

MORTGAGE RECORD—W

SKAMANIA COUNTY, WASHINGTON

Mortgage shall have been released or satisfied, then either by the Trustee under this indenture, or by the holders of a majority in interest of the bonds hereby secured; and provided further, that the portion of the capital stock of any such consolidated, merging or purchasing company (but never less than a majority thereof), issued for and in lieu of any stock previously subject to the lien of this indenture shall always bear to the total capital stock a proportionate relation at least as high as that borne by such previously pledged stock to the total capital stock of such constituent companies. Such portion of such stock of such consolidated, merging or purchasing company and also any bonds or other securities issued by such consolidated, merging or purchasing company in exchange for any stock theretofore subject to the lien hereof (unless assigned and transferred to the trustee of said Prior Lien Mortgage pursuant to its terms) shall be assigned and transferred to the Trustee hereunder, and in any event shall become and be subject to the lien of this indenture; and the holders of the bonds hereby secured shall always have and retain in respect of such portion of such stock, bonds or other securities of such consolidated, merging, or purchasing company a lien, as full and complete as the lien hereby created, upon the stock and bonds of such constituent companies.

The Trustee may do any and all things proper to carry into effect the purposes of this Section, and in order to facilitate the consolidation or the merger in whole or in part, as authorized by law, of any company, the Trustee, if necessary to such end, after transfer to it of any shares of such company, may transfer into the name of the Railway Company, under such restrictions as it may deem sufficient for the protection of the holders of the bonds secured hereby, the shares of any company about to be so merged, but the certificates in the name of the Railway Company shall in such case forthwith be delivered to the Trustee to be by it held hereunder, and simultaneously the Railway Company shall execute such instruments as the Trustee shall deem necessary in order to enable it to transfer such shares back into its own name if at any time it shall deem such a course expedient for the protection of the holders of the bonds hereby secured.

Sec. 7. Nothing herein contained shall prevent the extension or renewal as authorized by said Prior Lien Mortgage of any bonds pledged with the Trustee hereunder; and whenever any bonds shall have been delivered to and shall be held by the Trustee hereunder, the Trustee, at any time in its discretion, may, and if requested in writing by the Railway Company shall, consent to the extension or renewal of any of such bonds, and of the mortgages securing the same; and, in case of the renewal of any of such bonds, the Trustee may surrender the same to the company which issued them, or its successor, and in lieu thereof may receive renewal bonds bearing such interest and maturing at such time as the Trustee may deem reasonable; provided, that such extended or renewed bonds shall be secured by a lien and charge upon the same property equal or superior to that of the bonds renewed or extended. The Trustee may receive the certificate of counsel of the Railway Company as conclusive evidence that such extended or renewed bonds are so secured. All bonds received in exchange for, or in renewal of, the said several bonds heretofore mentioned, and subject to, or which hereafter may be subject to the lien hereof, shall be held subject to the lien and to all the terms and provisions of this indenture, in the same manner and to the same extent as the bonds in exchange for which, or in renewal of which, they shall have been received.

ARTICLE FOUR.

Section 1. Neither any coupon belonging to any bond hereby secured, nor any claim for interest on any registered bond which, in any way, on or after maturity, shall have been transferred or pledged, separate and apart from the bond to which it relates, shall, unless