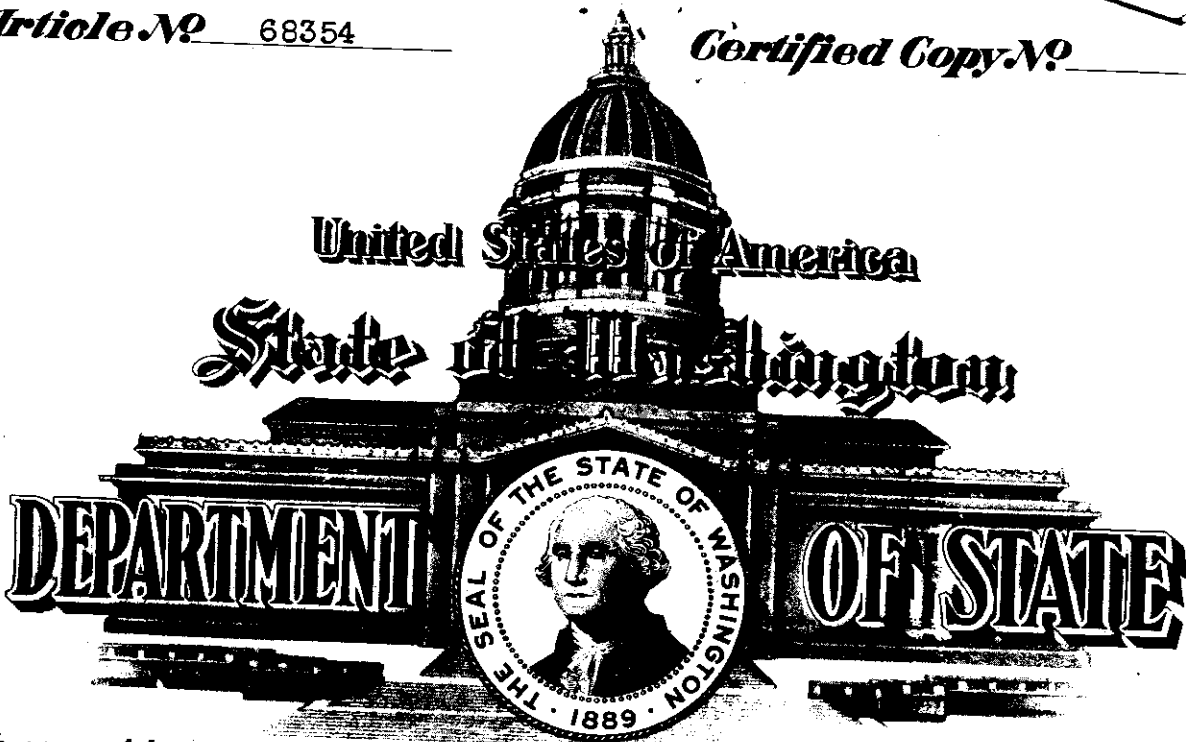

**CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION,
INCREASE OF CAPITAL STOCK AND CREATION
OF NEW CLASSES OF PREFERRED STOCK OF**

THE WASHINGTON WATER POWER COMPANY

Article No 68354

Certified Copy No



TO ALL TO WHOM THESE PRESENTS SHALL COME

I, J. GRANT HINKLE, Secretary of State of the State of Washington and custodian of the Seal of said State, do hereby certify that I have carefully compared the annexed copy of the

AMENDED

ARTICLES OF INCORPORATION

OF THE

THE WASHINGTON WATER POWER CO.

(Increasing capital to \$105,000,000.00)

with the original copy of said Amended Articles of Incorporation now on file in this office, and find the same to be a full, true and correct copy thereof, and of the whole of said original, together with all official endorsements thereon. And I further certify that the said

Amended

Articles appear to have been duly and regularly filed in this office, according to law, and that the same are of a genuine, valid, and subsisting character, and that this certificate is in due form, and by the proper officer having the legal custody of said original and the requisite official knowledge relative thereto. I further certify that the above mentioned corporation is in good standing with all fees paid at the date of this certificate.

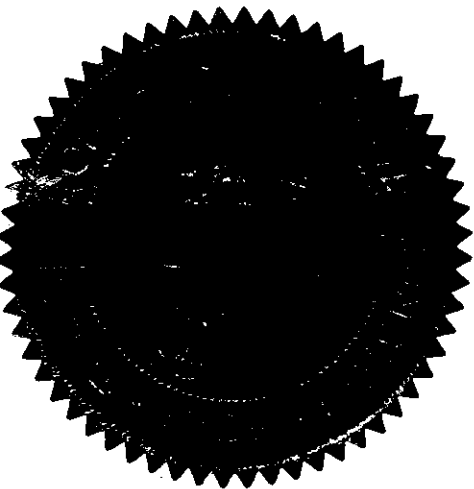
In Testimony Whereof, I have hereunto set my hand, and affixed hereto the Seal of the State of Washington. Done, at the Capitol, at Olympia,

this 15th day of May A.D. 19 29

J. Grant Hinkle
Secretary of State

By

Assistant Secretary of State



**Certificate of Amendment of Articles of Incorporation, Increase of Capital Stock
and Creation of New Classes of Preferred Stock**

OF

THE WASHINGTON WATER POWER COMPANY

Pursuant to Sections 3805, 3812 and 3832 of Remington's Compiled Statutes of Washington, 1922.

