

per share in any one calendar year on the Company's authorized 80,000 shares of non-par stock, and then only upon the further condition that an additional amount, equal to such dividend, shall be paid into a sinking fund, with the Trustee, for the redemption of said debenture bonds (then first mortgage bonds).

The Company further covenants that upon payment of said Reconstruction Finance Corporation loan, a sinking fund shall be created with said Trustee in an amount consisting of at least Fifty (50) per cent of the net earnings of the Company, and that it will annually pay to said Trustee, unto said sinking fund, at least Fifty (50) per cent of its net earnings. Said Trustee shall use said fund to retire said debenture bonds (then first mortgage bonds) in advance of their actual maturity date, to wit: October 1, 1950, in the manner hereafter provided.

Section 3. The Company covenants that, subject to the mortgage securing said Reconstruction Finance Corporation loan, the Company has a valid and unincumbered title 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 the premises and property hereby conveyed to the Trustee against the claims and demands of any and all persons whomsoever, save and except only said Reconstruction Finance Corporation, its successors and assigns.

Section 4. 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, subject to said mortgage in favor of said Reconstruction Finance Corporation, 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, subject to said mortgage in favor of said Reconstruction Finance Corporation be and remain a first lien and incumbrance on the property herein described, and all such after acquired property, for the security of said debenture bonds and the coupons there-to attached.

Section 5. The Company covenants that it will forthwith deliver this instrument to the Trustee to be held in escrow until said Reconstruction Finance Corporation loan has been paid, or until such earlier time as such Reconstruction Finance Corporation shall consent to the recording hereof, whereupon, on whichever date occurs first, said Trustee shall record this instrument in the office of the proper and appropriate recording offices of Clatsop, Columbia and Multnomah Counties of the State of Oregon, Pacific Wahkiakum, Cowlitz, Clarke and Skamania Counties in 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,