

MORTGAGE RECORD U

SKAMANIA COUNTY, WASHINGTON

delivery of this Indenture, (c) the aggregate value of all property made the basis for the release of property from the lien hereof subsequent to the date of the execution and delivery of this Indenture (as evidenced in each case by the certificate or certificates as to such value theretofore or then being filed with the corporate Trustee, and taken in each case at the value of the property released on the basis thereof less the amount of any moneys and the principal amount of any purchase money obligations constituting a part of the consideration for the property released), and (d) the aggregate cost or fair value to the Company, whichever shall be less (as evidenced in each case by a certificate of the Company filed with the corporate Trustee), of all additional property acquired by the Company subsequent to the date of the execution and delivery of this Indenture and subjected (in the opinion of counsel filed with the corporate Trustee) to the lien hereof, subject to no lien prior to the lien hereof, and which such additional property shall not have been made the basis for the authentication and delivery of Bonds or the withdrawal of cash or the release of property hereunder (such fact to be evidenced by a certificate of the Company filed with the corporate Trustee), less (2) the sum of (a) depreciation to the date of the last annual report of the Company preceding the application for authentication and delivery of Bonds on all the properties above described in subparagraphs (a), (b), (c) and (d) (as evidenced by a certificate of the Company filed with the corporate Trustee), and (b) the aggregate value of all property released from the lien hereof subsequent to the date of the execution and delivery of this Indenture (as evidenced in each case by the certificate or certificates as to such value theretofore or then being filed with the corporate Trustee). The Trustees may rely upon an opinion of counsel to the effect that any particular piece of property no longer remains subject to a lien prior to the lien of this Indenture. For the purpose of this paragraph liens for taxes or assessments not delinquent, undetermined liens or charges incidental to construction, easements and other similar encumbrances existing on any property which, in the opinion of counsel (filed with the corporate Trustee), do not impair the use of such property by the Company and liens securing bonds all of which, concurrently with or previous to the authentication and delivery of the Bonds applied for, shall be or have been deposited with the corporate Trustee or with the trustee or mortgagee of some other prior lien or a refundable lien upon such property shall not be deemed liens prior to the lien of this Indenture.

Whenever the Company,

(1) by compliance in all respects with the provisions of this article Four, shall have secured the authentication and delivery of Bonds under this Article Four, or

(2) by compliance in all respects with the provisions of Section 21 hereof, shall have withdrawn Deposited Cash under the provisions of said Section 21, upon the basis of the acquisition of additional property.

then all outstanding bonds shown, by the certificate filed with the corporate Trustee as provided in Paragraph B. of Section 17 hereof, to be secured by a prior lien of liens upon such additional property and not deposited as aforesaid shall, for the purpose of this Indenture, forthwith become, and be deemed to have been established as, refundable bonds and upon the basis of the deposit, payment, redemption or other retirement of such refundable bonds, Bonds may be authenticated and delivered under the provisions of Article Six hereof.

ARTICLE FIVE

ISSUANCE OF BONDS UPON DEPOSIT OF CASH WITH CORPORATE TRUSTEE.