

MORTGAGE RECORD—X

SKAMANIA COUNTY, WASHINGTON

PIONEER, INC., TACOMA—177183

prices then applicable in the case of the redemption of bonds with cash deposited pursuant to this Section and to have become due and payable by the Company at such redemption prices on the date upon which the principal thereof shall have been declared due and payable.

(III) The Company hereby irrevocably empowers the Corporate Trustee, in the event that any redemption is required pursuant to this Section, to give or cause to be given all requisite notices of redemption and to take all such action as may be necessary to effect such redemption.

Except as otherwise expressly provided in this Section, no cash deposited with the Corporate Trustee pursuant to this Section shall be withdrawn, used or applied for any purpose other than the purchase, payment or redemption of bonds Outstanding under this Indenture, but shall continue to be held by the Corporate Trustee until such time as such cash may be applied to the purchase, payment or redemption of bonds as permitted by this Section.

ARTICLE XIII.

Remedies of Trustees and Bondholders Upon Default.

Section 65. The following events are hereby defined for all purposes of this Indenture (except where the term is otherwise defined for specific purposes) as "Defaults":

(a) Failure to pay the principal of any bond hereby secured when the same shall become due and payable, whether at maturity, as therein expressed, or by declaration or otherwise;

(b) Failure to pay interest upon any bond hereby secured for a period of sixty (60) days after such interest shall have become due and payable;

(c) Failure to pay interest upon or principal (whether at maturity as therein expressed or by declaration, or otherwise) of any Outstanding Qualified Lien Bonds continued beyond the period of grace, if any, specified in the Qualified Lien securing the same;

(d) Failure to pay any instalment of any fund required to be applied to the purchase or redemption of any of the bonds hereby secured for a period of sixty (60) days after the same shall have become overdue and payable;

(e) The expiration of a period of ninety (90) days following:

(1) the adjudication of the Company as a bankrupt by any court of competent jurisdiction;

(2) the entry of an order approving a petition seeking reorganization or arrangement of the Company upon the basis of insolvency or inability to pay debts as they mature under the Federal Bankruptcy Laws or any other applicable law or statute of the United States of America, or of any State thereof; or

(3) the appointment upon the basis of insolvency or inability to pay debts as they mature of a trustee or a receiver of all or substantially all of the property of the Company;

unless during such period such adjudication, order or appointment of a trustee or receiver shall be vacated or shall be stayed on appeal or otherwise or shall have otherwise ceased to continue in effect;

(f) The filing by the Company of a voluntary petition in bankruptcy or the making of an assignment for the benefit of creditors; the consenting by the Company to the appointment of a receiver or trustee of all or any part of its property upon the basis of insolvency or inability to pay debts as they mature; the filing by the Company of a petition or answer seeking reorganization or arrangement upon the basis of insolvency