

MORTGAGE RECORD-Y

SKAMANIA COUNTY, WASHINGTON

PIONEER, INC., TACOMA 2141

Mortgage Record- Y

Article II of said Supplemental Indenture dated November 1, 1941, or Section 1 of Article II of said Supplemental Indenture dated March 1, 1948, annually at the time set forth in said sections, an amount not less than one and one-eighth per cent (1 1/8%) of the maximum principal amount of bonds of such other and new series which shall have been at any one time outstanding under the provisions of the Indenture. Subject to the provisions of this section, Sinking Fund provisions applicable to any new series of Bonds shall be fixed and determined by resolution of the Board of Trustees of the Company pertaining to any of such remaining bonds.

Section 3. The Company covenants and agrees that all of the provisions contained in Sections 3 through 8 inclusive of Article II of said Supplemental Indenture dated November 1, 1941, shall be, and shall continue to be, applicable to the bonds of the 3% Series due 1980 except as hereinafter otherwise provided, until the payment or redemption of all bonds of the 3% Series due 1980.

Section 4. If within one hundred twenty (120) days after the deposit of cash in the Sinking Fund provided for in Section 1 of Article II of said Supplemental Indenture dated November 1, 1941, and/or provided for in Section 1 of Article II of said Supplemental Indenture dated March 1, 1948, and/or provided for in Section 1 of Article II of this Supplemental Indenture, said cash, or any part thereof exceeding \$10,000, shall not have been so used by the Corporate Trustee for the purchase of bonds, the Corporate Trustee shall notify the Company in writing of the amount of cash so held, and the Company hereby covenants and agrees that if it then be not in default, as defined in Section 1 of Article VI of the Indenture, promptly to redeem, in the manner provided in Article V of the Indenture, such number of bonds as will, as nearly as may be, exhaust the money so held in the Sinking Fund, and pending such redemption, no further bonds shall be purchased by the Corporate Trustee from such moneys. Notwithstanding any other provisions in the Indenture, the redemption price of any bonds redeemed pursuant to the provisions of this Article shall be the face amount of such bonds, together with accrued interest thereon, and the premium, if any, as provided for in the form of such bonds for the redemption of bonds from funds in the Sinking Fund. The Company agrees to deposit with the Corporate Trustee such sums as may be necessary to pay the accrued interest and premium, if any, on any bonds purchased or redeemed pursuant to this Article.

ARTICLE III

Additional Restrictions.

Section 1. Notwithstanding anything to the contrary contained in the said Indenture or any indenture supplemental thereto, the Company, at its option, may deliver to the Corporate Trustee the certificates and showings set forth in Subdivisions III, V and VIII of Section 15 of Article I of the said Indenture, and said certificates and showings may be used by the Company up to but not in excess of sixty per cent (60%) of the cost or fair value, whichever is less, of new property and/or permanent additions, as defined in Section 13 of Article I of the said Indenture, in lieu of, or in reduction of, any payment then required under the provisions of any sinking fund now or hereafter created pursuant to the terms of the said Indenture and any indenture supplemental thereto.

Section 2. In all cases in which the certificate and showings set forth in Subdivision III of Section 15 of Article I of said Indenture are required, then in addition to the showings to be made pursuant to Paragraph (c) of said Subdivision III, said certificate shall also show the extent to which such new property and/or permanent additions have been previously used in lieu of, or in reduction of, any payments required to be made into any sinking fund created under said Indenture or any Indenture supplemental thereto, and shall also