

Series I shall be dated February 1, 1966, and the registered bonds of Series I without coupons shall be dated as provided in Section 2.04 of the Original Indenture. All Series I bonds shall mature February 1, 1996, and shall bear interest at the rate of five and twenty-five hundredths per cent (5.25%) per annum from their respective dates, such interest to be payable semiannually on the 1st day of August and the 1st day of February in each year. Both the principal of and interest on bonds of Series I 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 I, the Trustee's certificate with respect to Series I bonds and the coupons appertaining to Series I 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 I 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 31, 1967-5.25%
Thereafter and on or before January 31, 1968-5.05%
Thereafter and on or before January 31, 1969-4.85%
Thereafter and on or before January 31, 1970-4.65%
Thereafter and on or before January 31, 1971-4.45%
Thereafter and on or before January 31, 1972-4.25%
Thereafter and on or before January 31, 1973-4.05%
Thereafter and on or before January 31, 1974-3.85%
Thereafter and on or before January 31, 1975-3.65%
Thereafter and on or before January 31, 1976-3.45%
Thereafter and on or before January 31, 1977-3.25%
Thereafter and on or before January 31, 1978-3.05%