

mental Indentures the Company has issued its First Mortgage Bonds, Series B, C and D; and

WHEREAS the Company has determined by due corporate action to provide for the immediate issuance, execution, authentication and delivery of One Million Dollars (\$1,000,000) in aggregate principal amount of said First Mortgage Bonds, to be known as the Company's First Mortgage Bonds, Series E, the said Series E bonds to be issued against net bondable expenditures for property additions under the provisions of Article Four of the Original Indenture; and

WHEREAS the fully registered bonds without coupons and the coupon bonds of Series E to be issued hereunder, the coupons to be attached thereto and the certificate of the Trustee to be endorsed on the bonds are to be substantially in the following forms respectively, to-wit:

Form of Series E Fully  
Registered Bond Without Coupons

No. \$  
OREGON-WASHINGTON TELEPHONE COMPANY  
First Mortgage Bond, Series E  
Due June 1, 1989

OREGON-WASHINGTON TELEPHONE COMPANY, a corporation of the State of Oregon (herein called the Company), for value received, hereby promises to pay to \_\_\_\_\_, or registered assigns, on the first day of June, 1989, the principal sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) and to pay interest thereon from the date hereof (unless this bond shall have been called for previous redemption and payment duly provided therefor) at the rate of five and one-eighth per cent. (5 1/8%) per annum, payable semiannually on the first day of June and the first day of December in each year until said principal sum is