
Twenty-Ninth Supplemental Indenture

GENERAL TELEPHONE COMPANY
OF THE NORTHWEST, INC.
Everett, Washington

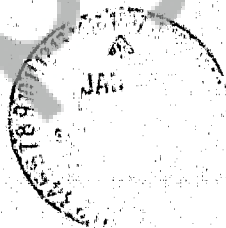
TO

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

AND

M. J. BARRETT

Dated as of December 4, 1979



THIS TWENTY-NINTH SUPPLEMENTAL INDENTURE, made as of the 1st day of December, 1979, 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. BARRETT, 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. BARRETT 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-eight 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

STATE OF WASHINGTON
COUNTY OF SKAMANIA

I HEREBY CERTIFY THAT THE WITHIN INSTRUMENT OF WRITING, FILED BY

Collec. Leathers, Attorney
OF 1700 - 1st St. Everett, WA

AT 3:00 P.M. JAN 16 19 80

WAS RECORDED IN BOOK 56
OF *107* IN PAGE 878-205
RECORDS OF SKAMANIA COUNTY, WASH.

H.P. Todd
W. B. Babcock

| | |
|------------|----------|
| REGISTERED | <i>h</i> |
| INDEXED | <i>h</i> |
| INDEXED | <i>h</i> |
| RECORDED | |
| RECORDED | |
| MAILED | |

WHEREAS, there are presently issued and outstanding under the Indenture, bonds in the aggregate principal amount of \$29,094,000, as follows:

| Date | Principal |
|--|--------------|
| First Mortgage Bonds, 3 1/2% Series due 1980 | \$ 1,000,000 |
| First Mortgage Bonds, 3 1/2% Series due 1980 | 1,000,000 |
| First Mortgage Bonds, 3 1/2% Series due 1980 | 2,000,000 |
| First Mortgage Bonds, 3 1/2% Series due 1980 | 2,000,000 |
| First Mortgage Bonds, 3 1/2% Series due 1985 | 2,000,000 |
| First Mortgage Bonds, 4 1/2% Series due 1985 | 4,000,000 |
| First Mortgage Bonds, 4 1/2% Series due 1985 | 4,000,000 |
| First Mortgage Bonds, 5 1/2% Series due 1990 | 4,000,000 |
| First Mortgage Bonds, 5 1/2% Series due 1990 | 4,000,000 |
| First Mortgage Bonds, 4 1/2% Series due 1990 | 5,000,000 |
| First Mortgage Bonds, 4 1/2% Series due 1991 | 5,000,000 |
| First Mortgage Bonds, 4 1/2% Series due 1995 | 10,000,000 |
| First Mortgage Bonds, 5 1/2% Series Public 1996 | 9,000,000 |
| First Mortgage Bonds, 6 1/2% Series Q due 1998 | 15,000,000 |
| First Mortgage Bonds, 7 1/2% Series R due 1999 | 18,000,000 |
| First Mortgage Bonds, 6 1/2% Series S due 2000 | 25,000,000 |
| First Mortgage Bonds, 6 1/2% Series U due 2002 | 25,000,000 |
| First Mortgage Bonds, 6 1/2% Series V due 2004 | 25,000,000 |
| First Mortgage Bonds, 8 1/2% Series W due 2007 | 50,000,000 |
| First Mortgage Bonds, 8 1/2% Series X due 2008 | 65,000,000 |
| First Mortgage Bonds, 10 1/2% Series Y due Serials to 1984 | 17,000,000 |
| Total | \$29,094,000 |

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, 12% Series Z Due 2005", to be limited except as provided in Article I of the Indenture and Section 2 hereof with respect to bonds authorized and delivered in exchange or substitution for other bonds in aggregate principal amount to \$50,000,000, 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

