

OF BONDS AS PROVIDED IN ARTICLE III HEREOF AN AMOUNT EQUAL TO SUCH ADDITIONAL DIVIDEND. AND THE COMPANY FURTHER COVENANTS AND AGREES THAT IN THE EVENT THAT THE NUMBER OF SHARES OF ITS AUTHORIZED CAPITAL STOCK SHALL BE INCREASED AT ANY TIME DURING THE EXISTANCE OF ANY INDEBTEDNESS SECURED HEREBY, THE SUM OF \$6.00 HEREINABOVE IN THIS SECTION SPECIFIED, IN EXCESS OF WHICH DIVIDENDS SHALL NOT BE DECLARED WITHOUT PAYMENT OF AN EQUAL AMOUNT TO THE TRUSTEE FOR THE REDEMPTION AND RETIREMENT OF BONDS, SHALL BE REDUCED IN PROPORTION TO SUCH INCREASE.

ARTICLE III.

REDEMPTION OF BONDS.

SECTION 1. THE COMPANY SHALL HAVE THE RIGHT ON ANY INTEREST PAYMENT DAY BEFORE THEIR RESPECTIVE DATES OF MATURITY, TO REDEEM AND PAY, AT THE RATES OF PREMIUM HEREINAFTER SPECIFIED, ANY BONDS HEREBY SECURED BY FORWARDING TO THE TRUSTEE BY WAY OF NOTICE, AT LEAST THIRTY (30) DAYS PRIOR TO THE DATE OF THE PROPOSED REDEMPTION, A CERTIFIED COPY OF THE RESOLUTION ADOPTED BY ITS BOARD OF DIRECTORS AUTHORIZING SUCH REDEMPTION, AND UPON PAYMENT TO THE TRUSTEE FOR SUCH REDEMPTION OF THE PAR VALUE OF SAID BOND IN ADDITION TO ALL ACCRUED INTEREST, TOGETHER WITH A PREMIUM OF TWO AND ONE-HALF ($2\frac{1}{2}$) PER CENT OF ITS PAR VALUE, IF CALLED FOR REDEMPTION AND PAYMENT ON OR BEFORE OCTOBER 1ST, 1929, AND IF SO CALLED FOR REDEMPTION AND PAYMENT AFTER OCTOBER 1ST, 1929, AND PRIOR TO MATURITY, THE PREMIUM TO BE PAID IN ADDITION TO ALL ACCRUED INTEREST SHALL BE REDUCED BY ONE-FOURTH OF ONE PER CENT OF EACH YEAR AFTER 1929 UP TO AND INCLUDING OCTOBER 1ST, 1939. BONDS SHALL BE CALLED FOR REDEMPTION BY LOT FROM THE LAST MATURITY OUTSTANDING ON THE DATE OF REDEMPTION. ON THE DEPOSIT WITH THE TRUSTEE OF FUNDS SUFFICIENT TO MAKE THE REDEMPTION AND PAYMENT ABOVE OUTLINED, FURTHER INTEREST ON THE BOND SO CALLED FOR REDEMPTION SHALL CEASE FROM THE DATE FIXED FOR THE REDEMPTION THEREOF. UPON RECEIPT OF THE NOTICE AND THE FUNDS NECESSARY FOR REDEMPTION, THE TRUSTEE SHALL GIVE NOTICE OF REDEMPTION TO THE HOLDERS OF ALL BONDS TO BE REDEEMED BY PUBLICATION IN A DAILY NEWSPAPER OF GENERAL CIRCULATION PUBLISHED AT PORTLAND, OREGON, SUCH NOTICE TO DESIGNATE THE NUMBERS OF THE BONDS TO BE SO REDEEMED AND TO BE PUBLISHED AT LEAST ONCE EACH WEEK FOR TWO SUCCESSIVE WEEKS PRIOR TO THE DATE OF REDEMPTION. IF ANY OF THE BONDS PROPOSED TO BE REDEEMED SHALL HAVE BEEN REGISTERED, A COPY OF SUCH NOTICE SHALL BE MAILED BY THE TRUSTEE TO THE POST OFFICE ADDRESS OF THE REGISTERED OWNER THEREOF AS THE SAME APPEARS ON THE BOND REGISTER OF THE TRUSTEE. ALL EXPENSES CONNECTED WITH SUCH REDEMPTION SHALL BE PAID TO THE TRUSTEE BY THE COMPANY BEFORE THE TRUSTEE SHALL BE REQUIRED TO ACT HEREUNDER.

SECTION 2. ALL BONDS AND COUPONS SURRENDERED TO THE TRUSTEE AND PAID OR REDEEMED WHETHER UNDER THE PROVISIONS OF THIS ARTICLE, OR OTHERWISE, SHALL BE CANCELLED BY THE TRUSTEE AND BY IT DELIVERED TO THE COMPANY AND SHALL NOT THEREAFTER BE RE-ISSUED.

SECTION 3. ON THE DEPOSIT WITH THE TRUSTEE OF THE AMOUNT NECESSARY TO REDEEM ALL OUTSTANDING BONDS SECURED HEREBY, AND PAYMENT TO THE TRUSTEE OF ITS REASONABLE COMPENSATION, EXPENSE AND DISBURSEMENTS, AND COMPLIANCE WITH ALL THE COVENANTS AND STIPULATIONS HEREIN CONTAINED, THE TRUSTEE SHALL UPON DEMAND OF THE COMPANY RELEASE, DISCHARGE AND SATISFY THIS INSTRUMENT.

ARTICLE IV.

RELEASES.

SECTION 1. NOT BEING IN DEFAULT HEREUNDER IN ANY RESPECT, AS A DEFAULT IS HEREINAFTER DEFINED, THE COMPANY SHALL BE ENTITLED TO OBTAIN FROM THE TRUSTEE RELEASES OF PROPERTY AND OF HEREAFTER COVERED HEREBY, UNLESS THE COMPANY SHALL BE IN DEFAULT HEREUNDER.