

27802

77 APR 8 11 10 54 Vol. 77 Page

5883

CALIFORNIA-PACIFIC UTILITIES COMPANY  
to  
BANK OF AMERICA  
NATIONAL TRUST AND SAVINGS ASSOCIATION  
and  
M. J. BARRETT  
Trustees

**Twenty-Sixth Supplemental Indenture**

*Dated as of March 15, 1977*

Supplementing and Modifying First Mortgage Indenture  
Dated as of July 1, 1944

THIS IS A SECURITY AGREEMENT AND A CHATTEL MORTGAGE AS WELL AS  
A MORTGAGE UPON REAL ESTATE AND OTHER PROPERTY.



*THIS IS A SECURITY AGREEMENT AND A CHATTEL MORTGAGE AS WELL AS  
A MORTGAGE UPON REAL ESTATE AND OTHER PROPERTY.*

*THIS TWENTY-SIXTH SUPPLEMENTAL INDENTURE*, dated for convenience as of March 15, 1977, although executed and delivered at a different date, between CALIFORNIA-PACIFIC UTILITIES COMPANY (formerly known as Southern Oregon Gas Corporation, successor by statutory merger to Needles Gas and Electric Company, a California corporation, Weaverville Electric Company, a California corporation, California Utilities Company, a California corporation, and Southern Utah Power Company, a Utah corporation), a corporation duly organized and existing under and by virtue of the laws of the State of California (hereinafter called the "Company"), party of the first part, and BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States (hereinafter called the "Trustee" or the "Corporate Trustee"), and M. J. BARRETT, of Santa Clara County, California (hereinafter called "Co-Trustee" or "individual Trustee"—the Corporate Trustee and individual Trustee being hereinafter sometimes collectively called the "Trustees"), parties of the second part;

WHEREAS, the Company heretofore duly executed and delivered to Bank of America National Trust and Savings Association and William C. Koenig, as Trustees, its First Mortgage Indenture, dated as of July 1, 1944, covering all property then owned or thereafter acquired by the Company (other than certain property therein expressly excepted and excluded from the lien and operation thereof) for the purpose, among other things, of securing an authorized issue of bonds of the Company generally known as First Mortgage Bonds issuable thereunder in one or more series (said First Mortgage Indenture, dated as of July 1, 1944, being hereinafter called the "Original Indenture" and such bonds of the Company issued thereunder being hereinafter called the "Bonds");

WHEREAS, on May 1, 1970, William W. Bertram (successor to William C. Koenig as Co-Trustee under the Original Indenture), resigned, and the Company and Bank of America National Trust and Savings Association, Trustee, in accordance with the provisions of § 15.20 of the Original Indenture, accepted such resignation and appointed M. J. Barrett as successor Co-Trustee thereunder, and



M. J. Barrett is now the qualified and acting Co-Trustee thereunder; and

WHEREAS, pursuant to and in conformity with the terms and conditions of the Original Indenture and with the consent of the holders of more than seventy-five percent (75%) of the principal amount of the Bonds then outstanding under the Original Indenture given by instruments in writing in a form approved by the Trustee and signed by such holders and filed with the Trustee, the Company and the Trustees heretofore executed a First Supplemental Indenture, dated as of June 15, 1946, a Second Supplemental Indenture, dated as of August 1, 1946, a Fourth Supplemental Indenture, dated as of May 1, 1950, a Twenty-Second Supplemental Indenture dated as of January 1, 1975, and a Twenty-Fifth Supplemental Indenture dated as of March 1, 1977, supplementing and modifying the Original Indenture; and pursuant to and in conformity with the terms and conditions of the Original Indenture, the Company and the Trustees heretofore executed a Third Supplemental Indenture, dated as of July 1, 1948, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series C,  $3\frac{1}{2}\%$ , due July 1, 1978", a Fifth Supplemental Indenture, dated as of July 1, 1950, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series D,  $3\frac{1}{4}\%$ , due July 1, 1980", a Sixth Supplemental Indenture dated as of March 1, 1954, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series E, 4%, due January 1, 1984", a Seventh Supplemental Indenture, dated as of April 1, 1956, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series F,  $3\frac{5}{8}\%$ , due April 1, 1986", an Eighth Supplemental Indenture, dated as of May 1, 1958, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series G, 4%, due May 1, 1986", a Ninth Supplemental Indenture, also dated as of May 1, 1958, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series H,  $4\frac{3}{4}\%$ , due May 1, 1986", a Tenth Supplemental Indenture, dated as of May 1, 1961, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds,

Series I, 5%, due May 1, 1991", an Eleventh Supplemental Indenture, dated as of September 1, 1962, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series J,  $4\frac{7}{8}\%$ , due September 1, 1992", a Twelfth Supplemental Indenture, dated as of April 1, 1964, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series K, 4.65%, due April 1, 1994", a Thirteenth Supplemental Indenture, dated as of March 1, 1966, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series L, 5.15%, due March 1, 1996", a Fourteenth Supplemental Indenture, dated as of March 1, 1967, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series M,  $6\frac{3}{8}\%$ , due March 1, 1997", a Fifteenth Supplemental Indenture, dated as of November 1, 1967, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series N,  $6\frac{1}{2}\%$ , due November 1, 1997", a Sixteenth Supplemental Indenture, dated as of March 1, 1969, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series O, 5.75%, due March 1, 1999", a Seventeenth Supplemental Indenture, dated as of June 1, 1970, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series P,  $9\frac{3}{4}\%$ , due June 1, 2000", an Eighteenth Supplemental Indenture, dated as of January 1, 1971, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series Q,  $6\frac{1}{8}\%$ , due December 31, 1985", a Nineteenth Supplemental Indenture, dated as of September 1, 1972, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series R,  $8\frac{3}{4}\%$ , due September 1, 1995", a Twentieth Supplemental Indenture, dated as of April 1, 1972, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series S, 8%, due April 1, 2002", a Twenty-First Supplemental Indenture, dated as of April 1, 1973, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series T, 7.95%, due April 1, 2003", a Twenty-Second Supplemental Indenture, dated as of March 1, 1974,



Series I, 5%, due May 1, 1991", an Eleventh Supplemental Indenture, dated as of September 1, 1962, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series J,  $4\frac{7}{8}\%$ , due September 1, 1992", a Twelfth Supplemental Indenture, dated as of April 1, 1964, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series K, 4.65%, due April 1, 1994", a Thirteenth Supplemental Indenture, dated as of March 1, 1966, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series L, 5.15%, due March 1, 1996", a Fourteenth Supplemental Indenture, dated as of March 1, 1967, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series M,  $6\frac{3}{8}\%$ , due March 1, 1997", a Fifteenth Supplemental Indenture, dated as of November 1, 1967, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series N,  $6\frac{1}{2}\%$ , due November 1, 1997", a Sixteenth Supplemental Indenture, dated as of March 1, 1969, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series O,  $7\frac{1}{2}\%$ , due March 1, 1999", a Seventeenth Supplemental Indenture, dated as of June 1, 1970, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series P,  $9\frac{3}{4}\%$ , due June 1, 2000", an Eighteenth Supplemental Indenture, dated as of January 1, 1971, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series Q,  $6\frac{1}{4}\%$ , due December 31, 1985", a Nineteenth Supplemental Indenture, dated as of September 1, 1971, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series R,  $8\frac{3}{4}\%$ , due September 1, 1995", a Twentieth Supplemental Indenture, dated as of April 1, 1972, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series S, 8%, due April 1, 2002", a Twenty-First Supplemental Indenture, dated as of April 1, 1973, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series T, 7.95%, due April 1, 2003", a Twenty-Third Supplemental Indenture, dated as of March 1, 1976, pre-



scribing the form or forms of three new series of Bonds of the Company to be designated, respectively, "First Mortgage Bonds, Series U, 4.85%, due April 1, 1989", "First Mortgage Bonds, Series V, 7¼%, due March 1, 1994", and "First Mortgage Bonds, Series W, 9⅞%, due January 1, 1996" and a Twenty-Fourth Supplemental Indenture, dated as of August 1, 1976, prescribing the form or forms of a new series of Bonds of the Company to be designated "First Mortgage Bonds, Series X, 9⅞%, due August 1, 1996" (which Original Indenture, as supplemented and modified by the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, Eighteenth, Nineteenth, Twentieth, Twenty-First, Twenty-Second, Twenty-Third, Twenty-Fourth and Twenty-Fifth Supplemental Indentures, is hereafter called the "Mortgage"); and