We, the undersigned, being the President and Secretary of The Washington Water Power Company, a corporation of the State of Washington, having its principal place of business in the City of Spokane, State of Washington, the Chairman and Secretary of a meeting of the stockholders of said Corporation held April 25, 1929, at two o'clock in the afternoon, in the City of Spokane, State of Washington, and a majority of the Trustees of said Corporation, do hereby certify as follows:

1. That a meeting of the Board of Trustees of said Corporation was duly held in the City of New York, N. Y. on March 15, 1929 at two o'clock in the afternoon pursuant to due notice thereof given in accordance with the By-Laws of said Corporation.

2. That a meeting of the stockholders of said Corporation was duly held at the office of said Corporation in the City of Spokane, State of Washington, on April 25, 1929, at two o'clock in the afternoon, and that said meeting of the stockholders was held pursuant to notice thereof, which notice stated the time and place of the meeting aforesaid and the objects thereof, including, among other things, the following:

(a) To consider and take action upon a proposal to amend the Articles of Incorporation of the Corporation by striking out the present Articles SECOND and THIRD and substituting in lieu thereof new Articles SECOND and THIRD and by adding a new Article SEVENTH which said new Articles SECOND, THIRD and SEVENTH shall be and read as follows:

"SECOND: The objects and purposes for which the Corporation is formed are:

To acquire, buy, hold, own, sell, lease, exchange, dispose of, finance, deal in, construct, build, equip, improve, use, operate, maintain and work upon:

(a) Any and all kinds of plants and systems for the manufacture, production, storage, utilization, purchase, sale, supply, transmission, distribution or disposition of electric energy, natural or artificial gas, water or steam, or power produced thereby, or of ice and refrigeration of any and every kind;

(b) Any and all kinds of telephone, telegraph, radio, wireless and other systems, facilities and devices for the receipt and transmission of sounds and signals, any and all kinds of interurban, city and street railways and bus lines for the transportation of passengers and/or freight, transmission lines, systems, appliances, equipment and devices and tracks, stations, buildings and other structures and facilities;

(c) Any and all kinds of works, power plants, manufactories, structures, substations, systems, tracks, machinery, generators, motors, lamps, poles, pipes, wires, cables, conduits, apparatus, devices, equipment, supplies, articles and merchandise of every kind pertaining to or in anywise connected with the construction, operation or maintenance of telephone, telegraph, radio, wireless and other systems, facilities and devices for the receipt and transmission of sounds and signals, or of interurban, city and street railways and bus lines, or in anywise connected with or pertaining to the manufacture, production, purchase, use, sale, supply, transmission, distribution, regulation, control or application of electric energy, natural or artificial gas, water, steam, ice, refrigeration and power or any other purposes;

To acquire, buy, hold, own, sell, lease, exchange, dispose of, transmit, distribute, deal in, use, manufacture, produce, furnish and supply street and interurban railway and bus service, electric energy, natural or artificial gas, light, heat, ice, refrigeration, water and steam in any form and for any purposes whatsoever; and any power or force or energy in any form and for any purposes whatsoever;

To manufacture, produce, buy or in any other manner acquire, and to sell, furnish, dispose of and distribute steam for heating or other purposes, and to purchase, lease or otherwise acquire, build, construct, erect, hold, own, improve, enlarge, maintain, operate, control, supervise and manage and to sell, lease or otherwise dispose of plants, works and facilities, including distribution systems, mains, pipes, conduits and meters, and all other necessary apparatus and appliances used or useful or convenient for use in the business of manufacturing, producing, selling, furnishing, disposing of and distributing steam for heating or for any other purposes;

To acquire, organize, assemble, develop, build up and operate constructing and operating and other organizations and systems, and to hire, sell, lease, exchange, turn over, deliver and dispose of such organizations and systems in whole or in part and as going organizations and systems and otherwise, and to enter into and perform contracts, agreements and undertakings of any kind in connection with any or all of the foregoing powers;

To do a general contracting business;

To purchase, acquire, develop, mine, explore, drill, hold, own, sell and dispose of lands, interests in and rights with respect to lands and waters and fixed and movable property;

To plan, design, construct, alter, repair, remove or otherwise engage in any work upon bridges, dams, canals, piers, docks, wharves, buildings, structures, foundations, mines, shafts, tunnels, wells, waterworks and all kinds of structural excavations and subterranean work and generally to carry on the business of contractors and engineers;

To manufacture, improve and work upon and to deal in, purchase, hold, sell and convey minerals, metals, wood, oils and other liquids, gases, chemicals, animal and plant products or any of the products and by-products thereof or any article or thing into the manufacture of which any of the foregoing may enter;

