

83639

Twenty-Sixth Supplemental Indenture

GENERAL TELEPHONE COMPANY
OF THE NORTHWEST, INC.
EVERETT, WASHINGTON

TO

BANK OF AMERICA NATIONAL TRUST AND
SAVINGS ASSOCIATION
(A NATIONAL BANKING ASSOCIATION)

AND

M. J. BARRETT

Dated as of February 1, 1977



THIS TWENTY-SIXTH SUPPLEMENTAL INDENTURE, made as of the 1st day of February, 1977, by and between GENERAL TELEPHONE COMPANY OF THE NORTHWEST, Inc. (formerly named 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"), the party of the first part, 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 M. J. BARNETT, of San Francisco, California (hereinafter referred to as the "Individual Trustee") as Trustees under that certain Indenture hereinafter referred to, the parties of the second part:

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 Trustees (M. J. Barnett 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 twenty-five 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 \$170,938,000, as follows:

<u>Title</u>	<u>Principal Amount</u>
First Mortgage Bonds, 3% Series due 1980	\$ 1,000,000
First Mortgage Bonds, 3½% Series due 1980	1,000,000
First Mortgage Bonds, 3¾% Series due 1980	2,000,000
First Mortgage Bonds, 3¾% Series due 1980	3,000,000
First Mortgage Bonds, 3¾% Series due 1980	3,500,000
First Mortgage Bonds, 4½% Series due 1985	3,000,000
First Mortgage Bonds, 4¾% Series due 1985	4,000,000
First Mortgage Bonds, 5¾% Series due 1990	3,000,000
First Mortgage Bonds, 5% Series due 1990	4,000,000
First Mortgage Bonds, 4¾% Series due 1990	5,000,000
First Mortgage Bonds, 4½% Series due 1990	5,000,000
First Mortgage Bonds, 4½% Series due 1993	10,000,000
First Mortgage Bonds, 6% Series P due 1996	9,000,000
First Mortgage Bonds, 6¼% Series Q due 1998	15,000,000
First Mortgage Bonds, 7¼% Series R due 1999	18,000,000
First Mortgage Bonds, 9¼% Series S due 2000	25,000,000
First Mortgage Bonds, 9¾% Series T due 2000	15,000,000
First Mortgage Bonds, 7¾% Series U due 2002	20,000,000
First Mortgage Bonds, 10¾% Series V due 2004	24,438,000
Total	\$170,938,000;

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, 8¼% Series W Due 2007", the aggregate principal amount of such series not to be

limited except as to the limitations upon the issuance of bonds contained in the Indenture, 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 Twenty-sixth 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 dated as of March 1, 1939 and which are not specifically described therein or in any of the aforementioned supplemental indentures, 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 as heretofore supplemented and amended 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, Series W Due 2007, 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 Twenty-sixth Supplemental Indenture, in the form and 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 executing 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, to-wit:

ARTICLE I.

TERMS AND CONDITIONS OF FIRST MORTGAGE BONDS, \$147, SERIES W DUE 2007

Section 1. There shall be and is hereby established a series of bonds designated First Mortgage Bonds, \$147, Series W Due 2007, said bonds being sometimes hereinafter referred to as the "Bonds of Series W", and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Section 1 specified. Bonds of Series W shall mature on February 1, 2007, 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 W shall bear interest at the rate of 8 1/2% per annum, payable semi-annually on February 1 and August 1 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 W 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 first day of February or the first day of August next preceding the date thereof. The Bonds of Series W 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 W, such bond shall be dated as of February 1, 1977, 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 W, such bond shall be dated as of such interest payment date.

The person in whose name any Bond of Series W is registered at the close of business on any record date (as hereinafter defined) 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 W 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 W 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 W 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 W 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 the January 15 or July 15, as the case may be, next preceding such interest payment date, whether or not such January 15 or July 15 is a business day.

Section 2. Bonds of Series W 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 W 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 it or the Company shall deliver in exchange therefor a new Bond or Bonds of Series W for the same aggregate principal amount. No service charge shall be made for any transfer or exchange of Bonds of Series W, 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 W 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 W 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, Article I of the Indenture, the signatures of the officers of the Company executing Bonds of Series W and attesting the corporate seal thereon may be facsimile, and in case any of such officers shall cease to be such officer 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 or officers of the Company.