WHEREAS, there are now issued and outstanding under the Original Indenture \$42,643,240 principal amount of First Mortgage Bonds of the Company, consisting of \$750,000 Series C Bonds, 3½%, due July 1, 1978, \$975,000 Series D Bonds, 3¼%, due July 1, 1980, \$2,000,000 Series E Bonds, 4%, due January 1, 1984, \$1,500,000 Series F Bonds, 3⅝%, due April 1, 1986, \$1,128,000 Series G Bonds, 4%, due May 1, 1986, \$1,305,000 Series H Bonds, 4¾%, due May 1, 1986, \$2,000,000 Series I Bonds, 5%, due May 1, 1991, \$2,000,000 Series J Bonds, 4⅞%, due September 1, 1992, \$2,000,000 Series K Bonds, 4.65%, due April 1, 1994, \$3,000,000 Series L Bonds, 5.15%, due March 1, 1996, \$3,000,000 Series M Bonds, 6⅝%, due March 1, 1997, \$3,000,000 Series N Bonds, 6½%, due November 1, 1997, \$1,500,000 Series O Bonds, 7½%, due March 1, 1999, \$3,000,000 Series P Bonds, 9¼%, due June 1, 2000, \$610,240 Series Q Bonds, 6⅛%, due December 31, 1985, \$3,000,000 Series R Bonds, 8¾%, due September 1, 1995, \$3,000,000 Series S Bonds, 8%, due April 1, 2002, \$3,000,000 Series T Bonds, 7.95%, due April 1, 2003, \$650,000 Series U Bonds, 4.85%, due April 1, 1989, \$1,275,000 Series V Bonds, 7¼%, due March 1, 1994, \$950,000 Series W Bonds, 9⅞%, due January 1, 1996 and \$3,000,000 Series X Bonds, 9⅞%, due August 1, 1996; and

WHEREAS, Section 2.03 of the Original Indenture provides that any series of Bonds, other than Bonds of Series A, may be estab-

lished by resolution of the Board of Directors of the Company that in the event of the establishment of any new series of Bonds there shall be executed by the Company and the Trustee of the Bonds to the Trustees a supplemental indenture prescribing the form or forms of the Bonds of the new series and other provisions in respect thereof pursuant to the Original Indenture;

WHEREAS, the Board of Directors of the Company has established a new series of Bonds to be designated "First Mortgage Bonds, Series Y, 8¾%, due March 15, 2002" (the Bonds being hereinafter sometimes collectively called "Bonds of Series Y") and has authorized the execution and delivery of this Twenty-Sixth Supplemental Indenture;

WHEREAS, all acts and proceedings required by the Articles of Incorporation and By-Laws of the Company and all actions requisite on the part of the stockholders and officers necessary to make the Series Y Bonds, when issued by the Company, authenticated and delivered by the Corporation, the valid, binding and legal obligations of the Company and to constitute this Twenty-Sixth Supplemental Indenture a valid, binding and legal instrument for the security of the Bonds in accordance with their, and its, terms, have been done and the execution and delivery of this Twenty-Sixth Supplemental Indenture has been duly authorized by all requisite authorities having jurisdiction in the premises and respects;

NOW, THEREFORE, THIS TWENTY-SIXTH SUPPLEMENTAL INDENTURE WITNESSETH:

That, in order to secure the payment of the principal and interest on, all Bonds at any time issued and outstanding under the Mortgage according to their tenor, purport and effect, the Company has caused this Twenty-Sixth Supplemental Indenture to be executed and delivered by the Corporation pursuant to the Mortgage, and to secure the performance of all the covenants and conditions in the Mortgage contained, and to determine the terms and conditions upon which the Series Y Bonds are, and are to be, issued,



lished by resolution of the Board of Directors of the Company, and that in the event of the establishment of any new series of Bonds there shall be executed by the Company and the Trustees and delivered to the Trustees a supplemental indenture prescribing the form or forms of the Bonds of the new series and other provisions made in respect thereof pursuant to the Original Indenture; and

WHEREAS, the Board of Directors of the Company, pursuant to the provisions of the Mortgage, by a resolution duly adopted by it, has established a new series of Bonds to be designated, "First Mortgage Bonds, Series Y, 8 $\frac{1}{4}$ %; due March 15, 2002" (such new series of Bonds being hereinafter sometimes collectively called "Series Y Bonds" or "Bonds of Series Y") and has authorized the execution and delivery of this Twenty-Sixth Supplemental Indenture; and

WHEREAS, all acts and proceedings required by law and by the Articles of Incorporation and By-Laws of the Company, including all actions requisite on the part of the stockholders, directors and officers necessary to make the Series Y Bonds, when executed by the Company, authenticated and delivered by the Corporate Trustee and duly issued, the valid, binding and legal obligations of the Company, and to constitute this Twenty-Sixth Supplemental Indenture a valid, binding and legal instrument for the security of the Bonds in accordance with their, and its, terms, have been done and performed; and the execution and delivery of this Twenty-Sixth Supplemental Indenture has been duly authorized by all requisite governmental authorities having jurisdiction in the premises and in all other respects;

NOW, THEREFORE, THIS TWENTY-SIXTH SUPPLEMENTAL INDENTURE WITNESSETH:

That, in order to secure the payment of the principal of, and interest on, all Bonds at any time issued and outstanding under the Mortgage according to their tenor, purport and effect, including specifically but without limitation the Series Y Bonds to be issued pursuant to the Mortgage, and to secure the performance and observance of all the covenants and conditions in the Mortgage contained, and to determine the terms and conditions upon and subject to which the Series Y Bonds are, and are to be, issued, secured



and held, and for and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the holders thereof and of the sum of One Dollar (\$1.00), lawful money of the United States of America, duly paid to the Company by the Trustees at or before the enrolling and delivery hereof, and for other valuable consideration, the receipt whereof is hereby acknowledged, the Company has executed and delivered this Twenty-Sixth Supplemental Indenture and has granted, bargained, sold, aliened, remised, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed, and by these presents does grant, bargain, sell, alien, remise, release, convey, assign, transfer, mortgage, pledge, grant a security interest in, and set over and confirm unto Bank of America National Trust and Savings Association and M. J. Barrett, as Trustees, and to their successors in said trust and to their assigns forever, with power of sale, all property, real, personal or mixed, tangible or intangible, of every kind, character and description and wheresoever situate, including all proceeds and products thereof, which is now owned or held by the Company, including, without limiting the generality of the foregoing, the following described property:

PART I  
CLAUSE FIRST

All hydro, steam and diesel electric generating plants and all electrical transmission and distributing systems, and all gas manufacturing plants and distributing systems, and all water collecting and distributing systems, and all telephone systems now owned or held by the Company, and all interest therein now held or hereafter acquired by the Company and all accessions and future additions to, and extensions to, any such plants and systems, together with all property, real, personal or mixed, now owned or held, or hereafter acquired, and all interest therein now held or hereafter acquired by the Company and which now comprises or appertains to, or may hereafter comprise or appertain to, or is now, or may hereafter be, used in connection with any such plant or system hereinabove described, mentioned or referred to.

CLAUSE SECOND

All lands, water rights and all other real property of the Company since the execution and delivery of the Twenty-Fourth Supplemental Indenture and now owned or held by it, and all interest therein held or hereafter acquired by the Company, in

I

Lot 4, Block 5, City of Canyonville, Douglas County, Oregon

II

A portion of the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of section 9, township 38 north of the Willamette Meridian, Union County, Oregon, more particularly described as follows:

Commencing at the NW corner of said section 9, being in the centerline of a county road (Cove Avenue), thence S. 0°53'30" W. 30 feet to an iron pin; thence S. 89°26'30" W. 400 feet to the NW corner of the herein described tract and the point of beginning; thence S. 89°26'30" W. 400 feet to a point, said point being also the NW corner of the site for Radio Station K.L.B.M.; thence S. 0°53'30" W. 30 feet along the west boundary at said antenna site to a point; thence N. 89°26'30" W. 400 feet to a point; thence N. 0°53'30" E. 30 feet to the point of beginning.

CLAUSE THIRD

All federal, state, municipal and other franchises, licenses, permits, consents, licenses, grants, privileges and franchises acquired under the Constitution of the State of Oregon, and all interest therein now held or hereafter acquired by the Company subsequent to the execution and delivery of the Twenty-Fourth Supplemental Indenture and now owned or held by the Company, including all renewals, extensions, enlargements and modifications of them.

CLAUSE FOURTH

Also, subject to the rights reserved to the Company by the other provisions of the Mortgage, all other property, real, personal or mixed, tangible or intangible (other than excepted property as hereinafter defined) of every kind, character and wheresoever situate, and all proceeds and products thereof, which is now owned or held by the Company subsequent to the execution and delivery of the Twenty-Fourth Supplemental Indenture and now held by it.



## CLAUSE SECOND

All lands, water rights and all other real property acquired by the Company since the execution and delivery of the Twenty-Fourth Supplemental Indenture and now owned or held by it, and all interest therein held or hereafter acquired by the Company, including:

## I

Lot 4, Block 5, City of Canyonville, Douglas County, Oregon.

## II

A portion of the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of section 9, township 3 south, range 38 east of the Willamette Meridian, Union County, Oregon, more particularly described as follows:

Commencing at the NW corner of said section 9, said point being in the centerline of a county road (Cove Avenue); thence S. 0°53'30" W. 30 feet to an iron pin; thence S. 89°26'30" E. 385 feet to the NW corner of the herein described tract of land and the point of beginning; thence S. 89°26'30" E. 400 feet to a point, said point being also the NW corner of the antenna site for Radio Station K.L.B.M.; thence S. 0°53'30" W. 520 feet along the west boundary at said antenna site to a point; thence N. 89°26'30" W. 400 feet to a point; thence N. 0°53'30" E. 520 feet to the point of beginning.

