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BOOK 121 PAGE 557

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Thirty-Fourth Supplemental Indenture

GTE NORTHWEST INCORPORATED
Everett, Washington

TO

BANK OF AMERICA NATIONAL TRUST AND
SAVINGS ASSOCIATION
(A National Banking Association)

AND

PEET SAARET

Dated as of October 15, 1990

Searched	
Indexed	<i>1</i>
Serialized	<i>1</i>
Filed	<i>12-3-90</i>
Entered	

THIS THIRTY-FOURTH SUPPLEMENTAL INDENTURE, made as of the fifteenth day of October, 1990, by and between GTE NORTHWEST INCORPORATED (formerly named General Telephone Company of the Northwest, Inc. and West Coast Telephone Company), a corporation duly created, organized and existing under and by virtue of the laws of the State of Washington, and having its principal place of business at Everett, Washington (hereinafter sometimes called the "Company"), and BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, a National Banking Association duly organized under an Act known as the "National Bank Act" of the United States of America and having its principal place of business at San Francisco, California (hereinafter referred to as the "Corporate Trustee"), and PEET SAARET, of San Francisco, California (hereinafter referred to as the "Individual Trustee"), as Trustees under that certain Indenture hereinafter referred to;

WITNESSETH:

WHEREAS, the Company's predecessor executed and delivered a Trust Indenture dated as of the 1st day of March, 1939, to the Corporate Trustee and W. J. KIEFERDORF, as Trustee (PEET SAARET being successor Individual Trustee to W. J. KIEFERDORF), to secure payment of the principal of and the interest on bonds issued and to be issued by the Company's predecessor, which Indenture has been supplemented and amended by thirty-three supplemental indentures referred to in the form of bonds hereinafter set forth (said Indenture as so supplemented and amended being hereinafter referred to as the "Indenture"); and

WHEREAS, the Company has succeeded to all rights and obligations of, and has been substituted for, its predecessor under the Indenture; and

WHEREAS, the aggregate principal amount of bonds which may be issued and outstanding at any one time under the Indenture is \$1,000,000,000; and

WHEREAS, there are presently issued and outstanding under the Indenture, bonds in the aggregate principal amount of \$423,600,000, as follows:

<u>Title</u>	<u>Principal Amount</u>
First Mortgage Bonds, 4 1/2% Series due 1993	\$ 5,000,000
First Mortgage Bonds, 4 5/8% Series due 1995	10,000,000
First Mortgage Bonds, 6% Series P due 1996	9,000,000
First Mortgage Bonds, 6 1/4% Series Q due 1998	13,600,000
First Mortgage Bonds, 7 1/8% Series R due 1999	18,000,000
First Mortgage Bonds, 9 1/4% Series S due 2000	25,000,000
First Mortgage Bonds, 7 7/8% Series U due 2002	20,000,000

Title	Principal Amount
First Mortgage Bonds, 8 1/4% Series W due 2007	48,000,000
First Mortgage Bonds, 9 3/8% Series X due 2008	50,000,000
First Mortgage Bonds, 8 3/4% Series BB due 2016	125,000,000
First Mortgage Bonds, 7 3/4% Series CC due 1998	50,000,000
First Mortgage Bonds, 9 3/4% Series DD due 2007	50,000,000
Total	<u>\$423,600,000;</u>

and

WHEREAS, pursuant to the Indenture, the Board of Directors of the Company has provided for the establishment of a new series of bonds of the Company to be known as its "First Mortgage Bonds, 9 3/4% Series EE due 2030", to be limited (except as provided in Article I of the Indenture and Section 2 hereof with respect to bonds authenticated and delivered in exchange or substitution for other bonds) in aggregate principal amount to \$75,000,000, and the form and substance of such bonds and the terms, provisions and conditions thereof to be as set forth and provided in the Indenture as supplemented hereby; and

WHEREAS, the Company desires and has requested the Trustees to join with it in the execution and delivery of this Thirty-Fourth Supplemental Indenture for the purpose of (1) expressly granting and conveying to the Trustees the hereinafter described properties acquired by the Company subsequent to the execution of the Indenture and which are not specifically described therein but which properties, upon the acquisition thereof by the Company, became and now are subject to the lien, operation and effect of the Indenture by virtue of the after-acquired property clause or other clauses thereof, and confirming the lien of the Indenture on all property described therein or intended to be covered thereby, whether by operation of the after-acquired property clauses thereof or otherwise, other than properties heretofore duly released from the lien thereof, as security for all bonds that may at any time be issued and outstanding under the Indenture as from time to time in effect, (2) setting forth the form and substance of said First Mortgage Bonds, 9 3/4% Series EE due 2030, and the terms, provisions and conditions thereof, all to the extent and in the manner hereinafter provided, and (3) providing for amendments to the Indenture; and

WHEREAS, all conditions and requirements necessary to make this Thirty-Fourth Supplemental Indenture, in the form and upon the terms hereof, a valid, binding and legal instrument in accordance with its terms and for the purposes herein expressed, have been performed and fulfilled, and the execution and delivery hereof have been in all respects duly authorized;

NOW, THEREFORE, in consideration of the premises, and of the sum of One Dollar (\$1.00) duly paid by the Trustees to the Company at or before the enrolling and delivery of these presents, and for other valuable considerations, the receipt whereof is hereby acknowledged, the Company hereby covenants and agrees with the Trustees and their successors in the trust under said Indenture, for the equal benefit of all present and future holders of all bonds and coupons which may at any time be outstanding under said Indenture, as follows:

ARTICLE I.

