

ney at the office of the Spokane and Eastern Branch of Seattle-First National Bank, or of its successor as Trustee under the Indenture, in the City of Spokane, Washington, upon surrender and cancellation of this bond, and thereupon a new registered bond without coupons of the same principal amount, will be issued to the transferee in exchange herefor. The Company will pay the interest on any registered bond without coupons only to the owner registered on the Company's books at the close of business on the day preceeding the date interest is to be paid, according to the terms thereof, by check mailed to such registered owner, at the address of such owner as shown on such books, by the Spokane and Eastern Branch of Seattle-First National Bank or its successor as Trustee under the Indenture without presentation of the bond to the Trustee and endorsement of interest by it on such registered bond. This bond may in like manner be exchanged for one or more new registered bonds without coupons, of authorized denominations, and of the same aggregate principal amount, or the registered owner of this bond may at his option surrender the same for cancellation and exchange for coupon bonds of the same aggregate principal amount, having attached thereto all coupons maturing after the interest payment date on which interest was last paid hereon, which coupon bonds may in turn be exchanged for registered bonds without coupons, dated as specified in the Indenture and of the same aggregate principal amount, all as provided in the Indenture. Upon each such transfer and exchange, the Company may require the payment of charges as in the Indenture prescribed. The Company and the Trustee may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment and for all other purposes.

No recourse shall be had for the payment of the principal of or interest on this bond, or for any claim based hereon, or upon any obligations, covenant or agreement in the Indenture, against any incorporator or any past, present or future shareholder, officer or director of the Company or of any successor corporation, as such, either directly or through the Company or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, all such liability of incorporators, shareholders, officers and directors, as such, being released by the registered owner hereof by the