## CLAUSE THIRD

All federal, state, municipal and other franchises (including, without in any respect limiting the generality of the foregoing, all franchises acquired under the Constitution of the State of California), permits, consents, licenses, grants, privileges and immunities, leases and contracts of every kind and description acquired by the Company subsequent to the execution and delivery of the Twenty-Fourth Supplemental Indenture and now owned or held by it, and all renewals, extensions, enlargements and modifications of any of them.

## CLAUSE FOURTH

Also, subject to the rights reserved to the Company in and by the other provisions of the Mortgage, all other property, real, personal or mixed, tangible or intangible (other than excepted property as hereinafter defined) of every kind, character and description and wheresoever situate, and all proceeds and products thereof, acquired by the Company subsequent to the execution and delivery of the Twenty-Fourth Supplemental Indenture and now owned or held by it.



## CLAUSE FIFTH

All and singular the lands, real estate, chattels real and interests in land, ways, rights-of-way, alleys, passages, easements, permits and licenses, waters, water courses, water powers, water power rights, water power sites, rights of flowage and overflowage and riparian rights, factories, plants, buildings, structures, power houses, shops, dams, dam sites, canals, locks, aqueducts, gates, valves, fittings, hydrants, flumes, ditches, pipes, conduits, sluices, raceways, tailraces, receivers, abutments, reservoirs, water works and water wheels, machinery and appurtenances, dynamos, generators, turbines, engines, boilers, meters, transformers, condensers, pumps and tanks, fixtures, apparatus, equipment, furniture, appliances, tools, implements, stores and supplies, cables, wires, towers, poles, posts, transmission lines, distributing systems, stations and substations, all gas plants, holders, washers, purifiers, mains, pipes, services, meters and tanks, all contracts, leases and agreements for gas, water or water power or electric light, heat or power and all property of any nature appertaining to any of the plants, systems, business or operations of the Company acquired by the Company since the execution and delivery of the Twenty-Fourth Supplemental Indenture and now owned and held by it.

## CLAUSE SIXTH

Together with all and singular the plants, buildings, improvements, additions, tenements, hereditaments, easements, rights, privileges, licenses and franchises and all other appurtenances whatsoever belonging or in anywise appertaining to the property hereby granted and conveyed, or intended so to be, or any part thereof, and the reversion and reversions, remainder and remainders, and the income, rents, revenues, issues, earnings and profits thereof, and every part and parcel thereof, and all the estate, right, title, interest, property, claim and demand of every nature whatsoever of the Company at law, in equity or otherwise, howsoever in, on and to the same and every part and parcel thereof, it being the intention of the parties hereto that no words of particular description of property contained herein shall in any manner limit, qualify or detract from, or be deemed to limit, qualify or detract from, the effect of the general words describing the properties which the Com-

pany hereby mortgages and conveys in trust as including every kind and description acquired by the Company since the execution and delivery of the Twenty-Fourth Supplemental Indenture and now owned or held by it.

## PART II

## EXCEPTED PROPERTY

*There is, however,* expressly excepted and excluded from the lien and operation of the Mortgage the following description of the property of the Company (herein sometimes for convenience referred to as "excepted property") viz:

1. All property of the following character (herein sometimes for convenience referred to as "reserved property"), whether owned or hereafter acquired by the Company:

A. Cash on hand and in bank; bills and accounts receivable; customers' service and extension deposits; bonds and notes issued under the Mortgage, notes and certificates of indebtedness; shares of stock, certificates of stock, documents, instruments, chattel paper, general contracts, contract rights, contracts and other choses in action, whether owned or hereafter acquired by the Company, and the proceeds of;—other than those which by express provision of the Mortgage are or may be subjected or required to be subjected to the lien hereof;

B. Materials, supplies, appliances, goods, merchandise, equipment purchased or acquired for the purpose of resale in the ordinary course of business or for the purpose of supplying liquefied petroleum gas through tanks or about customers' premises in such manner as not to constitute public utility gas distribution service under applicable law or for the purpose of consumption in the operation of any of the properties of the Company; and

C. All motor cars and vehicles;

*provided, however,* and it is hereby expressly agreed, that in the event of a default, as defined in Section 10.01 of the Indenture, as amended, all reserved property then held, or



pany hereby mortgages and conveys in trust as including all property of every kind and description acquired by the Company since the execution and delivery of the Twenty-Fourth Supplemental Indenture and now owned or held by it.

PART II  
EXCEPTED PROPERTY

*There is, however,* expressly excepted and excluded from the lien and operation of the Mortgage the following described property of the Company (herein sometimes for convenience collectively referred to as "excepted property") viz:

1. All property of the following character (herein sometimes for convenience referred to as "reserved property"), whether now owned or hereafter acquired by the Company:

A. Cash on hand and in bank; bills and accounts receivable; customers' service and extension deposits; bonds (including Bonds issued under the Mortgage), notes and other evidences of indebtedness; shares of stock, certificates of interest, documents, instruments, chattel paper, general intangibles, contract rights, contracts and other choses in action now owned or hereafter acquired by the Company, and the proceeds thereof;—other than those which by express provisions of the Mortgage are or may be subjected or required to be subjected to the lien hereof;

B. Materials, supplies, appliances, goods, merchandise and equipment purchased or acquired for the purpose of sale or resale in the ordinary course of business or for the purpose of supplying liquefied petroleum gas through tanks located on or about customers' premises in such manner as not to constitute public utility gas distribution service under applicable law or for the purpose of consumption in the operation or repair of any of the properties of the Company; and

C. All motor cars and vehicles;

*provided, however,* and it is hereby expressly agreed, that upon the happening of a default, as defined in Section 10.01 of the Original Indenture, as amended, all reserved property then held, owned and



possessed by the Company shall forthwith become and be, to the extent permitted by law, subject to the lien of the Mortgage and shall continue to be subject thereto so long as any such default shall subsist and until such default shall be cured or waived; and upon the happening of any such default, each item of reserved property then owned by the Company, or the evidence thereof, shall forthwith be delivered by the Company to the Trustee or to the Co-Trustee:

2. All property expressly wholly excepted by the provisions of the Mortgage.

3. All property released or otherwise disposed of pursuant to the provisions of Article VI of the Original Indenture.

The Company may, however, pursuant to the provisions of Clause Sixth of Part I of the granting clauses of the Original Indenture, subject to the lien and operation of the Mortgage all or any part of the excepted property described in this Part II.

TO HAVE AND TO HOLD the premises and all and singular the lands, properties, estates, rights, securities, franchises, privileges and appurtenances hereby mortgaged, transferred in trust, conveyed, pledged or assigned, or intended so to be, together with all the appurtenances thereunto belonging or in anywise appertaining, unto the Trustees, and their respective successors and assigns in trust forever;

SUBJECT, HOWEVER, to the exceptions and reservations and matters hereinabove recited, any permitted liens as defined in Section 1.01(y) of the Original Indenture, and as to any property hereafter acquired by the Company, to any liens thereon existing at the time of such acquisition.

BUT IN TRUST, NEVERTHELESS, for the equal and proportionate use, benefit, security and protection of those who from time to time shall hold the Bonds and coupons authenticated and delivered under the Mortgage and duly issued by the Company, without any preference, priority or distinction of any one Bond or coupon over any other by reason of the priority in time of issue, sale or negotiation thereof or otherwise, except insofar as a sinking fund established in accordance with the provisions of the Mortgage may afford addi-

tional security for the Bonds of any specific series provided in Section 10.29 of the Original Indenture, to said provisions, each and all of the Bonds and coupons shall have the same right, lien, security interest and priority in the Mortgage and shall be equally secured thereby with the same as if all of said Bonds and coupons had been made, issued and delivered simultaneously on the date of the delivery of the Mortgage; and in trust for enforcing payment of the Bonds and of the interest thereon according to the terms and effect of the Bonds and coupons and of the Mortgage and enforcing the terms, provisions, covenants and stipulations of the Mortgage and the Bonds set forth, and upon the same purposes, and subject to the covenants, agreements and stipulations in the Mortgage set forth and declared; that is to say:

#### ARTICLE I.

##### THE SERIES Y BONDS

SECTION 1.01. (A) *Terms of the Series Y Bonds.* The Bonds of Series Y shall be designated as "First Mortgage Bonds of Series Y, 8 3/4%, due March 15, 2002" of the Company. The Bonds shall all be registered Bonds without coupons in the form hereinafter set forth.

The Bonds of Series Y shall be dated as of the date of authentication thereof and shall bear interest from the date next preceding the date of authentication of the Bonds from the date thereof if it be an interest payment date of Series Y shall be due on March 15, 2002, and shall be at the rate of eight and three-quarters percent (8 3/4%) to be paid semiannually on the fifteenth day of March and the fifteenth day of September in each year until the payment of the principal thereof, payable until maturity. The principal of the Series Y Bonds shall be payable in lawful money of the United States of America at the principal office of Bank of America Trust and Savings Association, in San Francisco, California, or its successor in trust under the Mortgage.