TERMS AND CONDITIONS OF FIRST MORTGAGE BONDS,

9 3/4% SERIES EE DUE 2030

SECTION 1. There shall be and is hereby established a series of bonds designated First Mortgage Bonds, 9 3/4% Series EE due 2030, said bonds being sometimes hereinafter referred to as the "Bonds of Series EE", and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Section 1 specified. The aggregate principal amount of Bonds of Series EE which may be issued, authenticated and delivered under this Indenture shall be limited (except as provided in Article I of the Indenture and Section 2 hereof with respect of bonds authenticated and delivered in exchange or substitution for other bonds) to \$75,000,000. Bonds of Series EE shall mature on October 15, 2030 and shall be issued in the form of registered bonds and shall be of the denominations of \$1,000 or any multiples thereof.

The Bonds of Series EE shall bear interest at the rate of 9 3/4% per annum, payable semi-annually on April 15 and October 15 in each year; both the principal of and the interest on said bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, at the office or agency of the Company in the City of San Francisco, State of California.

Interest on each Bond of Series EE shall accrue from the date thereof, unless such date is an interest payment date and the Company shall default in the interest due on such date, in which case such interest shall accrue from the fifteenth day of April or the fifteenth day of October next preceding the date thereof. The Bonds of Series EE shall be dated as of the last interest payment date preceding the date of authentication, to which interest has been paid on such Bonds, except that (i) if any such bond shall be authenticated on any interest payment date to which interest has been paid, it shall be dated as of the date of such authentication; (ii) if any such Bond shall be authenticated prior to the close of business on the record date (as hereinafter in this Section defined) with respect to the first interest payment date for the Bonds of Series EE, such Bond shall be dated as of October 15, 1990, and (iii) if any such Bond shall be authenticated after the close of business on the record date with respect to any interest payment date and prior to

such interest payment date and there is no existing default in the payment of interest on the Bonds of Series EE, such bond shall be dated as of such interest payment date.

The person in whose name any Bond of Series EE is registered at the close of business on any record date with respect to any interest payment date shall be entitled to receive the interest payable on such interest payment date notwithstanding the cancellation of such bond upon any transfer or exchange thereof subsequent to the record date and prior to such interest payment date (unless there is an existing default in the payment of interest on the Bonds of Series EE at the time of such cancellation), except if and to the extent the Company shall default in the payment of the interest due on such interest payment date, in which case such defaulted interest shall be paid to the persons in whose names outstanding Bonds of Series EE are registered at the close of business on the day preceding the date of payment of such defaulted interest or at the close of business on the special record date fixed for the payment of such defaulted interest if one shall have been fixed as hereinafter provided. Such special record date may be established by or on behalf of the Company by notice given by mail, first class postage prepaid, to holders of Bonds of Series EE at their last addresses as they appear upon the registry books not less than 10 days preceding such special record date, which special record date shall be not more than 30 days prior to such date of payment. In the event that any Bond of Series EE is called for redemption and the redemption date is subsequent to a record date with respect to any interest payment date and prior to such interest payment date, interest on such bond will be paid to the holder of such bond. The term "record date" as used in this Section with respect to any regular interest payment date shall mean March 31 or September 30, as the case may be, next preceding such interest payment date, whether or not such March 31 or September 30 is a business day.

SECTION 2. Bonds of Series EE shall be exchangeable at the principal office of the Corporate Trustee or at the office or agency of the Company in the City of San Francisco, State of California, or, at the option of the holders thereof, at the office or agency of the Company in the Borough of Manhattan, City and State of New York, for bonds of the same series of other authorized denominations having the same aggregate principal amount. Upon the surrender of any Bond of Series EE at the office or agency of the Company in the City of San Francisco, State of California, or, at the option of the holder thereof, at the office or agency of the Company in the Borough of Manhattan, City and State of New York, together with a written instrument of transfer in form approved by the Company executed by such holder in person or by attorney authorized in writing, the Company shall execute, and the Trustee or authenticating agent shall authenticate, and the Trustee or the Company shall deliver in exchange therefor a new Bond or Bonds of Series EE for the same aggregate

principal amount. No service charge shall be made for any transfer or exchange of Bonds of Series EE, but the Company may require the payment of a sum sufficient to cover any tax or taxes or other governmental charge.

The Company shall not be required to make transfers or exchanges of Bonds of Series EE during the period of 15 days preceding the mailing of notice of a partial redemption of such bonds, or to transfer or exchange any such bond, or the portion thereof, which shall have been designated for redemption.

SECTION 3. The provisions of Section 8 of Article I of the Indenture shall not be applicable to the Bonds of Series EE except that such Bonds may bear such numbers and letters and may contain such other specifications or bear such legends or endorsements as may be required to comply with the rules of any governmental authority or of any stock exchange or to conform to usage with respect thereto.

Notwithstanding the provisions of Section 3 of Article I of the Indenture, the signatures of the officers of the Company executing Bonds of Series EE and attesting the corporate seal thereon may be facsimile, and in case any of such officers shall cease to be such officers of the Company before the Bonds so signed and sealed shall have been actually authenticated by the Corporate Trustee or delivered by the Company, such Bonds nevertheless may be issued, authenticated and delivered with the same force and effect as though the person or persons whose facsimile signatures shall appear on such Bonds had not ceased to be such officer of the Company.

SECTION 4. Any or all of the Bonds of Series EE shall be redeemable (i) at the option of the Company at any time, and from time to time on or after October 15, 1995, and prior to maturity, by the payment of the redemption prices as specified in the form set forth herein for the Bonds of Series EE under the heading "Regular Redemption Price", and (ii) from funds deposited with the Corporate Trustee in the Sinking Fund as provided in the Indenture by the payment of the "Sinking Fund Redemption Price" set forth in Section 7 hereof, together with accrued interest to the date of redemption.

