

MORTGAGE RECORD U

SKAMANIA COUNTY, WASHINGTON

refundable bond, within six months of the maturity or date fixed for the redemption thereof, the money so deposited need include no amount to cover the interest which shall after said deposit become payable on said bond, anything hereinabove to the contrary notwithstanding.

The Company covenants and agrees that, unless a refundable lien shall in the opinion of counsel otherwise require, such bonds, either cancelled or uncanceled, as and when paid, redeemed, purchased or otherwise retired shall be deposited with the corporate Trustee hereunder; and no Bonds shall thereafter be authenticated and delivered under this Article Six in respect thereof.

SECTION 26. Every uncanceled bond secured by a prior lien, which shall be deposited with or acquired by the corporate Trustee under any provision of this Indenture, shall be stamped by the corporate Trustee with an appropriate legend to the effect that the same is no longer negotiable and is held by it in trust for the purposes of this Indenture; and such bond shall be held by the corporate Trustee as purchaser, without merger or extinguishment or impairment of lien, as part of the trust estate, unless and until disposed of as hereinafter in this Article Six authorized and directed.

Neither the principal of nor the interest on any bonds secured by a prior lien so deposited with the corporate Trustee shall be collected or be required to be paid, and all coupons representing such interest, as and when they become due and payable, shall be cancelled by the corporate Trustee and delivered upon the written order of any officer of the Company, unless and until an event of default as defined in Section 65 hereof shall happen or a default or other event shall happen whereby the right shall arise to enforce by foreclosure or otherwise the prior lien securing such bonds; but then and thereupon the principal of all such uncanceled bonds then so deposited, and all interest thereon maturing on or subsequent to the date upon which such default occurred, shall become collectable, and payment thereof may be demanded and enforced by the corporate Trustee while such default continues, ratably and equally with all other bonds secured by said lien not deposited with the corporate Trustee, and the corporate Trustee shall be entitled to take such action as the corporate Trustee, being advised by counsel, shall deem desirable or necessary in the premises.

SECTION 27. Whenever (a) all outstanding bonds secured by a prior lien (except any lost, stolen, mutilated or destroyed bonds for which satisfactory indemnity shall have been given and as to which the corporate Trustee shall have received the certificate of the trustee or mortgagee of such prior lien, and except also bonds for the payment of which due provision shall have been made by the deposit with the corporate Trustee hereunder or with the trustee or mortgagee of such prior lien of the amount due and to become due thereon for principal and interest, and premium, if any, as to which the corporate Trustee shall have received a similar certificate) shall have been deposited with the corporate Trustee hereunder, and (b) the corporate Trustee shall have received an opinion of counsel, that all the property then subject to such prior lien of the character covered by this Indenture has been subjected to the lien of this Indenture and that there are no liens upon the trust estate (other than the liens of taxes or assessments not delinquent and those herein otherwise permitted) junior to the lien of such prior lien and prior to the lien of this Indenture,—the corporate Trustee shall, on the written request of the Company, cancel or cause to be cancelled all bonds so deposited (if not previously cancelled), to the end that such prior lien may be discharged of record; and the Company covenants and agrees that it will cause such lien to be so discharged and that it will furnish the corporate Trustee with appropriate evidence thereof and of the cancellation or other destruction of such bonds.