Section 4. Any or all of the Bonds of Series W shall be redeemable (i) at the option of the Company at any time, and from time to time,

prior to maturity, by the payment of the redemption prices as specified in the form set forth herein for the Bonds of Series W 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; provided, however, that no Bond of Series W may be redeemed prior to February 1, 1982 as provided in clause (i) above if such redemption is for the purpose of, or in anticipation of, refunding such bond by the application, directly or indirectly, of funds borrowed by the Company at an interest cost of less than 8.32% per annum calculated in accordance with accepted financial practice.

Notice of redemption of Bonds of Series W 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 W which are to be redeemed, at their last address as they appear upon the bond registry books, and the particular Bonds of Series W to be redeemed shall be selected by the Trustee by such method as it shall deem fair and appropriate and which may provide for the election for redemption of portions (equal to \$1,000 or a multiple thereof) of the principal of Bonds of Series W 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 W, 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 W.

Upon surrender of any Bond of Series W 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 W 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 so surrendered.

SECTION 5. Notwithstanding anything contained in the Indenture or any Supplemental Indenture or in the form of Bond of Series W if any Bonds of said series are redeemed from funds received

the Company from the sale of property or from the proceeds of insurance, then and in any such event there shall be paid the Regular Redemption Price as specified in the form set forth herein for the redemption of Bonds of Series W at the option of the Company, together with accrued interest to the date of redemption.

SECTION 6. To the extent not expressly provided by this Twenty-sixth Supplemental Indenture, the Bonds of Series W 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 W 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 BOND OF SERIES W)

GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC.

First Mortgage Bond,

8 1/4% SERIES W DUE 2007

No.

\$

GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC., 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 1st day of February, 2007, unless this bond is sooner redeemed, Dollars and to pay interest thereon at the rate of 8 1/4% per annum until the payment of said principal sum, semi-annually on the first day of February and on the first day of August 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 first day of February or the first day of August 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 W evidencing the same debt) is registered at the close of business on the 15th day of January or the 15th day of July, 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, GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC. 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 _____

GENERAL TELEPHONE COMPANY
OF THE NORTHWEST, INC.

By _____
President

ATTEST:

Secretary

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(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 W)

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 M. J. Barrett 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, Novem-

ber 1, 1970, May 1, 1972, September 1, 1974 and February 1, 1977 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 thereof may be redeemed at any time during the respective twelve month periods beginning February 1 of the years shown below, (i) at the option of the Company at the

prices (expressed in percentage of principal amount) set forth under the heading "Regular Redemption Price" and (ii) 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:

<u>Year</u>	<u>Regular Redemption Price</u>	<u>Year</u>	<u>Regular Redemption Price</u>
1977	108.25%	1992	103.98%
1978	107.97%	1993	103.70%
1979	107.68%	1994	103.41%
1980	107.40%	1995	103.13%
1981	107.11%	1996	102.84%
1982	106.83%	1997	102.56%
1983	106.54%	1998	102.28%
1984	106.26%	1999	101.99%
1985	105.97%	2000	101.71%
1986	105.69%	2001	101.42%
1987	105.41%	2002	101.14%
1988	105.12%	2003	100.85%
1989	104.84%	2004	100.57%
1990	104.55%	2005	100.28%
1991	104.27%	2006	100.00%

together in each case with accrued interest to the date fixed for redemption; provided, however, that no Bond of Series W may be redeemed prior to February 1, 1982, as provided in clause (i) above if such redemption is for the purpose of, or in anticipation of, refunding such Bond by the application, directly or indirectly, of funds borrowed by the Company at an interest cost of less than 8.32% per annum calculated in accordance with accepted financial practice.

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 thereof, 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 maturity date 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 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.

The Indenture is hereby amended as follows:

Insert the words "or Bonds of Series W" 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, 1930, 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 W.