Notice of redemption of Bonds of Series EE shall be given by mail, first class postage prepaid, not less than thirty and not more than forty-five days prior to the date of redemption, to the holders of the Bonds of Series EE which are to be redeemed, at their last addresses as they appear upon the bond registry books, and the particular Bonds of Series EE to be redeemed shall be selected by the Corporate Trustee by such method as it shall deem fair and appropriate and which may provide for the selection for redemption of portions (equal to \$1,000 or a multiple thereof) of the principal of Bonds of Series EE of a denomination larger than \$1,000. The references in Sections 3, 5 and 8 of Article V of the Indenture to the publication of notice of intention to redeem shall be deemed, with respect to the Bonds of Series EE, to refer to the due mailing, as hereinabove provided, of notice of redemption. Otherwise, the provisions of Sections 5 and 8 of Article V of the Indenture shall be applicable to Bonds of Series EE.

Upon surrender of any Bond of Series EE which is to be redeemed only in part, the Company shall execute and the Corporate Trustee shall authenticate and deliver to the holder of such Bond, without service charge, a new Bond or Bonds of Series EE of any authorized denominations as requested by such holder in the aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond of Series EE so surrendered.

SECTION 5. Notwithstanding anything contained in the Indenture or any Supplemental Indenture or in the form of Bonds of Series EE, if any Bonds of said series are redeemed from funds received by the Company from the sale of property or the taking of property by exercise of eminent domain or from the proceeds of insurance, then and in any such event, there shall be paid the redemption price as specified in the form set forth herein for the Bonds of Series EE under the heading "Regular Redemption Price", together with accrued interest to the date of redemption.

SECTION 6. To the extent not expressly provided by this Supplemental Indenture, the Bonds of Series EE shall be of such terms and provisions, be issued upon and subject to such terms and conditions and be entitled to such rights and benefits, all as provided by the applicable terms and provisions of the Indenture.

SECTION 7. The Bonds of Series EE and the Trustee's Certificate to be endorsed thereon are (subject to the provisions of Section 9 of Article I of the Indenture) to be substantially in the following forms:

(FORM OF FACE OF BONDS OF SERIES EE)

GTE NORTHWEST INCORPORATED

FIRST MORTGAGE BOND,

9 3/4% SERIES EE DUE 2030

No. EE

\$.....

GTE NORTHWEST INCORPORATED, 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 registered holder hereof, on the fifteenth day of October, 2030, unless this Bond is sooner redeemed, Dollars and to pay interest thereon at the rate of 9 3/4% per annum until the payment of said principal sum, semi-annually on the fifteenth day of April and on the fifteenth day of October in each year.

Such interest shall accrue from the date hereof, unless such date is an interest payment date and the Company shall default in the payment of the interest then due, in which case interest hereon shall accrue from the fifteenth day of April or the fifteenth day of October next preceding the date hereof. The interest so payable on any interest payment date will, subject to certain exceptions provided in the Indenture hereinafter referred to, be paid to the person in whose name this Bond (or any Bond or Bonds of Series EE evidencing the same debt) is registered at the close of business on the 31st day of March or the 30th day of September, as the case may be (whether or not such day is a business day), next preceding such interest payment date. Both the principal of and the interest on this Bond shall be payable at the office or agency of the Company in the City of San Francisco, State of California, in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

This Bond shall not be valid or become obligatory for any purpose unless and until it shall have been authenticated by the execution by or on behalf of the Corporate Trustee or its successor in trust under the Indenture of the certificate endorsed hereon.

The provisions of this Bond are continued on the reverse side hereof and such continued provisions shall for all purposes have the same effect as though fully set forth at this place.

IN WITNESS WHEREOF, GTE NORTHWEST INCORPORATED has caused this Bond to be signed manually or by facsimile by its President or one of its Vice Presidents, and its corporate seal or a facsimile thereof to be hereto

affixed and attested manually or by facsimile by its Secretary or one of its Assistant Secretaries.

Dated

GTE NORTHWEST INCORPORATED

By
President

ATTEST:

.....
Secretary

(FORM OF TRUSTEE'S CERTIFICATE)

CORPORATE TRUSTEE'S CERTIFICATE

It is hereby certified that the within bond is one of the bonds described in the Indenture herein mentioned.

BANK OF AMERICA NATIONAL TRUST AND
SAVINGS ASSOCIATION,
Corporate Trustee

By
Authorized Officer

or

By BANKERS TRUST COMPANY,
Authenticating Agent for the
Corporate Trustee

By
Authorized Officer

(FORM OF REVERSE OF BOND OF SERIES EE)

This Bond is one of an authorized issue of bonds of the Company, 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 (to whom Peet Saaret is successor Individual Trustee), as supplemented by Supplemental Indentures dated as of November 1, 1941, December 9, 1941, March 1, 1948, November 1, 1950, May 1, 1951, May 1, 1952, November 1, 1953, November 1, 1954, November 1, 1955, May 1, 1957, May 1, 1958, May 1, 1960, May 1, 1961, May 1, 1962, May 1, 1963, June 1, 1964, January 1, 1965, December 1, 1966, September 1, 1967, June 1, 1968, August 1, 1969, February 1, 1970, November 1, 1970, May 1, 1972, September 1, 1974, February 1, 1977, July 1, 1978, March 30, 1979, December 1, 1979, July 1, 1980, April 15, 1986, July 15, 1986, November 15, 1987, and October 15, 1990, to which Indenture and Supplemental Indentures (hereinafter collectively referred to as the "Indenture") reference is hereby made for a description of the property, rights and franchises thereby mortgaged and pledged, the nature and extent of the security thereby granted, and the rights of the holders of said bonds and of the Trustees and of the Company in respect to such security. The Indenture limits the aggregate principal amount of the bonds of all series at any one time outstanding to \$1,000,000,000.