To manufacture, improve, repair and work upon and to deal in, purchase, hold, sell and convey any and all kinds of machines, instruments, tools, implements, mechanical devices, engines, boilers, motors, dynamos, rails, cars, ships, boats, launches, automobiles, trucks, tractors, airships, aeroplanes, articles used in structural work, building materials, hardware, textiles, clothing, cloth, leather goods, furs and any other goods, wares and merchandise of whatsoever kind;

To construct, erect and sell buildings and structures in and on any lands for any use or purpose; to equip and operate warehouses, office buildings, hotels, apartment houses, apartment hotels and restaurants, or any other buildings and structures of whatsoever kind;

To guarantee, purchase, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the shares of the capital stock of, or any bonds, securities or evidences of indebtedness created by any other corporation or corporations of the State of Washington or of any other state or government, and, while the owner of such stock, to exercise all the rights, powers and privileges of individual ownership with respect thereto, including the right to vote thereon, and to consent and otherwise act with respect thereto;

To aid in any manner any corporation or association, domestic or foreign, or any firm or individual, any shares of stock in which or any bonds, debentures, notes, securities, evidences of indebtedness, contracts or obligations of which are held by or for the Corporation or in which or in the welfare of which the Corporation shall have any interest, and to do any acts designed to protect, preserve, improve or enhance the value of any property at any time held or controlled by the Corporation, or in which it may be interested at any time; and to organize or promote or facilitate the organization of subsidiary companies;

To purchase from time to time any of its stock outstanding (so far as may be permitted by law) at such price as may be fixed by its Board of Trustees or Executive Committee and accepted by the holders of the stock purchased, and to resell any stock so purchased at such price as may be fixed by its said Board of Trustees or Executive Committee;

In any manner to acquire, enjoy, utilize and to sell or otherwise dispose of patents, copyrights and trademarks and any licenses or other rights or interests therein and thereunder;

To purchase, acquire, hold, own and sell or otherwise dispose of franchises, concessions, consents, privileges and licenses;

To borrow money and contract debts, to issue bonds, promissory notes, bills of exchange, debentures and other obligations and evidences of indebtedness payable at a specified time or times or payable upon the happening of a specified event or events, whether secured by mortgage, pledge or otherwise or unsecured, for money borrowed or in payment for property purchased or acquired or any other lawful objects; all as may be determined from time to time by the Board of Trustees or Executive Committee of the Corporation, pursuant to the authority hereby conferred;

To create mortgages or deeds of trust which shall cover and create a lien upon all or any part of the property of the Corporation of whatsoever kind and wheresoever situated, then owned or thereafter acquired, and to provide in any such mortgage or deed of trust that the amount of bonds or other evidences of indebtedness to be issued thereunder and to be secured thereby shall be limited to a definite amount or limited only by the conditions therein specified and to issue or cause to be issued by the Corporation the bonds or other evidences of indebtedness to be secured thereby; all as may be determined from time to time by the Board of Trustees or Executive Committee of the Corporation pursuant to the authority hereby conferred.

To do all and everything necessary and proper for the accomplishment of the objects enumerated in these Articles of Incorporation or any amendment thereof or necessary or incidental to the protection and benefit of the Corporation, and in general to carry on any lawful business necessary or incidental to the attainment of the objects of the Corporation whether or not such business is similar in nature to the objects set forth in these Articles of Incorporation or any amendment thereof;

To do any or all things herein set forth, to the same extent and as fully as natural persons might or could do, and in any part of the world, and as principal, agent, contractor or otherwise, and either alone or in conjunction with any other persons, firms, associations or corporations;

To conduct its business in any or all its branches in the State of Washington, other states, the District of Columbia, the territories and colonies of the United States, and any foreign countries, and to have one or more offices out of the State of Washington.

THIRD: The amount of the total authorized capital stock of the Corporation shall consist of:

1. 5,000,000 shares without nominal or par value of Common Stock;
2. 50,000 shares of the par value of \$100 each of \$6.50 Preferred Stock, said \$6.50 Preferred Stock being entitled in preference to the Common Stock to cumulative dividends at the rate and in the event of any liquidation or dissolution or winding up (whether voluntary or involuntary) of the Corporation to the amounts as stated in the resolutions passed at the annual meeting of the stockholders of the Corporation held on March 8, 1926 and referred to in the Certificate of Increase of Capital Stock and creating a Preferred Stock issue, verified on March 25, 1926 and filed with the Secretary of State. Said shares of \$6.50 Preferred Stock are not an increase of or an addition to the shares authorized by said resolutions. Said \$6.50 Preferred Stock shall have the preferences, rights and privileges hereinafter provided for;
3. 200,000 shares without nominal or par value of \$6 Preferred Stock (not heretofore authorized), which shall have the preferences, rights and privileges hereinafter provided.

The amount of capital with which the Corporation will begin to carry on business hereunder shall be Five Million Five Hundred Dollars (\$5,000,500).

