

MORTGAGE RECORD—W

SKAMANIA COUNTY, WASHINGTON

YAKIMA BINDERY & PLY. CO., 187997

Company or otherwise, as the Trustee shall deem best; and it shall be entitled to collect and receive all tolls, freights, incomes, rents, issues and profits of the same and every part thereof, and also the income from stocks and bonds subject to the lien hereof, and after deducting the expenses of operating said railways, and other premises, and of conducting the business thereof, and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements, and all payments which may be made for taxes, assessments, insurance and prior or other proper charges upon the said premises and property, or any part thereof, including any interest paid on bonds prior in lien to those secured hereby, as well as just and reasonable compensation for its own services and for all agents, clerks, servants and other employees by it properly engaged and employed, it shall apply the moneys arising as aforesaid as follows:

In case the principal of the bonds hereby secured shall not have become due, to the payment of the interest remaining in default, in the order of the maturity of the installments of such interest, with interest thereon at the rate of four per cent. per annum; such payments to be made ratably to the persons or parties entitled thereto without discrimination or preference;

In case the principal of the bonds hereby secured shall have become due, by declaration or otherwise, first, to the payment of the accrued interest (with interest thereon at the rate of four per cent. per annum) in the order of the maturity of the installments thereof, and next to the payment of the principal of all bonds hereby secured; in every instance such payments to be made ratably to the persons or parties entitled to such payment, without any discrimination or preference;

These provisions, however, not being intended in any wise to modify the provisions of Section 1 of this Article.

In case, and during such continuance, of any such default in either of the first three cases specified in this Section, either with or without entry by the Trustee, and also in the fourth case, if the Trustee shall have entered or shall have elected to enter as aforesaid, the Trustee shall have, exercise, and enjoy, subject to said Prior Lien Mortgage, and to the rights of the Trustee thereunder, the right to vote on all shares of stock subject to the lien hereof, and, for the benefit of the holders of bonds hereby secured, to receive and collect all interest moneys and dividends maturing or payable upon all bonds and stocks, and to apply as hereinbefore provided the net moneys received, and as holder of such shares of stock and of such bonds to perform any and all acts, and to make or execute any and all requests, requisitions or other instruments; and the Railway Company hereby irrevocably authorizes and directs the trustee under said Prior Lien Mortgage in any such event to execute and deliver to the Trustee hereunder, instead of the Railway Company, proxies to vote upon said shares of stock held by the trustee under said Prior Lien Mortgage, and to deliver to the Trustee hereunder, instead of the Railway Company, the coupons for interest and any necessary assignments and orders for dividends maturing or payable upon the bonds and stocks pledged with the trustee under said Prior Lien Mortgage, and to pay over and deliver to the Trustee hereunder, instead of the Railway Company, any moneys or property which the Railway Company would otherwise be entitled to receive under the provisions of said Prior Lien Mortgage. In the event that a Receiver of the mortgaged railways shall have been appointed and shall be in possession thereof, the Trustee hereunder, from time to time, in its discretion, may turn over any part or all of the interest moneys and dividends so collected by it, to such Receiver, and may co-operate with such Receiver in managing and operating the entire system of the Railway Company in such manner as the Trustee shall deem for the best interests of the holders of the bonds hereby secured.