

## MORTGAGE RECORD—X

SKAMANIA COUNTY, WASHINGTON

PIONEER, INC., TACOMA—177183

condition, and whether or not there is any property subject to the lien of this Indenture which should be retired on the books of the Company as having ceased permanently to be used or useful in the business of the Company and which has not been so retired, the Company shall cause such Independent Engineer's Certificate to be furnished to the Corporate Trustee within a reasonable time after such request. If such independent Engineer shall report that the Mortgaged and Pledged Property, as an operating system or systems, has not been maintained in good repair, working order and condition, he shall state clearly in his report the character and extent of, and, if longer than one year, the time reasonably necessary to make good such deficiency and, if he shall report that there is a property subject to the lien of this Indenture which should be retired on the books of the Company as having ceased permanently to be used or useful in the business of the Company and which has not been so retired, his report shall briefly describe such property. Such report shall be placed on file by the Corporate Trustee and shall be open to inspection by any bondholder at any reasonable time.

Notwithstanding any provision of this Indenture, the Company shall not be required to incur expense in excess of Ten Thousand Dollars (\$10,000) during any period of five years in connection with furnishing the Independent Engineer's Certificates and reports referred to above in this Section and all obligations of the Company under this Section with respect to such certificates and reports shall be contingent upon its ability to furnish such certificates and reports without incurring expense in excess of such amount.

If the Company, within thirty (30) days after the filing of the report of such independent Engineer, objects in a writing delivered to the Corporate Trustee to the findings of such independent Engineer as to the character and extent of such maintenance deficiency and/or to the property which should be retired upon the book of the Company, then the character and extent of such maintenance deficiency, if any, and/or the property, if any, so to be retired upon the books of the Company shall be forthwith referred to three arbitrators selected in the following manner: The Corporate Trustee, within ten (10) days after the receipt of such objections, shall name one arbitrator and give notice of such selection to the Company. Within ten (10) days after receipt of such notice, the Company shall name one arbitrator and give notice of such selection to the Corporate Trustee, and failure so to do shall entitle the Corporate Trustee to name an arbitrator to represent the Company. The two thus selected shall, within ten (10) days after the appointment of the arbitrator representing the Company, select a third arbitrator, but if such arbitrators are unable, within said ten (10) days, to agree upon such third arbitrator, then, upon the election of either the Company or the Corporate Trustee, any District Judge of the United States of America for the District in which the Corporate Trustee has its principal place of business may appoint such third arbitrator, upon application to such District Judge by either party after five days' notice thereof to the other party. The written decision of a majority of such arbitrators shall be filed as soon as practicable with the Corporate Trustee and a copy thereof delivered to the Company, and shall be binding upon the Trustees, the Company and the bondholders.

Within one year from the date of the report of such independent Engineer or the date of such decision of arbitrators, whichever is later, or such longer period as may be reported by such independent Engineer or the arbitrators, as the case may be, to be reasonably necessary to make good any such deficiency, no statement contained in any report of any independent Engineer filed with the Corporate Trustee, as hereinbefore in this Section provided, shall be deemed to be in any way evidence or proof of a failure to comply with the provisions of this Section.