The holders of \$6.50 Preferred Stock and \$6 Preferred Stock shall be entitled *pari passu* to receive dividends, when and as declared by the Board of Trustees, out of the surplus or profits of the Corporation, in the case of the \$6.50 Preferred Stock at the rate of \$6.50 per share per annum and no more, and in the case of the \$6 Preferred Stock at the rate of \$6 per share per annum and no more, payable on such dates as the Board of Trustees may from time to time determine. Such dividends on the \$6.50 Preferred Stock and the \$6 Preferred Stock shall be cumulative from and after the date of issue thereof unless the Corporation shall have then established regular dividend periods with respect to its said \$6.50 Preferred Stock and/or its said \$6 Preferred Stock in which event such dividends shall be cumulative from the first day of the current dividend period within which such stock shall have been originally issued, so that if dividends in the case of the \$6.50 Preferred Stock at the rate of \$6.50 per share per annum and in the case of \$6 Preferred Stock at the rate of \$6 per share per annum for all past dividend periods shall not have been paid on the outstanding \$6.50 Preferred Stock and \$6 Preferred Stock or declared and funds set apart therefor and the dividends at said respective rates for the then current dividend periods shall not have been paid or declared and funds set apart therefor, the deficiency shall be fully paid or declared and funds set apart therefor at said respective rates before any dividends shall be paid upon or set apart for the Common Stock. Dividends may be paid upon the Common Stock only when dividends at the rate of \$6.50 per share per annum upon the outstanding \$6.50 Preferred Stock and at the rate of \$6 per share per annum upon the outstanding \$6 Preferred Stock for all past dividend periods and for the current dividend periods shall have been paid in full or declared and funds set apart therefor, but whenever there shall have been paid or funds shall have been set aside for the payment of all such dividends upon the \$6.50 Preferred Stock and the \$6 Preferred Stock as aforesaid, then dividends upon the Common Stock may be declared payable then or thereafter out of any surplus or profits then remaining. The holders of the \$6.50 Preferred Stock shall not receive dividends thereon other than the aforesaid dividends at the rate of \$6.50 per share per annum and the holders of the \$6 Preferred Stock shall not receive any dividends thereon other than the aforesaid dividends at the rate of \$6 per share per annum.

In the event of any liquidation, dissolution or winding up of the affairs of the Corporation or any distribution of its capital, whether voluntary or involuntary, before any distribution shall be made to the holders of the Common Stock, each

holder of the \$6.50 Preferred Stock and/or \$6 Preferred Stock shall be entitled *pari passu* to be paid on each share of such stock held by him the sum of \$100 plus in the case of \$6.50 Preferred Stock the amount, if any, by which \$6.50 per annum from the date after which dividends on said share became cumulative to the date of such distribution exceeds the dividends actually paid thereon and plus in the case of \$6 Preferred Stock the amount, if any, by which \$6 per annum from the date after which dividends on said share became cumulative to the date of such distribution exceeds the dividends actually paid thereon. After such payment, or the setting aside of funds for such payment, to the holders of the \$6.50 Preferred Stock and the \$6 Preferred Stock, the remaining assets and funds of the Corporation (subject to the rights of any class of stock hereafter authorized) shall be divided and distributed among the holders of the Common Stock alone according to their respective shares.

Except for those purposes only for which the right to vote is herein elsewhere expressly given to the holders of \$6 Preferred Stock, the \$6 Preferred Stock shall not entitle any holder thereof to vote at any meeting of stockholders or election of the Corporation or otherwise to participate in any action taken by the Corporation or the stockholders thereof. Upon the vote of a majority of the total number of shares of the issued and outstanding Common Stock at any annual meeting or at any special meeting called for that purpose, the denial of voting rights as in this paragraph contained may be removed with respect to the \$6 Preferred Stock. Thereafter each holder of record of the \$6 Preferred Stock shall be entitled to one vote for each share of such stock held by him.

Each holder of record of the \$6.50 Preferred Stock and the Common Stock shall be entitled to one vote for each share of such stock held by him.

Upon the written consent, or upon the affirmative vote at any annual meeting or at any special meeting called for that purpose, of the holders of record of a majority of the shares of the issued and outstanding Common Stock the \$6.50 Preferred Stock or the \$6 Preferred Stock, or both thereof, may be redeemed in whole or in part at any time at One hundred and four Dollars (\$104) for each share of the \$6.50 Preferred Stock redeemed, plus the amount, if any, by which Six and 50/100 Dollars (\$6.50) per annum upon such share from the date after which dividends thereon became cumulative to the date of redemption exceeds the dividends actually paid thereon or declared and set apart for payment thereon from such date to the date of redemption, and at One hundred and ten Dollars (\$110) for each share of the \$6 Preferred Stock redeemed, plus the amount, if any, by which Six Dollars (\$6) per annum upon such share from the date after which dividends thereon became cumulative to the date of redemption exceeds the dividends actually paid thereon or declared and set apart for payment thereon from such date to the date of redemption. If, pursuant to said written consent or affirmative vote of the Common Stock, less than all of the shares of the \$6.50 Preferred Stock are to be redeemed, such redemption of the \$6.50 Preferred Stock shall be made *pro rata* except that fractions of shares of the \$6.50 Preferred Stock shall be disregarded and in such case the redemption shall include full shares of the \$6.50 Preferred Stock only. If, pursuant to said written consent or affirmative vote of the Common Stock, less than all of the shares of the \$6 Preferred Stock are to be redeemed, the shares of the \$6 Preferred Stock to be redeemed shall be selected in such manner as the Board of Trustees or the Executive Committee shall determine. The Board of Trustees by the vote or consent of two-thirds of all the members thereof shall have the power to select for redemption any particular share or shares of the \$6 Preferred Stock to be redeemed, designating the share or shares of said \$6 Preferred Stock so selected by the number or numbers appearing on the then outstanding certificate or certificates representing the shares so selected. Notice of the intention of the Corporation to redeem shares of the \$6.50 Preferred Stock or the \$6 Preferred Stock, or any thereof, and of the date and place of redemption shall be mailed in the case of the redemption of shares of \$6.50 Preferred Stock

