

MORTGAGE RECORD U

SKAMANIA COUNTY, WASHINGTON

effective either to stop the accruing of interest upon bonds called for redemption or for any other purpose unless the deposit aforesaid required by this section shall have been made on or prior to the designated redemption date.

Section 4. If the notice of redemption shall be given as prescribed in Section 2 of this Article IV, the bonds designated therein shall be deemed to have been duly called for redemption and shall be due and payable at the rate, place and price stated in such notice and if payment of the redemption price of such bonds shall be duly provided for as prescribed in Section 3 of this Article IV, unless at or after the designated redemption date aforesaid payment shall be refused upon presentation and surrender thereof as herein provided, such bonds shall cease to bear interest from and after the designated redemption date and the coupons on such bonds maturing subsequently thereto shall be void and such bonds and coupons shall thereafter be excluded from the lien and security afforded by this indenture and from any benefit hereunder except to be paid from the moneys deposited for that purpose with the Corporate Trustee. Any moneys so deposited remaining unclaimed by the holders of bonds and coupons for ten years after the specified redemption date shall be paid by the Corporate Trustee to the Company upon its written request and upon furnishing the Corporate Trustee such indemnity (if any) as the Corporate Trustee may require, and such holders of bonds and coupons shall thereafter be entitled to look only to the Company for payment thereof; provided, however, that the Corporate Trustee, before being required to make any such payment to the Company, may, at the expense of the Company, cause notice that said moneys remain unclaimed as aforesaid and that after a date named therein any unclaimed balance thereof will be returned to the Company, to be published once a week for four successive weeks in a newspaper of general circulation published in the City of Chicago, Illinois, and in a newspaper of general circulation published in the City of Seattle, Washington.

Section 5. All bonds redeemed under the provisions of this Article and the coupons thereof shall be forthwith cancelled and cremated by the Corporate Trustee and a certificate of such cancellation and cremation delivered to the Company.

Section 6. The Company shall pay all expenses incurred by the Corporate Trustee under this Article.

ARTICLE V SINKING FUND.

Section 1. Company will create a sinking fund for its bonds of the 4 $\frac{1}{2}$ % Series, due 1958, and all subsequent issues and will pay into such sinking fund in cash:

(a) On or before December 1, 1939, and on or before December 1st in each succeeding year while any of the bonds are outstanding, an amount sufficient to retire 2% of the par value of the maximum amount of bonds theretofore authenticated:

(b) If, on December 1, 1943, and on December 1st in any succeeding year while any of the bonds are outstanding, the amount of funded debt outstanding exceeds the sum of:

(1) the stated value of preferred stock outstanding;

(2) the stated value of common stock outstanding;

(3) earned surplus after deducting earned surplus on November 30, 1938, and also deducting all declared or unpaid cash dividends on capital stock;

the Company covenants to pay into the sinking fund an additional amount sufficient to retire an additional 1% of the par value of the maximum amount of bonds theretofore authenticated. Such payments shall be made only to the extent that net income in each year (as defined below) is available therefor, but such payments shall be cumulative and any deficiency shall be made up before cash dividends are declared upon the capital stock of the Company as