

MORTGAGE RECORD U

SKAMANIA COUNTY, WASHINGTON

Section 7. All property of the kind and character hereinbefore described and hereby mortgaged and pledged and intended so to be, which the Company shall hereafter acquire, shall be and become a part of the trust estate and subject to the lien of this indenture and all indentures supplemental hereto as fully and completely as though specifically described in the granting clause hereof, but the Company will, upon written request of the Trustees, by proper instrument or instruments supplemental hereto subject the same to the lien of this indenture to the same extent as similar property owned and held by the Company at the time of the execution hereof.

Section 8. The Company will, as the same become due, pay all governmental and public charges of every kind and all taxes and assessments which may be lawfully levied and imposed by any taxing authority upon it and all of its property and upon all of the trust estate and the income, rents, issues and profits thereof, as well as all water rates and all lawful claims for labor, materials and supplies, which, if unpaid, might become a valid lien or charge upon the trust estate or other property of the Company, or any part thereof, prior to the lien hereof, so that the priority of this indenture shall be fully preserved; and it will not create or suffer to be created any mechanic's, laborer's, statutory or other lien or charge whatsoever upon the trust estate or other property of the Company, or any part thereof, or upon the income, rents, issues and profits thereof, which might or could be prior to the lien of this indenture, or do or suffer any matter or thing whereby the lien of this indenture might or could be impaired.

The Trustees shall have the right, if the Company shall fail to pay any of the governmental or public charges, taxes, assessments or water rates above mentioned after the same shall be due, to pay the same; and the Trustee shall have the right, if any of the other liens above referred to which may be lawfully outstanding against the trust estate or other property of the Company shall be permitted to remain outstanding, to pay and discharge such lien or liens and thereupon and in any of said cases the Company will, upon demand, re-pay to the Trustees the amount so paid with interest at the rate of 6 per cent per annum upon the amount thereof from the time the same was paid, as well as the charges of the Trustees in connection therewith and the amount of such payments and the interest thereon, and said charges shall, until repaid, constitute a lien upon the trust estate prior to the lien of the bonds; but the Trustees shall not be under any obligation to make such payments unless furnished with the necessary funds by the bondholders or otherwise. Nothing in this Section or herein elsewhere contained shall require the Company or permit the Trustees to pay any such governmental or public charges, taxes, assessments, water rates, liens or other charges so long as the Company shall in good faith and by appropriate legal proceedings contest the validity thereof and give the Trustee security for the ultimate payment of the amount found to be due.

Nothing in this section or herein elsewhere contained shall be construed to prevent the Company from receiving title to property subject to mortgage indebtedness, provided such indebtedness shall not exceed 65 per cent of the purchase price of the property acquired, nor to prevent the Company, subject to the foregoing limitation, from executing and delivering mortgages to secure part of the purchase price of additional property acquired by it. Company, however, shall not acquire property subject to a prior lien if amount of such prior lien at the time exceeds 10% of the amount of bonds secured by this indenture then outstanding.

Section 9. The Company will diligently preserve and maintain all the rights, privileges and franchises to it granted and upon it conferred and will duly observe and conform to all valid requirements of any governmental authority relative to any of the