

MORTGAGE RECORD—V

SKAMANIA COUNTY, WASHINGTON

PIONEER INC., TACOMA 156769

Corporate Trustee that the signer is not in the regular employ of the Company or any affiliate thereof and is not an affiliate or a director or officer of the Company or of an affiliate) to be selected by the Corporate Trustee and approved by the Board of Directors or Executive Committee of the Company, stating in the opinion of the signer the Fair Market Value in cash of such securities at the time of delivery thereof in payment for or for the acquisition of such Property Additions. If any such Property Additions are shown by such Engineer's Certificate to include property which has been used or operated in the public utility business by others than the Company, the appraised value of the securities stated to have been delivered in payment therefor or for the acquisition thereof may include the value of any portion of the securities delivered for any rights and intangible property simultaneously acquired with the same, for which no separate or distinct consideration shall have been paid or apportioned, and in such case the term Property Additions as defined herein may include such rights and intangible property;

(6) a Net Earning Certificate showing the Net Earnings of the Company to be as required by Section 27 hereof;

(7) an Opinion of Counsel stating the signer's opinion to the effect:

(a) that (except as to paving, grading and other improvements to, under or upon public highways, bridges, parks or other public property of analogous character) this Indenture is, or upon the delivery of, and/or the filing and/or recording in the proper places and manner of, the instruments of conveyance, assignment or transfer, if any, specified in said opinion, will be, a lien on all the Property Additions made the basis of such application, subject to no lien thereon prior or equal to the Lien of this Indenture, except Prior Liens and Excepted Encumbrances and, if any such Property Additions are located on any leasehold, that the Company has the right to remove the same prior to or upon the termination of such leasehold;

(b) that the Company has corporate authority and all necessary permission from governmental authorities to operate the Property Additions in respect of which such application is made; and

(c) that the general nature and extent of Prior Liens, and the principal amount of the then Outstanding Prior Lien Bonds secured thereby, if any, mentioned in the accompanying Engineer's Certificate, are correctly stated;

(8) an Opinion of Counsel stating the signer's opinion to the effect that the issue of the bonds has been duly authorized by the Company and by any and all governmental authorities the consent of which is requisite to the legal issue of such bonds, specifying any officially authenticated certificates, or other documents, by which such consent is or may be evidenced, or that no consent of any governmental authorities is requisite, and further stating the signer's opinion to the effect that the Company has sold or contracted to sell or to issue for value such bonds, or contracted to pledge such bonds to secure indebtedness of a principal amount not less than seventy-five per centum (75%) of the principal amount of such bonds;

(9) the instruments of conveyance, assignment and transfer, if any, specified in the Opinion of Counsel provided for in subdivision (7) above; and

(10) the officially authenticated certificates, or other documents, if any, specified in the Opinion of Counsel provided for in subdivision (8) above.

If, in order to render the Opinion of Counsel provided for in subdivision (7) or