Witness, the Company desires and has requested, be T. Trustee in
 join with in the execution and delivery of the Twenty-ninth Supplemental
 Indenture for the purpose of (1) expressly granting and conveying to
 the Trustee the hereinafter described properties as set forth in the Com-
 pany subsequent to the execution of the Indenture dated 1st of March, 1939
 and which are not specifically described therein, (2) in any of the
 forementioned properties, but which properties, whether
 acquired thereof by the Company, become and may hereafter be sub-
 ject to a lien, charge and effect of the Indenture by virtue of the above-mentioned
 property, and of other clauses therein, and confirming the lien of the
 Indenture as herebefore supplemented and amended as to property
 described therein or intended to be covered thereby, whether by operation
 of the above-mentioned property, clauses thereof or otherwise, and of the
 property, the Indenture shall be released from the lien thereof, as security for
 all loans which may at any time be issued and outstanding under the
 Indenture, as from time to time in effect (2) setting forth the terms and
 conditions of said First Mortgage Bonds, (3) setting forth the terms and
 conditions of said First Mortgage Bonds, (4) setting forth the terms and
 conditions of said First Mortgage Bonds, all to the extent and in the
 manner hereinafter provided, and (5) providing for amendments to the
 Indenture; and

Witness, all conditions and requirements necessary to make the
 Twenty-ninth Supplemental Indenture in the form and tenor hereof a
 valid, binding and enforceable instrument, in accordance with the laws and
 for the purposes herein expressed, have been performed and fulfilled, and the
 execution and delivery hereof are a legal and proper act, duly authorized

Now, the Trustee, as aforesaid, of the Company, and of the sum
 of One Dollar (\$1.00) duly paid to the Trustee by the Company at or
 before the signing and delivery of these presents, and for the valuable
 consideration, the receipt whereof is hereby acknowledged, the Com-
 pany hereby covenants and agrees with the Trustee and their successors
 in the bond under said Indenture, for the equal benefit of all present and
 future holders of all notes and coupons which may at any time be out-
 standing under said Indenture, as hereinafter provided:

ARTICLE I

TERMS AND CONDITIONS OF THE FIRST MORTGAGE BONDS,
DUE DECEMBER 1, 2004

SECTION 1. There shall be and is hereby established a series of bonds designated First Mortgage Bonds, 12% Series Z Due 2004, said bonds being sometimes hereinafter referred to as the "Bonds of Series Z", and the form thereof shall conform with suitable provisions with respect to the matters hereinafter in this section specified. The aggregate principal amount of Bonds of Series Z 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 to bonds authenticated and delivered in exchange or substitution for other bonds) to \$50,000,000. Bonds of Series Z shall mature on December 1, 2004 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 Z shall bear interest at the rate of 12% per annum, payable semi-annually on June 1 and December 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 offices of the Company in the City of San Francisco, State of California.

Interest on each bond of Series Z shall accrue from the date thereof unless such date is an interest payment date and the accretion shall default in the interest due on such date, in which case such interest shall accrue from the first day of June or the first day of December next preceding the date thereof. The Bonds of Series Z 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 Z, such bond shall be dated as of the date on which Bonds of Series Z are initially issued and sold by the Company, 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 Z, such bond shall be dated as of such interest payment date.

The person in whose name any Bond of Series Z 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 Z 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 Z 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 Z 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 Z 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 May 15 or November 15, as the case may be, next preceding such interest payment date, whether or not such May 15 or November 15 is a business day.

SECTION 2. Bonds of Series Z 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 Z 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 Z for the same aggregate principal amount. No service charge shall be made for any transfer or exchange of Bonds of Series Z, 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 Z during the period of 15 days preceding the making 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 Z 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 Z 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 or officers of the Company.

SECTION 4. Any or all of the Bonds of Series Z shall be redeemable at the option of the Company at any time and from time to time after December 1, 1984, prior to maturity, by the payment of the redemption prices as specified in the form set forth herein for the Bonds of Series Z under the heading "Regular Redemption Price", together with accrued interest to the date of redemption.