SECTION 2. So long as any Bonds of the 3% Series due 1980 or Bonds of the 3½% Series due 1980 shall remain outstanding, the Company will not anticipate Sinking Fund payments by making payments into the Sinking Fund greater than that required at any specified time.

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 M. J. Barrett, 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 of 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.

SUBJECT NEVERTHELESS, to any liens on any of the property hereby mortgaged at the time of acquisition, including as to any of such properties subject hereto, the lien of the indenture dated January 1, 1940 executed by General Telephone Company of the Northwest (formerly named Interstate Telephone Company) to Seattle First

National Bank, as Trustee, and First Security Bank of Idaho, National Association, as Separate Trustee, as said indenture has been or hereafter may be supplemented and amended by supplemental indentures, provided, however, that no such supplemental indenture shall supplement or amend the provisions of said indenture, as supplemented and amended on the date of this Supplemental Indenture in such manner that (i) the lien thereof shall be more extensive as to classes or kinds of property covered thereby, or (ii) covenants for the protection of the security or provisions with respect to release of property and withdrawal of moneys held by the trustee thereunder shall, in the opinion of counsel for the Company, be less adequate as protection for the holders of the bonds thereby secured than the restrictions, covenants and provisions contained in said indenture, as supplemented and amended on the date of this Supplemental Indenture.

ARTICLE V.

MISCELLANEOUS PROVISIONS.

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

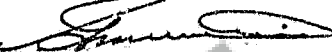
SECTION 2. This Supplemental Indenture may be executed in several counterparts, each of which when so executed shall be deemed to be an original; but such counterparts shall together constitute but one and the same instrument.

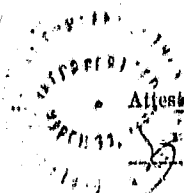
SECTION 3. Although this Twenty-sixth Supplemental Indenture is dated as of February 1, 1977 for convenience and for the purpose of reference, the actual dates of execution by the Company and by the Trustees are as indicated by their respective acknowledgments hereto annexed.

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.

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GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC.

By 
Vice President



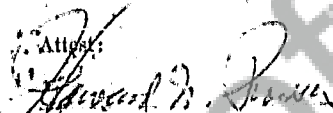
Attest:



Secretary

BANK OF AMERICA NATIONAL TRUST
AND SAVINGS ASSOCIATION

By 
Trust Officer

Attest:


Assistant Secretary


M. J. Barrett

STATE OF WASHINGTON }
COUNTY OF SNOHOMISH } ss.:

On this 24th day of January, 1977, 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 G. W. WHITE, known to me to be the Vice President of GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC. and ROBERT E. JOSEPH, known to me to be the Secretary of GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC., 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.

Gail E. Oates
(Gail E. Oates)

Notary Public in and for the State of Washington
Residing at Everett
My Commission expires January 20, 1979.

STATE OF CALIFORNIA }
CITY AND COUNTY OF SAN FRANCISCO } ss.:

On this ³⁵ day of January, 1977, 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 L. J. FARRISHER known to me to be a Trust Officer of BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, and HOWARD W. PROSEWEN 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 this 3 day of January, 1977, before me, the undersigned, a Notary Public in the State of California, in and for the City and County of San Francisco, residing therein and duly commissioned and sworn, personally appeared M. J. BARNETT, 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 the same, 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.

NOTARY PUBLIC CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
My Commission Expires 10/1/77

EDWARD LEE KELLY
NOTARY PUBLIC CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
My Commission Expires Jan 20, 1978

SCHEDULE "A"

REAL PROPERTY SITUATE IN THE STATE OF WASHINGTON
BENTON COUNTY

That certain parcel of real property situated in the County of Benton, State of Washington, more particularly described as follows:

PARCEL 1

The South 136.60 feet of Tract 47, the Highlands, Plat A, according to the Plat recorded in Volume 1 of Plats, page 2, records of Benton County, Washington.

Except the East 15 feet thereof as conveyed to the City of Kennewick, a municipal corporation, by Deed recorded February 17, 1972, under Auditor's File No. 630871; being Lot 1 of Short Plat No. 126, as recorded October 31, 1975 under Auditor's File No. 690869.

