

PIONEER, INC., TACOMA—198769

been expended for the purpose of maintaining the properties of the Company mortgaged or to be mortgaged hereunder as an operating system or systems in good repair, working order and condition.

Any cash delivered to the Corporate Trustee under the provisions of this Section shall be held by it as a part of the Mortgaged and Pledged Property and

(A) may be withdrawn by the Company to reimburse it in full for expenditures made subsequent to the end of the calendar year for which such cash was delivered for repairs, maintenance, renewals and replacements of, and substitutes for, its properties mortgaged or intended to be mortgaged hereunder (to the extent that such expenditures have not been theretofore certified to the Corporate Trustee to reduce the amount of cash to be deposited with the Corporate Trustee as hereinafore provided); the amount and nature of any such expenditures to be stated in a Treasurer's Certificate to be delivered to the Corporate Trustee prior to any such withdrawal; or

(B) may be withdrawn from time to time by the Company in an amount equal to ten-sixths ($10/6$) of the principal amount of each bond or fraction of a bond to the authentication and delivery of which the Company shall be entitled under any of the provisions of this Indenture (other than those contained in Section 30 hereof) by virtue of compliance with all applicable provisions of this Indenture (except as hereinafter in this Section otherwise provided) and the right to the authentication and delivery of which the Company elects to make the basis of such withdrawal; or

(C) may, upon the request of the Company evidenced by a Resolution delivered to the Corporate Trustee, be used by the Corporate Trustee for the purchase of bonds issued hereunder in accordance with the provisions of Section 55 hereof; or

(D) may, upon the request of the Company evidenced by a Resolution delivered to the Corporate Trustee, be applied by the Corporate Trustee to the redemption of any bonds issued hereunder which are, by their terms, redeemable before maturity, of such series as may be designated by the Company, such redemption to be in the manner and as provided in Article X hereof.

Such moneys shall, from time to time, be paid out or used or applied by the Corporate Trustee, as aforesaid, upon the request of the Company evidenced by a Resolution.

In every case in which either a credit or the withdrawal of cash under this Section is applied for upon the right to the authentication and delivery of bonds, the Company shall comply with all applicable provisions of this Indenture relating to such authentication and delivery, except that the Company shall not be required to comply with any earning requirements or to deliver to the Corporate Trustee any Resolution, Net Earning Certificate or Opinion of Counsel such as is described in subdivisions (1), (6) and (8) of Section 28 hereof.

Any such election of a credit or of the withdrawal of cash under this Section based upon the right to the authentication and delivery of bond(s) or fraction of a bond shall operate as a waiver by the Company of its right to the authentication and delivery of such bond(s) or fraction of a bond and such bond(s) or fraction of a bond may not thereafter be authenticated and delivered hereunder, and any Property Additions which have been made the basis of any such right to the authentication and delivery of bond(s) or fraction of a bond so waived, shall have the status of Funded Property and shall be deemed to have been made the basis of a credit under this Section; provided, however, that if at