

MORTGAGE RECORD U

SKAMANIA COUNTY, WASHINGTON

mortgaged, pledged, assigned or transferred to the Trustees by the Company, or by any person, firm, association or corporation with the consent of the Company, or otherwise as expressly permitted by the terms of this Indenture, and accepted by the Trustees, to be held as part of the mortgaged property; and the Trustees are hereby authorized to accept and receive any such property and any such conveyance, mortgage, pledge, assignment or transfer as and for additional security hereunder, and to hold and apply and and all such property subject to and in accordance with the terms and provisions upon which such delivery, conveyance, mortgage, pledge, assignment or transfer shall be made.

IX.

Together with all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid properties or any part thereof, with the reversion and reversions, remainder and remainders, tolls, rents, revenues, issues, income, product and profits thereof, and all the estate, right, title, interest, and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid properties and every part and parcel thereof.

Expressly excepting and excluding, however, from this Indenture and from the lien and operation hereof:

(a) all bills, notes and accounts receivable, cash on hand and in bank, contracts, leases to others and operating agreements;

(b) all shares of stock and other certificates or evidences of interest therein and all bonds, notes and other evidences of indebtedness or certificates of interest therein and all other securities not herein or hereafter specifically mortgaged and pledged hereunder by specific delivery and assignment thereof to the Trustees or covenanted so to be;

(c) all equipment, materials, goods, merchandise, appliances and supplies acquired by the Company for the purpose of sale in the ordinary course and conduct of the business of the Company or to its customers or for the purpose of consumption in the operation of any of the properties of the Company;

(d) all motor cars, motor trucks and other vehicles;

(e) all property of whatever character located in the State of Idaho for the subjecting of which to the lien of this Indenture the consent or approval of any commission, public body or authority of said State is legally required; and

(f) The pipeline extending from San Angelo to Girvan, both in the State of Texas, formerly owned by the Company but disposed of by it prior to the actual execution of this Indenture;

whether now owned or hereafter acquired by the Company, provided, however, and it is hereby expressly agreed, that upon the happening of an event of default specified in Section 65 hereof all the property hereinabove in this paragraph described or included and then possessed by or belonging to the Company shall forthwith become and be, to the extent permitted by law, subject to the lien and operation of this Indenture, and all such property, or the evidence of the same, shall forthwith be conveyed, mortgaged, pledged assigned, transferred and delivered to the Trustees; provided further, however, that if such event of default so happening shall have been duly cured, removed or waived, all of such property shall forthwith cease to be subject to the lien and operation of this Indenture and all thereof, or the evidences of the same, shall forthwith be reconveyed and redelivered to the Company, and the Company and the Trustees shall be restored to their former positions and rights hereunder.