

then outstanding, by written notice to 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 positions 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 the event of any default by the Mortgagor Company of the character and continuance indicated in Section 1 of this Article, 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 all right of redemption thereof, in one lot and as an entirety, unless a sale in parcels shall be required under the provisions of Section 5 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, 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 ninety 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 appropriate legal or equitable remedy, as the Trustee, being advised by counsel learned in the law shall deem most effectual to protect and enforce any of its rights or duties hereunder.

Upon the written request of the registered owners of twenty-five (25) per cent. in amount of the bonds secured by this Indenture, in case of any such continuing default, it shall be the duty of the Trustee, upon being indemnified as hereinafter provided, to take all needful steps for the protection and enforcement of its rights and the rights of the registered owners of the bonds issued hereunder, and to exercise the powers of entry or sale herein conferred, or both, or to take appropriate proceedings by action, suit or otherwise, as the Trustee, being advised by counsel learned in the law, shall deem most expedient in the interest of the registered owners of the bonds issued hereunder.

SECTION 4. Anything in this Indenture contained to the contrary notwithstanding, the holders of seventy-five (75) per cent. in amount of the bonds outstanding under this Indenture shall have the right to direct and to control the method and place of conducting any and all proceedings for any sale of the estates, properties and franchises hereby mortgaged or for the foreclosure of this Indenture or for the appointment of a receiver, or for any other proceedings hereunder, provided, however, that nothing herein contained shall affect the right of the Trustee to demand satisfactory indemnity before taking action, or refraining from action, upon the request of any bondholder or bondholders or to select its own counsel and agents.

SECTION 5. In the event of any sale, whether made under the power of sale hereby granted and conferred or under or by virtue of judicial proceedings, or of any judgment or