

THENCE EAST 2921 FEET MORE OR LESS TO A POINT 30 FEET WESTERLY FROM THE CENTER OF THE PRIVATE ROAD UNDER CONSTRUCTION BY THE WAUNA LAKE CLUB; THENCE FOLLOWING SAID ROAD SOUTHEASTERLY 30 FEET DISTANT FROM THE CENTER THEREOF TO STATE HIGHWAY No. 8; THENCE ALONG THE NORTH LINE OF SAID HIGHWAY EASTERLY TO THE BRADFORD D.L.C. No. 37; THENCE NORTH 43 DEGREES WEST ALONG SAID BRADFORD LINE TO THE SECTION LINE BETWEEN SECTIONS 14 AND 15 IN ABOVE NAMED TOWNSHIP AND RANGE; THENCE NORTH TO THE QUARTER SECTION POST BETWEEN SAID SECTIONS 14 AND 15; THENCE EAST TO THE SOUTHEAST CORNER OF LOT 6 IN SAID SECTION 14; THENCE NORTH ALONG SAID BRADFORD D.L.C. TO A TRACT CONVEYED BY THE CASCADES LAND & INVESTMENT COMPANY TO THE INTER-LAKEN RESORT COMPANY; THENCE WEST 700 FEET, MORE OR LESS; THENCE NORTH 23 DEGREES WEST 1500 FEET; THENCE EASTERLY AT RIGHT ANGLES THEREFROM 500 FEET TO THE WEST LINE OF THE BRADFORD D.L.C.; THENCE NORTH 23 DEGREES WEST ALONG THE WEST LINE OF SAID BRADFORD D.L.C. TO WEST LINE OF STATE HIGHWAY No. 8; THENCE NORTHERLY ALONG THE WEST LINE OF SAID STATE HIGHWAY TO THE POINT OF BEGINNING, RESERVING ALL RIGHTS TO RUNNING WATER IN THE SOUTHWEST ONE-QUARTER OF SECTION 14 THEREOF, WITH RIGHTS OF ENTRY TO APPROPRIATE AND USE THE SAME.

TO HAVE AND TO HOLD THE SAME WITH ALL THE INCIDENTS AND APPURTENANCES THEREOF AND THERETO BELONGING (HEREINAFTER COLLECTIVELY REFERRED TO AS THE MORTGAGED PROPERTY), UNTO AND TO THE USE OF THE TRUSTEE AND ITS SUCCESSORS AND ASSIGNS FOREVER, BUT IN TRUST NEVERTHELESS FOR THE EQUAL PRORATA BENEFIT AND SECURITY OF ALL THE HOLDERS OF THE BONDS ISSUED OR TO BE ISSUED HEREUNDER WITHOUT ANY REFERENCE WHATSOEVER, AND FOR ENFORCEING THE PAYMENT OF THE PRINCIPAL AND INTEREST THEREOF IN ACCORDANCE WITH THE AGREEMENTS, COVENANTS AND CONDITIONS HEREINAFTER EXPRESSED, TO-WIT:

ARTICLE I.

1. THE BONDS AND COUPONS ATTACHED THERETO, ISSUED UNDER AND SECURED BY THIS INDENTURE SHALL BE IN SUBSTANTIALLY THE FOLLOWING FORM:

UNITED STATES OF AMERICA

No.

\$

STATE OF WASHINGTON

WAUNA LAKE CLUB

SIX PER CENTUM SERIAL GOLD COUPON BOND

WAUNA LAKE CLUB, A CORPORATION DULY INCORPORATED, ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF WASHINGTON, (HEREIN TERMED "CLUB"), FOR VALUE RECEIVED, HEREBY PROMISES TO PAY TO BEARER, OR, IF REGISTERED, TO THE REGISTERED HOLDER HEREOF, ON THE 1ST DAY OF MAY, 1931, THE SUM OF _____ DOLLARS IN GOLD COIN OF THE UNITED STATES OF AMERICA OF OR EQUAL TO THE PRESENT STANDARD OF WEIGHT AND FINENESS, OR ITS EQUIVALENT, AND TO PAY INTEREST THEREON FROM MAY 1ST, 1921, AT THE RATE OF SIX PER CENTUM (6%) PER ANNUM IN LIKE GOLD COIN PAYABLE ON THE 1ST DAY OF MAY IN EACH YEAR, UPON SURRENDER OF THE RESPECTIVE COUPONS FOR SUCH INTEREST HERETO ANNEXED; BOTH PRINCIPAL AND INTEREST BEING PAYABLE AT THE OFFICE OF THE PORTLAND TRUST COMPANY OF OREGON, PORTLAND, OREGON, WITHOUT DEDUCTION FROM EITHER PRINCIPAL OR INTEREST FOR OR ON ACCOUNT OF ANY TAXES, ASSESSMENTS OR OTHER GOVERNMENTAL CHARGES (EXCEPT FEDERAL INCOME TAXES IN EXCESS OF TWO PER CENTUM (2%) AND EXCEPT INHERITANCE TAXES) DEDUCTIBLE AT THE SOURCE,