

## MORTGAGE RECORD-Y

SKAMANIA COUNTY, WASHINGTON

536 ENGINEER, INC., TACOMA--2241

Mortgage Record Y

SECTION 2.01. Upon the execution of this Second Supplemental Indenture the Company shall execute and deliver to the Trustee, and the Trustee shall authenticate and deliver to, or upon the order of, the Company bonds of Series C in the form of fully registered bonds without coupons in the aggregate principal amount of Seven Hundred Fifty Thousand Dollars (\$750,000), provided, nevertheless, that the said bonds shall not be issued unless prior to or simultaneously with their issue the Company shall not only have complied with the provisions of the Original Indenture respecting such issue, but shall have deposited with the Trustee either \$350,000 in cash or an amount of cash equal to the aggregate principal amount of bonds being issued under the provisions of Article Six of the Original Indenture, whichever is the greater.

SECTION 2.02. The Company shall not be permitted to withdraw any of the cash to which reference is made in Section 2.01 hereof unless, in addition to having met the requirements of Section 6.02 of the Original Indenture for the withdrawal of so much thereof as (regardless of the provisions of Section 2.01 hereof) would have been required to be deposited with the Trustee because of the provisions of Section 6.01 of the Original Indenture, it shall have increased by One Hundred Fifty Thousand Dollars (\$150,000) the amount of capital of the Company represented by cash invested, since December 31, 1950, in common or preferred stock of the Company, or both.

In the absence of bad faith the Trustee shall be permitted to rely conclusively on a certificate signed and verified by the President or a Vice President and the Treasurer or an Assistant Treasurer of the Company to the effect that its capital has been so increased.

## ARTICLE THREE

## AMENDMENTS TO ORIGINAL INDENTURE

SECTION 3.01. Section 8.17 of the Original Indenture is amended by substituting for said entire Section the following:

"SECTION 8.17. It will not apply any sum to the redemption, retirement or purchase of any share of its common stock, nor to the payment of any dividend or other disbursement thereon (exclusive of dividends payable in its common stock) if, after such application shall have been made, the aggregate of such sum and all sums so applied since December 31, 1950, together with the aggregate of all sums which since said date have been or concurrently are being applied to the redemption, retirement or purchase of shares of its preferred stock or to the payment of dividends thereon (exclusive of dividends payable in its capital stock) would exceed the Company's net income since said date (treated as one accounting period), plus Fifty Thousand Dollars (\$50,000)."

SECTION 3.02. Section 12.01 of the Original Indenture is amended by substituting for said entire Section the following:

"SECTION 12.01. All moneys required to be deposited with or paid to the Trustee under any provision hereof shall be held by it in trust. Except as hereinafter in this Section provided such moneys shall not be invested by the Trustee, and except for moneys deposited with or paid to the Trustee for the redemption of bonds, notice of the redemption of which has been duly given, shall, while held by it, constitute part of the trust estate and be subject to the lien hereof. Except as permitted by, and when adequately secured in accordance with, the regulation of the Board of Governors of the Federal Reserve System, none of the moneys paid to or deposited with the Trustee shall be intermingled with other funds of the Trustee.

"Any moneys deposited with or paid to the Trustee under any provision hereof, except sinking fund moneys or moneys deposited with or paid to the Trustee for the redemption of bonds, notice of the redemption of which has been duly given, may, upon orders of the Company requesting such action, be invested by the Trustee, for the Company, in United States Government Bonds (hereinafter sometimes referred to as "Government Bonds"), having maturities not later than two years from the date of their purchase. Such Government Bonds may be registered in the name of the Company but shall be endorsed by the Company or otherwise held by the Trustee in such form as to be transferable and deliverable by the Trustee. So long as no unremedied event of default exists, the Company shall be permitted to collect or receive from the Trustee interest paid on such Government Bonds. Upon the occurrence of such an event of default the Trustee shall, however, cause any such Government Bonds which are in registered form and are not registered in its name to be transferred into its name as such Trustee and shall collect the interest thereafter accruing. When and if such event of default shall have been cured, any interest then remaining on deposit with the Trustee may be paid over to the Company upon receipt of an order of the Company requesting such payment and the Trustee shall cause any of such Government Bonds to be registered again in the name of the Company in like manner as hereinbefore provided. Such Government Bonds shall be sold by the Trustee pursuant to