

period prior to 1912. The subsequent annual calculations shall take into consideration the aggregate earnings and cash dividends, excepting only the dividend of March 1, 1912, for the period from December 31, 1911, to December 31st of the year immediately preceding the particular computation.

Section 12. The Mortgagor Company covenants and agrees that it will not issue or permit to be issued any additional bonds under the First and Refunding Mortgage and Deed of Trust of the Portland Railway Company in favor of The New York Trust Company, dated November 1, 1905, in excess of the eight million five hundred and twenty-three thousand dollars (\$8,523,000) of said bonds now outstanding, or under the First Mortgage of the Portland General Electric Company in favor of the United States Mortgage and Trust Company, dated July 1, 1905, in excess of the eight million dollars (\$8,000,000) of said bonds now outstanding, each of which mortgages is a lien upon a part of the estates, properties and franchises mortgaged by this Indenture prior to the lien hereof.

Section 13. The Mortgagor Company covenants and agrees that it will keep or cause to be kept at all times proper books of account and records, covering all its business and affairs; that said books of account and records, and all documents relating to its business and affairs, shall at all reasonable times be open to the inspection of such accountant or other agent of the Trustee as the Trustee may from time to time designate; that, so long as any of the bonds secured hereby remain unpaid, it will annually, within sixty days after the end of its fiscal year, have an examination and audit of its accounts, affairs and conditions made by some certified public accountant approved by the Trustee as a certified public accountant of good standing, accustomed to the auditing of similar companies - who may be a certified public accountant regularly employed by the Mortgagor Company - and that it will furnish to the Trustee and to the firm of Lee, Higginson & Company, of Boston, as from time to time constituted, a report made by such accountant on the completion of each such examination and audit. The Mortgagor Company further covenants and agrees that, until all the bonds secured hereby have been paid, it will furnish to the Trustee and to said firm semi-annually, as of June 30th and December 31st, a trial balance signed by its President or other executive officer and by its Auditor or chief accounting officer, and sworn to by them as correct to the best of their knowledge and belief, setting forth in reasonable detail the financial condition of the Mortgagor Company.

Section 14. Exclusively for the benefit of the holders of the bonds issued under and secured by this Indenture, the Mortgagor Company will well and truly pay and discharge upon presentation thereof for payment at or after maturity, or, if called for redemption, then upon presentation at or after the day fixed for redemption, all of the underlying bonds and the Mortgagor Company will punctually pay or cause to be paid, or upon demand of the Trustee, will provide to its satisfaction for the payment of the interest on all such underlying bonds from time to time outstanding, and the payment of all of the amounts required to be paid by any sinking fund provisions of such underlying bonds or the underlying mortgages which secure their payment, as and when such interest and sinking fund payments shall become due and payable, until all of said bonds shall have been finally paid and discharged.

Section 15. The Mortgagor Company hereby covenants and agrees that it will not