The Company may, by resolution of its Board of Directors, establish an additional office or agency in any other



tional security for the Bonds of any specific series, and except as provided in Section 10.29 of the Original Indenture, so that, subject to said provisions, each and all of the Bonds and coupons shall have the same right, lien, security interest and privilege under the Mortgage and shall be equally secured thereby with the same effect as if all of said Bonds and coupons had been made, issued and negotiated simultaneously on the date of the delivery of the Original Indenture; and in trust for enforcing payment of the principal of the Bonds and of the interest thereon according to the tenor, purport and effect of the Bonds and coupons and of the Mortgage, and for enforcing the terms, provisions, covenants and stipulations in the Mortgage and the Bonds set forth, and upon the trusts, uses and purposes, and subject to the covenants, agreements and conditions in the Mortgage set forth and declared; that is to say:

#### ARTICLE I.

##### THE SERIES Y BONDS

SECTION 1.01. (A) *Terms of the Series Y Bonds.* The Bonds of Series Y shall be designated as "First Mortgage Bonds, Series Y, 8¾%, due March 15, 2002" of the Company. The Series Y Bonds shall all be registered Bonds without coupons in substantially the forms hereinafter set forth.

The Bonds of Series Y shall be dated as of the date of authentication thereof and shall bear interest from the interest payment date next preceding the date of authentication of such Bonds or from the date thereof if it be an interest payment date. All Bonds of Series Y shall be due on March 15, 2002, and shall bear interest at the rate of eight and three-quarters percent (8¾%) per annum, to be paid semiannually on the fifteenth day of March and the fifteenth day of September in each year until the payment of the principal thereof, payable until maturity. The principal of and interest on the Series Y Bonds shall be payable in lawful money of the United States of America at the principal office of Bank of America National Trust and Savings Association, in San Francisco, California, or of its successor in trust under the Mortgage.

The Company may, by resolution of its Board of Directors, establish an additional office or agency in any other city or cities



for the payment of interest and principal on the Bonds of Series Y and if any such paying agency shall be so established, the Company shall maintain the same so long as any Bonds of Series Y shall remain outstanding, and in such event interest and principal on the Bonds of Series Y shall be payable at said office of the Trustee or, at the option of the registered owners of Bonds of Series Y, at such other paying agency so established.

Definitive Bonds of Series Y may be issued in the denomination of One Thousand Dollars (\$1,000) or any multiple of One Thousand Dollars (\$1,000), bearing appropriate serial numbers.

Upon compliance with the provisions of Section 2.06 of the Original Indenture and upon payment, at the option of the Company, of the charges therein provided, Bonds of Series Y may be exchanged for a new Bond or Bonds of the same series of like aggregate principal amount.

The Trustee hereunder shall, by virtue of its office as such Trustee, be the Registrar and Transfer Agent of the Company for the purpose of registering and transferring Bonds of Series Y.

(B) *Redemption Provisions for Bonds of Series Y.* Bonds of Series Y shall be subject to redemption prior to maturity at the option of the Company, as a whole at any time, or in part from time to time, except as hereinafter set forth, upon prior notice (unless such notice is waived as provided in Article IV of the Original Indenture) given by publication at least once each week for three (3) successive calendar weeks (the first publication to be not less than thirty (30) days nor more than ninety (90) days prior to the redemption date) in an authorized newspaper in the City and County of San Francisco, State of California, and/or otherwise as provided in Article IV of the Original Indenture, and notice of any such redemption shall be mailed to the registered owners of the Bonds to be redeemed not less than thirty (30) nor more than sixty (60) days before the redemption date, in addition to such notice being given by publication (unless such notice is waived by all holders of the Bonds to be redeemed). Such redemption shall be made upon the payment (except as hereinbelow set forth in this Subdivision (B)) of the following percentages of the principal

amounts of the Bonds of Series Y to be redeemed in every case with accrued interest to the date of redemption.

If redeemed during the twelve-month period ending on the fourteenth day of March,

1978	108.75%	1991
1979	108.39%	1992
1980	108.02%	1993
1981	107.66%	1994
1982	107.29%	1995
1983	106.93%	1996
1984	106.56%	1997
1985	106.20%	1998
1986	105.83%	1999
1987	105.47%	2000
1988	105.10%	2001
1989	104.74%	2002
1990	104.38%	

Notwithstanding the foregoing provisions of this Subdivision (B), the Company shall not have the right to redeem Bonds of Series Y at its option prior to March 15, 1991, of a refunding, or anticipated refunding, operation or conversion, directly or indirectly, of money borrowed which would result in interest cost to the Company (expressed as a percentage of the principal amount) in excess of the interest cost then in effect in accordance with generally accepted financial practice of more than 8¾% per annum.

The Bonds of Series Y are also subject to redemption at the sinking fund at the sinking fund redemption price, as defined in Subdivision (C) of this Section 1.01, and upon the terms and conditions set forth in said Subdivision (C), and the sinking fund redemption price, through the operation of the Sinking Fund and Replacement Fund provided for in Section 5.01 of the Original Indenture, as more particularly set forth in the provisions hereof, and also, at said sinking fund redemption price, upon application of certain money as provided in Section 1.01.

Upon presentation of any Bond of Series Y, which is not to be redeemed in part only, the Company shall execute, and upon cancellation of such Bond, shall authenticate and deliver to the registered holder thereof, without cost to such holder, a new Bond or Bonds of the same series and of any authorized denominations, for the unredeemed portion of the Bond.



amounts of the Bonds of Series Y to be redeemed (together in every case with accrued interest to the date of redemption):

If redeemed during the twelve-month period ending with the fourteenth day of March,

1978	108.75%	1991	104.01%
1979	108.39%	1992	103.65%
1980	108.02%	1993	103.28%
1981	107.66%	1994	102.92%
1982	107.29%	1995	102.55%
1983	106.93%	1996	102.19%
1984	106.56%	1997	101.82%
1985	106.20%	1998	101.46%
1986	105.83%	1999	101.09%
1987	105.47%	2000	100.73%
1988	105.10%	2001	100.36%
1989	104.74%	2002	100.00%
1990	104.38%		

Notwithstanding the foregoing provisions of this Subdivision (B), the Company shall not have the right to redeem any of the Bonds of Series Y at its option prior to March 15, 1987, as a part of a refunding, or anticipated refunding, operation by the application, directly or indirectly, of money borrowed which shall have an interest cost to the Company (expressed as a percentage and calculated in accordance with generally accepted financial practice) of less than 8 $\frac{1}{4}$ % per annum.

The Bonds of Series Y are also subject to redemption for the sinking fund at the sinking fund redemption price, as hereinafter defined in Subdivision (C) of this Section 1.01, and upon the terms and conditions set forth in said Subdivision (C), and also, at said sinking fund redemption price, through the operation of the Maintenance and Replacement Fund provided for in Section 5.12 (B) of the Original Indenture, as more particularly set forth in Section 1.02 hereof, and also, at said sinking fund redemption price through the application of certain money as provided in Section 1.03 hereof.

Upon presentation of any Bond of Series Y, which is to be redeemed in part only, the Company shall execute, and the Trustee, upon cancellation of such Bond, shall authenticate and deliver to the registered holder thereof, without cost to such holder, a new Bond or Bonds of the same series and of any authorized denomination or denominations, for the unredeemed portion of the Bond so presented,



or, at the option of such registered holder, there may be noted thereon at the direction of the Trustee the payment of the portion of the principal amount of such Bond so called for redemption; provided, however, that payment of the redemption price of a portion of any such Bond may be made directly to the registered holder thereof, without presentation or surrender thereof, if there shall have been filed with the Trustee a signed copy, or a copy certified by the Secretary or an Assistant Secretary of the Company to be a true copy, of an agreement between the Company and such registered holder that payment shall be so made at the address specified therein and that such registered holder will not sell, transfer or otherwise dispose of such Bond unless, prior to delivery thereof, such Bond shall have been presented to the Trustee for appropriate notation thereon of the portion of the principal amount thereof redeemed, or surrendered in exchange for a new Bond or Bonds in the principal amount of the unredeemed balance thereof.

(C) *Sinking Fund for Bonds of Series Y.* As a sinking fund for the benefit of the holders of the Bonds of Series Y to be used or applied as hereinafter provided, the Company covenants that it will, subject to the credits hereinafter provided, pay to the Trustee or to a paying agent on or before the business day next preceding March 15, 1983 and on or before the business day next preceding March 15 in each year thereafter so long as any Bonds of Series Y shall remain outstanding (said dates being hereinafter sometimes referred to as "sinking fund payment date"), an amount in cash equal to one and one-half percent (1½%) of the greatest principal amount of all Bonds of Series Y theretofore issued whether or not then outstanding. For the purposes of this Subdivision (C) the term "issued" shall mean and include all Bonds of Series Y authenticated and delivered to the Company, whether or not issued by the Company for value, but not including Bonds of Series Y authenticated and delivered in lieu of other such Bonds pursuant to Article I hereof or Section 4.01 or Section 12.02 of the Original Indenture.

All cash received by the Trustee or any paying agent for the sinking fund shall be applied, on the next succeeding sinking fund payment date to the redemption of Series Y Bonds at the sinking fund redemption price and in the manner provided in Subdivision

(B) of this Section 1.01, and in Article IV of the Original Indenture. The term "sinking fund redemption price" of Bonds used in this Twenty-Sixth Supplemental Indenture, shall mean the principal amount thereof, together in any case with interest thereon to the date of redemption.

