

operated in Pine Grove in Hood River County, Oregon, Burns and Hines in Harney County, Oregon, Harper in Malheur County, Oregon, Harnah and Granger in Yakima County, Washington, Goldendale and Glenwood in Klickitat County, Washington, and Prosser and Whitstran in Benton County, Washington.

III.

The poles, supports, towers, cross arms, conduits, subways, underground pipes, cables, wires, fixtures, apparatus and other equipment constructed or acquired since the delivery of the First Supplemental Indenture, including the following toll lines:

Between Sunnyside and Bickleton in Yakima County, Washington.

Between Goldendale and Glenwood in Klickitat County, Washington.

TO HAVE AND TO HOLD all said franchises and property, real, personal and mixed, conveyed, transferred, assigned, mortgaged or pledged by the Company as aforesaid or intended so to be unto the Trustees and to their successors in said trust and to them and their assigns forever;

IN TRUST, NEVERTHELESS, for the purposes with the powers and subject to the agreements, covenants and conditions set forth and expressed in the Original Indenture as supplemented and modified by the First Supplemental Indenture and this Second Supplemental Indenture, it being agreed as follows, to wit:

ARTICLE ONE

SERIES C BONDS

SECTION 1.01. There shall be and is hereby created a series of bonds entitled "First Mortgage Bonds, Series C" (hereinafter sometimes referred to as "Series C bonds" or "bonds of Series C"). Series C bonds shall be coupon bonds of the denomination of \$1,000 each, registerable as to principal, and fully registered bonds without coupons of the denomination of \$1,000 and multiples thereof. The coupon bonds of Series C shall be dated January 1, 1951, and the registered bonds of Series C without coupons shall be dated as provided in Section 2.04 of the Original Indenture. All Series C bonds shall mature January 1, 1976 and shall bear interest at the rate of three and three-eighths per cent. (3 3/8%) per annum from their respective dates, such interest to be payable semi-annually on the first day of January and the first day of July in each year. Both the principal of and interest on bonds of Series C shall be payable at the main office of Peoples National Bank of Washington in Seattle, in Seattle, Washington, or at the main office of its successor as corporate trustee, in lawful money of the United States of America. The texts of the coupon and fully registered bonds of Series C, the Trustee's certificate with respect to Series C bonds and the coupons appertaining to Series C coupon bonds shall be respectively substantially of the tenor and purport hereinbefore set forth.

SECTION 1.02. At the option of the Company and upon notice given as provided in Article Seven of the Original Indenture, the bonds of Series C shall be redeemable, in whole or in part, at any time at the principal amount thereof, plus interest accrued thereon to the date fixed for redemption, plus a premium equal to the then applicable percentage of the principal amount thereof:

If redeemed on or before January 1, 1952.....	6%
Thereafter and on or before January 1, 1953.....	5 3/4%
Thereafter and on or before January 1, 1954.....	5 1/2%
Thereafter and on or before January 1, 1955.....	5 1/4%
Thereafter and on or before January 1, 1956.....	5%
Thereafter and on or before January 1, 1957.....	4 3/4%
Thereafter and on or before January 1, 1958.....	4 1/2%
Thereafter and on or before January 1, 1959.....	4 1/4%
Thereafter and on or before January 1, 1960.....	4%
Thereafter and on or before January 1, 1961.....	3 3/4%
Thereafter and on or before January 1, 1962.....	3 1/2%
Thereafter and on or before January 1, 1963.....	3 1/4%
Thereafter and on or before January 1, 1964.....	3%