

## MORTGAGE RECORD-X

SKAMANIA COUNTY, WASHINGTON

PIONEER, INC., TACOMA—177183

reorganization or readjustment of obligations of the Company, the Trustees or either of them shall be entitled, in priority to the holders of the bonds, to receive any distributions of any securities, dividends or other disbursements which would otherwise be made to the holders of bonds in any such proceeding or proceedings, and the Corporate Trustee is hereby constituted and appointed, irrevocably, the attorney in fact for the holders of the bonds and each of them to collect and receive, in their name, place and stead, such distributions, dividends or other disbursements, to deduct therefrom the amounts due to the Trustees or either of them, their, its or his counsel and other persons not regularly in their, its or his employ on account of services rendered, advances, expenses, and disbursements made or incurred, or indemnity, and to pay and distribute the balance pro rata to the holders of the bonds. The Trustees or either of them shall have a lien upon any securities or other considerations to which the holders of bonds may become entitled pursuant to any such plan of reorganization or readjustment of obligations, or in any such proceeding or proceedings; and the court or judge in any such proceeding or proceedings may determine the terms and conditions under which any such lien shall exist and be enforced.

Section 97. Whenever in the administration of the trust of this Indenture, prior to a Default, as defined in Section 65 hereof, and after the curing of any such Default, the Trustees or either of them shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, each matter (unless other evidence in respect thereof be herein specifically prescribed) may to the extent permitted by Sections 88 and 89 hereof be deemed to be conclusively proved and established by a certificate signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company and delivered to the Trustees or either of them, and such certificate shall be full warrant to the Trustees or either of them for any action taken or suffered by them, it or him under the provisions of this Indenture upon the faith thereof.

Section 98. (a) Subject to the provisions of subdivision (b) of this Section, if a Trustee shall be or shall become a creditor, directly or indirectly, secured or unsecured, of the Company within four months prior to a default (as defined in the last paragraph of this subdivision), or subsequent to such default, then, unless and until such default shall be cured, such Trustee shall set apart and hold in a special account for the benefit of such Trustee individually, the holders of the bonds, and the holders of other indenture securities (as defined in the last paragraph of this subdivision (a)),

(1) an amount equal to any and all reductions in the amount due and owing upon any claim as such creditor in respect of principal or interest effected after the beginning of such four months' period and valid as against the Company and its other creditors, except any such reduction resulting from the receipt or disposition of any property described in paragraph (2) of this subdivision (a) or from the exercise of any right of set-off which such Trustee could have exercised if a petition in bankruptcy has been filed by or against the Company upon the date of such default; and

(2) all property received in respect of any claim as such creditor, either as security therefor, or in satisfaction or composition thereof, or otherwise, after the beginning of such four months' period, or an amount equal to the proceeds of any such property, if disposed of, subject, however, to the rights, if any, of the Company and its other creditors in such property or such proceeds.

Nothing herein contained, however, shall affect the right of a Trustee

(A) to retain for its or his own account (i) payments made on account of any such claim by any person (other than the Company) who is liable thereon, and (ii) the proceeds of the bona fide sale of any such claim by such Trustee to a third person, and