The Company covenants and agrees that it will not use any sources other than the sinking fund for Bonds of Series Y for accrued interest on all Bonds of Series Y purchased pursuant to this Subdivision (C), and that it will pay to the Trustee or paying agent prior to the date fixed for the redemption of such Bonds. Notwithstanding any other provision of this Twenty-Sixth Supplemental Indenture, Bonds of Series Y shall not be required to be redeemed unless the amount of cash available for redemption is at least equal to One Thousand Dollars.

Except to the extent that the Company has otherwise provided with a holder of a series of Bonds provided for in this Twenty-Sixth Supplemental Indenture, the Company shall be bound to satisfy, in whole or in part, the sinking fund obligation of Series Y Bonds theretofore purchased or redeemed or to be redeemed through the operation of the sinking fund in an amount equal to the principal amount of said Bonds, provided however, that the amount so paid shall not exceed an amount which is equal to the portion of the sinking fund payment which, if the aggregate amount of Series Y Bonds so purchased or redeemed (less the aggregate amount of such Bonds previously used as a credit for sinking fund purposes) had been applied on the sinking fund payment date, would have been applied on a pro rata basis to said Bonds. In the event the Company shall take a credit for sinking fund purposes, it shall deliver to the Trustee a certificate of the Company (and an opinion of counsel to the Company in compliance with conditions precedent), at least forty-five days prior to the applicable sinking fund payment date (unless such notice shall be accepted by the Trustee as sufficient), that such Bonds are being delivered for the account of the sinking fund and that all conditions precedent have been complied with, and that the aggregate principal amount of such Bonds so delivered shall be treated as a credit on account of such sinking fund obligation.



(B) of this Section 1.01, and in Article IV of the Original Indenture. The term "sinking fund redemption price" of Bonds of Series Y, as used in this Twenty-Sixth Supplemental Indenture, shall mean the principal amount thereof, together in any case with interest accrued thereon to the date of redemption.

The Company covenants and agrees that it will provide from sources other than the sinking fund for Bonds of Series Y, the accrued interest on all Bonds of Series Y purchased or redeemed pursuant to this Subdivision (C), and that it will pay the same to the Trustee or paying agent prior to the date fixed for the redemption of such Bonds. Notwithstanding any other provision of this Twenty-Sixth Supplemental Indenture, Bonds of Series Y shall not be required to be redeemed unless the amount of cash available for such redemption is at least equal to One Thousand Dollars (\$1,000).

Except to the extent that the Company has otherwise agreed with a holder of a series of Bonds provided for in this Twenty-Sixth Supplemental Indenture, the Company shall have the right to satisfy, in whole or in part, the sinking fund obligation by crediting Series Y Bonds theretofore purchased or redeemed otherwise than through the operation of the sinking fund in an amount equal to the principal amount of said Bonds, provided however, that such credit shall not exceed an amount which is equal to the portion of the sinking fund payment which, if the aggregate amount of Series Y Bonds so purchased or redeemed (less the aggregate amount thereof previously used as a credit for sinking fund purposes) had been outstanding on the sinking fund payment date, would have been attributable on a pro rata basis to said Bonds. In the event the Company elects to take a credit for sinking fund purposes, it shall deliver to the Trustee a certificate of the Company (and an opinion of counsel as to compliance with conditions precedent), at least forty-five (45) days prior to the applicable sinking fund payment date (unless a shorter notice shall be accepted by the Trustee as sufficient), stating that such Bonds are being delivered for the account of the sinking fund and that all conditions precedent have been complied with, and the aggregate principal amount of such Bonds so delivered shall be treated as a credit on account of such sinking fund obligation.



All Series Y Bonds redeemed through the sinking fund or used as a credit against the sinking fund pursuant to the provisions of this Subdivision (C) shall, so long as any Series Y Bonds shall remain outstanding, become funded for all purposes of the Mortgage, and all such Bonds shall be cancelled and no Bonds shall be authenticated and delivered in lieu thereof or to refund the same so long as any of the Series Y Bonds shall remain outstanding.

SECTION 1.02. *Application of Maintenance Fund.* In the event that any cash paid over to the Trustee pursuant to the provisions of Subdivision (B) of Section 5.12 of the Original Indenture, as amended, is not applied or paid over to the Company pursuant to the provisions of Section 7.02 of the Original Indenture, as amended, within two years of the date of such payment to the Trustee, and such cash, after the expiration of such two-year period, is applied by the Trustee to the payment or redemption of Bonds of Series Y, then such Bonds shall be (a) purchased in the manner provided by Section 4.04 of the Original Indenture at not exceeding the sinking fund redemption prices of the Bonds of Series Y and/or (b) redeemed at the sinking fund redemption prices and in the manner provided in Subdivision (B) of Section 1.01 hereof and in Article IV of the Original Indenture.

SECTION 1.03. *Application of Deposited Moneys.* In the event that any Deposited Moneys (as defined in Section 7.02 of the Original Indenture) are applied to the redemption of Bonds of Series Y under the provisions of Subdivision (IV) of Section 7.02 of the Original Indenture, the Bonds of Series Y so redeemed shall be redeemed at the optional redemption prices specified in Subdivision (B) of Section 1.01 hereof then in effect, except that anything contained in said Subdivision (B) to the contrary notwithstanding, in case of the redemption of Bonds of Series Y under the provisions of said Subdivision (IV) with money constituting the proceeds of the public utility properties of the Company subject to the lien of the Mortgage as a first mortgage, released pursuant to Section 6.02 of the Original Indenture in connection with the sale thereof to any governmental body or agency or taken by the power of eminent

domain or sold upon the exercise by any governmental agency of any right which it may have to purchase or order the sale of, such property with the sale as a result of the threat or imminent foreclosure, the Company at its option may redeem an amount thereof (together with accrued interest to the date) an aggregate principal amount of Bonds equal to the ratio that the proceeds of such sale bears to the aggregate principal amount of Bonds of all series outstanding at the date of such sale.

SECTION 1.04. *Form of the Series Y Bonds.* The Series Y and the authentication certificate to the Series Y Bonds are to be substantially in the following form:

(FORM OF THE FACE OF THE BONDS)

No. YR

CALIFORNIA-PACIFIC UTILITIES

(INCORPORATED UNDER THE LAWS OF THE STATE OF CALIFORNIA)

FIRST MORTGAGE BOND

Series Y, 8¾%, due March 15, 1980

CALIFORNIA-PACIFIC UTILITIES COMPANY (the "Company", which term shall include its successors and assigns), a corporation as defined in the Indenture herein, hereby promises to pay to the registered holder thereof, or registered assigns, or assigns, the sum of ..... Dollars (\$.....) of the United States of America, and to pay from ..... at the rate of eight and one-half percent (8½%) per annum, in like money, on the fifteenth days of March and September in each year, until the payment of said principal sum.

Both the principal of, and interest on, the Bonds shall be paid at the principal office of the Bank of America National Trust and Savings Association, in San Francisco, California.



domain or sold upon the exercise by any governmental body or agency of any right which it may have to purchase or designate a purchaser of, or order the sale of, such property or in connection with the sale as a result of the threat or imminence of any of the foregoing, the Company at its option may redeem at the principal amount thereof (together with accrued interest to the redemption date) an aggregate principal amount of Bonds of Series Y which is equal to the ratio that the proceeds of such sale bear to the aggregate principal amount of Bonds of all series outstanding on the date of such sale.

SECTION 1.04. *Form of the Series Y Bonds.* The Bonds of Series Y and the authentication certificate to be attached on said Bonds are to be substantially in the following form:

(FORM OF THE FACE OF THE BONDS)

No. YR

CALIFORNIA-PACIFIC UTILITIES COMPANY  
(INCORPORATED UNDER THE LAWS OF THE STATE OF CALIFORNIA)

FIRST MORTGAGE BOND  
Series Y, 8¾%, due March 15, 2002

CALIFORNIA-PACIFIC UTILITIES COMPANY (hereinafter called the "Company", which term shall include any successor corporation as defined in the Indenture hereinafter mentioned), a corporation of the State of California, for value received, hereby promises to pay to ....., the registered holder thereof, or registered assigns, on March 15, 2002, the sum of ..... Dollars (\$.....) in lawful money of the United States of America, and to pay interest thereon from ..... at the rate of eight and three-quarters percent (8¾%) per annum, in like money, semi-annually on the fifteenth days of March and September in each year until the payment of said principal sum.

Both the principal of, and interest on, this Bond will be paid at the principal office of the Bank of America National Trust and Savings Association, in San Francisco, California,



or of a successor Trustee, or, at the option of the registered owner hereof, said interest will be paid at such other paying agency as may be maintained for the purpose pursuant to the provisions of the Twenty-Sixth Supplemental Indenture dated as of March 15, 1977, hereinafter referred to.

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

This Bond shall not be valid or obligatory for any purpose until the certificate endorsed hereon shall have been signed by Bank of America National Trust and Savings Association, the Corporate Trustee under the Mortgage, or by a successor Corporate Trustee hereunder.

IN WITNESS WHEREOF, CALIFORNIA-PACIFIC UTILITIES COMPANY has caused this Bond to be signed in its name by its President or one of its Vice Presidents, and its corporate seal to be hereunto affixed by its Secretary or one of its Assistant Secretaries.

