

37

MORTGAGE RECORD U
SKAMANIA COUNTY, WASHINGTON

1935, was and is for the sole and exclusive benefit of the holders of said bonds and shall not be construed to be for the benefit of any other creditor or creditors of the Company, it being intended that the principal of said indebtedness shall be junior, inferior and subordinate only to the indebtedness evidenced by said bonds; and provided further that the foregoing covenant against payment of any part of the principal of said indebtedness to American Power & Light Company shall not apply to any loan or advance which has been or may be made to the Company by said American Power & Light Company after December 1, 1934.

V.

As provided in and by subdivision (b) of said Section XI of said Extension Agreement, as modified by the Order of Confirmation of Plan and Final Decree entered by said Court in said reorganization proceedings, and in conformity with said agreement between the Company and American Power & Light Company dated July 22, 1935, the Company will pay no dividend or dividends upon the common stock of the Company until all of the Company's said bonds shall have been paid or redeemed, or until the Company shall have fully provided for such payment or redemption and shall have deposited funds with the Trustee in the entire amount necessary therefor.

VI.

As provided in and by subdivision (c) of said Section XI of said Extension Agreement, the Company will pay no dividend or dividends upon the preferred stock of the Company unless, contemporaneously with the payment of such dividend or dividends, there shall be paid into the sinking fund provided for in Article IV of said Trust Indenture, for application by the Trustee as in Section 2 of said Article IV provided, an amount equal to thirty-three and one-third per cent ($33 \frac{1}{3}\%$) of any such dividend or dividends so paid upon the preferred stock of the Company; provided, however, that if the aggregate principal amount of bonds outstanding shall at any time be reduced otherwise than through the operation of said sinking fund, every such reduction shall, to the extent of the cost to the Company of effecting such reduction as certified to the Trustee by a vice-president of the treasurer of the Company, be credited against payments so required to be made into said sinking fund contemporaneously with the payment of any dividend or dividends upon the Company's preferred stock.

VII.

Except as otherwise expressly provided in this Supplemental Indenture, all the covenants and conditions of said bonds and all rights of the holders thereof and of the Company under said bonds and under the terms of said Trust Indenture, including particularly the terms of Section 1 of Article IV thereof with respect to the redemption of bonds (at 103% of their face value and accrued interest), shall remain unchanged and unimpaired; provided, however, that it shall not be a default under said Trust Indenture if any of the Company's rights, privileges or franchises shall have lapsed after the date of the entry of said Order of Confirmation, unless the Company, as a result of such lapse, shall no longer be able actually to carry on its business. Also, except as otherwise expressly provided herein, the Company shall comply with all the terms and provisions of said Trust Indenture and of the bonds issued thereunder and secured thereby.

VIII.

The lien and priority of said Trust Indenture and of the bonds issued thereunder shall be preserved notwithstanding any other provisions of this supplemental Indenture, and if and to the extent that any provision hereof or of the reference endorsement provided for in Section VII of said Extension Agreement, as modified by said Order of Confirma-