

CASE THE TRUSTEES OR EITHER OF THEM SHALL MAKE ANY SUCH PAYMENT, THEY SHALL BE PROTECTED IN SO DOING AND THEIR ADVANCE OR ADVANCES SHALL BE DEEMED TO BE A DEMAND OBLIGATION PAYABLE BY THE COMPANY, WITH SEVEN (7) PER CENT INTEREST THEREON, AND SUCH ADVANCES SHALL BE DEEMED TO BE SECURED AS A LIEN ON THE PROPERTY EMBRACED HEREIN PRIOR TO THE LIEN OF THE BONDS AND COUPONS AFORESAID..

SECTION 8. THE TRUSTEES SHALL NOT BE LIABLE FOR ANY DEBTS CONTRACTED NOR FOR DAMAGES TO PERSONS NOR TO PERSONAL PROPERTY INJURED OR DAMAGED NOR FOR THE DEATH OF ANY PERSON NOR FOR THE SALARIES OR NON-FULFILLMENT OF CONTRACTS DURING ANY PERIOD IN WHICH THE TRUSTEES OR A RECEIVER APPOINTED BY THE REQUEST OF THE TRUSTEES MAY BE IN POSSESSION OF OR MANAGING THE MORTGAGED PROPERTY EMBRACED HEREIN.

SECTION 9. THE TRUSTEES SHALL NOT BE COMPELLED TO TAKE ANY ACTION AS TRUSTEES OR TO DEFEND OR INSTITUTE ANY SUIT UNLESS INDEMNIFIED, AND THEN ONLY UPON THE REQUEST OF THE BONDHOLDERS OWNING BONDS IN THE PERCENTAGE HEREIN-BEFORE PROVIDED.

SECTION 10. THE TRUSTEES SHALL HAVE A LIEN UPON THE MORTGAGED PROPERTY FOR THEIR REASONABLE COMPENSATION, EXPENSES, ADVANCES AND COUNSELFEEES INCURRED IN AND ABOUT THE EXECUTION OF THE TRUSTS HEREBY CREATED AND THE EXERCISE AND PERFORMANCE OF THE POWERS AND DUTIES OF THE TRUSTEES HEREUNDER AND THE COST AND EXPENSE OF DEFENDING AGAINST ANY LIABILITY IN THE PREMISES ASSERTED ON ANY GROUND WHATSOEVER, AND THE COMPANY HEREBY COVENANTS AND AGREES TO PAY UNTO THE TRUSTEES REASONABLE COMPENSATION FOR THEIR SERVICES IN THE PREMISES, AS WELL AS ALL ADVANCES, COUNSEL FEES AND OTHER EXPENSES REASONABLE PAID OR INCURRED IN AND ABOUT THE EXECUTION OF THE TRUSTS HEREBY CREATED.

SECTION 11. THE TRUSTEES IN ANY CAPACITY OTHER THAN AS TRUSTEES HEREUNDER MAY FROM TIME TO TIME HOLD, BUY, SELL AND DEAL IN ANY OF THE BONDS AND COUPONS ISSUED HEREUNDER AND SECURED HEREBY, AND ASSERT THEIR RIGHTS IN THE SAME MANNER AS ANY OTHER BONDHOLDER HEREUNDER AND TO THE SAME EXTENT AS IF ~~ANY OTHER BONDHOLDER HEREUNDER~~ AND TO THE SAME EXTENT AS IF THE TRUSTEES HAD NO FIDUCIARY OBLIGATIONS HEREUNDER.

SECTION 12. THE TRUSTEES OR EITHER OF THEM MAY AT ANY TIME RESIGN FROM THE TRUSTS HEREBY CREATED BY GIVING THIRTY DAYS' WRITTEN NOTICE TO THE COMPANY AND TO THE OTHER TRUSTEE, AND SUCH RESIGNATION SHALL TAKE EFFECT AT THE END OF SAID THIRTY DAYS. EITHER OF THE DISTRICT JUDGES OF THE UNITED STATES FOR THE DISTRICT OF OREGON OR FOR THE SOUTHERN DISTRICT OF CALIFORNIA, SHALL HAVE AUTHORITY ON THE PETITION OF SAID TRUSTEE OR THE COMPANY OR ANY BONDHOLDER TO APPOINT A TRUSTEE TO SUCCEED TO THE SAID TRUST, IN THE PLACE AND STEAD OF THE TRUSTEE RESIGNING, AND A RECORD OF SUCH APPOINTMENT SHALL BE LODGED IN SUCH CASE IN THE OFFICE OF THE DISTRICT COURT OF THE UNITED STATES FOR THE DISTRICT IN WHICH SUCH APPOINTMENT IS MADE, AND THE TRUSTEE NAMED HEREIN SHALL THEREUPON EXECUTE TO SUCH NEW TRUSTEE SO APPOINTED AN ASSIGNMENT OF THE RIGHTS AND PRIVILEGES UNDER THIS INSTRUMENT. THE COMPANY AGREES THAT SUCH ASSIGNMENT SHALL BE PLACED OF RECORD BY IT IN THE RECORDS OF MORTGAGES FOR LOS ANGELES COUNTY, CALIFORNIA, AND CLARKE AND SKAMANIA COUNTIES, WASHINGTON. ANY AND ALL DUTIES AND OBLIGATIONS DEVOLVING UPON THE TRUSTEE HEREUNDER SHALL CEASE AND TERMINATE THIRTY DAYS AFTER THE TENDER BY THE TRUSTEE OF ITS RESIGNATION AS HEREIN PROVIDED.