

MORTGAGE RECORD—W

SKAMANIA COUNTY, WASHINGTON

any of the mortgaged property or with moneys deposited with the Trustee to offset a maintenance deficit; or

(c) Theretofore used as the basis for the issue of bonds under this Article Five, or delivered to the Trustee in lieu of payments for any sinking fund or to offset any maintenance deficit or credited under any other requirement hereof;

(4) An opinion of counsel stating that said additional bonds when duly authenticated and delivered will be secured by the lien of this Indenture.

SECTION 5.02. No bonds shall be authenticated and delivered under the provisions of this Article except (i) bonds which bear an interest rate no higher than that of the bonds which they are to refund or (ii) bonds issued to refund bonds which have been outstanding more than three years and which have an expressed maturity not later than two years from the date on which such refunding bonds are to be issued unless a net operating earnings certificate shall have been filed from which it shall appear that the net operating earnings of the Company for the period covered by such certificate were at least equal to twice the annual bond interest requirements therein stated.

ARTICLE SIX.

BONDS AGAINST CASH.

SECTION 6.01. Additional bonds of any series may be issued under this Indenture from time to time equal in principal amount to the amount of cash at the time deposited with the Trustee (provided, nevertheless, that no bonds shall be issued against cash required to be deposited with the Trustee under any provision of this Indenture). Bonds so issued may be executed by the Company and delivered to the Trustee and the Trustee shall authenticate and deliver the same to or upon the order of the Company upon receipt of:

(1) The documents required by the provisions of Section 4.03 hereof;

(2) A certificate dated as of the date of the delivery of such bonds signed and verified by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company stating that the Company is not in default hereunder;

(3) A net operating earnings certificate;

(4) Cash in an amount equal to the principal amount of the bonds to be authenticated;

if it shall appear by the net operating earnings certificate responsive to subparagraph (3) of this Section that the net operating earnings for the period covered by such certificate are at least equal to twice the annual bond interest requirements therein stated.

SECTION 6.02. Cash received by and on deposit with the Trustee under the provisions of this Article may, on orders of the Company, be withdrawn from time to time to the extent of sixty per cent. (60%) of net bondable expenditures for property additions, as shown by the certificate of net bondable expenditures for property additions, as required by the certificate of net bondable expenditures for property additions required by (1) below of this Section, upon receipt by the Trustee of:

(1) A certificate of net bondable expenditures for property additions dated as of a date within sixty (60) days of the date on which such cash is to be withdrawn;

(2) A certificate dated as of the date of the withdrawal of such cash signed and verified by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company stating that the Company is not in default hereunder;

(3) If there be included in such certificate of net bondable expenditures for property additions any new gross expenditures the documents required by (i), (ii), and (iii) of subparagraph (4) of Section 4.05 hereof.

ARTICLE SEVEN.

REDEMPTION OF BONDS.

SECTION 7.01. Whenever the Company shall determine to exercise any optional right it may have to redeem bonds of any series issued hereunder, it shall file with the Trustee not less than five (5) days prior to the first date upon which notice by publication