Dated:

CALIFORNIA-PACIFIC UTILITIES COMPANY

By

*President*

Attest:

*Secretary*

(FORM OF THE REVERSE OF THE BONDS)

This Bond is one of an authorized issue of Bonds of the Company, generally known as its First Mortgage Bonds (unlimited in aggregate principal amount except as otherwise provided in the Mortgage) of the series and designation indicated on the face hereof, which issue of Bonds consists, or may con-

sist, of one or more series of varying denominations, maturities, interest rates and other provisions (as provided in the Mortgage provided), all issued under and all equally secured (except insofar as a sinking fund establishment with the provisions of the Mortgage may provide for the Bonds of any specified series) dated as of July 1, 1944, duly executed and delivered by the Company to Bank of America National Trust and Savings Association and M. J. Barrett, as Trustees (hereinafter referred to as the "Trustees"), as supplemented by twenty-six supplemental indentures dated, respectively, June 15, 1946, August 1, 1948, May 1, 1950, July 1, 1950, March 1, 1951, May 1, 1958, May 1, 1958, May 1, 1961, September 1, 1964, March 1, 1966, March 1, 1967, March 1, 1969, June 1, 1970, January 1, 1971, September 1, 1972, April 1, 1973, January 1, 1975, August 1, 1976, March 1, 1977 and March 15, 1978, the Mortgage as so supplemented being herein called the "Mortgage" to which Mortgage reference is hereby made. The property of the property mortgaged, transferred in title and in which a security interest is granted to the extent of the security; the rights and limitations of the rights of the bearers or registered owners of the Bonds, coupons, and the Trustees and of the Company in such security; the terms and conditions upon which the Bonds and the coupons appurtenant thereto are issued and the terms and conditions upon which additional Bonds may be issued and secured, to all of which provisions the registered owner of this Bond by his purchase of the Bonds consents and agrees, but neither the foregoing Mortgage nor any provisions of this Bond or any supplemental indenture shall affect or impair the obligation of the Company to pay the principal, absolute, unconditional and unalterable, to pay the principal or accelerated maturities herein provided, the interest on this Bond as herein provided.

The Bonds of Series Y are subject to redemption at maturity at the option of the Company, as a whole or in part from time to time, upon prior notice.



sist, of one or more series of varying denominations, dates, maturities, interest rates and other provisions (as in the Mortgage provided), all issued under and all equally and ratably secured (except insofar as a sinking fund established in accordance with the provisions of the Mortgage may afford additional security for the Bonds of any specified series) by an Indenture dated as of July 1, 1944, duly executed and delivered by the Company to Bank of America National Trust and Savings Association and M. J. Barrett, as Trustees (herein called the "Indenture"), as supplemented by twenty-six supplemental indentures dated, respectively, June 15, 1946, August 1, 1946, July 1, 1948, May 1, 1950, July 1, 1950, March 1, 1954, April 1, 1956, May 1, 1958, May 1, 1958, May 1, 1961, September 1, 1962, April 1, 1964, March 1, 1966, March 1, 1967, November 1, 1967, March 1, 1969, June 1, 1970, January 1, 1971, September 1, 1971, April 1, 1972, April 1, 1973, January 1, 1975, March 1, 1976, August 1, 1976, March 1, 1977 and March 15, 1977 (the Indenture as so supplemented being herein called the "Mortgage"), to which Mortgage reference is hereby made for a description of the property mortgaged, transferred in trust and pledged and in which a security interest is granted; the nature and extent of the security; the rights and limitations upon such rights of the bearers or registered owners of said Bonds and coupons, and the Trustees and of the Company in respect to such security; the terms and conditions upon which said Bonds and the coupons appurtenant thereto are issued and secured, and the terms and conditions upon which additional Bonds may be issued and secured, to all of which provisions of the Mortgage the registered owner of this Bond by his acceptance hereof consents and agrees, but neither the foregoing reference to the Mortgage nor any provisions of this Bond or of the Mortgage shall affect or impair the obligation of the Company, which is absolute, unconditional and unalterable, to pay, at the stated or accelerated maturities herein provided, the principal of and interest on this Bond as herein provided.

The Bonds of Series Y are subject to redemption prior to maturity at the option of the Company, as a whole at any time or in part from time to time, upon prior notice (unless such



notice is waived by all Bondholders) given by publication at least once each week for three (3) successive calendar weeks (the first publication to be not less than thirty (30) days nor more than ninety (90) days prior to the redemption date) in a daily newspaper printed in the English language and published and of general circulation in the City and County of San Francisco, State of California, and notice of any such redemption shall be mailed to the registered owners of the Bonds to be redeemed not less than thirty (30) nor more than sixty (60) days before the redemption date, in addition to such notice being given by publication (unless such notice is waived by the holders of all Bonds to be redeemed), all subject to the conditions and as more fully set forth in the Mortgage; such redemption to be made upon the payment (except as hereinbelow set forth) of the following percentages of the principal amounts of the Series Y Bonds to be redeemed (together in every case with accrued interest to the redemption date):

If redeemed during the twelve-month period ending with the fourteenth day of March,

1978	108.75%	1991	104.01%
1979	108.39%	1992	103.65%
1980	108.02%	1993	103.28%
1981	107.66%	1994	102.92%
1982	107.29%	1995	102.55%
1983	106.93%	1996	102.19%
1984	106.56%	1997	101.82%
1985	106.20%	1998	101.46%
1986	105.83%	1999	101.09%
1987	105.47%	2000	100.73%
1988	105.10%	2001	100.36%
1989	104.74%	2002	100.00%
1990	104.38%		

Notwithstanding the foregoing, the Company shall not have the right to redeem any of the Bonds of Series Y at its option prior to March 15, 1987, as a part of a refunding, or anticipated refunding, operation by the application, directly or indirectly, of money borrowed which shall have an interest cost to the Company (expressed as a percentage and calculated in accordance with generally accepted financial practice) of less than 8¾% per annum.

If this Bond is called for redemption as provided for as specified in the Mortgage, it shall cease to be entitled to the lien of the Mortgage, and the date payment is so provided and shall cease from and after the date fixed for redemption.

The Bonds of Series Y are entitled to the sinking fund provided therefor in the Twentieth Supplemental Indenture dated as of March 15, 1977, and more of the Bonds of Series Y may be redeemed through the operation of the sinking fund as provided in said Indenture and, to the extent provided in said Indenture, are severally subject to redemption prior to maturity at the principal amount thereof plus interest accrued thereon to the date of redemption and upon notice given in the manner provided. The Bonds of Series Y, upon the conditions set forth in said Supplemental Indenture, are also severally subject to redemption through the operation of the Maintenance Fund provided for in the Mortgage, which Bonds of Series Y may be redeemed for the principal amount thereof plus interest accrued thereon. As provided in said Supplemental Indenture, the Company, at its option, may use money deposited with the Company in connection with the taking, by the exercise of its power of eminent domain, of properties of the Company, or the lien of the Mortgage as a first mortgage, or the properties to any governmental body or agency, or to any agency of any right which it may have to dispose of such properties upon the exercise by any governmental body or agency of any right which it may have to dispose of such properties, or order the sale of said properties, or with any threat or imminence of the foregoing, for the payment at the principal amount thereof (together with interest to the redemption date) of an aggregate amount of Bonds of Series Y which is equal to such deposited money bears to the aggregate principal amount of Bonds of all series outstanding on the date of such deposit.

The principal of all Bonds at any time outstanding under the Mortgage may be declared, or may become, due and payable.



If this Bond is called for redemption and payment duly provided for as specified in the Mortgage, this Bond shall cease to be entitled to the lien of the Mortgage from and after the date payment is so provided and shall cease to bear interest from and after the date fixed for redemption.

The Bonds of Series Y are entitled to the benefits of the sinking fund provided therefor in the Twenty-Sixth Supplemental Indenture dated as of March 15, 1977, and any one or more of the Bonds of Series Y may be redeemed through the operation of the sinking fund as provided in said Supplemental Indenture and, to the extent provided in said Supplemental Indenture, are severally subject to redemption for the sinking fund prior to maturity at the principal amount thereof, together in any case with interest accrued thereon to the date of redemption and upon notice given in the manner above provided. The Bonds of Series Y, upon the conditions specified in said Supplemental Indenture, are also severally subject to redemption through the operation of the Maintenance and Replacement Fund provided for in the Mortgage at the price at which Bonds of Series Y may be redeemed for the sinking fund. As provided in said Supplemental Indenture, the Company at its option may use money deposited with the Trustee in connection with the taking, by the exercise of the power of eminent domain, of properties of the Company subject to the lien of the Mortgage as a first mortgage, or the sale of such properties to any governmental body or agency, or the sale of such properties upon the exercise by any governmental body or agency of any right which it may have to designate a purchaser for, or order the sale of said properties, or in connection with any threat or imminence of the foregoing, for the redemption at the principal amount thereof (together with accrued interest to the redemption date) of an aggregate principal amount of Bonds of Series Y which is equal to the ratio that such deposited money bears to the aggregate principal amount of Bonds of all series outstanding on the date of taking or sale.

The principal of all Bonds at any time outstanding under the Mortgage may be declared, or may become, due and pay-



able in case of defaults or otherwise, upon the conditions and in the manner and with the effect provided for in the Mortgage. The holders, however, of certain specified percentages of the Bonds at the time outstanding, including in certain cases specified percentages of Bonds of a particular series, may in the cases, to the extent, and under the conditions provided for by the Mortgage, waive past defaults thereunder and the consequences of such defaults.

