

487

**MORTGAGE RECORD U**  
**SKAMANIA COUNTY, WASHINGTON**

section defined) made, installed or constructed subsequent to January 1, 1939, or in the process of construction or erection, insofar as actually constructed or erected subsequent to January 1, 1939, provided, however, that no additional bonds shall be authenticated by the Corporate Trustee or delivered to the Company until and unless the Corporate Trustee shall have received from the Company the showings and certificates provided for in Section 15 of this Article.

(b) Except as hereinafter in this section provided, the term "new property" shall include only plants, property, appurtenances, appliances and equipment necessary or desirable in the operation and use of, or intended for future use in the operation of telephone or telegraph systems or other methods for the communication of intelligence, and situated within the States of Washington, Oregon, California, Nevada, Idaho or Montana, and purchased, acquired or constructed as an entirety or substantially as an entirety by the Company and subject to the lien of this Indenture.

Except as hereinafter in this section provided, the term "permanent additions" shall include permanent improvements, extensions or additions to the properties now owned by the Company, or to new property, and completely constructed or erected or installed by the Company or in process of construction or erection after January 1, 1939, so far as actually constructed or erected after said date and subject to the lien of this Indenture.

The terms "new property" and/or "permanent additions" shall not include:

- (1) any shares of stock, bonds, evidences of indebtedness or other securities or contracts.
- (2) any stock of goods, wares and merchandise, tools, materials or supplies acquired for the purpose of sale or resale in the usual course of business or for the purpose of consumption in the operation of any of the properties of the Company.
- (3) any motor cars or vehicles.
- (4) any property acquired or constructed by the Company in keeping or maintaining the mortgaged property in good repair, working order and condition, or to renew or replace, or in substitution for old, inadequate, abandoned or worn out property, provided, however, that whenever any such property is renewed or replaced by, or there is substituted for any such property, other property costing more than the property renewed, abandoned or replaced, (as such cost is reflected on the books of the Company) or for which such other property is substituted, then to the extent of such excess cost and to such extent only, such property so acquired, made or constructed, shall be deemed permanent additions.
- (5) any good-will, contracts, or operating agreements.

(c) None of said remaining bonds authorized to be issued hereunder shall be authenticated or delivered at any time under the provisions of this Article upon the basis of the acquisition or construction of:

- (1) any property not included within the definitions of new property or of permanent additions, as hereinbefore in this section set forth; or
- (2) any property which previously has been made the basis for the authentication and delivery of bonds hereunder or for the withdrawal of cash under any of the provisions of this Indenture or taken or used as a credit to or deduction from the Depreciation Fund provided for in Article III hereof; or
- (3) any property representing insurance moneys received or the proceeds of property released from the lien hereof or the proceeds of property taken from the