not less than sixty (60) days and in the case of the redemption of shares of \$6 Preferred Stock not less than thirty (30) days before the date of redemption to each holder of record of the shares to be redeemed at his last known post office address as shown by the records of the Corporation. At any time after such notice has been mailed as aforesaid, the Corporation may deposit the aggregate redemption price (or the portion thereof not already paid in the redemption of shares so to be redeemed) with any bank or trust company in the State of Washington, having a capital and surplus of not less than \$1,000,000, named in such notice, payable in the amounts aforesaid to the respective orders of the record holders of the shares so to be redeemed, on endorsement, if required, and surrender of their certificates, and from and after the making of such deposit said holders shall cease to be stockholders with respect to said shares and shall have no interest in or claim against the Corporation with respect to said shares, but shall be entitled only to receive said moneys from said bank or trust company without interest. The Corporation shall be entitled to receive from any such bank or trust company the interest, if any, allowed by such bank or trust company on any moneys deposited as in this paragraph provided, and the holders of any shares so redeemed shall have no claim to any such interest. Any money so deposited and remaining unclaimed at the end of six (6) years from the date fixed for redemption shall, if thereafter requested by resolution of the Board of Trustees, be repaid to the Corporation, and in the event of such repayment to the Corporation such holders of record of the shares so redeemed, as shall not have made claim against such moneys prior to such repayment to the Corporation, shall be deemed to be unsecured creditors of the Corporation for an amount equivalent to the amount deposited as above stated for the redemption of such shares and so repaid to the Corporation but shall in no event be entitled to any interest.

The Board of Trustees of the Corporation may at any time authorize the conversion of any of the shares of the then outstanding \$6.50 Preferred Stock with the consent of the holder thereof into \$6 Preferred Stock then authorized but unissued upon the basis of one share of \$6 Preferred Stock (plus such additional consideration, if any, in \$6 Preferred Stock and/or in preferred stock of any other class or classes and/or in cash and upon such other terms and conditions as may be determined by the Board of Trustees) for each share of \$6.50 Preferred Stock so converted, and when and if any shares of the \$6.50 Preferred Stock shall be received by the Corporation on any such conversion the same shall be canceled and shall not be issued or reissued thereafter.

Upon the written consent, or upon the affirmative vote given at a meeting of the holders of the Common Stock called and held as provided by the By-Laws, of the holders of record of a majority of the shares of the Common Stock outstanding, the Board of Trustees of the Corporation, in addition to the power conferred by the preceding paragraph hereof, may at any time authorize the conversion of any of the outstanding preferred stock of any class with the consent of the holder thereof into any other class of preferred stock then authorized but unissued, and may fix the terms and conditions upon which such conversion shall be made, all upon compliance with any statute which may govern such conversion.

A consolidation, merger or amalgamation of the Corporation with or into any other corporation or corporations shall not be deemed a distribution of assets of the Corporation within the meaning of any provisions of these Articles of Incorporation.

Upon the vote of a majority of all of the trustees of the Corporation and of the holders of record of two-thirds of the total number of shares of the Corporation then issued and outstanding and entitled to vote (or, if the vote of a larger number or different proportion of shares is required by the laws of the State of Washington, notwithstanding the above agreement of the stockholders of the Corporation to the contrary, then upon the vote of the holders of record of the larger number or different proportion of shares so required) the Corporation may from time to time

create or authorize one or more other classes of stock with such preferences, designations, rights, privileges, powers, restrictions, limitations and qualifications as may be determined by said vote, which may be the same or different from the preferences, designations, rights, privileges, powers, restrictions, limitations and qualifications of the classes of stock of the Corporation then authorized and/or the Corporation may increase or decrease the number of shares of one or more of the classes of stock then authorized, provided, however, that no new class of stock shall hereafter be created which is entitled to dividends or shares in distribution of assets in priority to the \$6.50 Preferred Stock unless the stockholders voting for the creation of such new class of stock shall include the holders of record of all of the shares of the \$6.50 Preferred Stock then outstanding, or unless the holders of record of all of the \$6.50 Preferred Stock then outstanding shall consent thereto in writing; and provided, further, that no new class of stock shall hereafter be created which is entitled to dividends or shares in distribution of assets in priority to the \$6 Preferred Stock unless the stockholders voting for the creation of such new class of stock shall include the holders of record of not less than two-thirds of the number of shares of the \$6 Preferred Stock then outstanding, or unless the holders of record of not less than two-thirds of the number of shares of the \$6 Preferred Stock then outstanding shall consent thereto in writing. Any such vote authorizing the creation of a new class of stock may provide that all moneys payable by the Corporation with respect to any class of stock thereby authorized shall or may be paid in the money of any foreign country named therein or designated by the Board of Trustees pursuant to authority therein granted at a fixed rate of exchange with the money of the United States of America therein stated or provided for, and all such payments shall be made accordingly. Any such vote may authorize any shares of any class then authorized but unissued to be issued as shares of such new class or classes.