To the extent permitted and as provided in the Mortgage, modifications or alterations of the Mortgage, or of any indenture supplemental thereto and of the Bonds issued thereunder and of the rights and obligations of the Company and the rights of the bearers or registered owners of the Bonds and coupons, may be made with the consent of the Company and with the written approvals or consents of the bearers or registered owners of not less than seventy-five percent (75%) in principal amount of the Bonds outstanding, and unless all of the Bonds then outstanding under the Mortgage are affected in the same manner and to the same extent by such modification, with the written approvals or consents of the bearers or registered owners of not less than seventy-five percent (75%) in principal amount of the Bonds of each series outstanding, provided, however, that no such alteration or modification shall, without the written approval or consent of the bearer or registered owner of any Bond affected thereby (a) impair or affect the right of such bearer or registered owner to receive payment of the principal of and premium, if any, and interest on such Bond, on or after the respective due dates expressed in such Bond, or to institute suit for the enforcement of any such payment on or after such respective dates, (b) permit the creation of any lien prior to, or on a parity with, the lien of the Mortgage, or (c) reduce the percentage of the principal amount of the Bonds upon the consent of the bearers or registered owners of which modifications or alterations may be effected as aforesaid.

The registered owner of any registered Bond or Bonds of Series Y, at his option, may surrender the same at the principal

office of the Trustee in San Francisco, California, in exchange for other registered Bonds of higher or lower authorized denominations of the same principal amount, subject to the terms and conditions set forth in the Twenty-Sixth Supplemental Indenture of March 15, 1977.

The Company and the Trustees may deem any person in whose name this Bond is registered as the owner hereof, for the purpose of receiving payment and for all other purposes, and shall not be affected by notice to the contrary.

No recourse shall be had for the payment of, or the interest on, this Bond, or for any claim or otherwise in respect hereof or of the Mortgage, by the promoter, stockholder, director or officer, past or future, of the Company, as such, or of any predecessor corporation either directly or through the Company, or by any such predecessor or successor corporation, for amounts unpaid on stock subscriptions or by virtue of any statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liabilities being hereby expressly waived and released by the registered owner hereof by the acceptance of this Bond as part of the consideration for the issue hereof, and shall be waived and released by the terms of the Mortgage.

(FORM OF CORPORATE TRUSTEE'S CERTIFICATE)

This is one of the Bonds, of the series thereinafter described in the within mentioned Mortgage.

BANK OF AMERICA NATIONAL  
AND SAVINGS ASSOCIATION

By \_\_\_\_\_

Author



office of the Trustee in San Francisco, California, for cancellation, in exchange for other registered Bonds of Series Y of higher or lower authorized denominations of the same aggregate principal amount, subject to the terms and conditions set forth in the Twenty-Sixth Supplemental Indenture dated as of March 15, 1977.

The Company and the Trustees may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, for the purpose of receiving payment hereof, and for all other purposes, and shall not be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal of, or the interest on, this Bond, or for any claim based hereon or otherwise in respect hereof or of the Mortgage against any promoter, stockholder, director or officer, past, present or future, of the Company, as such, or of any predecessor or successor corporation either directly or through the Company or any such predecessor or successor corporation, whether for amounts unpaid on stock subscriptions or by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, being hereby expressly waived and released by every registered owner hereof by the acceptance of this Bond and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Mortgage.

(FORM OF CORPORATE TRUSTEE'S CERTIFICATE)

This is one of the Bonds, of the series therein designated, described in the within mentioned Mortgage.

BANK OF AMERICA NATIONAL TRUST  
AND SAVINGS ASSOCIATION,

*Trustee,*

By

*Authorized Officer.*



SECTION 1.05. *Issue of Series Y Bonds.* The Bonds of Series Y shall be executed, authenticated and delivered in accordance with the provisions of, and shall in all respects be subject to all of the terms, conditions and covenants and limitations of, the Mortgage; provided that Six Million Five Hundred Thousand Dollars (\$6,500,000) of Series Y Bonds, constituting the initial and complete issue of such series, shall be executed by the Company and delivered to the Trustee for authentication and as soon as may be after the execution of this Twenty-Sixth Supplemental Indenture, either before or after the filing and recording hereof, shall be authenticated and delivered by the Trustee upon compliance by the Company with the applicable provisions of Article III of the Original Indenture, as amended.

## ARTICLE II.

### ADDITIONAL COVENANTS OF THE COMPANY

The Company covenants and agrees with the Trustees, for the benefit of the Trustees and the several holders for the time being of the Bonds of Series Y, as follows:

SECTION 2.01. *Payment of Series Y Bonds.* That the Company will, and does hereby, agree to pay the principal of and interest on all Bonds of Series Y issued or to be issued under and secured by the Mortgage, as well as all Bonds which may be hereafter issued in exchange or substitution therefor, and to perform and fulfill all the terms, covenants and conditions of the Mortgage in respect to the Bonds of Series Y to be issued under the Mortgage.

SECTION 2.02. *Dividend Restrictions.* That, so long as any Bonds of Series Y shall remain outstanding, it will not (a) declare or pay any dividends or make any distribution on any shares of any class of its capital stock (other than dividends payable in shares of the Company), or (b) purchase, acquire or otherwise retire for a consideration (other than in exchange for or from the proceeds of other shares of capital stock of the Company) any shares of any class of its capital stock (other than as required to comply

with any conversion or sinking or purchase fund or existing or hereafter established for any class of p of the Company), except out of (i) net income of available for such dividends, distribution or retired after December 31, 1976, plus (ii) \$5,000,000 of surplus accumulated prior to January 1, 1977.

Net income of the Company for the purpose of Section 2.02 shall mean the gross earnings of the Company less deductions for operating expenses, taxes (including income taxes and other taxes, based on or measured by income), charges, current amortization, and other appropriate operating charges for current repairs and maintenance and other provisions for retirement and/or depreciation as recorded on the books of the Company, plus the amount of the excess, if any, equal to twelve and one-half percent (12½%) of the operating revenues of the Company from public utility operations (exclusive of revenue from construction and/or the sale of gas or other products) from January 1, 1944 up to and including the end of the month preceding the month in which a dividend on shares is declared, over the sum of (i) charges for current repairs and maintenance and (ii) the actual charges or provisions for retirement and depreciation as aforesaid, for such period, and otherwise in accordance with such system of accounts as may be required by governmental authorities having jurisdiction in the premises; provided that in determining the amount of such net income for the purpose of this Section 2.02 no deduction shall be made for or on account of (a) unamortized discount and expense and premiums, redemption premiums, double interest and financing expenses arising from the issuance of Bonds and other securities of the Company; (b) profits from sales or other dispositions of capital assets, or the proceeds of any such profits, or any change or adjustment in the book value of, or depreciation or appreciation of the assets owned by the Company on December 31, 1943; (c)



with any conversion or sinking or purchase fund or obligation now existing or hereafter established for any class of preferred stock of the Company), except out of (i) net income of the Company available for such dividends, distribution or retirement accumulated after December 31, 1976, plus (ii) \$5,000,000 of surplus accumulated prior to January 1, 1977.

Net income of the Company for the purpose of this Section 2.02 shall mean the gross earnings of the Company less all proper deductions for operating expenses, taxes (including income, excess profits and other taxes, based on or measured by income), interest charges, current amortization, and other appropriate items, including charges for current repairs and maintenance and charges or provisions for retirement and/or depreciation as recorded on the books of the Company, plus the amount of the excess, if any, of an amount equal to twelve and one-half percent (12½%) of the total gross operating revenues of the Company from public utility property (exclusive of revenue from construction and/or the sale of and/or financing in connection with the sale of gas or other appliances) from January 1, 1944 up to and including the end of the month next preceding the month in which a dividend on shares is to be declared over the sum of (i) charges for current repairs and maintenance and (ii) the actual charges or provisions for retirement and/or depreciation as aforesaid, for such period, and otherwise determined in accordance with such system of accounts as may be prescribed by governmental authorities having jurisdiction in the premises or in the absence thereof in accordance with standard accounting practice; provided that in determining the amount of such net income for the purpose of this Section 2.02 no deduction or adjustment shall be made for or on account of (a) unamortized debt or stock discount and expense and premiums, redemption premiums and double interest and financing expenses arising from the issuance of Bonds and other securities of the Company; (b) profits or losses from sales or other dispositions of capital assets, or taxes on or in respect of any such profits, or any change or adjustment in the book value of, or depreciation or appreciation of the value of, any assets owned by the Company on December 31, 1943; (c) any earned



surplus adjustment applicable to any period or periods prior to January 1, 1944; and/or (d) amortization of utility plant and/or acquisition adjustment accounts or other intangibles.

### ARTICLE III.

#### MISCELLANEOUS PROVISIONS

SECTION 3.01. *Execution, Terms, etc.* This instrument is executed and shall be construed as an indenture supplemental to the Original Indenture and shall form a part thereof and, except as modified and altered by the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, Eighteenth, Nineteenth, Twentieth, Twenty-First, Twenty-Second, Twenty-Third, Twenty-Fourth and Twenty-Fifth Supplemental Indentures and this Twenty-Sixth Supplemental Indenture, the Original Indenture is hereby confirmed.

