

# MORTGAGE RECORD-X

439

SKAMANIA COUNTY, WASHINGTON

PIONEER, INC., TACOMA-177183

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED, that WEST COAST TELEPHONE COMPANY does hereby create a new series of bonds under the terms and provisions of said Indenture dated as of March 1, 1939, and said Supplemental Indentures, to be designated as this Company's First Mortgage Bonds, Series B due 1971, to be dated, to mature, to bear interest at the rate, to be redeemable, and to contain such other terms and provisions as set forth in the following forms of coupon bond and registered bond without coupons, respectively and in said Indenture as supplemented and to be supplemented by a Third Supplemental Indenture to be dated as of March 1, 1948;

(Form of Coupon Bond)

WEST COAST TELEPHONE COMPANY

First Mortgage Bond

Series B due 1971

No \_\_\_\_\_

\$ \_\_\_\_\_

WEST COAST TELEPHONE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Washington (hereinafter called the "Company"), for value received, hereby promises to pay to the bearer, or if this bond be registered as to principal, to the registered owner hereof, on the first day of November, 1971, unless this bond is sooner redeemed, at the office of Bank of America National Trust and Savings Association, at 300 Montgomery Street, in San Francisco, California, or, at the option of the holder hereof, at the office of Irving Trust Company in Borough of Manhattan, City and State of New York, \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) in legal tender money of the United States of America, and to pay interest thereon in like money from November 1, 1947, at the rate of three and one-half per cent (3½%) per annum until the payment of said principal sum, semi-annually on the first day of May and on the first day of November in each year, at the office of Bank of America National Trust and Savings Association, 300 Montgomery Street, San Francisco, California, or at the option of the holder, at the office of Irving Trust Company in the Borough of Manhattan, City and State of New York, upon presentation and surrender of the respective coupons attached hereto, as they severally become due.

This bond is one of an authorized issue of bonds of the Company, limited to the aggregate principal amount of Ten Million Dollars (\$10,000,000) which may at any time be issued and outstanding, known as First Mortgage Bonds, all issued and to be issued pursuant to the terms and conditions of, and irrespective of the time of actual issue, equally secured by an Indenture dated as of March 1, 1939, duly executed, acknowledged and delivered by the Company to Bank of America National Trust and Savings Association (therein termed the "Corporate Trustee") and W. J. Kieferdorf (therein termed "Individual Trustee"), as Trustees (under date of March 26, 1940, William C. Koenig was appointed successors Individual Trustee), a Supplemental Indenture dated as of November 1, 1941, a Supplemental Indenture dated December 9, 1941, and a Supplemental Indenture dated as of March 1, 1948, to which Indenture and Supplemental Indentures (hereinafter referred to as the "Indenture") reference is hereby made for a description of the security property rights and franchises thereby granted, and the right of the holders of said bonds of the trustees in respect to such security.

With the consent of the Trustees, and to the extent permitted by, and as provided in, the Indenture, any of the provisions of the Indenture, or of any indenture supplemental thereto, may, upon the proposal of the Company, be modified or altered by the affirmative written assents of the holders of at least seventy-five per cent (75%) in principal amount of the bonds then outstanding under the Indenture and any indenture supplemental thereto; and, if such modification or alteration shall affect the rights of the holders of bonds of one or more, but less than all, of the series of bonds then outstanding, such modification or alteration shall be assented to by the holders of at least seventy-five per cent (75%) in principal amount of the bonds of each series so affected.

At the option of the Company, in the manner, upon the notice, and upon the conditions specified in the Indenture, this bond may be redeemed, at any time upon payment of the principal amount hereof and accrued interest to the date of redemption and a premium of four per cent (4%) of the principal amount thereof, which premium shall be reduced by two tenths of one per cent (0.2%) on November 2, 1951, and by an additional two-tenths of one per cent (0.2%) on each November 2 thereafter, to and including November 2, 1970, and on and after November 2, 1970, without premium.

If this Bond is redeemed from funds in the Depreciation Fund provided for in Article III of said Indenture or from funds in the Sinking Fund, or from the proceeds of the sale of any property of the Company to any local, state or federal governmental authority, then and notwithstanding anything else herein contained, no premium shall be paid upon the redemption of this Bond.

If default shall be made in the payment of any installment of interest on this bond, or in the performance of any of the covenants and agreements of the Indenture, then the principal of this bond may be declared and become due and payable, on the conditions, in the manner, and at the time, provided in the Indenture.

Unless registered as herein provided, this bond shall pass by delivery. This bond may be registered as to principal in the owner's name upon the books of the Company at the office of Bank of America National Trust and Savings Association, at 300 Montgomery Street, in San Francisco, California, or its successor in said trust, such registration being noted hereon after which no valid transfer hereof can be made except on said books the new registration being similarly noted hereon, until after registered transfer to bearer, but after such registered transfer to bearer, this bond shall be again transferable by delivery. Such registration shall not affect the negotiability of the coupons, which shall always be payable to bearer and transferable by delivery.

As provided in the Indenture, coupon bonds at any time outstanding, when surrendered with all unmatured coupons attached, and upon payment of the charges provided