

IN FEE SIMPLE TO THE REAL PROPERTY HEREBY CONVEYED, AND THAT IT IS THE ABSOLUTE OWNER, FREE OF INCUMBRANCES, OF ALL OTHER PROPERTY HEREBY CONVEYED, AND THAT IT WILL FOREVER WARRANT AND DEFEND THE TITLE TO ALL OF THE PREMISES AND PROPERTY HEREBY CONVEYED TO THE TRUSTEE AGAINST THE CLAIMS AND DEMANDS OF ANY AND ALL PERSONS WHOMSOEVER.

SECTION 3. THE COMPANY COVENANTS AND AGREES THAT IT WILL MAKE, EXECUTE, ACKNOWLEDGE AND DELIVER ANY AND ALL SUCH OTHER AND FURTHER DEEDS, TRANSFERS, CONVEYANCES, ASSIGNMENTS, AND OTHER ASSURANCES OF TITLE AS MAY BE NECESSARY TO BE MADE, EXECUTED, ACKNOWLEDGED OR DELIVERED BY IT TO VEST IN THE TRUSTEE AN INDEFEASIBLE TITLE TO THE PROPERTY SOUGHT TO BE CONVEYED HEREBY FOR THE USES AND PURPOSES HEREIN SET FORTH, AND THAT IT WILL EXECUTE SUCH FURTHER INSTRUMENTS IN WRITING AS SHALL BE NECESSARY OR APPROPRIATE TO RENDER THE PROPERTY HEREBY MORTGAGED, INCLUDING ALL PROPERTY HEREAFTER ACQUIRED BY THE COMPANY AND INTENDED TO BE SUBJECTED TO THE LIEN HEREOF, AVAILABLE FOR THE SECURITY AND SATISFACTION OF THE BONDS SECURED HEREBY ACCORDING TO THE INTENT AND PURPOSE HEREIN EXPRESSED, AND TO THE INTENT THAT THIS INSTRUMENT SHALL BE AND REMAIN A FIRST LIEN AND INCUMBRANCE ON THE PROPERTY HEREIN DESCRIBED, AND ALL SUCH AFTER ACQUIRED PROPERTY, FOR THE SECURITY OF SAID BONDS AND THE COUPONS THERETO ATTACHED.

SECTION 4. THE COMPANY COVENANTS THAT IT WILL FORTHWITH CAUSE THIS INSTRUMENT TO BE DULY AND PROPERLY FILED FOR RECORD AND RECORDED IN THE OFFICE OF THE PROPER AND APPROPRIATE RECORDING OFFICERS OF CLATSOP, COLUMBIA AND MULTNOMAH COUNTIES OF THE STATE OF OREGON, PACIFIC, WAHKIAKUM, COWLITZ, CLARKE AND SKAMANIA COUNTIES OF THE STATE OF WASHINGTON, IN THE UNGA PENINSULA RECORDING DISTRICT, AND IN THE BRISTOL BAY PRECINCT, THIRD DIVISION, OF THE TERRITORY OF ALASKA, AS A MORTGAGE, RESPECTIVELY, ON REAL PROPERTY, AND AS A CHATTEL MORTGAGE ON PERSONAL PROPERTY, AND THAT IT WILL CAUSE TO BE DULY AND PROPERLY FILED FOR RECORD AND RECORDED IN THE UNITED STATES CUSTOM HOUSE AT ASTORIA, OREGON, AND SUCH OTHER CUSTOM HOUSE OR MARINE RECORDING OFFICE AS MAY BE APPROPRIATE, PROPER MORTGAGES IN LEGAL FORM REQUIRED BY THE UNITED STATES CUSTOM HOUSE USAGE AND PRACTICE AND REFERRING TO THIS DEED OF TRUST, AS A MORTGAGE ON ENROLLED AND LICENSED VESSELS AND BOATS, AND THAT IT WILL HEREAFTER CAUSE TO BE DULY AND PROPERLY FILED FOR RECORD AND RECORDED ANY AND ALL CONVEYANCES OR TRANSFERS WHICH MAY BE HEREAFTER MADE, EXECUTED, ACKNOWLEDGED, OR DELIVERED, PURSUANT TO THE PROVISIONS OF SECTION 3 OF THIS ARTICLE.

SECTION 5. PORTIONS OF THE REAL PROPERTY HEREINABOVE DESCRIBED WILL BE SUBJECT TO CERTAIN MUNICIPAL LIENS FOR STREET AND OTHER PUBLIC IMPROVEMENTS. THE COMPANY AGREES TO PAY ANY AND ALL SUCH MUNICIPAL LIENS AS THEY SHALL SEVERALLY MATURE. THE COMPANY COVENANTS AND AGREES THAT EXCEPT FOR SUCH OF SAID MUNICIPAL LIENS AS SHALL BE BONDED UNDER THE BANCROFT ACT, OR SIMILAR MUNICIPAL BONDING ACT, THIS MORTGAGE OR DEED OF TRUST SHALL BE AND REMAIN A FIRST LIEN AND INCUMBRANCE UPON THE PROPERTY DESCRIBED UPON PAGES 11 TO 34 INCLUSIVE, SO LONG AS ANY OF THE BONDS ISSUED HEREUNDER SHALL REMAIN UNPAID IN WHOLE OR IN PART, AND THAT IT WILL NOT VOLUNTARILY CREATE OR SUFFER TO BE CREATED ANY LIEN OR CHARGE HAVING PRIORITY TO OR PREFERENCE OVER THE LIEN OF THIS INSTRUMENT UPON THE MORTGAGED OR PLEDGED PROPERTY OR ANY PART THEREOF. THAT FORTHWITH AFTER THE SAME SHALL ACCRUE, IT WILL PAY AND CAUSE TO BE DISCHARGED EVERY CLAIM OR DEMAND, WHICH, IF UNPAID, MIGHT BY LAW BE GIVEN PRECEDENCE OVER THIS MORTGAGE OR DEED OF TRUST AS A LIEN OR CHARGE UPON SAID PROPERTY OR ANY PART THEREOF, INCLUDING AFTERWARD ACQUIRED PROPERTY, AND THAT