On December 1, 1985, and on each December 1 thereafter while Bonds of Series Z are outstanding, to and including December 1, 2003 (such dates being herein referred to as the "Series Z Special Bond Redemption dates"), the Company, as and for a special redemption fund for the retirement of Bonds of Series Z

(i) will, in the manner hereinafter and in the Indenture provided, redeem \$2,500,000 principal amount of Bonds of Series Z at the "Series Z Special Bond Redemption Price" of 100% of the principal amount to be redeemed, together with accrued interest to such Series Z Special Bond Redemption date, and

(ii) may, at its option, in the manner hereinafter and in the Indenture provided, redeem an additional principal amount of Bonds of Series Z not exceeding \$2,500,000 at the Series Z Special Bond Redemption Price specified in the foregoing clause (i), together with accrued interest to such Series Z Special Bond Redemption date, such option to be noncumulative so that the failure to elect to redeem all or any part of such additional principal amount on any Series Z Special Bond Redemption date shall not entitle the Company to increase the amount that may be redeemed on any subsequent Series Z Special Bond Redemption date pursuant to this clause (ii), except that the aggregate principal amount of bonds of Series Z that may be redeemed pursuant to this clause (ii) shall not exceed \$5,000,000.

provided, however, that the principal amount of Bonds of Series Z of any holder that shall be redeemed on any Series Z Special Bond Redemption date pursuant to the foregoing clause (i) or that may be redeemed at the Company's option on any Series Z Special Bond Redemption date pursuant to the foregoing clause (ii) shall in each case be reduced by the principal amount of Bonds of Series Z purchased by the Company from such holder and delivered uncanceled to the Corporate Trustee on such Series Z Special Bond Redemption date as hereinafter in this Section provided, and provided, further, that the aggregate principal amount of Bonds of Series Z that may be redeemed on all Series Z Special Bond Redemption dates pursuant to said clause (ii) shall be reduced by the aggregate principal amount of Bonds of Series Z so delivered by the Company to the Corporate Trustee in respect of optional redemption pursuant to said clause (ii), and provided, further, that the amount of such reduction for any Series Z Special Bond Redemption date in respect of the Bonds of Series Z of any holder shall not exceed the principal amount of such Bonds of such holder that would be redeemable on such Series Z Special Bond Redemption date if no Bonds of Series Z were purchased and delivered to the Corporate Trustee as aforesaid on such Series Z Special Bond Redemption date. No redemption (pursuant to the foregoing clause (ii) or at the redemption prices as specified in the form set forth herein for the Bonds of Series Z under the heading "Regular Redemption

Price") of less than all the Bonds of Series Z shall be credited to, or relieve the Company to any extent from its obligations to make, future redemptions of Bonds of Series Z pursuant to the foregoing clause (i).

On or before the business day preceding December 1, 1985, and on or before the business day preceding each subsequent Series Z Special Bond Redemption date, the Company will pay to the Corporate Trustee an amount of cash equal to the Series Z Special Bond Redemption Price of, and accrued interest to such Series Z Special Bond Redemption date on, the Bonds of Series Z to be redeemed on such Series Z Special Bond Redemption date. The amount of such cash shall not be reduced in respect of any Bond of Series Z that the Company proposes to deliver to the Corporate Trustee as contemplated by the proviso immediately following clause (ii) of the preceding paragraph unless on or before the date of such payment the Company shall have delivered to the Corporate Trustee a certificate signed by the President or a Vice President and the Controller, an Assistant Controller, the Treasurer or an Assistant Treasurer of the Company identifying such Bond to be so delivered and certifying that a duplicate original or conformed copy of a written agreement between the Company and the holder of such Bond providing for the purchase by the Company of such Bond (or a specified portion thereof) on or before such Series Z Special Bond Redemption date has been filed with the Corporate Trustee and that all conditions precedent in such written agreement required to be satisfied on the part of the Company and such holder for the purchase by the Company of such Bond (or portion thereof) on or before such Series Z Special Bond Redemption date have been duly satisfied (or in the case of payment that provisions for the payment when due of the purchase price for such Bond, or portion thereof, in accordance with such written agreement have been made).

