

discharge any such claim,demand,lien of charge,so long as the Railway Company in good faith shall contest the validity thereof.

Nothing in this indenture contained shall prevent the Railway Company from purchasing bonds secured by a lien subordinate to that of another mortgage or other mortgages, or stocks of corporations,the property of which shall be subject to the lien of another mortgage or other mortgages,or properties which shall be subject to the lien of another mortgahe or other mortgages.

Section 6. The Railway Company,from time to time,will pay and discharge all taxes, assessments and governmental charges lawfully imposed or to be imposed upon the lines of railway and ogher premises,consessions,franchises and property hereby mortgaged,or upon any part thereof,or upon the income and profits thereof,the lien of which would be prior to the lien hereof,so that the priority of this indenture shall be fully preserved in respect of such properties,and will also pay and discharge all ~~such taxes~~ taxes,assessments and governmental charges lawfully imposed upon the interest of the Trustee or of the holder of any First and Refunding Bonds or of any underlying bonds in the mortgaged premises;provided,however,that nothing contained in this section shall require the Railway Company to pay any tax,assessment,or charge,so long as the Railway Company in good faith shall contest the validity thereof.

And if any company of whose capital stock the greater part shall be at any time pledged hereunder,shall ,any time during the continuance of any such pledge,fail to pay all such taxed,assessments and charges lawfully imposed or to be imposed upon the property of such company or upon the income and profits thereof,then it,the Railway Company,will itself pay and discharge the same.

Section 7. The Railway Company at its own cost and expense will do and cause to be done,all things necessary to preserve and keep in full repair and efficiency and in full force and effect all said premises,property,rights,privileges,municipal ordiances and franchises and all things necessary to preserve and keep valid and intact the lien and incumbrance hereby created,and that it shall and will diligently preserve all rights,franchises and privileges to it granted and confirmed by law or otherwise,and whenever necessary andvisable will comply with the laws of the State of Oregon and Washington and with the laws of any other State,and of the United states,in such manner and from as counsel learned in the law shall advise;and that it shall not and will not do or suffer any matter or thing whatsoever,whereby the lien of this Mortgage might or could be lost or impaired,until the said bonds hereby secured,with all the interest accrued thereon,shall have been fully paid and satisfied. Nothing in this section shall be construed to apply to any part of a line from which the lien of this indenture has been released under the provisions of Article Eight of this indenture,or the operation of which may be abansoned by the Railway Companyowing to the existence or construction of another line which in the opinion of the Railway Company serves the same business.

Section 8. The Railway Company will at all times and from time to time until the First and Refunding Bonds and interest shall be fully paid,permit the Trustee or its representative or representstives fully to inspect all the books,papers and documents of the Railway Company,including,among other things,both its books of account and record books, and to copy such part or parts thereof as the Trustee or its representative or representatives may deem expedient,in order to furnish information in this mortgage.

The Trustee is not bound to make any request or to inspect any books,papers or documents,or to do any other act or thing,under this section;and any omission by the Trustee to make any request or to inspect any books,papers or documents ,or to do any other act or thing,under this section,shall not be deemed a failure of the Trustee to perform its duty.

Section 9. The Railway Company will not issue,negotiate,sell or despose of any First