All stock of the Corporation without nominal or par value whether authorized herein or upon subsequent increases of capital stock or pursuant to any amendment hereof may be issued, sold and disposed of by the Corporation from time to time for such consideration in labor, services, money or property as may be fixed from time to time by the Board of Trustees and authority to the Board of Trustees so to fix such consideration is hereby granted by the stockholders.

No holder of any stock of the Corporation shall be entitled as of right to purchase or subscribe for any part of any stock of the Corporation authorized herein or of any additional stock of any class to be issued by reason of any increase of the authorized capital stock of the Corporation or of any bonds, certificates of indebtedness, debentures or other securities convertible into stock of the Corporation but any stock authorized herein or any such additional authorized issue of any stock or of securities convertible into stock may be issued and disposed of by the Board of Trustees to such persons, firms, corporations or associations upon such terms and conditions as the Board of Trustees in their discretion may determine without offering any thereof on the same terms or any terms to the stockholders then of record or to any class of stockholders.

The shares with par value of the Common Stock of the Corporation issued and outstanding when the Articles of Incorporation of the Corporation are amended to provide for shares of Common Stock without nominal or par value shall be converted into and exchanged for shares of Common Stock without nominal or par value of the Corporation on the basis of ten shares without nominal or par value of Common Stock of the Corporation for each share of the par value of \$100 each of Common Stock of the Corporation then issued and outstanding.

SEVENTH: For the management of the property and the regulation of the affairs of the Corporation provision is made as follows:

All corporate powers shall be exercised by the Board of Trustees, except as otherwise provided by statute or by these Articles of Incorporation. By-laws may

be made by the Board of Trustees except as otherwise provided by law, and may be altered in such manner as may be therein provided. The Board of Trustees shall have power to authorize the payment of compensation to the trustees for services to the Corporation, including fees for attendance at meetings of the Board of Trustees and other meetings, and to determine the amounts of such compensation or fees.

An executive committee may be appointed by and from the Board of Trustees in such manner and subject to such regulations as may be provided in the By-laws, which committee shall have and may exercise, when the Board is not in session, all the powers of said Board which may be lawfully delegated subject to such limitations as may be provided in the By-laws or by resolutions of the Board. The fact that the executive committee has acted shall be conclusive evidence that the Board was not in session at the time of such action.

A trustee of the Corporation shall not be disqualified by his office from dealing or contracting with this Corporation either as a vendor, purchaser or otherwise, nor shall any transaction or contract of the Corporation be void or voidable by reason of the fact that any trustee or any firm of which any trustee is a member or any corporation of which any trustee is a shareholder or trustee, is in any way interested in such transaction or contract, provided that such transaction or contract is or shall be authorized, ratified or approved either (1) by a vote of a majority of a quorum of the Board of Trustees or of the Executive Committee without counting in such majority or quorum any trustee so interested or member of a firm so interested or a shareholder or trustee of a corporation so interested, or (2) by the written consent or by vote at a stockholders' meeting of the holders of record of a majority in number of all the outstanding shares of capital stock of the Corporation entitled to vote; nor shall any trustee be liable to account to the Corporation for any profits realized by and from or through any such transaction or contract of the Corporation authorized, ratified or approved as aforesaid by reason of the fact that he or any firm of which he is a member or any corporation of which he is a shareholder or trustee, was interested in such transaction or contract. Nothing herein contained shall create any liability in the events above described or prevent the authorization, ratification or approval of such transaction or contract in any other manner provided by law.

Stockholders shall have no rights, except as conferred by statute or by the By-laws, to inspect any book, paper or account of the Corporation.

Any property of the Corporation not essential to the conduct of its corporate business may be sold, leased, exchanged, or otherwise disposed of, by authority of its Board of Trustees and the Corporation may sell, lease, exchange or otherwise dispose of, all of its property and franchises, or any of its property, franchises, corporate rights, or privileges, essential to the conduct of its corporate business and purposes upon the consent of and for such consideration and upon such terms as may be authorized by a majority of all of the trustees and the holders of two-thirds of the issued and outstanding shares of the Corporation having voting power (or, if the consent or vote of a larger number or different proportion of the trustees and/or shares is required by the laws of the State of Washington, notwithstanding the above agreement of the stockholders of the Corporation to the contrary, then upon the consent or vote of the larger number or different proportion of the trustees and/or shares so required) expressed in writing, or by vote at a meeting of holders of the shares of the Corporation having voting power duly held as provided by law, or in the manner provided by the By-Laws of the Corporation, if not inconsistent therewith.

