

MORTGAGE RECORD U
SKAMANIA COUNTY, WASHINGTON

fidence and/or upon examination of a certificate or guarantee of title or a policy of title insurance in which he has confidence.

E. an application for the authentication and delivery of Bonds under this Article Four shall not be deemed complete until the corporate Trustee shall have been furnished with the resolutions, certificates, opinions and other instruments by Section 17 hereof and by this Section 18 required to establish the right of the Company to the authentication and delivery of such Bonds, and the date of such application shall be deemed to be the date upon which such application shall be so completed.

SECTION 19. Upon compliance with the provisions of Sections 17 and 18 hereof, the corporate Trustee shall authenticate and deliver Bonds of an aggregate principal amount up to, but not exceeding, the amount by which

A. 70% of the cost or fair value, whichever shall be less, of the additional property as certified and described in the certificate filed with the corporate Trustee as hereinabove in Paragraph B of Section 17 provided, shall exceed.

B. The aggregate principal amount of all outstanding bonds secured by a prior lien or liens on such additional property (excluding any such bonds which, concurrently with or previous to the authentication and delivery of the Bonds applied for, shall be deposited with the corporate Trustee or with the trustee or mortgagee of some other prior lien upon such property or of a refundable lien) as certified to the corporate Trustee as hereinabove in Paragraph B. of Section 17 provided; and

PROVIDED, HOWEVER, that no Bonds shall be authenticated and delivered under this Article Four, upon the basis of the acquisition of additional property at the time subject to a prior lien or liens, and no bonds thereby secured shall become or be deemed established as refundable Bonds, if, after the authentication and delivery of the Bonds applied for, the total aggregate principal amount of all refundable bonds not at the time deposited with the corporate Trustee hereunder or with the trustee or mortgagee of a refundable lien (including the refundable bonds established as such concurrently with the authentication and delivery of the Bonds applied for) shall exceed 10% of the total aggregate principal amount of all Bonds issued hereunder then outstanding and then to be authenticated and delivered and all refundable bonds not at the time so deposited (including those established as such concurrently with the authentication and delivery of the Bonds then applied for); and

PROVIDED FURTHER, HOWEVER, that no Bonds shall be authenticated and delivered under this Article Four, upon the basis of the acquisition of additional property at the time subject to a prior lien or liens, and no bonds thereby secured shall become or be deemed established as refundable bonds, if, after the authentication and delivery of the Bonds applied for, the aggregate cost or fair value to the Company, whichever shall be less (as evidenced in each case by the certificate or certificates as to such cost and fair value theretofore or then being filed with the corporate Trustee), of all property at any time made the basis for the authentication and delivery of Bonds and the withdrawal of cash and the release of property hereunder subsequent to the date of the execution and delivery of this Indenture and remaining subject to a lien prior to the lien of this Indenture shall exceed 10% of (1) the aggregate of (a) the book value to the Company (after depreciation) as at January 1, 1936 of the property subjected to the lien of this Indenture (as evidenced by a certificate of the Company filed with the corporate Trustee) (b) the aggregate cost or fair value to the Company, whichever shall be less (as evidenced in each case by the certificate or certificates as to such cost and fair value theretofore or then being filed with the corporate Trustee), of all property made the basis for the authentication and delivery of Bonds and the withdrawal of cash hereunder subsequent to the date of the execution and