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 75% in principal amount of the bonds then outstanding under the Indenture and any indenture supplemental thereto; provided that no such modification or alteration (a) shall give to any bond or bonds secured by the Indenture preference over any other bond or bonds thereby secured, (b) shall authorize the creation by the Company of any lien prior or equal to the lien of the Indenture upon any of the trust property at the time of such modification subject thereto, (c) shall authorize or permit the extension of the time or times of payment of the principal of or the interest or premium, if any, on the bonds, or the reduction in the principal amount thereof, or in the rate of interest, or in the amount of premium, if any, thereon, or any other modification in the terms of the payment of the principal thereof, or the interest or premium thereon, (d) shall authorize the extension of any waiver of default to a subsequent default or the impairment of any rights consequent thereto, or (e) shall reduce the percentage of bonds required by the provisions of Article XI of the Indenture for the taking of any

action thereunder; 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 75% in principal amount of the bonds of each series so affected.

In the manner, upon the notice and upon the conditions specified in the Indenture, this Bond or any portion here of may be redeemed (i) from funds deposited with the Corporate Trustee in the Sinking Fund as provided for in the Indenture at the "Sinking Fund Redemption Price" of 100% of the principal amount and (ii) at the option of the Company at the prices (expressed in percentage of principal amount) set forth under the heading "Regular Redemption Price" at any time during the respective twelve month periods beginning October 15 of the years shown below:

<u>Year</u>	<u>Regular Redemption Price</u>	<u>Year</u>	<u>Regular Redemption Price</u>
1995	106.08%	2013	101.70%
1996	105.84%	2014	101.46%
1997	105.59%	2015	101.22%
1998	105.35%	2016	100.97%
1999	105.11%	2017	100.73%
2000	104.86%	2018	100.49%
2001	104.62%	2019	100.24%
2002	104.38%	2020	100.00%
2003	104.13%	2021	100.00%
2004	103.89%	2022	100.00%
2005	103.65%	2023	100.00%
2006	103.40%	2024	100.00%
2007	103.16%	2025	100.00%
2008	102.92%	2026	100.00%
2009	102.67%	2027	100.00%
2010	102.43%	2028	100.00%
2011	102.19%	2029	100.00%
2012	101.95%		

together in each case with accrued interest to the date fixed for redemption.

If one or more of the events of default as defined in the Indenture shall happen, 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.

The Company and the Trustees may deem and treat the person in whose name this Bond is registered as the absolute owner for the purpose of receiving payment (as herein provided) of or on account of the principal and interest due hereon and for all other purposes.

In the manner and upon the conditions prescribed in the Indenture this Bond is transferable by the registered owner hereof, in person or by attorney duly authorized, at the office or agency of the Company in San Francisco, California, or, at the option of the holder hereof, at the office or agency of the Company in the Borough of Manhattan, City and State of New York, upon the surrender and cancellation of this Bond, and upon any such transfer a new bond or bonds of the same series and for the same aggregate principal amount, in authorized denominations, will be issued to the transferee in exchange herefor. Bonds of this series shall be exchangeable for bonds of this series of other authorized denominations having the same aggregate principal amount, in the manner and upon the conditions prescribed in the Indenture. Bonds of this series issued upon any exchange or transfer will be dated and will bear interest as provided in the Indenture. No service charge will be made upon any such transfer or exchange but the Company may require the payment of a sum sufficient to cover any tax or other governmental charges in relation thereto.

ARTICLE II.

AMENDMENTS TO THE INDENTURE.

SECTION 1. The Indenture is hereby amended by inserting the words "or Bonds of Series EE" in each of the following places in the Indenture as heretofore supplemented and amended:

Immediately before the word "remain" in the first line of Section 13 of Article IX (p. 12, line 5 of the Twenty-second Supplemental Indenture)

Immediately before the word "in" in the fifth line of Section 13 of Article IX (p. 12, line 9 of the Twenty-second Supplemental Indenture).

ARTICLE III.

ADDITIONAL COVENANTS OF THE COMPANY.

SECTION 1. The Company covenants and agrees that the provisions contained in Section 5 of Article II of the Supplemental Indenture dated November 1, 1941, as amended by Section 2 of Article III of the Supplemental Indenture dated November 1, 1950, and the provisions contained in Section 6 of Article II of the Supplemental Indenture dated November 1, 1941 shall be, and shall continue to be, in full force and effect, until the payment or redemption of all Bonds of Series EE.

SECTION 2. The Company covenants and agrees that the provisions relating to redemption of bonds with cash deposited in the Sinking Fund shall be applicable to Bonds of Series EE only to the extent of $1\frac{1}{8}\%$ per annum of the initial aggregate principal amount of Bonds of Series EE issued hereunder.

ARTICLE IV.

CONVEYANCE OF ADDITIONAL PROPERTY.

SECTION 1. The Company does, by these presents, hereby grant, bargain, sell, convey, confirm, mortgage, pledge, assign, transfer and set over unto the Bank of America National Trust and Savings Association and Peet Saaret, as Trustees, and to their successors in trust, all of the property described in the schedule attached hereto and marked Schedule "A", to which reference is hereby made, and the same is made a part hereof with the same force and effect as if herein set forth at length, to have and to hold said property in trust as a part of the mortgaged and pledged property under said Indenture and subject to all the terms and conditions of said Indenture and of all Indentures supplemental thereto; provided, however, that nothing herein contained shall be construed to be a limitation upon the provisions of said Indenture for the vesting under said Indenture of all property of the Company acquired subsequent to the date of said Indenture, it being the intention of the parties hereto that all property of the Company owned on the date of said Indenture or thereafter or hereafter acquired subject to the rights reserved in said Indenture by the Company, shall be covered by the granting and pledging clauses of said Indenture.

ARTICLE V.

