

MORTGAGE RECORD—V

SKAMANIA COUNTY, WASHINGTON

PIONEER, INC., TACOMA—156769

Property as were necessary to maintain the same as an operating system or systems in good repair, working order and condition, or stating that in the opinion of the signers there should be expended for such purposes (in addition to the expenditures made therefor in such calendar year) an amount to be designated by the signers, and the Company covenants that, if such certificate states that any amount therein designated should be expended for such purposes, it will, within thirty (30) days after the filing of such Engineer's Certificate (unless a request for an Independent Engineer's Certificate is made by the Corporate Trustee as hereinafter provided), deliver to the Corporate Trustee:

(1) a Treasurer's Certificate stating:

(a) the total of all amounts expended for such purposes subsequent to the close of such calendar year;

and which may also state:

(b) an aggregate principal amount of bond(s) or fraction of a bond to the authentication and delivery of which the Company shall be entitled under any of the provisions of this Indenture (other than those contained in Section 30 hereof) by virtue of compliance with all applicable provisions of this Indenture (except as hereinafter in this Section otherwise provided); and that the Company elects to make its right to the authentication and delivery of such bond(s) or fraction of a bond the basis of a credit under this Section.

(2) an amount in cash equal to the amount, if any, by which the amount designated in such Engineer's Certificate exceeds the total of all amounts expended for such purposes subsequent to the close of such calendar year as stated in the Treasurer's Certificate referred to in subdivision (1) above; provided, however, that there shall be credited against the amount of cash deliverable to the Corporate Trustee pursuant to this subdivision (2) an amount equal to ten-sixths ($10/6$) of the aggregate principal amount of bonds set forth in subdivision (b) of such Treasurer's Certificate.

The Corporate Trustee may, in its discretion, (but shall not be obligated so to do, unless requested in writing by the holders of at least twenty-five per centum (25%) in principal amount of bonds then Outstanding hereunder and indemnified to its satisfaction) within thirty (30) days after the date of the filing of an Engineer's Certificate, as provided in this Section, notify the Company in writing that an Independent Engineer's Certificate is desired respecting the matters covered by such Engineer's Certificate, and in that event the Company within sixty (60) days after the receipt of such written notice, shall file with the Corporate Trustee an Independent Engineer's Certificate with respect to the matters covered by such Engineer's Certificate.

If such Independent Engineer's Certificate shall state that there has been expended a sufficient amount for such purposes or shall state that an amount equal to, or less than, the amount designated in the Engineer's Certificate filed by the Company with the Corporate Trustee should be expended for such purposes, it shall be final and binding upon the bondholders, the Company and the Corporate Trustee, and, within fifteen (15) days after the filing of such Independent Engineer's Certificate, the Company shall deliver to the Corporate Trustee a Treasurer's Certificate of the character specified in subdivision (1) above and an amount in cash equal to the amount, if any, by which the amount stated in such Independent Engineer's Certificate exceeds the total of all amounts expended for such purposes subsequent to the close of such calendar year as stated in such Treasurer's Certificate; provided, however, that there shall be credited against the amount of cash so deliverable