

Indenture, to secure the payment of its cost, charges, expenses, liabilities and compensation.

All recitals herein and in the bonds secured hereby shall be deemed and taken as the recitals of the Mortgagor Company only, and the Trustee shall not be answerable for the accuracy thereof. The Trustee shall not be responsible in any manner whatsoever for the legality or validity hereof or of said bonds or for the security afforded by the property embraced herein, or received by it hereunder by exchange or otherwise, nor for the nature or priority of lien of the mortgage, nor shall it be any part of its duty to see that any property intended to be mortgaged hereunder is properly or legally subjected to the lien hereof.

Unless and until the Trustee shall have received written notice to the contrary from the holders of not less than twenty-five per cent. in amount of the Bonds from time to time outstanding, the Trustee may for all the purposes of this Indenture assume that no default has been made in the payment of any of the Bonds or of the interest thereon; that no default has been made in the observance or performance of any of the covenants contained in the Bonds or in this Indenture; that the Mortgagor Company is not in default under this Indenture and that none of the events of default has happened.

The Trustee shall incur no liability to anybody in acting upon any notice, request, consent, certificate, note, bond, document or paper believed by it to be genuine and to have been signed by the proper person.

Any moneys received by the Trustee under any provision of this Indenture may be treated by it, until it is required to pay out the same conformably herewith, as a deposit, without any liability for interest save such as during that time it shall agree with the Mortgagor Company to pay thereon, not less, however, than it shall customarily pay on customers' deposit accounts of this character, time or call as the case may be.

Whenever in this Indenture the existence of any situation, matter, conclusion of fact of any character, or the sufficiency or validity of any instrument, paper or proceeding, or of any proof or evidence of any fact shall be prescribed as a condition of or in any manner with respect to any action or proceeding on the part of the Trustee, or shall be deemed necessary or convenient to be ascertained by the Trustee, except as herein otherwise expressly provided, a certificate signed by the President or one of the Vice-Presidents and also by the Treasurer or one of the Assistant Treasurers of the Mortgagor Company shall, in the discretion of the Trustee, be sufficient evidence of any such fact, situation, matter or conclusion; Any such certificate shall be complete protection to the Trustee for any act done or suffered by it upon the faith thereof, except where other evidence is hereinabove specifically prescribed, but the Trustee in its reasonable discretion may require other evidence.

SECTION 2. The Trustee may resign the trusts created by this Indenture by delivering its resignation in writing to the Mortgagor Company, and such resignation shall take effect sixty days from such delivery or such less time as may be accepted by the Mortgagor Company as sufficient notice and such resignation shall be published by the Mortgagor Company in one or more newspapers of general circulation in each of the Cities of Portland, Oregon, and New York, for four successive weeks and shall also be mailed to the registered owners of bonds secured hereby, but failure on the part of the Mortgagor Company so to do shall not affect the validity of such resignation.

The Trustee may be removed at any time by an instrument in writing, signed by the registered owners of seventy-five per cent (75%) in amount of the bonds hereby secured then