Upon the affirmative vote of the holders of two-thirds of the issued and outstanding shares of the Corporation having voting power given at a meeting of the holders of the shares of the Corporation having voting power duly called for that purpose or when authorized by the written consent of the holders of two-thirds of the issued and outstanding shares of the Corporation having voting power and upon the vote of a majority of the Board of Trustees, all of the property, fran-

chises, rights and assets of the Corporation may be sold, conveyed, assigned and transferred as an entirety to a new company to be organized under the laws of the United States, the State of Washington or any other state of the United States, for the purpose of so taking over all the property, franchises, rights and assets of the Corporation, with the same or a different authorized number of shares of stock and with the same preferences, voting powers, restrictions and qualifications thereof as may then attach to the classes of stock of the Corporation then outstanding so far as the same shall be consistent with such laws of the United States or of Washington or of such other state (provided that the whole or any part of such stock or of any class thereof may be stock with or without a nominal or par value), the consideration for such sale and conveyance to be the assumption by such new company of all of the then outstanding liabilities of the Corporation and the issuance and delivery by the new company of shares of stock (any or all thereof either with or without nominal or par value) of such new company of the several classes into which the stock of the Corporation is then divided equal in number to the number of shares of stock of the Corporation of said several classes then outstanding. In the event of such sale, each holder of stock of the Corporation agrees so far as he may be permitted by the laws of Washington forthwith to surrender for cancellation his certificate or certificates for stock of the Corporation and to receive and accept in exchange therefor, as his full and final distributive share of the proceeds of such sale and conveyance and of the assets of the Corporation, a number of shares of the stock of the new company of the class corresponding to the class of the shares surrendered equal in number to the shares of stock of the Corporation so surrendered, and in such event no holder of any of the stock of the Corporation shall have any rights or interests in or against the Corporation, except the right upon surrender of his certificates as aforesaid properly endorsed, to receive from the Corporation certificates for such shares of said new company as herein provided. Such new company may have all or any of the powers of the Corporation and the certificate of incorporation and by-laws of such new company may contain all or any of the provisions contained in the Articles of Incorporation and By-laws of the Corporation.

Upon the written assent, in person or by proxy, or pursuant to the affirmative vote, in person or by proxy, of the holders of a majority in number of the shares then outstanding and entitled to vote (or, if the assent or vote of a larger number or different proportion of shares is required by the laws of the State of Washington notwithstanding the above agreement of the stockholders of the Corporation to the contrary, then upon the assent or vote of the larger number or different proportion of the shares so required) (1) any or every statute of the State of Washington hereafter enacted, whereby the rights, powers or privileges of the Corporation are or may be increased, diminished, or in any way affected, or whereby the rights, powers or privileges of the stockholders of corporations organized under the law under which the Corporation is organized are increased, diminished or in any way affected, or whereby effect is given to the action taken by any part less than all of the stockholders of any such corporation shall, notwithstanding any provision which may at the time be contained in these Articles of Incorporation or any law, apply to the Corporation, and shall be binding not only upon the Corporation but upon every stockholder thereof, to the same extent as if such statute had been in force at the date of the making and filing of these Articles of Incorporation and/or (2) amendments to said Articles authorized at the time of the making of such amendments by the laws of the State of Washington may be made. No such written consent or vote (a) shall decrease the amounts which the holders of outstanding \$6.50 Preferred Stock are entitled to receive as dividends or in distribution of assets in preference to the holders of the Common Stock and *pari passu* with the \$6 Preferred Stock, all as set forth in Article THIRD hereof, unless the holders of all of the then outstanding \$6.50 Preferred Stock consent in writing to or vote for such decrease; (b) shall decrease the amounts which the

holders of outstanding \$6 Preferred Stock are entitled to receive as dividends or in distribution of assets in preference to the holders of the Common Stock and *pari passu* with the \$6.50 Preferred Stock, all as set forth in Article THIRD hereof, unless the holders of at least 90% of the then outstanding \$6 Preferred Stock consent in writing to or vote for such decrease; (c) shall reduce the percentage of the shares of outstanding \$6.50 Preferred Stock required in Article THIRD hereof, to consent to the creation of any new class of stock entitled to dividends or shares in distribution of assets in priority to the \$6.50 Preferred Stock unless the stockholders consenting in writing to, or voting for, such reduction, shall include the holders of all of the shares of the then outstanding \$6.50 Preferred Stock; or (d) shall reduce the percentage of the shares of outstanding \$6 Preferred Stock required in Article THIRD hereof to consent to the creation of any new class of stock entitled to dividends or shares in distribution of assets in priority to the \$6 Preferred Stock, unless the stockholders consenting in writing to, or voting for, said reduction, shall include, in the case of a written consent, the holders of at least two-thirds of all the shares of the then outstanding \$6 Preferred Stock, or in the case of a vote, the holders of not less than two-thirds of the number of shares of the \$6 Preferred Stock voted at the meeting at which said vote is cast."