The Company will, not less than 60 days prior to each Series Z Special Bond Redemption date, notify the Corporate Trustee in writing as to the principal amount, if any, of Bonds of Series Z to be redeemed on such Series Z Special Bond Redemption date pursuant to the provisions of clause (i) of the second paragraph of this Section (without giving effect to any reduction in such principal amount by reason of the proposed delivery of Bonds of Series Z to the Corporate Trustee as contemplated by the proviso immediately following said clause (ii)).

On each Series Z Special Bond Redemption date, the Company will deliver to the Corporate Trustee each Bond of Series Z identified in the certificate theretofore delivered to the Corporate Trustee in respect of

such Series Z Special Bond Redemption date pursuant to the third paragraph of this Section whereupon each such Bond (or the portion thereof so purchased) so delivered shall cease to be outstanding as a Bond of Series Z for purposes of future redemptions pursuant to this Section. No Bond of Series Z that has been purchased by the Company and delivered to the Corporate Trustee pursuant to this Section may be reissued as a Bond of Series Z.

Notice of redemption of Bonds of Series Z 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 Z which are to be redeemed, at their last addresses as they appear upon the bond registry books. Notwithstanding the provisions of Section 2 of Article V of the Indenture, the particular Bonds of Series Z to be redeemed, in whole or in part (any redemption in part to be in the principal amount of \$1,000 or a multiple thereof), shall be selected by the Corporate Trustee pro-rata (as nearly as may be) from the holders of the outstanding Bonds of Series Z not previously called for redemption in a proportion that their respective holdings bear to the aggregate principal amount of the outstanding Bonds of Series Z on the date of selection; such allocations as may be requisite for this purpose shall be made by the Corporate Trustee, in its uncontrolled discretion, to maintain the principal of pro-rata redemptions in any partial redemption or in any series of partial redemptions, and such selection and allocations shall be made as though no reduction in the principal amount of Bonds of Series Z to be redeemed on any date of redemption will be made by the delivery on such date of such Bonds as contemplated by the proviso immediately following clause (ii) of the second paragraph of this Section. In the event that any redemption shall be partly with premium and partly without premium, it shall be treated as two separate redemptions, each on the basis hereinabove provided. 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 Z, 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 Z.

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

SECTION 5. Notwithstanding anything contained in the Indenture or any Supplemental Indenture or in the Form of Bond of Series Z, no Bonds of Series Z may be redeemed prior to December 1, 1984, 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; and if on or after December 1, 1984 any Bonds of Series Z are redeemed from any such funds, then and in any such event the Company shall be paid the redemption price as specified in the Form set forth hereunder for the Bonds of Series Z 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 Z shall be of such tenor and provisions, be issued upon and subject to such terms and conditions and the holder 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 Z and the Trustee's Certificate to be endorsed thereon are (subject to the provisions of Section 8 of Article I of the Indenture) to be substantially in the following forms:

FORM OF FACE OF BOND OF SERIES Z
 GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC.
 First Mortgage Bond,
 12% SERIES Z DUE 2004

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 first day of December, 2004, unless this Bond is sooner redeemed, _____ Dollars and to pay interest thereon at the rate of 12% per annum until the payment of said principal sum, semi-annually on the first day of June and on the first day of December in each year.

II

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 June or the first day of December 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 Z evidencing the same debt) is registered at the close of business on the 15th day of May or the 15th day of November, 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 whatsoever 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

(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 Z)

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, November 1, 1970, May 1, 1972, September 1, 1974, February 1, 1977, July 1, 1978, March 30, 1979 and December 1, 1979 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, \$2,500,000 principal amount of the Bonds of Series Z shall be redeemed through the operation of a special bond redemption fund as provided in the Indenture on December 1 in each of the years 1985 to 2003, inclusive, and the Bonds of Series Z are also subject to the noncumulative right of optional redemption pursuant to said special bond redemption fund on such dates in a principal amount not exceeding \$2,500,000, in each case from funds deposited with the Corporate Trustee as provided for in the Indenture at the "Series Z Special Bond Redemption Price" of 100% of the principal amount to be redeemed, together with accrued interest to the date fixed for redemption. In certain cases as provided in the Inden-

ture, the principal amount of Bonds of Series Z to be redeemed on any such date is subject to reduction by the principal amount of Bonds of Series Z purchased by the Company and delivered uncanceled to the Corporate Trustee on such date.

