

to construct, maintain and operate a natural gas utility system within the corporate limits of the Town of Stevenson, and the franchise granted by the Board of County Commissioners, Skamania County, Washington, authorizing the construction and maintenance of a pipe line.

Together with all and singular the tenements, hereditaments and appurtenances belonging to or in anywise appertaining to the above described properties, or any part thereof, with the reversion and reversions, remainder and remainders, rents, issues, income and profits thereof, and all the estate, right, title, interest and claim whatsoever, at law or in equity, which the mortgagor now has or which it may hereafter acquire in and to said properties and every part and parcel thereof.

Expressly excepting and excluding, however, from this Indenture of Mortgage and from the lien and operation hereof the following:

(a) All bills, notes and accounts receivable, cash on hand or in bank, and policies of insurance on lives of employees of the mortgagor and all contracts other than contracts herein expressly mortgaged;

(b) All shares of stock and other certificates or evidences of interest therein and all bonds, notes or evidences of interest therein and other securities now owned or hereafter acquired and not expressly mortgaged or pledged;

(c) All gas, merchandise and appliances acquired for the purpose of resale in the ordinary course of business and all gas, materials and supplies held for consumption in operation or held in advance of use thereof for fixed capital purposes;