

MORTGAGE RECORD T

SKAMANIA COUNTY, WASHINGTON

any such application, and (4) the principal amount of all other indebtedness, (other than indebtedness for the purchase, payment or redemption of which money in the necessary amount shall have been deposited with the trustee or other holder of the mortgage or other lien securing such indebtedness and except such current indebtedness of a subsidiary company the interest on which is deducted as provided in subdivision (A) above) outstanding in the hands of the public (and not owned by the Company or any subsidiary company) on the date of such certificate secured by lien prior to the lien of this Indenture or by a lien on any property of a subsidiary company if said indebtedness has been assumed by the Company or by any other corporation or any individual or co-partnership by whom such property has been subjected to the lien of this Indenture or by a subsidiary company or upon which any of them customarily pays interest charges upon the principal thereof; and (C) the aggregate principal amount of the respective bonds and other indebtedness on which the annual interest charges referred to in clauses (1), (2), (3), and (4) of subdivision (B) of this Section are calculated.

If any of the property of the Company or any subsidiary company owned at the time of the making of any net earnings certificate shall have been acquired during or after any period for which consolidated net earnings are to be computed, the net earnings of such property (computed in the manner specified in this section 9 for the computation of the consolidated net earnings of the Company and all subsidiary companies) during such period or such part of such period as shall have preceded the acquisition thereof, to the extent that the same have not otherwise been included, and unless such property shall have been acquired by the exchange of property (including any substitutes therefor) the earnings of which have been included, may be treated as net earnings of the Company or of any such subsidiary company for all purposes of this Indenture.

The earnings derived from property of any other corporation subjected to the lien of this Indenture, to the extent and to the extent only, applicable to stock of such other corporation owned by the Company may for all purposes of such net earnings certificate and of this Indenture, to the extent not otherwise included, be treated as earnings of the Company and any such earnings derived from the operation of such property and so applicable and whether or not actually received by the Company shall be deemed to be operating income of the Company.

The term "net earnings of the Company" shall mean the consolidated net earnings of the Company and of all subsidiary companies as shown by the net earnings certificate in this Section provided for.

ARTICLE 11.

FORM, EXECUTION, REGISTRATION AND EXCHANGE OF BONDS.

Section 10. At the option of the Company, the bonds issued hereunder may be issued in one or more series, the bonds of each series (other than the 5% Series due 1955 hereinafter in Section 21 described) maturing on such dates and bearing interest at such rates respectively as the Board of Directors of the Company prior to the authentication thereof may determine. Subject to the provisions of Section 21 hereof as to the 5% Series due 1955, the form of each series of bonds issued hereunder and of the coupons to be attached to the coupon bonds of such series shall be established by resolution of the Board of Directors of the Company. The bonds and coupons of any one or more series may be expressed in one or more foreign languages, if also expressed in the English language. The English text shall govern the construction thereof and both or all texts shall constitute but a single obligation. The English text of the coupon bonds, coupons, fully registered bonds and the Corporate Trustee's certificate shall be respectively substantially of the tenor and purport above recited, provided, however, that the form of each series, as established by the Board