In the manner, upon the notice and upon the conditions specified in the Indenture, this Bond or any portion hereof may also be redeemed at any time during the respective twelve month periods beginning December 1 of the years shown below at the option of the Company at the prices (expressed in percentage of principal amount) set forth under the heading "Regular Redemption Price".

| Year | Regular Redemption Price | Year | Regular Redemption Price |
|------|--------------------------|------|--------------------------|
| 1984 | 112.00% | 1994 | 104.50% |
| 1985 | 112.00% | 1995 | 104.00% |
| 1986 | 112.00% | 1996 | 103.50% |
| 1987 | 112.00% | 1997 | 103.00% |
| 1988 | 112.00% | 1998 | 102.50% |
| 1989 | 107.00% | 1999 | 102.00% |
| 1990 | 106.50% | 2000 | 101.50% |
| 1991 | 106.00% | 2001 | 101.00% |
| 1992 | 105.50% | 2002 | 100.50% |
| 1993 | 105.00% | 2003 | 100.00% |

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

56 11.11.41 984

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 and of the same aggregate principal amount, in the manner and upon the conditions prescribed in the Indenture. Bonds of this series issued upon any redemption or transfer will be deemed to 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 Z" 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 14 of Article IX (p. 12, line 8 of the Twenty-second Supplemental Indenture)

Immediately before the word "for" in the 10th line of Section 14 of Article IX (p. 12, line 9 of the Twenty-second Supplemental Indenture)

SECTION 2. Article VI of the Indenture is hereby amended by inserting a new subdivision (g) therein to read as follows:

(g) In case default shall be made by the Company in the payment of any amount in respect of the special redemption fund for the Bonds of Series Z pursuant to Section 3 of Article I of the Twenty-ninth Supplemental Indenture or default shall be made by the Company in the purchase or delivery to the Corporate Trustee of any Bonds of Series Z pursuant to any written agreement filed with the Corporate Trustee pursuant to said Section "

ARTICLE III

ADDITIONAL COVENANTS OF THE COMPANY.

SECTION 1. The Company covenants and agrees that the provisions contained in Section 3 of Article II of the Supplemental Indenture dated November 1, 1941, as amended by Section 2 of Article III of the Supple-

mental 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 Z.

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 mortgage 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 or 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 thereto, the lien of the Indenture dated January 1, 1930 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, or 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. The Company covenants and agrees that so long as any Bonds of Series Z shall remain outstanding, the Company will not, without the consent of the holders of all of the Bonds of Series Z, modify any of the provisions with respect to the special redemption fund for the redemption of Bonds of Series Z as set forth in Section 4 of Article I hereof or modify any of the redemption prices as specified in the form set forth herein for the Bonds of Series Z under the heading "Regular Redemption Price".

SECTION 2. 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 3. 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.

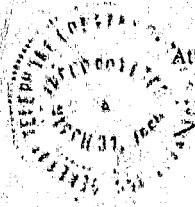
SECTION 4. Although this Supplemental Indenture is dated as of December 1, 1970 for convenience and for the purpose of reference, the actual dates of execution by the Company and by the Trustees are as indicated by their respective acknowledgments hereto annexed.

56 997

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.

GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC

By *C. Lee Paulsen*
Vice President



Attest: *[Signature]*
Secretary

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION

By *[Signature]*
Trust Officer

Attest: *[Signature]*
Assistant Secretary

[Signature]
M. J. Barrett

Unofficial Copy

STATE OF CONNECTICUT)
COUNTY OF FAIRFIELD) S.S.:

On this the 13 day of December, 1979, before me, the undersigned officer, personally appeared C. L. COULTER and ROBERT E. JOSLIN who acknowledged themselves to be the Vice President and Secretary, respectively, of GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC., a corporation, and that they, as such Vice President and Secretary, are authorized to do so, executed the foregoing Supplemental Indenture for the purposes therein contained, by signing the name of the corporation by themselves as Vice President and Secretary, respectively.

In Witness Whereof I hereunto set my hand.

[Signature]

Notary Public
My Commission Expires 12/31/80

Unofficial Copy

NOTARY PUBLIC
STATE OF CONNECTICUT
12/13/79

56

999

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

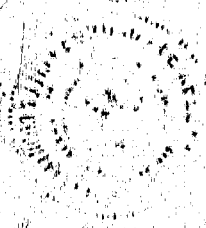
On this 17th day of December, 1979, before me, the undersigned, a Notary Public in the State of California, in and for the said City and County of San Francisco, residing therein and duly commissioned and sworn, personally appeared LEO BOXERBAUM known to me to be a Trust Officer of BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, and M. JACKSON, 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 17th day of December, 1979, 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. BARRETT, 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.

Donna M. Kelly

ROBERT LEE KELLY
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO
My Commission Expires Jan. 22, 1980



56 1000

21

SCHEDULE "A"

Real Property Situate in the State of Washington

Snohomish County

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

PARCEL 1

Lot 31, Totem Park, according to the plat thereof recorded in Volume 26 of Plate pages 55 and 56, records of the Auditor of the County of Snohomish, State of Washington.

EXCEPT the West 237 feet, as measured along the North line thereof.

TOGETHER WITH an easement for ingress and egress over the South 20 feet of the North 247 feet of the West 354 feet of said South Half of Northwest quarter of Southwest quarter of Section 21, Township 31 North, Range 5 East, W.M.

PARCEL 2

All that portion of the East half of GOVERNMENT LOT 4, SECTION 7, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., described as follows:

Commencing at the Southwest corner of the Southwest Quarter of said Section 7, thence North along the West line of said Section 7, for 30 feet to the North boundary line of Beverly-Park-Mukilteo Road as laid out and constructed, thence Easterly along the North line of said road 773.25 feet to the true point of beginning; thence Northerly and parallel with the West line of said section, 335.05 feet; thence Easterly parallel with the South line of the Section for 123.41 feet; thence Southerly and parallel with the West line of said Section 7 to the North line of Beverly-Park-Mukilteo Road; thence Westerly along the North line of said road to the point of beginning;

EXCEPT that portion of said premises conveyed to the State of Washington, by Deed recorded under Auditor's File No. 2014778.

PARCEL 3

Parcel "A"

A portion of the Northwest quarter of the Southeast quarter of Section 18, Township 28 North, Range 5 East, W.M., described as follows:

Commencing at the Northeast corner of said Northwest quarter of the Southeast quarter; thence North $89^{\circ}46'48''$ West along the North line thereof, 30.0 feet to the true point of beginning; thence continuing North $89^{\circ}46'48''$ West 986.20 feet to the Easterly margin of the Snohomish County P.U.D. No. 1 right-of-way; thence South $1^{\circ}48'$ East along said right-of-way line, 1073.30 feet to the Northerly right-of-way margin of Diagonal Way; thence North $68^{\circ}12'43''$ East along said right-of-way line 223.10 feet to the beginning of a curve to the left, the radius center of which bears North $21^{\circ}47'17''$ West 1810.0 feet distant; thence along said curve and along said right-of-way line, through a central angle of $19^{\circ}33'03''$ for 617.62 feet; thence North $0^{\circ}43'52''$ West 390.63 feet; thence South $89^{\circ}46'48''$ East 230.0 feet to a point 30.0 feet West of the East line of said Northwest quarter of the Southeast quarter; thence North $0^{\circ}43'52''$ West parallel with said East line, 274.76 feet to the true point of beginning.

