the City of Portland, Oregon, with interest thereon at the rate of Seven (7) per cent. per annum, payable semi-annually on the first days of May and November, in like Gold Coin, at the aforesaid office on presentation and surrender of the interest coupons hereunto annexed, as they severally mature, each of which is for six months interest on this bond, which the said CAPE HORN RAILROAD COMPANY hereby agrees to pay.

This bond is one of a series of bonds of like date, tenor, effect and denomination, except as to the date of payment thereof, amounting in the aggregate to One Hundred Twenty-Five Thousand (\$125,000.00) Dollars, numbered consecutively from one (1) to two hundred fifty (250), both inclusive, the payment of each of which, with the coupons attached thereto, according to their tenor and effect, is equally secured without preference, priority or distinction as to lien or otherwise of one bond over another, by a mortgage or deed of trust, bearing date the first day of May, 1908, executed and delivered by the said CAPE HORN RAILROAD COMPANY to said Merchants Savings & Trust Company, Trustee, conveying to it, said Trustee,