

MORTGAGE RECORD U

SKAMANIA COUNTY, WASHINGTON

and coupons as upon a call in advance of maturity. Likewise shall all surplus insurance funds be so applied if the cost of such work is less than the amount of insurance moneys received. The Trustee may accept any adjustment of loss agreed upon by the Mortgagor and the insurer; and shall accept such adjustment if the Banker consents thereto. (Pg. 23)

Section 14. TO PAY FOR DAMAGED PROPERTY OR SUBSTITUTE OTHER PROPERTY HEREUNDER—If any property covered hereby shall be damaged by fire, wind or other causes, Mortgagor will, within sixty days thereafter, deliver to Banker a detailed statement verified by the president or secretary of Mortgagor accurately showing the nature and extent of the damage and the description of the property damaged. Banker at its option and at Mortgagor's expense may further investigate such damage and shall determine the extent thereof. If the Banker considers that such damage materially affects the value of the security and so notifies Mortgagor the latter, within sixty days thereafter, will either (a) rebuild and/or replace the property damaged or destroyed in as good condition as it was prior to such damage or destruction, or (b) pay to the Trustee the full value of the property so damaged or destroyed, the amount to be so paid to be agreed upon by Mortgagor and Banker, and if they cannot agree in writing within said sixty day period then the amount shall be fixed by the Trustee. The money so paid shall be used for redemption of bonds as hereinafter provided.

Section 15. TO PERMIT INSPECTION OF MORTGAGED PROPERTY—The Mortgagor will permit the Trustee and Banker or either of them, at all reasonable times, to inspect the mortgaged property or any part thereof, but the Mortgagor need pay for only one such inspection in any calendar year except in case of damage to any of the mortgaged property.

Section 16. REGARDING BOOKS AND FINANCIAL STATEMENTS—Mortgagor will keep proper books of record and account showing fully and correctly all dealings and transactions regarding its business and affairs, which books at all reasonable times shall be open to the inspection of the Trustee and Banker or either of them. Within forty-five days after the close of each fiscal year, the Mortgagor will furnish to the Banker detailed statements and audit, satisfactory in form to the latter, showing the assets and liabilities of the Mortgagor at such close and the financial results of its operations during such year. If the Banker so request, the Mortgagor will furnish such statements and audit semi-annually instead of annually, prepared and certified by an expert accountant approved by Banker. (Pg. 24)

Upon request by the Trustee or Banker or either of them at any time, the Mortgagor will furnish any information specified by the party or parties making such request relative to the security for said bonds.

Section 17. Mortgagor will either bring all of its employees under the provisions of the law of the state in which such employee operates relating and pertaining to industrial insurance, commonly called "compensation," or will carry liability insurance protecting Mortgagor against loss or damage for personal injuries sustained by any of the employees of Mortgagor engaged in any work in and about any of the property which is the subject of this mortgage. Likewise, Mortgagor will provide any insurance available to protect strangers against accidents in and about or resulting from Mortgagor's property.

Section 18. That not until after full and complete payment of the principal and interest of all indebtedness hereby secured or intended so to be secured, Mortgagor shall not and will not guarantee or in any way or manner secure the payment of the bonds or other obligations or evidences of indebtedness of any person, firm or corporation, except upon previous written request to and by and with the previous written consent of Banker, if it is in existence at the time of such request, and if Banker be not then in existence, then upon the written consent of Trustee.