

MORTGAGE RECORD U

SKAMANIA COUNTY, WASHINGTON

so set apart as such sinking fund shall be deposited with the Trustee on or before July 1st in the year 1928, and on or before the first day of July in each succeeding year, and shall be used by the Trustee to redeem said bonds in the following manner:

The Trustee shall endeavor promptly to purchase bonds in the open market at the then market price thereof (if there is a market price) but in any event at not exceeding the par value of the principal and accrued interest, plus one per centum of the principal. If bonds cannot be obtained in the open market, then the moneys paid into said sinking fund shall be used to redeem bonds as upon call. The bonds so redeemed shall be drawn by lot by the Trustee (subject to the proviso hereinafter mentioned in this section) and the Trustee shall make but one drawing, which shall determine the order in which said bonds shall be redeemed by use of the sinking fund; provided, this provision for sinking fund and the fund created pursuant thereto shall be applicable only to the bonds due July 1, 1945, and to such other bonds as may be issued hereafter under the provisions of Section 5 of Article I hereof. In no event shall the sinking fund be used to redeem any of the bonds aggregating \$100,000 par value maturing July 1, 1950, until all other bonds issued under and pursuant to this instrument, principal and interest, have been fully paid, redeemed and retired.

Section 21. PROTECTION AGAINST DESTRUCTIVE COMPETITION—Mortgagor agrees that during the life of this instrument the agreement of June 2, 1913, between Mortgagor and the Pacific Telephone & Telegraph Company, described hereinabove in Parcel Five, will be kept alive and effective, or a new agreement with terms just as favorable to Mortgagor in the judgment of Banker, will be executed and kept alive, to the end that until all bonds issued and to be issued under this instrument (except said bonds of the aggregate par value of \$100,000 maturing July 1, 1950) shall have been fully paid and redeemed, both as to principal and interest, Mortgagor may have telephone connections with the Pacific Telephone & Telegraph Company and may not be subjected to destructive or any competition by said Company. Likewise, Mortgagor within ninety days after July 1, 1925, will enter into a like contract with the Pacific Telephone & Telegraph Company as to all of the territory served by Mortgagor in the State of Washington, and will keep such contract alive until all of the bonds issued hereunder (except the \$100,000 par value of bonds maturing July 1, 1950) shall have been fully paid, redeemed and retired, both as to principal and interest. (Pg. 27)

ARTICLE IV

POSSESSION AND USE OF MORTGAGED PROPERTY AND PARTIAL RELEASES THEREOF

Section 1. MORTGAGOR'S RIGHT TO POSSESSION AND USE OF MORTGAGED PROPERTY—So long as the Mortgagor strictly complies with the provisions hereof and is not in default hereunder it shall be permitted to remain in full possession, enjoyment and control of the mortgaged property and to receive the rents, issues and profits thereof the same as if this instrument had never been made.

Section 2. PARTIAL RELEASE OF MORTGAGED PROPERTY—Mortgagor, not then being in default, may, by authority evidenced by resolution of its board of directors in writing, request the Trustee to release any part of the mortgaged premises from the lien and operation of this instrument, whereupon, at the discretion of Banker (whose consent in writing shall be a condition precedent to such release) the Trustee is authorized to release from the lien of this mortgage any portion of the mortgaged property upon the following condition:

(a) No such release shall be made unless Mortgagor shall have sold or shall have contracted to exchange for other property or to sell the property so released. A complete description of the property for which a release is requested shall be given to Banker and