

## MORTGAGE RECORD—W

SKAMANIA COUNTY, WASHINGTON

delivered to the Trustee herein, by it to be held upon the trusts of this indenture; provided, however, nothin in this Section 10 or Article Five contained shall require the assignment or pledge under this indenture, or prevent the creation, issue, or disposition, free from any lien thereon of this indenture, of any of the following:

(a) Any bonds, promissory obligations or other evidences of indebtedness issued or guaranteed, or to be issued and guaranteed by (1) the Chicago, Burlington & Quincy Railroad Company, or (2) the Spokane, Portland and Seattle Railway Company, or (3) The Midland Railway Company of Manitoba, or (4) any company formed for the purpose of developing and improving any terminal or other property owned or used by the Railway Company.

(b) Any bonds, issued or guaranteed, or to be issued or guaranteed, in substitution or exchange for, or to refund or renew, a like amount of bonded debt of any subsidiary company.

(c) Any extension of the time for payment of the bonded debt of any subsidiary company.

(d) Any promissory obligations or other evidences of indebtedness which may be issued in the current operation of its property by any subsidiary company, if it is an operating company.

(e) Any bonds, promissory obligations or other evidences of indebtedness issued or guaranteed, or to be issued or guaranteed, by any subsidiary company which, or the proceeds of which, are to be used by such company for the construction or acquisition of betterments, additions, improvements or extensions of and to property owned by it, or additional property or bonds or stocks of other companies, or equipment for railroads which it may own.

(f) A purchase-money mortgage or purchase-money lien upon any property which may hereafter be acquired by any subsidiary company, and which purchase-money mortgage or lien shall apply to, and be a charge upon, only such property so acquired.

(g) Capital stock issued in exchange for the debts of any subsidiary company, provided that a majority of all the capital stock of such company shall remain subject to the lien of this indenture.

(h) The issue by any subsidiary company of registered bonds without coupons in exchange for coupon bonds, or of coupon bonds in exchange for registered bonds without coupons, or of registered bonds without coupons or coupon bonds in exchange or substitution for such bonds mutilated or destroyed or lost; provided, however, that the aggregate principal amount of such bonds outstanding shall not thereby be increased.

Sec. 11. The Railway Company will not issue, negotiate, sell or dispose of any General Mortgage bonds in any manner other than in accordance with the provisions of this indenture and the agreements in that behalf herein contained; and in issuing, selling, negotiating or otherwise disposing of such bonds, from time to time it will sell and truly apply, or cause to be applied, the same, or the proceeds thereof, <sup>to</sup> and for the purposes therein prescribed, and to or for no other or different purposes.

Sec. 12. The Railway Company in every indenture supplemental hereto which hereafter may be executed, will enumerate all mortgages which are liens upon the railroads or parts thereof thereby conveyed under which bonds constituting prior debt shall have been issued and will describe such mortgages and state the principal amount and maturity of and interest borne by all outstanding bonds thereunder.

Sec. 13. The Railway Company will duly record this indenture and every indenture supplemental hereto which hereafter may be executed, and will pay any legal recording tax due on this indenture or any indenture supplemental hereto, and will pay any tax or fee legally due at anytime upon the issuing of bonds secured hereby, and also will make such