

MORTGAGE RECORD U
SKAMANIA COUNTY, WASHINGTON

(g) That no default, as defined in Section 1 of Article VII hereof, has occurred and is continuing.

(2) A certified copy of the resolution adopted by the Board of directors of the Company, authorizing and approving such expenditures, requesting the Corporate Trustee to authenticate and deliver bonds, specifying the principal amount of bonds applied for, the series and denominations thereof desired and all other particulars in respect thereof required or provided for in Section 2 of Article I hereof, and designating the officer or officers of the Company to whom or on whose written order such bonds shall be delivered.

(3) Where the expenditure is for work done or material purchased, a sworn statement of an engineer, who may be in the employ of the Company, selected by the Company, and satisfactory to the Corporate Trustee, stating:

(a) That the work has been done or the material acquired.

(b) The cost thereof.

(c) That such cost in the opinion of the signer is not more than the fair value of the work or materials, or, if, in the opinion of the signer, the fair value thereof is less than the actual cost the fair value thereof.

Such sworn statement shall be accompanied by an opinion of counsel, satisfactory to the Corporate Trustee, who may be counsel for the Company, to the effect that there are on record, undischarged, no liens of laborers, materialmen or contractors in respect of such work or materials.

(4) Where the additional property acquired consists in whole or in part of real estate:

(a) An opinion of counsel, satisfactory to the Corporate Trustee, who may be counsel for the company, showing title thereto in the company free from all liens and encumbrances; or stating the encumbrances thereon and that such encumbrances do not interfere with the use of such property by the Company for the purposes for which it was acquired.

(b) A conveyance thereof to the Trustees, satisfactory in form to the Trustees, subjecting such property to the lien hereof, together with an opinion of counsel aforesaid that such conveyance has been duly authorized and is sufficient for such purpose.

(5) Where the additional property acquired is a telephone plant or property substantially as an entirety located either in the State of Oregon or in the State of Washington, or in both said states, an opinion of an engineer, who may be in the employ of the company, or if the consideration paid or to be paid therefore exceeds \$100,000, an opinion of an independent engineer, selected by the Company and satisfactory to the Corporate Trustee, to the effect that such plant or property is located either in the State of Oregon or in the State of Washington, or in both said states, is physically connected or capable of physical connection with other property of the Company, and is used or useful in the public utility business of the Company, and stating the fair value of the plant or property so acquired.

(6) A certificate signed by the President or Vice-President and the Treasurer or Assistant Treasurer of the Company, setting forth the amount of the earnings of the Company available for interest for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the first day of the month in which the application for the authentication and delivery of bonds is made, and showing how the same has been calculated.

(7) An opinion of counsel, satisfactory to the Corporate Trustee, who may be counsel