MISCELLANEOUS PROVISIONS.

SECTION 1. All of the covenants, stipulations, promises and agreements in this Supplemental Indenture contained by or on behalf of the Company shall bind its successors and assigns, whether so expressed or not.

SECTION 2. This Supplemental Indenture may be executed in several counterparts, each of which when so executed shall be deemed to be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 3. Although this Supplemental Indenture is dated as of October 15, 1990 for convenience and for the purpose of reference, the actual dates of execution by the Company and by the Trustees are as indicated by their respective acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed, and their respective corporate seals to be hereunto affixed and attested, all as of the day and year first above written.

GTE NORTHWEST INCORPORATED

By:

Charles B. Higgins
Vice President

Attest:

Richard E. Dotter
Assistant Secretary



BANK OF AMERICA NATIONAL TRUST
AND SAVINGS ASSOCIATION

By

Agar? Otan's
Assistant Vice President

Attest:

W. Young
Assistant Secretary*Peet Saaret*
Peet Saaret

Unofficial Copy

STATE OF WASHINGTON)
COUNTY OF SNOHOMISH) SS:

On this 26 day of October, 1990, before me, the undersigned, a Notary Public in the State of Washington, in and for the said County of Snohomish, residing therein and duly commissioned and sworn, personally appeared Charles B. Liekweg, known to me to be a Vice President of GTE NORTHWEST INCORPORATED and Richard E. Potter, known to me to be the Assistant Secretary of GTE NORTHWEST INCORPORATED, the corporation of that name that executed the within and foregoing Supplemental Indenture and also known to me to be the persons who executed said Supplemental Indenture on behalf of said corporation, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument by authority of its Board of Directors, and that one of the seals affixed to said instrument is the corporate seal of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal at my office in the City of Everett, County of Snohomish, State of Washington, the day and year first above written.



Sally A. Bates
.....
(Sally A. Bates)

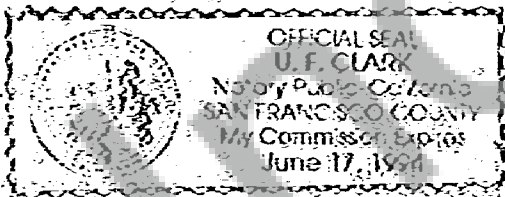
Notary Public in and for the State of Washington
Residing at Marysville.
My Commission expires April 5, 1991.

STATE OF CALIFORNIA)
CITY AND COUNTY OF SAN FRANCISCO) ss:

On the 29th day of October, 1990, before me, the undersigned, a Notary Public in the State of California, in and for the said City and County of San Francisco, residing therein and duly commissioned and sworn, personally appeared Agazio Calania, known to me to be a Assistant Vice President of BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, and V.L. Young known to me to be an Assistant Secretary of BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, the corporation of that name that executed the within and foregoing Supplemental Indenture and also known to me to be the persons who executed said Supplemental Indenture on behalf of said corporation, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument by authority of its Board of Directors, and that one of the seals affixed to said instrument is the corporate seal of said corporation, and acknowledged to me that such corporation executed the same.

On the 29th day of October, 1990, before me, the undersigned, a Notary Public in the State of California, in and for the said City and County of San Francisco, residing therein and duly commissioned and sworn, personally appeared PEET SAARET, known to me to be the identical individual person described in and who executed the within and foregoing Supplemental Indenture and stated that he executed, signed, sealed and delivered the same freely and voluntarily as his free and voluntary act and deed for the consideration and purposes therein mentioned and set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said City and County of San Francisco the day and year first above written.



U.F. Clark

SCHEDULE "A"

REAL PROPERTY SITUATE IN THE STATE OF WASHINGTON

Benton County

PARCEL 1

Lot 7, Block 3, Vista Verde, as per plat thereof recorded in Volume 12 of Plats, page 41, records of Benton County, Washington.

SUBJECT TO easements, reservations restrictions, covenants, and conditions of record; liability to future assessment by Kennewick Irrigation District, its successors and/or its assigns.

King County

PARCEL 2

That portion of Government Lot 3, Section 12, Township 26 North, Range 4 East, W.M., in King County, Washington, described as follows:

Commencing at a point which is 1,346.24 feet East and 817.50 feet North of the Southwest corner of said Section 12; thence North $01^{\circ}52'53''$ East, parallel with the West line of said Section 12, a distance of 472.50 feet; thence South $88^{\circ}05'33''$ East a distance of 161.90 feet to the true point of beginning; thence continuing South $88^{\circ}05'33''$ East a distance of 82.16 feet; thence South $20^{\circ}56'54''$ East a distance of 103.09 feet; thence South $01^{\circ}52'53''$ West a distance of 85.00 feet; thence North $88^{\circ}05'33''$ West a distance of 50.00 feet; thence North $47^{\circ}33'14''$ West a distance of 98.53 feet to a point that bears South $03^{\circ}12'36''$ West from the true point of beginning; thence North $03^{\circ}12'36''$ East a distance of 115.99 feet to the true point of beginning.

SUBJECT TO grant of easements and right-of-way by the Exeter Company to Moorland Water Company recorded under No. 2606518; easement for sanitary sewers in favor of Northeast Lake Washington Sewer District recorded under No. 6395296; easement for drainage in favor of King County, Washington, recorded under No. 7404260320; right to make slopes for cuts or fills upon said property herein described as conveyed in Deed recorded under No. 7211210305.

PARCEL 3

The East 100.00 feet of the North 160.00 feet of the West 727.00 feet of Government Lot 3, Section 7, Township 25 North, Range 6 East W.M.;

TOGETHER WITH an easement for ingress, egress and utilities over the East 15.00 feet of the West 627.00 feet of said Government Lot 3;

EXCEPT all coal and minerals and the right to explore for and mine the same as reserved by Deed recorded under King County recording No. 2870540.

