

By the terms of each of the said mortgages of the Railroad Company and the Timber Company, and by the terms of the said bonds issued thereunder, the said mortgage indebtedness drew interest at six per cent per annum from May 1, 1910, payable semi-annually on the first day of May and first day of November of each year, and to each of the mortgage bonds issued under the same interest coupons were attached representing the interest to be paid thereon and all of the said bonds and interest coupons were by the terms thereof made payable United States Gold Coin, and each of the said Mortgages and of the bonds and bonded indebtedness to secure which mortgages were executed were duly authorized by the unanimous vote of the stockholders of the respective corporation issuing the same and of the directors of said corporation, and the properties described therein and intended by the said mortgages to be described, were, and are situate in Skamania County, Washington, and are hereinafter described.

By the terms of the said Timber Company mortgage it was among other things provided that the Trustee thereunder might appoint a co-trustee by designating such co-trustee in writing and filing the written notice of such designation with The Secretary of the Timber Company, and that when such appointment should be made the trustee so named should be vested jointly with said Mississippi Valley Trust Company with all title to the properties and assets conveyed and intended to be conveyed thereby as security, with all powers, duties, and franchises described in the said mortgage deed, and on the 19th day of May, 1911, said Mississippi Valley Trust Company did, in writing, designate and appoint the co-complainant therein, Union Trust Company, a co-trustee under said mortgage, and the said instrument making such appointment was duly filed with the Secretary of the Timber Company and was duly recorded in the records of Deeds of Skamania County, Washington, in Book "H", at page 178, on May 31, 1911, and at all times since May 19th, 1911, the powers, duties, titles and franchises ~~was~~ created by the said mortgage of the Timber Company have been held and exercised jointly by the two complainants herein, Mississippi Valley Trust Company and Union Trust Company. It was provided by said Timber Company mortgage likewise, and among other things, that from and after the first day of May, 1911 certain amounts of timber upon the lands defendant Timber Company (and the lands conveyed by the said mortgage were essentially timber lands) should be cut annually by the Mortgagor company and that there should be paid into the hands of the trustee annually \$90,000.00 by way of sinking fund for the redemption of the mortgage indebtedness; that The Timber Company should regularly pay all taxes and lawful assessments which might be assessed or levied against the property covered by the mortgage, and that a failure to pay the same should be deemed to be a default under the terms of the mortgage; that the mortgagor company should pay the several bonds and interest coupons as the same should maturing under the mortgage, and that if default should be made by the Timber Company in the payment of interest as the same might mature, or in the payment of the sinking fund annually as provided by the mortgage, or default be made in the payment of taxes and assessments against the properties, and if such default should continue for sixty days after written notice by the trustee, addressed to the Timber Company at its principal office, specifying the default complained of and demanding that the Timber Company perform its covenants, then that the trustee in its discretion might declare the principal of all bonds then outstanding at once due and payable, together with all accrued and unpaid interest thereon, and it is now found that \$30,000.00 of the said mortgage indebtedness maturing May 1, 1912 and being respectively for the bonds numbered 1 to 30, both inclusive, has been paid, together with the interest coupon due on said date, and all interest accruing thereon prior to said date, but that the Timber Company