Parcel "B"

A portion of the Northwest quarter of the Southeast quarter of Section 18, Township 28 North, Range 5 East, W.M., described as follows:

Commencing at the center of said Section 18; thence South $89^{\circ}46'48''$ East along North line of Northwest quarter of the Southeast quarter for 274.60 feet to the Westerly margin of the Snohomish County Public Utility District No. 1 right-of-way; thence South $1^{\circ}48'$ East along said right-of-way line, 539.73 feet to the Northeast corner of tract of land conveyed to C T & E Data Services Corporation, a Delaware Corporation, by Deed recorded July 15, 1969 under Auditor's File No. 2103256; thence Westerly along the North line of said tract to the West line of the Northwest quarter of the Southeast quarter of said Section 18; thence North $1^{\circ}16'07''$ West along said West line, 546.37 feet to the true point of beginning.

23

Benton County

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

PARCEL 4

That portion of the Southeast quarter of the Southeast quarter of Section 26, Township 9 North, Range 28 East, W.M., Benton County, Washington, described as follows:

Commencing at the Southeast corner of the said Section 26, thence N 89°42'57" West, along the South line thereof, a distance of 1242.51 feet; thence N 00°27'24" East, a distance of 40.00 feet to the true point of beginning; thence continuing N 00°27'24" East, a distance of 208.71 feet; thence S 89°42'57" East, a distance of 208.71 feet; thence S 00°27'24" West, a distance of 208.71 feet; thence N 89°42'57" West, a distance of 208.71 feet to the true point of beginning.

Real Property Situate in the State of Oregon

Coos County

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

PARCEL 5

Beginning at the Northwest corner of the East 320 feet of Lot 5 of Section 33, Township 27 South, Range 14 West of the Willamette Meridian, Coos County, Oregon; then East 50 feet; thence South to North boundary of the Randolph County Road; thence Northwesterly along the County Road to a point South of the point of beginning; thence North to the point of beginning.

SUBJECT TO:

1. Rights of the public in streets, roads and highways.
2. Mineral Rights, including the terms and provisions thereof, conveyed to Coos County, recorded April 6, 1963 in Book 125, Page 336, Deed Records of Coos County, Oregon.
3. Limitation of Access, including the terms and provisions thereof, to the State of Oregon, by, and through its State Highway Commission, recorded January 3, 1959 in Book 269, Page 389, Deed Record of Coos County, Oregon.

PARCEL 6

Beginning at a point 25 feet West of the centerline of Central Avenue on the centerline of the vacated "B" Street; in the Plat of Glasgow, Coos County, Oregon; thence South a distance of 20.00 feet along the West line of Central Avenue; thence West and parallel to the centerline of the vacated "B" Street for a distance of 50.00 feet; thence North for a distance of 40.00 feet; thence East and parallel to the centerline of the vacated "B" Street for a distance of 50.00 feet, to a point on the West line of Central Avenue; thence South a distance of 20.00 feet along the West line of Central Avenue, to the point of beginning.

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 7

That part of Government Lot 8 Section 4, Township 57 North, Range 1 West, Boise Meridian, Bonner County, Idaho, described as follows:

Beginning at a point 25 feet West of the Northeast corner of said Lot 8, being a point on the West line of the right of way of Pack River Road as located April 15, 1939, thence South 119.0 feet to a point on the Northline of the Clark Fork Highway; thence South 79°01' West along said North line of said Highway, 60 feet; thence North to the South line of Lot 1 of said Section 4; thence South 89°35' East along the South line of said Lot 1 to the place of beginning.