PARCEL 2

A portion of the N.W. quarter of the N.W. quarter of Section 26, Twp. 10 N., R. 28 E., W.M., situated in Benton County, Washington, described as follows:

Commencing at the S.W. corner of the N.W. quarter of the N.W. quarter of said Section 26, thence N. 89° 25' 53" E along the south line of the N.W. quarter of the N.W. quarter of said Section 26; for 250.00 feet to the easterly edge of a County right-of-way (Steven Drive) the True Point of Beginning; thence continue N 89° 25' 53" E along the south line of the N.W. quarter of the N.W. quarter of said Section 26 for 160.51 feet; thence N 01° 03' 08" W for 160.51 feet; thence S 89° 25' 53" W for 339.58 feet to a point that bears N 01° 13' 46" E from the True Point of Beginning, said point also being on easterly edge of said County right-of-way; thence S 01° 13' 46" W for 160.58 feet along the easterly edge of said County right-of-way to the True Point of Beginning.

TOGETHER WITH an easement for ingress and egress access over and across the following described tract: Commencing at the True

Point of Beginning of the above described tract; thence N $01^{\circ} 13' 46''$ E along said County right-of-way for 160.58 feet to the True Point of Beginning of this easement; thence continue N $01^{\circ} 13' 46''$ E along the said County right-of-way for 45.00 feet, thence N $89^{\circ} 25' 53''$ E for 60.00 feet thence S $01^{\circ} 13' 46''$ W for 45.00 feet to a point that bears N $89^{\circ} 25' 53''$ E from the True Point of Beginning; thence S $89^{\circ} 25' 53''$ W for 60.00 feet to the True Point of Beginning.

GRANT COUNTY

That certain parcel of real property situated in the County of Grant, State of Washington, more particularly described as follows:

PARCEL 3

That portion of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 25, Township 22 North, Range 26 E.W.M., Grant County, Washington, described as follows:

Beginning at the Northeast corner of said Section; thence South $0^{\circ} 05'$ East along the east line of said Section, 330 feet to the true point of beginning; thence South $89^{\circ} 32' 30''$ West parallel to the north line of said Section, 330 feet; thence South $0^{\circ} 5'$ East 300 feet; thence North $89^{\circ} 32' 30''$ East 330 feet; thence North $0^{\circ} 05'$ West 300 feet to the true point of beginning, together with easements and right-of-way of record.

This represents approximately 214 acres.

KING COUNTY

That certain parcel of real property situated in the County of King, State of Washington, more particularly described as follows:

PARCEL 4

A portion of the NW quarter of the SE quarter of Section 28, Township 26 North, Range 5 East, W.M., situated in King County, Washington described as follows:

The South 218.00 feet of the NW quarter of the SE quarter of said Section 28 as measured from and being parallel to the South line of the NW quarter of the SE quarter of said Section 28, lying East of a county road known as Slater Avenue North East EXCEPT for the West 338.81 feet of the NW quarter of the SE quarter of said Section 28.

SNOHOMISH COUNTY

That certain parcel of real property situated in the County of Snohomish, State of Washington, more particularly described as follows:

PARCEL 5

Parcel A

All that portion of Lot 205, Plat of Hillman's Cathcart Division No. 1 as recorded in Volume 9 of Plats, on page 44 to page 47, inclusive, records of Snohomish County, Washington, described as follows:

Commencing at the Northwest corner of said Lot 205; thence South $89^{\circ} 12' 51''$ East along the south right-of-way of a County Road (180th) for 597.82 feet to the true point of beginning; thence continue South $89^{\circ} 12' 51''$ East along said County right-of-way for 73.68 feet; thence South $87^{\circ} 58' 24''$ East along said County right-of-way for 175.95 feet; thence Southeasterly along the said County right-of-way and intersection of 180th and Broadway, along an arc of a 64.54 foot radius curve to the right for 127.15 feet and consuming a central angle of $112^{\circ} 53' 05''$; thence Southwesterly along the right-of-way of a County Road (Broadway) along an arc of a 1,040.08 foot radius curve to the left for 233.70 feet and consuming a central angle of $07^{\circ} 02' 58''$ to the South line of said Lot 205; thence North $89^{\circ} 08' 09''$ West along the South line of said Lot 205 for 223.16 feet to a point that bears South $00^{\circ} 47' 09''$ West from the true point of beginning; thence North $00^{\circ} 47' 09''$ East for 317.70 feet to the true point of beginning.

