

MORTGAGE RECORD U  
SKAMANIA COUNTY, WASHINGTON

period may, at the option of the Company, be included in "net earnings" for all purposes of this Indenture.

The term "net earnings certificate" shall mean a certificate signed and sworn to by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company, stating the amount of "net earnings" for the specified period, computed as provided in this section, and showing in reasonable detail, how the same has been calculated.

Section 15. Remaining bonds provided to be issued under section 13 hereof shall be authenticated and delivered from time to time, but only on receipt by the Corporate Trustee of--

I. The written order of the Company signed by its President or a Vice-President and attested by its Secretary or an Assistant Secretary under its corporate seal.

II. A certified copy of a resolution or resolutions of the Board of Trustees of the Company authorizing such order and determining and specifying (subject to the provisions of this Indenture) the series, date, maturity, rate of interest and dates of payment thereof, place or places of payment of interest and/or principal, in addition to said office of the Corporate Trustee, tax reimbursement, redemption and/or conversion provisions, if any, denominations and/or any other appropriate provisions permitted by this Indenture.

III. The sworn statement of the President or a Vice-President and of an engineer (who may be an employee of the Company) appointed by the Company and satisfactory to the Corporate Trustee, showing:

(a) that in addition to the properties of the Company, as such properties existed on January 1, 1939, and not released from the lien of this Indenture as hereinafter provided, the Company has constructed, purchased or acquired new property and/or permanent additions, as defined in Section 13 of this Article, stating with reasonable detail the nature and extent of such properties so constructed, purchased or acquired, the actual expenditures made by the Company therefor, and the fair value, as defined in Section 13 of this Article, thereof.

(b) that none of such new property and/or permanent additions

(1) consist of any property or any interest in the same which has not been or is not simultaneously with the issue of such bonds, subjected to the prior lien of this Indenture, except the lien for taxes, assessments or other governmental charges not delinquent;

(2) have been acquired or constructed out of any insurance moneys or the proceeds of property taken from the Company by eminent domain, or the proceeds of the sale by the Company of any property not released by the Trustees from the lien of this Indenture.

(3) are subject to any valid vendor's, contractor's mechanic's or materialman's liens, or any mortgage or other lien prior to the lien of this Indenture, except the lien for taxes, assessments or other governmental charges not delinquent, until and unless such lien has been fully prepaid, as defined in subdivision (e) of Section 13 of this Article;

(c) the extent, if any, to which such new property and/or permanent additions, conformably with the provisions of this Indenture, have been previously made the basis for the authentication and delivery of bonds or the withdrawal of cash, or used as a credit to or deduction from the Depreciation Fund provided for in Article III hereof; and the balance, if any, at the time of such application to the Corporate Trustee, which may