

stated in the resolution of the Board calling for the authentication of bonds by the Trustee. Each of the coupons to be attached to such coupon bonds is to be authenticated by the engraved fac-simile of the signature of the present Treasurer or or any future Treasurer of the Railway Company, and the Railway Company may adopt and use for that purpose the engraved fac-simile of the signature of any person who shall have been such Treasurer, notwithstanding the fact that he may have ceased to be such Treasurer at the time when such bonds shall be actually authenticated and delivered and such coupons shall be attached to the bonds.

All bonds to be secured hereby from time to time shall be executed and delivered by the Railway Company to the Trustee for authentication, and thereupon the Trustee shall authenticate and deliver the same as provided in this article, and not otherwise. The amount of bonds hereby secured which may be executed by the Railway Company and which may be authenticated by the Trustee is limited, so that there shall never at any time be outstanding bonds hereby secured for an aggregate principal sum exceeding one hundred million dollars.

Before authenticating and delivering any coupon bond hereby secured the Trustee shall detach and shall cancel all coupons thereof then matured; and the Trustee shall not authenticate and deliver any registered bond bearing interest from any date more than six months prior to such authentication and delivery. Only such of said bonds as shall bear thereon a certificate substantially in the form hereinbefore recited, duly executed by the Trustee, shall be secured by this indenture or shall be entitled to any lien or benefit hereunder. Every such certificate of the Trustee upon any bond executed by the Railway Company shall be conclusive and the only evidence that the bond so authenticated was duly issued hereunder, and is entitled to the benefit of the trust hereby created. On request of the Railway Company bonds within the limitations hereinafter prescribed shall be authenticated and delivered hereunder in advance of registration or record of this indenture; but the Railway Company with all convenient speed shall cause this indenture to be recorded as a mortgage upon railways.

Sec. 2. The bonds authorized to be issued under and secured by this indenture may be authenticated and issued only in the following manner, viz.: The Trustee shall authenticate and deliver to the Railway Company \$20,000,000 of said bonds when the said railway under construction has been completed and put in good condition for the transaction of passenger and freight business between a connection with the Northern Pacific Railway in or near Kennewick and Vancouver; \$7,000,000 of said bonds when the said railway has been similarly completed, including bridges across the Columbia and Willamette rivers, between Vancouver and a connection with the Northern Pacific Railway in or near Portland and when the Northern Pacific Railway Company shall have granted or secured to the Railway Company trackage rights for at least ninety-nine years enabling the Railway Company to operate its own cars and engines between the said connection in or near Portland and the terminals now owned by the Railway Company in that city; and \$13,000,000 of said bonds when the said railway has been similarly completed between Spokane and a connection with the Northern Pacific Railway in or near Pasco and when the Northern Pacific Railway Company shall have granted to the Railway Company trackage rights for at least ninety-nine years enabling the Railway Company to operate its own cars and engines between the Pasco connection and the Kennewick connection before referred to. In each case the fact of the due and proper completion of the line, including bridges, and of the condition thereof shall be sufficiently and conclusively proven by the certificate of the President and Chief Engineer of the Railway Company filed with the Trustee and the granting of such trackage rights shall be sufficiently and conclusively proven by the certificate of the President of the Railway Company and a copy of the instrument or instruments