

PIONEER, INC., TACOMA-177183

as hereinafter stated, for any exchange of fully registered bonds for coupon bonds, the Company, at its option, may require the payment of a sum sufficient to reimburse it for any stamp or other tax or governmental charge required to be paid by the Company or the Trustee, and in addition a further sum not in excess of the lesser of (1) the actual cost of the preparation of each new bond issued upon such exchange and the charges of the Trustee in connection therewith and (2) Two Dollars (\$2) per bond. The original registered owner of the \$250,000 of Series B fully registered bonds without coupons initially issued under Section 1.07 hereof shall, however, have the privilege of exchanging without charge to it for one or more coupon bonds any such fully registered bond so initially issued to it and any fully registered bond which has become substituted for a portion of such a fully registered bond or for several such fully registered bonds.

Section 1.06. Fully registered bonds of Series B shall be numbered "R-1" and consecutively upwards. Coupon bonds of Series B shall be numbered "M-1" and consecutively upwards.

Section 1.07. Upon the execution of this First Supplemental Indenture the Company shall execute and deliver to the Trustee, and the Trustee (the Company having complied with the provisions of the Original Indenture with respect to the issuance of additional bonds) shall authenticate and deliver to, or upon the order of, the Company bonds of Series B in the form of fully registered bonds without coupons in the aggregate principal amount of Two Hundred Fifty Thousand Dollars (\$250,000).

ARTICLE TWO.

ADDITIONAL PROVISIONS.

Section 2.01. The Company covenants that it is lawfully seized and possessed of the property described in the granting clauses of this First Supplemental Indenture and that it will warrant and defend the title to said property to the Trustees for the equal pro rata benefit of the holders of all bonds at any time outstanding under the Indenture against the claims and demands of all persons whatsoever.

Section 2.02. For any default by the Company in the covenants, stipulations, promises and agreements herein contained or contained in the bonds of Series B, the Trustees and the bondholders shall have the same rights and remedies, subject to the said limitations, as are provided in the Original Indenture.

Section 2.03. Except as herein specifically changed, the Original Indenture is hereby in all respects ratified and confirmed.

Section 2.04. This First Supplemental Indenture shall be simultaneously executed in several counterparts each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, OREGON-WASHINGTON TELEPHONE COMPANY has caused these presents to be signed in the name and behalf by its President or Vice-President and its corporate seal to be hereto affixed and attested by its Secretary or Assistant Secretary and to evidence their acceptance of the trusts hereby created, PEOPLES NATIONAL BANK OF WASHINGTON IN SEATTLE has caused these presents to be signed in its name and behalf by its President or one of its Vice-Presidents and its corporate seal to be hereto affixed and attested by its Cashier or one of its Vice-Presidents and W. L. Blaine, Jr. has hereto set his hand and seal, all as of the first day of April, 1948, but this instrument has been actually executed and delivered the 7th day of August, 1948.

OREGON-WASHINGTON TELEPHONE COMPANY
By W. H. Dean

President