

MORTGAGE RECORD—W

SKAMANIA COUNTY, WASHINGTON

pense or liability, unless one or more of the holders of the General Mortgage bonds shall, as often as required by the Trustee, furnish indemnity satisfactory to it against such expense or liability; nor shall the Trustee be required to take notice of any default hereunder, unless notified in writing of such default by the holders of at least five per centum in amount of the General Mortgage bonds then outstanding, or to take any action in respect of any default unless requested to take action in respect thereof by a writing signed by the holders of not less than twenty per centum in amount of the General Mortgage bonds then outstanding, and tendered indemnity satisfactory to the Trustee, as aforesaid, anything herein contained to the contrary notwithstanding; but the foregoing provisions of this section are intended only for the protection of the Trustee, and shall not be construed to affect any discretion or power by any provision of this indenture given to the Trustee, to determine whether or not it shall take action in respect of any default without such notice or request from bondholders, or to affect any other discretion or power given to the Trustee.

The Trustee shall not be responsible for the recording of this indenture and shall not be required to file or refile the same as a chattel mortgage, nor shall it be responsible for the recording of any indenture or instrument supplemental to this indenture, nor shall it be required to file or refile the same as a chattel mortgage or otherwise, nor shall the Trustee be under any duty to give notice to anybody of this indenture or any instrument supplemental hereto.

The Trustee shall be reimbursed by the Railway Company for, and be indemnified against, any liability or damages which may be sustained by it in the premises. The Trustee shall be secured under this indenture preferentially to the bonds issued under this indenture, for its compensation and expenses, and also for any liability or damages by it sustained in the premises.

The Trustee shall not be accountable for the use of any bonds authenticated and delivered by the Trustee hereunder or for the application of the proceeds of any such bonds.

The recitals and statements in this indenture and in the General Mortgage bonds and coupons contained are and shall be taken as statements by the Railway Company alone and are not and shall not be taken as made by, and shall not be considered as imposing any obligation or liability upon, the Trustee, nor shall the Trustee be held responsible for the legality or validity of this indenture or of said bonds or coupons or of any supplemental indenture or of any instrument of further assurance.

The Trustee makes no covenant or representation respecting the rights of the holders of any of the bonds or coupons secured by this indenture or the title or interest of the Railway Company in or to the mortgaged and pledged property, or respecting the validity of any assignment under which any securities held hereunder were acquired by the Railway Company or assigned to the Trustee, or the nature, extent or sufficiency of the security afforded by the mortgaged and pledged property.

The Trustee may advise with legal counsel, and shall be fully protected in any action under this indenture taken or suffered in good faith by it, in accordance with the opinion of counsel, and such action so taken shall be conclusive on the Railway Company and on all holders of the bonds hereby secured. The Railway Company agrees to pay the reasonable expenses of counsel so employed by the Trustee.

In all cases where this indenture does not make other express provisions, as to the evidence on which the Trustee may act or refrain from acting or upon which it may rely, the Trustee shall be protected, in acting or refraining from acting under any provision of this indenture, in relying upon the certificate, as to any matter therein mentioned, signed by the President, or a Vice-President, or the Chief Engineer, and by the Treasurer,