ately due and payable, anything herein or in the said bonds to the contrary notwithstanding. The holders of three-fourths in amount of the bonds issued hereunder, then outstanding, may, at any time prior to actual sale of the property mortgaged hereby, by written notice to the Company and to the Trustee waive such default and its consequences, whereupon the Trustee shall execute a recission of such declaration of the maturity of the principal; but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon. In the case of any such event of default, the Trustee shall apply for the benefit of the holders of the bonds issued hereunder all dividends and interest and other income theretofore retained by said Trustee pursuant to the provisions hereof and all dividends and interest and other income thereafter collected and received by it. The Trustee, after deducting from the sums so retained, received or collected as dividends, interest and income all proper charges, costs and expenses payable therefrom to the Trustee, shall apply the residue as follows:

1. In case the principal of the bonds issued hereunder shall not have become payable, to the payment of the coupons in arrear, in the order in which such coupons shall have matured, with interest thereon at the rate of five per cent. per annum, such payments to be made ratably without discrimination or preference.

2. In case the principal of the bonds issued hereunder shall have become due by declaration or otherwise, to the payment of the principal of the said bonds then outstanding and all due and unpaid interest coupons thereto belonging, with interest on such unpaid and matured coupons at the rate of five per cent. per annum, if said residue be sufficient for this purpose, and if not, then to the payment of such principal and interest coupons, ratably without preference or priority of principal over interest coupons, or of interest coupons over principal, or of any interest coupon over any other interest coupon.

3. In case said bonds have not become due or been declared due, and the Company is no longer in default in the performance of any of its covenants hereunder, any surplus, after payment of all interest as aforesaid, shall be paid to the Company.

4. In case said bonds have become due or been declared due and the same have been paid in full with interest, as aforesaid, and any surplus remains, then the same shall be paid to the Company, its successors and assigns, or to whomsoever may be lawfully entitled to receive the same.

ARTICLE THIRTEENTH.- If any one of the events of default shall happen then and in each and every such case the Trustee shall be entitled with or without entry, either personally or by its attorneys or agents, and may, in its discretaion, and shall, at the request of the holders of one-third in amount of the bonds issued hereunder, then outstanding, upon being indemnified to its satisfaction, unless such default be waived or revoked as hereinbefore provided, sell or cause to be sold, singly or collectively, the shares of stock of the said Portland General Electric Company and the Portland Railway Company, hereby sold, assigned and conveyed, or intended so to be, as security for said bonds, as well as all other stocks or other securities or other property or franchises then in the trust, to the highest bidder at public auction, in the City of New York, on giving at least thirty days' notice of the time and place of said intended sale, by publication thereof at least twice a week, for four weeks immediately preceding the date specified for such sale, in at least two newspapers of general circulation published in the City of New York, State of New York, and in at least one published in the City of Philadelphia, State of Pennsylvania, and in at least one published in the City of Portland, State of Oregon, and giving as well at leAst thirty days' notice in writing to the Company at its agency in the City of New York or at its office in the State of Oregon of intention to make such sale, and such stock and secur-