

MORTGAGE RECORD—W

SKAMANIA COUNTY, WASHINGTON

YAKIMA BINDERY, S. P. O. CO., 157297

necessary or advisable but shall in no case be bound to secure the same. The Trustees, or either of them, may accept a certificate of the Secretary or an Assistant Secretary of the Company under its corporate seal to the effect that a resolution in the form therein set forth has been adopted by the Board of Directors of the Company, as conclusive evidence that such resolution has been duly adopted and is in full force and effect.

(f) The permissive right of the Trustees to do things enumerated in this indenture shall not be construed as a duty of the Trustees and the Trustees shall be severally answerable only for their, its or his own negligence or wilful default.

(g) The Trustees shall not be required to take notice or be deemed to have notice of any default hereunder except default in the payment of principal or interest or any sinking fund payment, or failure by the Company to file the documents required pursuant to Sections 8.09, 8.10 and 9.02 hereof, unless a written notice thereof shall be filed with the Trustee by the Company or by the holders of at least ten per cent (10%) in aggregate principal amount of bonds outstanding hereunder and all notices or other instruments required by this indenture to be delivered to the Trustees, or either of them, must, in order to be effective, be delivered at the main office of the Trustee, and in the absence of such notice so delivered, the Trustees, and each of them, may conclusively assume there is no default, except as aforesaid.

(h) The Trustees shall not be personally liable for any debts contracted or for damages to persons or to personal property injured or damaged, or for salaries or non-fulfillment of contracts during any period in which they may be in the possession of or managing the mortgaged property as in this Indenture provided.

(i) At any and all reasonable times the Trustees, and their duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all of the mortgaged property, including all books, papers and contracts of the Company, and to take such memoranda from and in regard thereto as may be desired.

(j) The Trustees shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything elsewhere in this Indenture contained, the Trustees, or either of them, shall have the right, but shall not be required, to demand, in respect of the authentication of any bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action if by the Trustees, or either of them, deemed desirable for the purpose of establishing the right of the Company to the authentication of any bonds, the withdrawal of any cash, the release of any property, or the taking of any other action by the Trustees, or either of them.

(l) When taking action hereunder pursuant to the request of one or more bondholders, the Trustees may require that there be deposited with the Trustee a reasonable sum not exceeding Twenty Thousand Dollars (\$20,000) as security for such expenses as they may incur. Any sum advanced for expenses by any bondholder or bondholders (or on their behalf) by the Trustees, or either of them, shall be secured by the lien of this Indenture and shall have priority to the payment of the bonds and interest secured hereby.

SECTION 16.02. Each Trustee shall have a first lien with right of payment prior to payment on account of interest or principal of any bond issued hereunder upon the mortgaged property for reasonable compensation, expenses, outlays and counsel fees incurred by such Trustee in and about the execution of the trusts hereby created and the exercise and performance of its or his powers and duties hereunder and the cost and expense incurred in defending against any liability in the premises of any character whatsoever, unless such liability is adjudicated to have resulted from the negligence or wilful default of the Trustee claiming such lien. The Company hereby covenants and agrees to pay all outlays, counsel fees and other expenses reasonably made or incurred by each Trustee in and about the execution of the trusts hereby created and to reimburse it or him for any expenses paid and to pay the cost and expense incurred in defending against any liability in the premises of any character whatsoever, unless such liability is adjudicated to have resulted from the negligence or wilful default of the Trustee requesting such payment or reimbursement. The Company agrees to pay each Trustee reasonable compensation for its or his services in the premises, which compensation shall not be limited to or by any provision of law in regard to the compensation of trustees of an express trust.

SECTION 16.03. If a default occurs of which the Trustees are by subparagraph (g) of Section 16.01 hereof required to take notice or if notice of a default be given them as in said subparagraph (g) provided, then the Trustee, if and when such default becomes an event of default, shall give written notice thereof by mail to the last known owners of all bonds outstanding hereunder as shown by the bond register and the list of bondholders required by the terms of Section 8.15 hereof to be kept at the office of the Trustee.