SUBJECT TO easements, restrictions, reservations and provisions of record, if any.

Situate in the City of Redmond, County of King, State of Washington.

PARCEL 4

Lot 2, City of Redmond S.P. #SS-87-08 as recorded under recording No. 8711130661, said lot being described as follows:

The North 100 feet of the East 125 feet as measured along the North line of Lot 2 of King County Short Plat No. R279061 and recorded under recording No. 7905290589, being a portion of the Southwest Quarter of the Southwest Quarter of Section 34, Township 26 North, Range 5 East, W.M. in King County, Washington.

(Also known as a portion of Parcel 1 King County Lot Line Adjustment No. SS-86-29, recorded under recording No. 8612290875.)

COVENANT as follows: No structures or improvements shall be placed on this property by the Grantee or the Grantee's successors, without Grantor's prior approval, which approval must be in writing. Such structures shall be compatible with the design and finish quality of the Kistler-Morse building at 10201 Willows Road, N.E., landscaping shall be of first quality and properly maintained at all times.

SUBJECT TO easement and the terms and conditions thereof recorded under recording No. 8701061071; restrictions contained in King County Short Plat No. R279061 under recording No. 7905290589; easement provisions and the terms and conditions thereof contained in City of Redmond Short Plat No. SS-87-08 under recording No. 8711130661; easement and the terms and conditions thereof recorded under recording No. 8704281438; restrictions contained in City of Redmond Short Plat No. SS-87-08 under recording No. 8711130661; right of the public to make necessary slopes for cuts or fills as dedicated in the plat.

PARCEL 5

The North 155.70 feet of Lot 1 of City of Bellevue Short Plat No. 77-83 recorded under King County recording No. 7803210908, said Short Plat being the West 110 feet of lot 11, Bellevue Gardens' Third Addition, according to the plat thereof recorded in Volume 21 of Plats, page 72, in King County, Washington, and that portion of said Lot 11, described as follows:

Beginning at the intersection of the East line of the West 110 feet and the South line of said Lot 11; thence North 50°37'47" East along said South line, 185.00 feet; thence North 22°41'16" West, 352.00 feet to an intersection with a line parallel to and 110 feet East of the West boundary of said Lot 11; thence South 0°56'21" West along said parallel line, 442.17 feet to the point of beginning.

EXCEPT that portion of Lot 1 described as follows:

Commencing at the South quarter corner of Section 23, Township 25 North, Range 5 East, W.M., in King County, Washington, said corner being a concrete monument in a case at the intersection of N.E. 24th Street and 156th Avenue N.E., from which the North quarter corner of said Section 23 bears North 01°09'24" East (bearings refer to K.C.A.S. meridian), a distance of 5267.92 feet, said corner being a concrete monument in a case at the intersection of N.E. 40th Street and 156th Avenue N.E.; thence North 01°09'24" East along the West line of the Southeast Quarter of said Section 23, a distance of 1269.68 feet to the intersection of the prolonged North line of said Lot No. 1 of the City of Bellevue Short Plat No. 77-83; thence South 88°05'56" East along said prolonged North line a distance of 25.19 feet to the Northwest corner of said Lot No. 1 and the true point of beginning; thence South 00°56'21" West along the West line of said Lot No. 1 and the East right-of-way line of said 156th Avenue N.E., a distance of 468.53 feet to the Southwest corner of said Lot No. 1; thence South 88°07'54" East along the South line of said Lot No. 1, a distance of 1.00 feet; thence North 00°56'21" East parallel with said West line, a distance of 468.53 feet to said North line of Lot No. 1; thence North 88°05'56" West along said North line, a distance of 1.00 feet to the true point of beginning.

SUBJECT TO easement for the right to construct, operate, maintain, and replace one or more electric transmission and/or distribution lines, granted to Puget Sound Power & Light Company, as recorded under No. 8106180663; survey recorded under No. 8905169001; easement reserved by the City of Bellevue for public sidewalk and utilities as recorded under No. 8904110220; easement granted to the City of Bellevue for temporary construction easement as recorded under No. 8904110221.

PARCEL 6

Parcel A

The North 370.50 feet of the West 530 feet of the Northwest quarter of the Southwest quarter of Section 22, Township 25 North, Range 5 East, W.M., in King County Washington.

EXCEPT that portion thereof lying within the North half of the portion of the North quarter of the West three-quarters of the Southwest quarter of said Section lying Westerly of a strip of land conveyed to King County for road purposes by deed recorded under Recording No. 2718689.

(BEING KNOWN AS the North 370.50 feet of Tract 11, Sunset Gardens, according to the unrecorded plat thereof.)

EXCEPT that portion thereof lying within the North half of said Tract 11.

Parcel B

The South 64.00 feet of the North 434.50 feet of the West 530 feet of the Northwest quarter of the Southwest quarter of Section 22, Township 25 North, Range 5 East, W.M., in King County, Washington.

(BEING KNOWN AS the South 64.00 feet of the North 434.50 feet of Tract 11, Sunset Gardens, according to the unrecorded plat thereof.)

SUBJECT TO easement granted to the City of Bellevue to trim, cut and remove all such trees and other natural growth and obstructions as necessary to provide adequate clearance and to eliminate interference with the trail used by the public as recorded under No. 8707270068 and No. 8707270067; rail fence encroaching over the South and North line of said premises, as disclosed by survey recorded under No. 8807149004.

Skagit County

PARCEL 7

Parcel A

Lots 6 through 15, Block 2, King's First Addition to the City of Anacortes, according to the plat thereof recorded in Volume 1 of Plats, page 42, records of Skagit County, Washington;

TOGETHER WITH those portion of vacated "N" Avenue and alley adjacent which upon vacation reverted to said premises by operation of law.