Parcel B

TOGETHER WITH an easement for ingress, egress and utilities over, under and across the East 30.00 feet of the West 597.82 feet as measured along the North line of said Lot 205. This easement is nonexclusive.

PARCEL 6

Lots 12, 13, 19 and 20, Block 8, Alderwood Manor, less rights of way, easements and rights of record, according to the plat thereof recorded in Volume 9 of Plats, Page 71, Records of Snohomish County, Washington.

WHITMAN COUNTY

That certain parcel of real property situated in the County of Whitman, State of Washington, more particularly described as follows:

PARCEL 7

The south half of Lot 10, Block 11, Fitch's Addition to the City of Palouse, according to plat thereof, recorded in Book 8 of Plats, page 11, records of said county.

REAL PROPERTY SITUATE IN THE STATE OF OREGON

WALLOWA COUNTY

That certain parcel of real property situated in the County of Wallowa, State of Oregon, more particularly described as follows:

PARCEL 8

A one-acre parcel of land described as follows:

Beginning at a point that bears S 00° 10' W a distance of 15 feet from the northeast corner of the southeast quarter of the southwest quarter of Section 19, Township 3 North, Range 41 East, W.M.; thence N 19° 07' 45" E, a distance of 339.95 feet; thence S 74° 20' 53" E, a distance of 273.00 feet; thence N 61° 56' 05" E, a distance of 156.48 feet to the true point of beginning and running thence N 55° 59' 35" E, a distance of 208.80 feet; thence N 34° 00' 25", a distance of 208.80 feet; thence S 55° 59' 35" W, a distance of 208.80 feet; thence S 34° 00' 25" W, a distance of 208.80 feet to the true point of beginning. Situated in the west half of the southeast quarter (W-½ SE-¼) of Section 19, T 3 N, R 41 E, W.M., containing one acre, more or less.

Also: A road right of way being 20 feet wide, said right of way being 10 feet on each side of the following described centerline: Beginning at station 0+00, said station being in the center of an existing forest road leading to a forest service lookout tower, said station also being N 19° 07' 45" E, a distance of 332.95 feet from a point that is S 00° 15' W a distance of 15.00 feet from the northeast corner of the southeast quarter of the southwest quarter of Section 19, T 3 N, R 41 E, W.M.; thence S 74° 20' 55" E, a distance of 273.60 feet; thence N 58° 16' 03" E a distance of 155.53 feet; to a point that is N 34° 00' 25" W a distance of 10.00 feet from the true point of beginning of the above described acre tract.

REAL PROPERTY SITUATE IN THE STATE OF IDAHO

BONNER COUNTY

That certain parcel of real property situated in the County of Bonner, State of Idaho, more particularly described as follows:

PARCEL 9

Lot 1 in Block 9 of Gillingham's Priest River, Idaho, according to the plat thereof, recorded in Book 1, Page 15, records of Bonner County, Idaho.

KOOTENAI COUNTY

That certain parcel of real property situated in the County of Kootenai, State of Idaho, more particularly described as follows:

PARCEL 10

A portion of the S½ of the SW¼ of Section 30, Twp. 52N, R 4 W, B.M., situated in Kootenai County, Idaho, described as follows: Commencing at the SW corner of said Section 30; thence S 85° 52' 36" E along the South line of said Section 30 for 1252.18 feet to the Westerly edge of a Hiway Easement line (S.H.53); thence N 49° 33' 45" E along the Westerly edge of said Hiway easement line for 202.04 feet to the True Point of Beginning; thence continuing N 49° 33' 45" E along said Hiway easement line for 208.71 feet; thence N 40° 26' 15" W for 208.71 feet; thence S 49° 33' 45" W for 208.71 feet to a point that bears N 43° 26' 15" W from the True Point of Beginning; thence S 40° 26' 15" E for 208.71 feet to the True Point of Beginning.