All terms used in this Twenty-Sixth Supplemental Indenture shall be taken to have the same meaning as in the Original Indenture, as amended, except terms which may be otherwise expressly defined herein and in cases where the context clearly indicates otherwise.

In order to facilitate the filing of this Twenty-Sixth Supplemental Indenture, the same may be executed in several counterparts, each of which shall be deemed to be an original, and such counterparts together shall be deemed to be one and the same instrument.

SECTION 3.02. *Application of General Provisions of Original Indenture.* The provisions of general application in the Original Indenture, as amended, shall, subject only to any express provision of this Twenty-Sixth Supplemental Indenture of a contrary effect, be applicable hereto.

SECTION 3.03. *Trust Indenture Act of 1939.* Nothing herein contained shall be deemed or construed to authorize or permit any hindrance or delay in the exercise of any right or rights conferred

upon or reserved to the Trustees, to the Company or to the bondholders under any provision of the Mortgage or of the Trust Agreement thereunder which would be in conflict with the Trust Agreement of 1939 as now in effect. If and to the extent any provision of the Twenty-Sixth Supplemental Indenture limits, qualifies or modifies with any provision of the Mortgage required to be observed by any of Sections 310 to 317, inclusive, of the Trust Agreement of 1939, such required provision shall control.

SECTION 3.04. *Recitals.* All recitals herein contained shall be by the Company only and not by the Trustees and none of them hereof shall be so construed as to change or modify the rights, immunities or obligations of the Trustees without their assent thereto.

SECTION 3.05. *Dating.* Although this Twenty-Sixth Supplemental Indenture is dated for convenience and for reference as of March 15, 1977, the actual date or dates of execution by the Company and by the Trustees are as indicated in the respective acknowledgments hereto attached.

IN WITNESS WHEREOF, CALIFORNIA-PACIFIC UTILITY COMPANY has caused this Twenty-Sixth Supplemental Indenture to be executed in its corporate name, by its President, or a Vice President, and its corporate seal to be hereunto affixed, and attested by its Secretary or an Assistant Secretary, and BANK OF AMERICA NATIONAL ASSOCIATION, in token of its acceptance of the Indenture, has caused this Indenture to be signed in its corporate name by its President or a Vice President or a Trust Officer or an Assistant Trust Officer and its corporate seal to be hereunto affixed and attested by its Secretary or an Assistant Secretary, in token of his acceptance of the trusts hereunder.



upon or reserved to the Trustees, to the Company, or to the Bondholders under any provision of the Mortgage or of the Bonds issued thereunder which would be in conflict with the Trust Indenture Act of 1939 as now in effect. If and to the extent any provision of this Twenty-Sixth Supplemental Indenture limits, qualifies or conflicts with any provision of the Mortgage required to be included therein by any of Sections 310 to 317, inclusive, of the Trust Indenture Act of 1939, such required provision shall control.

SECTION 3.04. *Recitals.* All recitals herein are made by the Company only and not by the Trustees and none of the provisions hereof shall be so construed as to change or modify any of the rights, immunities or obligations of the Trustees without their written assent thereto.

SECTION 3.05. *Dating.* Although this Twenty-Sixth Supplemental Indenture is dated for convenience and for the purpose of reference as of March 15, 1977, the actual date or dates of execution by the Company and by the Trustees are as indicated by their respective acknowledgments hereto attached.

IN WITNESS WHEREOF, CALIFORNIA-PACIFIC UTILITIES COMPANY has caused this Twenty-Sixth Supplemental Indenture to be signed in its corporate name, by its President, or a Vice President, and its corporate seal to be hereunto affixed, and attested by its Secretary or an Assistant Secretary, and BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, in token of its acceptance of the trusts hereby created, has caused this Indenture to be signed in its corporate name by its President or a Vice President or a Trust Officer and an Assistant Trust Officer and its corporate seal to be hereunto affixed and attested by its Secretary or an Assistant Secretary, and M. J. BARRETT, in token of his acceptance of the trusts herein created has



5911

28

hereunto set his hand and seal, all as of the day and year first here-  
inabove written.

CALIFORNIA-PACIFIC UTILITIES COMPANY

By Ross Nakama

Attest:

James H. Rogers

(Corporate Seal)

BANK OF AMERICA NATIONAL TRUST AND  
SAVINGS ASSOCIATION

By Shepherd  
Vice President

By L. V. Shuman  
Trust Officer

Attest:

Howard W. Pinner  
Assistant Secretary

(Corporate Seal)

M. J. Barrett  
M. J. Barrett

Signed, sealed and delivered in the presence of:

R. L. Roy  
R. L. ROY

A. Cotton  
A. COTTON

29

State of California,  
City and County of San Francisco—ss.

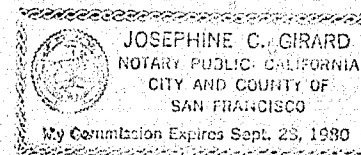
On this 24<sup>th</sup> day of March, in the year 1977, before me, Josephine C. Girard, a Notary Public in and for the State of California, residing therein, duly commissioned and sworn, personally known to me to be the President of CALIFORNIA-PACIFIC UTILITIES COMPANY, of the corporations that executed the within instrument, and known to me to be the Vice President of said corporation, and known to me to be the Trust Officer of said corporation, and known to me to be the Assistant Secretary of said corporation, and acknowledged to me that such corporations executed the within instrument on behalf of said corporation, and acknowledged to me that such corporations executed the same.

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

Josephine C. Girard  
Notary Public  
in and for the State of California

My commission expires

(Notarial Seal)





5911

5912

29

State of California,  
City and County of San Francisco—ss.

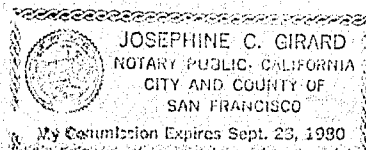
On this 24<sup>th</sup> day of March, in the year 1977, before me, Josephine C. Girard, a Notary Public in and for the State of California, residing therein, duly commissioned and sworn, personally appeared Koss, Notman, known to me to be the President of CALIFORNIA-PACIFIC UTILITIES COMPANY, one of the corporations that executed the within instrument, and Hamilton Rogers, Jr., known to me to be the Secretary of said corporation, and known to me to be the persons who executed the within instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

Josephine C. Girard  
Notary Public  
in and for the State of California

My commission expires Sept. 28, 1980

(Notarial Seal)

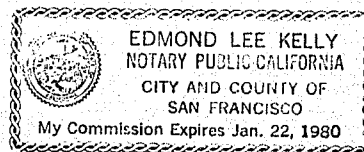




State of California,  
City and County of San Francisco—ss.

On this 24th day of March, in the year 1977, before me, Edmond Lee Kelly, a Notary Public in and for the State of California, residing therein, duly commissioned and sworn, personally appeared J. KIRKLAND, known to me to be a Vice President and L. V. CORONADO, known to me to be a Trust Officer of BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, one of the corporations that executed the within instrument, and HOWARD W. PROSSER, known to me to be an Assistant Secretary of said corporation, and known to me to be the persons who executed the within instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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



(Notarial Seal)

Edmond Lee Kelly  
Notary Public  
in and for the State of California

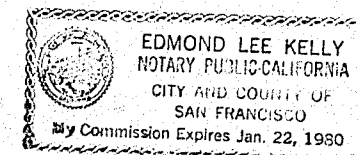
My commission expires

1/22/80

State of California,  
City and County of San Francisco—ss.

On this 24th day of March, in the year 1977, before me, Edmond Lee Kelly, a Notary Public in and for the State of California, residing therein, duly commissioned and sworn, personally appeared M. J. BARRETT, known to me to be the person who subscribed to the within instrument, and acknowledged executed the same.

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



(Notarial Seal)

Edmond Lee Kelly  
Notary Public  
in and for the State of California

My commission expires

1/22/80

State of Oregon, } ss,  
County of Klamath }

I hereby certify that the within instrument was received and filed for record on the 8th day of APRIL, 19 77, at 10:54 o'clock A.M. and recorded on Page 5883 in Book N 77 Records of MORTGAGES of said County.

WM. D. MILNE, County Clerk

By Hazel D. Dyer Deputy

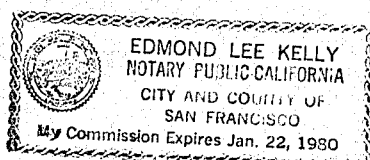
Fee \$ 96.00



State of California,  
City and County of San Francisco—ss.

On this 24th day of March, in the year 1977, before me, Edmond Lee Kelly, a Notary Public in and for the State of California, residing therein, duly commissioned and sworn, personally appeared M. J. BARRETT, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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



(Notarial Seal)

Edmond Lee Kelly  
Notary Public  
in and for the State of California

My commission expires  
1/22/80

State of Oregon, } ss.  
County of Klamath }

I hereby certify that the within instrument was received and filed for record on the 8th day of APRIL, 19 77, at 10:54 o'clock A. M. and recorded on Page 5883 in Book N 77 Records of MORTGAGES of said County.

WM. D. MILNE, County Clerk

By Hazel Dwyer Deputy  
Fee \$ 96.00