

the holders of a majority in amount of the bonds then outstanding, shall by notice in writing delivered to the Mortgagor Company, declare the principal of all the bonds then outstanding to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable, anything in this Indenture or in said bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition, that if, at any time after the principal of said bonds shall have been so declared due and payable, all arrears of interest upon all such bonds, with interest at the rate of five (5) per cent. per annum on overdue installments of interest, the expenses of the Trustee, and all other amounts in respect to which the Mortgagor Company shall then be in default under this Indenture, other than the principal of the bonds, shall either be paid by the Mortgagor Company, or be collected out of the mortgaged estates, properties and franchises, before any sale thereof shall have been made, then and in every such case, the holders of a majority the Mortgagor Company and to the Trustee, may waive such default and its consequences but no such waiver shall extend to or affect any subsequent default, or impair any right consequent thereon. In case the Trustee shall have proceeded to enforce any right under this Indenture, by foreclosure, entry or otherwise and such proceedings shall have been discontinued or abandoned because of such waiver, or for any other reason, or shall have been determined adversely to the Trustee, then and in every such case the Mortgagor Company and the Trustee shall be restored to their former position and rights hereunder in respect of the mortgaged estates, properties and franchises, and all rights, remedies and powers of the Trustee shall continue as though no such proceedings had been taken.

Section 3. In case (1) default shall be made in the payment of any interest on any bond or bonds secured by this Indenture or in the performance of any of the covenants of the Mortgagor Company contained in Section 6 of Article Two hereof, and any such default shall have continued for a period of sixty days; or in case (2) default shall be made in the due and punctual payment of the principal of any of said bonds; or in case (3) default shall be made in the due observance and performance of any other covenant or condition herein required to be kept or performed by the Mortgagor Company, and any such last mentioned default shall have continued for a period of sixty days after written notice thereof to the Mortgagor Company from the Trustee, whose duty it shall be to give such notice at the request, in writing, of the holders of at least five (5) per cent. in amount of the said bonds at the time outstanding, then and in every such case of default; Provided, however, in respect of each of the two cases so indicated that such default shall have continued for sixty days as above provided, the Trustee, with or without entry, personally or by attorney, in its discretion, (a) may sell to the highest and best bidder, all and singular the mortgaged estates, properties and franchises, and all right, title and interest, claim and demand therein, and right of redemption thereof, in one lot and as an entirety, unless a sale in parcels shall be required under the provisions of section 6 of this Article, in which case such sale may be made in parcels as in said section provided, such sale or sales to be made at public auction at such place in the City of Portland, in the State of Oregon, or at such other place, and at such time and upon such terms as the Trustee may fix and briefly specify in the notice of sale to be given as herein provided, or (b) may immediately upon the expiration of sixty days in the two cases so indicated, and immediately upon default in payment of principal, in the other case, proceed to protect and enforce its rights and the rights of bondholders under this Indenture, by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the foreclosure of this Indenture, or for the enforcement of any other ap-