

# MORTGAGE RECORD U

## SKAMANIA COUNTY, WASHINGTON

otherwise than from depreciation reserve and in respect of which no bonds have been issued under Section 2 of this Article II,--and provided further that if the interest rate upon the bonds so requested to be authenticated is in excess of the interest rate upon the bonds retired or to be retired the request of the Company shall be accompanied by a certificate of earnings available for interest in the form required by Section 2 of this Article II. All bonds retired under the provisions of this Section 4 shall be cancelled and cremated by the Corporate Trustee and a certificate of cancellation and cremation delivered to the Company.

Section 5. Except as is herein in Section 4, 10 and 11 of Article I, and in Sections 1, 2, 3 and 4 of this Article II provided, no bonds secured or intended to be secured by the lien of this indenture shall be executed by the Company or authenticated by the Corporate Trustee.

Section 6. The resolutions, certificates and other instrument provided for in Sections 2, 3 and 4 of this Article II may be accepted by the Corporate Trustee as satisfactory evidence as to the statements therein contained, and shall be full authority to the Corporate Trustee for the authentication and delivery of the bonds, and the Corporate Trustee shall be entitled conclusively to rely thereon; but before authenticating and delivering any bonds requested under the provisions of Sections 2, 3 or 4 of this Article II, the Corporate Trustee may in its discretion, and shall, if requested in writing so to do by the holders of not less than twenty-five per cent in aggregate principal amount of bonds then outstanding hereunder and furnished with security and indemnity satisfactory to it, cause to be made such independent investigation as it may see fit, and in that event, may decline to authenticate and deliver any such bonds unless satisfied by such investigation of the truth and accuracy of the statements in such resolutions, certificates and other instruments on the basis of which the authentication of the bonds is requested. The expense of such investigation, regardless of the results thereof, shall be paid by the Company, or, if paid by the Corporate Trustee, shall be repaid by the Company upon demand. However, in the event such investigation is made at the request of the bondholders and it establishes the correctness of the application of the Company, then the expense of such investigation shall be borne by the bond-holders.

Section 7. The Corporate Trustee shall not be required to authenticate and deliver any bonds under the provisions of this Article II if the Company shall, to the knowledge of the Corporate Trustee, be in default as defined in Section 1, Article VII, hereof. Upon authenticating and delivering any bonds hereunder the coupons thereon then matured shall be cancelled and cremated by the Corporate Trustee and a certificate of cancellation and cremation thereof delivered to the Company.

### ARTICLE III Particular Covenants by the Company

The company hereby covenants with the Trustees as follows:

Section 1. At and until the ensealing and delivery of these presents it is well and lawfully seized of the trust estate as a good and indefeasible estate in fee simple or possession absolute according to the nature of the property conveyed; it has good right to mortgage and pléde the same as herein written; the trust estate is free and clear of all encumbrances whatsoever; and it will warrant and defend the trust estate against all lawful claims and demands whatsoever.

Section 2. It will execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purposes of this indenture, and to make subject to the lien hereof any property hereafter acquired and to transfer to any new trustee or trustees the estate, powers, instruments or funds