

OR ITS EQUIVALENT, AT ANY OF THE OFFICES ABOVE NAMED, SEMI-ANNUALLY ON THE FIRST DAYS OF APRIL AND OCTOBER IN EACH YEAR ON THE PRESENTATION AND SURRENDER OF THE ANNEXED INTEREST COUPONS AS THEY SEVERALLY MATURE. THE INTEREST HEREON IS PAYABLE WITHOUT DEDUCTION, INsofar AS MAY BE LAWFUL, FOR ANY FEDERAL INCOME TAX NOT IN EXCESS OF TWO PER CENTUM, WHICH THE COMPANY OR THE TRUSTEE UNDER THE MORTGAGE SECURING THIS BOND MAY BE REQUIRED OR PERMITTED TO PAY THEREON OR RETAIN THEREFROM.

THE COMPANY UPON APPLICATION WILL REFUND TO THE HOLDER OF THIS BOND TAXES LEVIED BY THE STATE OF CALIFORNIA, OR ANY POLITICAL SUBDIVISION THEREOF, PAID ON THIS BOND BY THE HOLDER HEREOF NOT EXCEEDING FOUR MILLS IN THE AGGREGATE IN ANY CALENDAR YEAR ON EACH DOLLAR OF THE PRINCIPAL AMOUNT OF THIS BOND IN THE MANNER AND SUBJECT TO THE CONDITIONS PROVIDED IN THE TRUST INDENTURE SECURING THIS BOND.

THIS BOND IS ONE OF AN AUTHORIZED ISSUE OF COUPON BONDS OF COLUMBIA RIVER PAPER MILLS IN DENOMINATIONS OF \$1,000 AND \$500 RESPECTIVELY AND OF LIKE TENOR AND EFFECT EXCEPT FOR MATURITIES, AND OF THE TOTAL AGGREGATE AMOUNT OF ONE MILLION DOLLARS (\$1,000,000) AND NUMBERED CONSECUTIVELY FROM 1 TO 1200, BOTH NUMBERS, INCLUSIVE, MATURING IN THE TOTAL PRINCIPAL AMOUNT OF \$40,000 ON APRIL 1 IN EACH YEAR, BEGINNING ON APRIL 1, 1928, AND CONTINUING UP TO AND INCLUDING APRIL 1, 1941, AND \$440,000 ON APRIL 1, 1942, ALL OF WHICH ARE EQUALLY SECURED BY A FIRST CLOSED MORTGAGE OR DEED OF TRUST DATED APRIL 1, 1927, DULY EXECUTED BY COLUMBIA RIVER PAPER MILLS TO THE BANK OF CALIFORNIA, NATIONAL ASSOCIATION, AS TRUSTEE, AND DULY RECORDED, TO WHICH REFERENCE IS HEREBY MADE FOR A DESCRIPTION OF THE PROPERTY THEREBY MORTGAGED, THE NATURE AND EXTENT OF THE SECURITY, THE TERMS AND CONDITIONS THEREOF AND THE RIGHTS OF THE HOLDERS OF THE BONDS THEREUNDER.

THE BONDS SECURED BY SAID MORTGAGE OR DEED OF TRUST AND AT ANY TIME OUTSTANDING MAY BE REDEEMED ON ANY INTEREST PAYMENT DATE SUBJECT TO THE TERMS AND CONDITIONS THEREIN PRESCRIBED BY THE PAYMENT OF ACCRUED INTEREST, THE FACE AMOUNT OF EACH BOND AND A PREMIUM ON THE PRINCIPAL AMOUNT OF EACH BOND SO REDEEMED AS FOLLOWS:

ON ALL BONDS MATURING FIVE YEARS OR MORE FROM THE DATE OF SUCH REDEMPTION, A PREMIUM OF TWO AND ONE-HALF PER CENTUM;

ON ALL BONDS MATURING FOUR OR FOUR AND ONE-HALF YEARS FROM THE DATE OF SUCH REDEMPTION, A PREMIUM OF TWO PER CENTUM;

ON ALL BONDS MATURING THREE OR THREE AND ONE-HALF YEARS FROM THE DATE OF SUCH REDEMPTION, A PREMIUM OF ONE AND ONE-HALF PER CENTUM;

ON ALL BONDS MATURING TWO OR TWO AND ONE-HALF YEARS FROM THE DATE OF SUCH REDEMPTION, A PREMIUM OF ONE PER CENTUM;

ON ALL BONDS MATURING ONE OR ONE AND ONE-HALF YEARS FROM THE DATE OF SUCH REDEMPTION, A PREMIUM OF ONE HALF OF ONE PER CENTUM;

THIS BOND SHALL PASS BY DELIVERY UNLESS REGISTERED BUT IT MAY BE REGISTERED AS TO PRINCIPAL IN THE OWNER'S NAME ON THE BOOKS OF THE BANK OF CALIFORNIA, NATIONAL ASSOCIATION, AT ITS OFFICE IN THE CITY OF PORTLAND, OREGON, SUCH REGISTRY BEING NOTED HEREON BY SAID TRUSTEE, AFTER WHICH ONLY SUCH REGISTERED OWNER OR THE LEGAL REPRESENTATIVE OF SUCH OWNER SHALL BE ENTITLED TO RECEIVE THE PRINCIPAL HEREOF AND NO TRANSFER SHALL BE VALID UNLESS MADE ON THE BOOKS OF SAID TRUSTEE BY THE REGISTERED OWNER OR THE LEGAL REPRESENTATIVE OF SUCH OWNER AND SIMILARLY NOTED HEREON, BUT THIS BOND MAY BE DISCHARGED FROM REGISTRY BY TRANSFER TO BEARER AFTER WHICH IT SHALL BE TRANSFERABLE BY DELIVERY, BUT IT MAY AGAIN BE REGISTERED AS ABOVE. THE REGISTRY OF THIS BOND SHALL NOT RESTRAIN THE TRANSFERABILITY OF THE COUPONS BY DELIVERY MERELY.