EXCEPT Lots 11 through 15, Block 2; and that portion of vacated "N" Avenue lying South of the South line extended Westerly of the alley running through Block 2 of said plat.

Parcel B

The East 38 feet of the following described tract:

A tract of land in the West Half of the East Half of the Northeast Quarter of the Southeast Quarter of Section 25, Township 35 North, Range 1 East, W.M., described as follows:

Beginning at the Northeast corner of said subdivision; thence North $89^{\circ}56'30''$ West along the North line of said subdivision, 337.3 feet to the Northwest corner thereof; thence South $0^{\circ}34'50''$ West along the West line of said subdivision, 338.01 feet; thence South $89^{\circ}56'30''$ East 337.3 feet more or less to the East line of that certain tract described as Parcel B as conveyed to Philip E. Waltermann and Dorothy Waltermann, husband and wife, by instrument dated October 23, 1967, and recorded December 1, 1967, under Auditor's File No. 707538, records of Skagit County, Washington; thence North $0^{\circ}40'36''$ East along the East line of said Waltermann tract to the point of beginning.

EXCEPT the North 38 feet thereof.

ALSO EXCEPT any portion lying South of Westerly extension of the South line of the alley running through Block 2 of King's First Addition to the City of Anacortes, according to the plat thereof recorded in Volume 1 of Plats, page 42, records of Skagit County, Washington.

Parcel C

The North 38 feet of the East Half of the following described tract:

A tract of land in the West Half of the East Half of the Northeast Quarter of the Southeast Quarter of Section 25, Township 35 North, Range 1 East, W.M., described as follows:

Beginning at the Northeast corner of said subdivision; thence North $89^{\circ}56'30''$ West along the North line of said subdivision, 337.3 feet to the Northwest corner thereof; thence South $0^{\circ}34'50''$ West along the West line of said subdivision, 378.01 feet; thence South $89^{\circ}56'30''$ East 337.3 feet more or less, to the East line of that certain tract described as Parcel B as conveyed to Philip E. Waltermann and Dorothy Waltermann, husband and wife, by instrument dated October 23, 1967, and recorded December 1, 1967, under auditor's File No. 707358, records of Skagit County, Washington; thence North $0^{\circ}40'36''$ East along the East line of said Waltermann tract to the point of beginning.

EXCEPT the West 30 feet thereof.

Parcel D

Together with a non exclusive easement for the purpose of ingress, egress and utilities over, under and across that portion of King's First Addition to the City of Anacortes according to the plat thereof recorded in Volume 1 of Plats, page 42, records of Skagit County, Washington;

Beginning at the Northwest corner of Lot 11, Block 2 of said plat; thence South $9^{\circ}40'36''$ West, along the West line of said Lot 11, a distance of 100.00 feet to a point on the North right-of-way of Longview Avenue; thence North $89^{\circ}56'30''$ West, along the North right-of-way of Longview Avenue, a distance of 10.00 feet; thence North $0^{\circ}40'36''$ East, perpendicular to and parallel with the West line of said Lot 11, a distance of 100.00 feet to a point that bears North $89^{\circ}56'30''$ West from the point of beginning; thence South $89^{\circ}56'30''$ East a distance of 10.00 feet to the point of beginning.

Parcel E

AND ALSO TOGETHER WITH a 38.00 foot construction easement for the purpose of ingress, egress to be in effect for one year from the start of construction or three years from the purchase of property whichever comes first, described as follows:

Commencing at the Northwest corner of Lot 11, Block 2 of said plat, thence North $89^{\circ}56'30''$ West a distance of 10.00 feet to the true point of beginning; thence continuing North $89^{\circ}56'30''$ West a distance of 38.01 feet; thence South $00^{\circ}40'36''$ West, perpendicular to and parallel with the West line of said Lot 11, a distance of 100.00 feet to a point on the North right-of-way of Longview Avenue; thence South $89^{\circ}56'30''$ East, along the North right-of-way of Longview Avenue, a distance of 38.01 feet to a point that bears South $00^{\circ}40'36''$ West from the true point of beginning; thence North $00^{\circ}40'36''$ East, perpendicular to and parallel with the West line of said Lot 11, a distance of 100.00 feet to the true point of beginning.

SUBJECT TO easements, restrictions and reservations of record.

Snohomish County

PARCEL 8

All that portion of the Northwest Quarter of the Southwest quarter of Section 32, Township 29 North, Range 5 East, W.M., described as follows:

Beginning at the Northwest corner of the Northwest Quarter of the Southwest Quarter; thence East along the North line of said subdivision to the West line of Evergreen Cemetery Addition No. 8; thence South along the West line to the North line of the Plat of View Acres Division No. 2, according to the plat recorded in Volume 14 of Plats, page 52, records of Snohomish County, Washington; thence West to West line of said subdivision; thence North to the true point of beginning.

SUBJECT TO easement recorded November 12, 1953, under Auditor's File No. 1079242 and easement recorded November 13, 1963, under Auditor's File No. 1655672.

PARCEL 9

That portion of the Northwest Quarter of the Southeast Quarter of Section 18, Township 28 North, Range 5 East, W.M., in Snohomish County, Washington, described as follows:

Commencing at the center of said Section 18; thence South $1^{\circ}43'32''$ East along the North-South center line of said Section 18 for 546.37 feet to the true point of beginning; thence continuing south $1^{\circ}43'32''$ East along said center line for 660.18 feet to the northerly edge of Diagonal Way right-of-way; thence North $67^{\circ}45'00''$ East along the Northerly edge of Diagonal Way right-of-way for 282.27 feet to the Westerly edge of Pacific Northwest Traction Company right-of-way; thence North $2^{\circ}15'00''$ West along the Westerly edge of said right-of-way for 561.24 feet; thence south $88^{\circ}16'28''$ West for 259.22 feet to the true point of beginning.