Clearwater County

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

PARCEL 8

Beginning at the most easterly corner of the property herein described from which the corner common to Sections 1, 2, 11, and 12, T36N, R5E, B.M., bears N57°47'16"E 1331.85 feet; thence, from said point of beginning S43°27'45"W 50.00 feet; thence, N46°32'15"W 50.00 feet; thence, N43°27'45"E 50.00 feet, thence S46°32'15"E 50.00 feet to the point of beginning and being a portion of the NE 1/4 of the NW 1/4 of Section 11, T36N, R5E, B.M., together with a right of way over land owned by

grants for ingress and egress for use of supply equipment, being as the same is now presently in use, there being no right to cut timber from the same or to enlarge said right-of-way in any way from its present condition. Such easement to be no more than 15 feet in width.

Latah County

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

PARCEL 9

A portion of the public street right-of-way known as "E" Street located in the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of Section Seven (7), Township Thirty-nine (39) North, Range Five (5) West Boise Meridian, which is described by Metes and Bounds as follows, to-wit:

Beginning at a point North 495.0 feet and S 86°36' W 512.88 feet of the 1/4 corner between Section 7 and 8, T 39 N, R 5 W, B M, said point being on the North right-of-way line of "E" Street and also being the angle point on said right-of-way as described in Book 53 of Deeds, page 615, records of Latah County, Idaho; thence N 86°36' E 62.93 feet along said right-of-way; thence Northwesterly 118.46 feet, along a curve to the right having a radius of 166 feet, a central angle of 40°53' and a long chord bearing N 63°42'31" W of 115.95 feet, to a point on the Easterly right-of-way line of the Burlington Northern, Inc.; thence S 1°45' E 1.54 feet, along said Easterly line, to an intersection with the Southwesterly right-of-way line of "E" Street; thence S 37°30" E 67.50 feet along said Southwesterly line, to the point of beginning.

And also:

Beginning at a point 495.0 feet North and S 86°36' W 512.88 feet of the 1/4 corner between Sections 7 and 8, T 39 N, R 5 W, Boise Meridian, said point being on the North right-of-way line of "E" Street and also being an angle point on said right-of-way as described in Book 53 of deeds, page 615, records of Latah County, Idaho; thence S 86°36' W 39.45 feet to an intersection with the Easterly right-of-way line of the Burlington Northern, Inc.; thence N 1°45' W 55.90 feet along said right-of-way; thence S 37°30' W 67.5 feet to the point of beginning.

Real Property Situate in the State of Montana

Lincoln County

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

PARCEL 10

An irregular parcel of land near Libby in Lincoln County, Montana, lying wholly within the Southwest Quarter of the Southwest Quarter of Section 33 of Township 31 North, Range 31 West, P.M.M., more particularly described as follows:

Beginning at a steel rod on the south line of Sec. 33, Twp. 31 N., R. 31 W., P.M.M., at a distance of 280.0 feet east of the southwest corner of said Sec. 33; thence, along the south line of said Sec. 33,

N. 89°41' E. 728.42 feet to a steel rod; thence,

N. 49°51' W. 839.22 feet to a steel rod; thence,

S. 38°04' W. 95.00 feet to a steel rod; thence,

N. 66°27'12" W. 30.49 feet to a steel rod marking the north-west corner of Lot 5 of Jensen's Block "A", Extension.

S. 0°03' W. along the east line of Jensen's Block "A", Extension to the west line of said Sec. 33 and 280.0 feet distance therefrom, measured at right angles, a distance of 482.32 feet to the point of beginning.

SUBJECT TO easements and other rights of way, including ingress and egress, of record.

Easement:

That part of the Southwest Quarter of the Southwest Quarter of Section 33, Township 31 North of Range 31 West, P.M.M., described as follows:

Beginning at the Northwest corner of Lot 6, Block "A" of Jensen's Extension to Block "A", Plat #964; thence

South 50°42' East, 284.08 feet, thence

South 58°51' East, 30.12 feet, thence

North 37°42' East, 56 feet, thence

North 50°42' West, 361.38 feet, thence

South 0°03' West, 77.48 feet to the point of beginning.