

MORTGAGE RECORD U
SKAMANIA COUNTY, WASHINGTON

(d) The balance, if any, remaining of the amount so set aside as of the end of the fiscal year.

Upon delivery of such certificate the Company will deposit with the Corporate Trustee in cash an amount of money equal to the balance so remaining at the end of each fiscal year; provided, however, that the same may be withdrawn by the Company within five years from and after the date of such deposit to reimburse the Company for (1) the full amount of the cost of any physical property replacements, extensions, improvements and/or additions, (2) expenditures for which bonds might otherwise be issued hereunder, or (3) upon written direction of the Company may be used, and upon the expiration of five years shall be used, for the redemption and cancellation of bonds in accordance with the sinking fund provision of Article V hereof, but the moneys so used for the redemption and cancellation of bonds shall not be credited upon but shall be in addition to the amounts required to be paid into the sinking fund under Section 1 of Article V hereof.

Notwithstanding any other provisions of this indenture and without regard to the earnings of the Company available for interest, such cash or funds may be withdrawn to the full extent of the net amounts expended by the Company for property replacements, extensions, improvements and/or additions and expenditures for which bonds might otherwise be issued hereunder. The Corporate Trustee shall not permit the withdrawal of such funds until the right of the Company to withdraw the same shall have been substantiated by evidence similar to that required for the issue and appropriation of bonds under Section 2 of Article II of this indenture so far as such requirements may be applicable. No expenditures which are used for the withdrawal of funds as in this Section 11 provided shall be available for the authentication of bonds or for the withdrawal of other moneys or release of property hereunder, and no bonds redeemed, purchased or retired through expenditures certified and applied under the requirements of this Section shall be available as the basis for the authentication or issue of other bonds under this indenture.

Section 12. The Company will keep the trust estate insured against loss by fire and wind to the extent that property of similar character is usually so insured by companies owning and operating similar property similarly situated, by a reputable fire insurance company or companies, any loss to the extent of Ten Thousand Dollars (\$10,000.00) or more to be made payable to the Trustee hereunder, as their interests may appear, or to the Trustees and other holder of any mortgage or other lien prior hereto, if the terms thereof require losses so to be made payable; except that any loss to material or supplies may be paid directly to the Company. The Company will annually furnish the Corporate Trustee and at the request of the Trustees will furnish them at any time with a statement of any insurance policies then outstanding and in force upon the trust estate, or any part thereof including the names of the insurance companies which have issued the policies, the amounts and expiration dates thereof, the annual premiums thereon and in general terms the property covered thereby, and upon demand will exhibit such policies to the Trustees. The Trustees shall have no responsibility whatever with respect to the risks insured against, the insurers, or the amount of such insurance, and shall be under no duty with respect to any such statement except to exhibit the same to any bondholder upon request.

All moneys received by the Trustees as proceeds of any insurance against loss or damage shall be held by the Corporate Trustee and shall be turned over by it to the Company at any time within two years after the receipt thereof either (a) to reimburse the Company for an equal amount spent in rebuilding or renewal of the property destroyed or damaged, upon receipt by the Corporate Trustee of certificates signed and verified by the President or Vice-President and by an engineer of the Company setting out in reasonable