SUBJECT TO easement for electric transmission and distribution line, consisting of a single line of poles, in favor of Public Utility District No. 1 of Snohomish County recorded under No. 1429407; easement for sewer line in favor of the City of Everett as recorded under No. 2035908.

ALSO SUBJECT TO preliminary estimated assessment of \$12,900.00 for streets under District No. 728, Assessment No. 0017, the lien of which the grantee has agreed to assume and pay in full in accordance with all terms and conditions of the Statutory Warranty Deed of record.

PARCEL 10

All of the East 1320 feet of the North 1325 feet of the South 2650 feet of the East half of Section 25, Township 28 North, Range 4 East, W.M., in Snohomish County, Washington, lying West of the right-of-way of the Seattle-Everett Interurban.

EXCEPT a strip 30 feet wide on the North side and 30 feet wide on the West side and 20 feet wide along the right-of-way of the Seattle-Everett Interurban to be reserved for public roads.

(Also known as Tract 35, Interurban Garden Tracts, unrecorded.)

SUBJECT TO easement for an underground electric distribution system in favor of the Public Utility District No. 1 of Snohomish County, as recorded on June 9, 1980, under recording No. 8006200230.

PARCEL 11

The Westerly 50.00 feet to the Easterly 305.00 feet of the Northerly 155.00 feet of Government Lot 3, Section 8, Township 29 North, Range 6 East, W.M., in Snohomish County, Washington, as measured along the North and East lines thereof.

EXCEPT THAT portion thereof lying within the Northerly 35.00 feet of said Government Lot 3.

(Also known as Lot 2 of Short Plat recorded under recording No. 89052200392.)

SUBJECT TO covenants, conditions, restrictions and easements contained in Short Plat recorded on May 22, 1989, under recording No. 8905220392; maintenance assessments for Drainage District 8.

REAL PROPERTY SITUATE IN THE STATE OF IDAHO

Kootenai County

PARCEL 12

A tract of land located in the Northwest One-Quarter of the Southeast One-Quarter of Section 8, Township 47 North, Range 3 West, Boise Meridian, Kootenai County, Idaho, and being more particularly described by metes and bounds as follows:

Commencing at the South One-Quarter corner of said Section 8 being marked by an iron rod and aluminum cap; thence North $00^{\circ}15'38''$ West, along the North-South centerline of said Section 8, said centerline also being the centerline of a 50.00 feet wide county road known as Manifold Road, a distance of 1859.09 feet to a set iron rod and cap; thence North $89^{\circ}44'22''$ East, a distance of 25.00 feet to a set iron rod and cap on the East right-of-way line of said Manifold Road, said point further being the point of beginning; thence, North $00^{\circ}15'38''$ West, along said East right-of-way line, a distance of 100.00 feet to a set iron rod and cap; thence, leaving said East right-of-way line, North $89^{\circ}44'22''$ East, a distance of 100.00 feet to a set iron rod and cap; thence South $00^{\circ}15'38''$ East, a distance of 100.00 feet to a set iron rod and cap; thence South $89^{\circ}44'22''$ West, a distance of 100.00 feet to the point of beginning.

REAL PROPERTY SITUATE IN THE STATE OF OREGON

Clackamas County

PARCEL 13

Part of Lot 6, Bonita Meadows, in the County of Clackamas and State of Oregon, more particularly described as follows:

Beginning at the most Northerly corner of said Lot 6; thence South along the East line of said lot, 228.35 feet to an angle point; thence continuing along said East line South 33°26' West 75 feet; thence North 27°05' West 297.74 feet to the North line of said Lot 6; thence along said North Line North 81°37' East 180.21 feet to the point of beginning.

ALSO beginning at the most Southerly corner of the above described tract, said point being South 0°14' West 228.35 feet and South 33°26' West 75 feet from the most Northerly corner of said Lot 6, Bonita Meadows; thence North 44°08' West 249.6 feet to an iron pipe; thence North 62.55' East 73.18 feet to a point on the Westerly Boundry of the tract first above described; thence South 27°05' East 238.6 feet to the point of beginning.

EXCEPT the rights of the public in and to that portion of the premises herein described lying within the limits of roads, streets and highways; Easement for sewer recorded October 30, 1979, as Recorder's Fee No. 79 48392.

Washington County

PARCEL 14

Beginning at an iron pipe at the Southwest corner of that certain tract of land in Section 15, Township 2 South, Range 1 West of the Willamette Meridian, conveyed to Leonard C. Donovan, et ux, by deed recorded in Deed Book 356, page 562, all in the county of Washington and State of Oregon; said iron pipe being South 0°34' West 551.92 feet and North 89°45' West 665.75 feet from the Northeast corner of the Broader property as described in Deed Book 124, page 334; running thence North 0°15' East 116.28 feet to an iron pipe on the Southerly line of a 30 foot wide roadway; thence North 89°45' West along said roadway line 99.0 feet to the Easterly boundary line of the north bound lane of the relocated West Side Pacific Highway; thence South 3°36' West along said highway boundary line 116.48 feet to an iron; thence South 89°45' East 105.8 feet to the place of beginning.

EXCEPT statutory powers and assessments of Unified Sewerage Agency; Covenants, Conditions and Restrictions as recorded May 19, 1948, in Book 285, page 485; Limited access provisions contained in Deed to the State of Oregon recorded May 3, 1952, in Book 332, page 219; Easement for underground pipeline recorded September 10, 1970, in Book 791, page 926; Easement for electric power lines recorded September 18, 1985, as Fee No. No. 85036827.

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