

holders or other person or persons in behalf of said bondholders, shall give unto the said Trustees good and sufficient indemnity against loss, expenses, or liability that might be incurred thereby, nor shall said Trustees be bound to recognize any person as a bondholder until the bonds of such holder are submitted to said Trustee for inspection if required, and said Trustees shall be entitled to employ counsel in case it shall be necessary to foreclose this mortgage or deed of trust, in which case the amount of fees to be allowed said attorney or attorneys shall be fixed by court.

It is hereby declared and made a condition of this trust that all persons who shall acquire any interest, benefit, or advantage by virtue of this instrument shall take the same subject to all the terms herein contained and subject to all the rights and powers hereby conferred.

Said Company hereby covenants to and with said Trustees that it will pay, or cause to be paid, all taxes, rates, levies, charges or assessment which are or may be lawfully imposed or assessed by the United States or the State of Washington or the State of Oregon, or any other power, where any of the property conveyed by this instrument is situated, and will keep and maintain the property hereby conveyed free from all liens, incumbrances, taxes or assessments of every kind, nature and description, and will keep and maintain the property hereby conveyed in good condition and order, and will duly keep and observe all laws, ordinances, or regulations heretofore or which may hereafter be enacted relating to or affecting the management or operation of any of the property hereby conveyed, and will keep the property hereby conveyed insured against loss by fire (except the timber upon said lands), and assign all policies of insurance to said Trustees to hold the same in trust for the bondholders as their interest may appear.

The Company covenants and agrees to and with the Trustees, their successor or successors and assigns, that it will duly and punctually pay or cause to be paid the whole amount becoming due upon each and every bond issued hereunder and secured hereby, together with the interest on said bonds, in gold coin of the United States of America of the present standard of weight and fineness, at the dates and places and in the manner mentioned in such bonds, without any deduction from either principal or interest from any tax or taxes which the Company may be required to pay thereon, or to retain therefrom under or by reason of any present or future law of the United States, or of any state, county or municipality therein, and that the interests in the property and premises hereby conveyed and pledged, of said parties hereto and of the holder or holders of said several bonds shall be taxed and assessed together, and that all such tax or taxes or assessments shall and will be paid by the Company. And the Company further covenants and agrees to and with the Trustees and their successor or successors and assigns, and the holders of the several bonds issued under the terms hereof and secured hereby, that in consideration of the making of the loan of money aforesaid, the Company does hereby expressly covenant and agree that the interest of the said Company and the interest of the said Trustees and said bondholders in and to the said real estate shall be assessed for taxation and taxed together to the Company, without separate valuation, the same as though said real estate was unencumbered, and the said Company expressly agrees to pay all taxes, general or special, that may be levied or assessed against the said premises, including the interest therein of the said Trustees and the said bondholders, as though said real estate was unencumbered. The interest on said bonds shall be payable on the presentation and surrender of the several coupons evidencing such interest as they respectively mature, and when paid such coupons shall forthwith be canceled.

In case of the refusal of the said Company to pay such taxes, charges, or liens, or to keep said property insured, said Trustees may, at their election, procure said insurance and pay said taxes and liens, and all moneys so paid, with interest thereon at six per centum per annum, shall become an additional indebtedness against said Company and an additional