

## MORTGAGE RECORD—W

SKAMANIA COUNTY, WASHINGTON

The Series....Bonds are also redeemable by operation of a sinking fund out of monies available therein, at the following prices (expressed in percentages of the principal amount): to and including ....., .....%; thereafter to and including....., .....%; etc.

(For redemption prices see page 13 hereof)

(accrued interest to the date fixed for redemption being payable out of other than sinking fund monies), and upon the notice and in the manner hereinabove set forth for optional redemption, all as provided and contained in said Supplemental Indenture dated as of July 1, 1945, establishing and defining said sinking fund. Sinking fund payments shall be made to the Trustee annually on July 1 of each year, commencing with the year 1947, and shall amount in each year to either the sum of \$375,000 or an amount equal to the Railway Company's net income (as defined by the Accounting Classifications or other rules, orders and regulations of the Interstate Commerce Commission, or other Federal authority having similar jurisdiction in the premises, at the time in force) for the year ending on the preceding December 31, whichever shall be the lesser. Such payments shall be made in cash or in General Mortgage Bonds of any series acquired by the Railway Company after July 1, 1945 (other than Bonds of Series E or Series I, and other than bonds held by the Railway Company or pledged by the Railway Company and which in either case have never been otherwise issued, and other than bonds which have been converted into stock of the Railway Company), in each case of a delivery of bonds, at the principal amount thereof or at the cost thereof to the Railway Company, whichever shall be the lesser (such cost to be exclusive of brokerage and accrued interest), or partly in cash and partly in such bonds, and may be anticipated. Sinking fund money shall be applied by the Trustee to the purchase, as instructed by the Railway Company, of General Mortgage Bonds of Series N or Series O at prices not exceeding the then current redemption price applicable for the sinking fund for the respective series, exclusive of brokerage and accrued interest, or to the purchase of General Mortgage Bonds of any other series (provided that, if the purchase price of such bonds, exclusive of brokerage and accrued interest, shall exceed the lower of the then current redemption prices applicable for the sinking funds for the bonds of Series N or Series O, sinking fund monies shall be used to pay only that part of the purchase price equal to such then current lower redemption price and the balance of such purchase price will be otherwise provided by the Railway Company and paid to the Trustee) or to the redemption of any of the bonds of series N or Series O, or upon the request of the Railway Company, to the payment of the principal of any General Mortgage Bond at its stated maturity, all as more fully provided in said Supplemental Indenture. All bonds acquired by or delivered to the Trustee pursuant to the provisions of the sinking fund will be cancelled and no bonds will be issued in place thereof.

In case of certain defaults specified in said indenture, the principal of this bond and all of the bonds issued under said indenture may be declared and may become due and payable in the manner and with the effect provided in said indenture.

This bond shall pass by delivery, unless registered as to principal in the owner's name either at the office of the Railway Company in the City of St. Paul, State of Minnesota, or at its office or agency in the Borough of Manhattan, the City of New York, such registry being noted on the bond by the Railway Company. After such registry no transfer shall be valid unless made by the registered owner in person or by attorney and similarly noted on the bond, but the same may be discharged from registry by like transfer to bearer noted on the bond, whereupon ability to transfer by delivery shall be restored;