

per annum on each such sum after demand made by the Trustee on the Companies therefor.

Section 15. That they will not, nor will any of them, do any act, assert any claim, or consent to any action or claim whereby the title to or value of any bonds or shares of capital stock pledged hereunder or under the collateral trust agreement aforesaid shall be impaired, or which shall in any manner prejudice the pledge of said bonds or shares of capital stock or the holding thereof as collateral security for the payment of the notes issued hereunder and the interest thereon.

Section 16. That they will forthwith cause this mortgage deed of trust and such additional or supplemental instruments as shall be executed in accordance herewith to be filed and recorded in such manner and in such places as may be required by the laws of the State of Washington and of any other state wherein the trust estate or any part thereof is or may at any time be situated to preserve and protect the security of the note holders hereunder and the rights and remedies of the Trustee.

ARTICLE FIVE.

POSSESSION AND RELEASES.

Section 1. Until default shall have been made in the due and punctual payment of the principal of and interest on the notes hereby secured, or of some part thereof, or in the due and punctual performance and observance of some covenant or condition hereof obligatory upon the Companies, and unless such default shall have continued beyond the period of grace, if any, hereinafter provided in respect thereto, the Companies shall be suffered and permitted to retain actual possession of their respective portions of the trust estate and to manage, operate and use the same and every part thereof, with the rights and franchises appertaining thereto and to collect, receive, take, use and enjoy the tolls, earnings, income, rents, issues and profits thereof.

Section 2. At any time while the Companies respectively shall be in possession of the trust estate and when there is no default on the part of the Companies, or any of them hereunder, to the knowledge of the Trustee, the Trustee shall have power in his discretion and upon the written request of the Companies, to convey by way of release or otherwise to the Companies or any of them or to any party or parties designated by the Companies respectively any of the trust estate, which, in the judgment of such one of the Companies owning such part of the trust estate it has become unnecessary or inexpedient to hold or use for such Company; or when the same can be exchanged for other property which such Company deems more valuable or desirable for its uses and purposes; provided, (1) that no part of the property of any of the Companies shall be so released if thereby the facilities of such Company for the due and proper conduct of its business would be impaired or interfered with; (2) that no part of the trust estate shall be so released hereunder unless the Company owning the same shall have sold or contracted to sell or to exchange for other property, the property so to be released, nor unless the request for such release signed by the president of such Company, and approved or authorized by resolution of its board of directors, shall show the reasons therefor, and be accompanied by an affidavit of the president or vice-president of such Company satisfactory to the Trustee stating the facts upon which such request is made; (3) that in each and every case other property suitable to the business of the Company whose property is so released and of a value at least equal to the value of the property released, as shown by an affidavit of the president or vice-president of such Company and satisfactory to the Trustee, shall be exchanged or substituted for the released property and subjected to the lien of this indenture as a first lien thereon in the opinion of counsel