(b) To consider and take action upon a proposal to increase the authorized capital stock of the Corporation from 400,000 shares of the par value of \$100 each, divided into 50,000 shares of Preferred Stock and 350,000 shares of Common Stock, to 50,000 shares of the par value of \$100 each of \$6.50 Preferred Stock and 5,200,000 shares without nominal or par value, divided into 200,000 shares of \$6 Preferred Stock and 5,000,000 shares of Common Stock, and to create such preferred stocks.

(c) To consider and take action upon a proposal to convert and exchange the shares with par value of the Common Stock of the Corporation issued and outstanding, when the amendments of the Articles of Incorporation hereinbefore mentioned become effective, into and for shares without nominal or par value of the Common Stock of the Corporation, on the basis of ten shares without nominal or par value of Common Stock of the Corporation for each share of the par value of \$100 each of Common Stock of the Corporation then issued and outstanding, and to authorize and direct the exchange of the certificates for the shares with par value of Common Stock of the Corporation upon the surrender thereof to the Corporation for cancellation for certificates for shares without nominal or par value of the Common Stock of the Corporation on the basis aforesaid.

(d) To authorize the execution and filing of such certificate or certificates and the doing of such acts or things as may be necessary or desirable to make effective the action taken at said meeting or any adjournment or adjournments thereof.

That said notice was dated April 2, 1929, and was signed by the Secretary of said Corporation and by at least a majority of the Board of Trustees of said Corporation and was published once a week for at least two successive weeks before said meeting in a newspaper published and of general circulation in the City of Spokane, State of Washington, and a copy of said notice was duly mailed to each stockholder of said Corporation at his last known post office address at least two weeks before said meeting of the stockholders.

3. That amendments have been made to the Articles of Incorporation of said Corporation at said meeting of the Board of Trustees by a majority vote of the Trustees of said Corporation and at said meeting of the stockholders by the vote of two-thirds of the capital stock of said Corporation by striking out of the present Articles SECOND and THIRD of the Articles of Incorporation of said Corporation and substituting in lieu thereof new Articles SECOND and THIRD and by adding to the Articles of Incorporation of said Corporation a new Article SEVENTH, which said new Articles SECOND, THIRD and SEVENTH are and read as hereinafter set forth.

4. That at said meeting of the stockholders the increase of the authorized capital stock of said Corporation from 400,000 shares of the par value of \$100 each, divided into 50,000 shares of Preferred Stock and 350,000 shares of Common Stock, to 50,000 shares of the par value of \$100 each of \$6.50 Preferred Stock and 5,200,000 shares without nominal or par value, divided into 200,000 shares of \$6 Preferred Stock and 5,000,000 shares of Common Stock, was authorized by the vote of the stockholders holding at least two-thirds of the stock of said Corporation.

5. That at said meeting of the stockholders the creation of new classes of preferred stock of said Corporation, as hereinafter set forth, was authorized by vote of the holders of record of at least two-thirds of the stock of said Corporation.

6. That at said meeting of the stockholders the following resolutions were authorized and adopted by the vote of the stockholders holding at least two-thirds of the stock of said Corporation and by the vote of two-thirds of the capital stock of said Corporation:

RESOLVED that the Articles of Incorporation of the Corporation be and the same hereby are amended by striking out the present Articles SECOND and THIRD and substituting in lieu thereof new Articles SECOND and THIRD and by adding a new Article SEVENTH, which said new Articles SECOND, THIRD and SEVENTH shall be and read as follows:

"SECOND: The objects and purposes for which the Corporation is formed are:

To acquire, buy, hold, own, sell, lease, exchange, dispose of, finance, deal in, construct, build, equip, improve, use, operate, maintain and work upon:

(a) Any and all kinds of plants and systems for the manufacture, production, storage, utilization, purchase, sale, supply, transmission, distribution or disposition of electric energy, natural or artificial gas, water or steam, or power produced thereby, or of ice and refrigeration of any and every kind;

(b) Any and all kinds of telephone, telegraph, radio, wireless and other systems, facilities and devices for the receipt and transmission of sounds and signals, any and all kinds of interurban, city and street railways and bus lines for the transportation of passengers and/or freight, transmission lines, systems, appliances, equipment and devices and tracks, stations, buildings and other structures and facilities;

(c) Any and all kinds of works, power plants, manufactories, structures, substations, systems, tracks, machinery, generators, motors, lamps, poles, pipes, wires, cables, conduits, apparatus, devices, equipment, supplies, articles and merchandise of every kind pertaining to or in anywise connected with the construction, operation or maintenance of telephone, telegraph, radio, wireless and other systems, facilities and devices for the receipt and transmission of sounds and signals, or of interurban, city and street railways and bus lines, or in anywise connected with or pertaining to the manufacture, production, purchase, use, sale, supply, transmission, distribution, regulation, control or application of electric energy, natural or artificial gas, water, steam, ice, refrigeration and power or any other purposes;

To acquire, buy, hold, own, sell, lease, exchange, dispose of, transmit, distribute, deal in, use, manufacture, produce, furnish and supply street and interurban railway and bus service, electric energy, natural or artificial gas, light, heat, ice, refrigeration, water and steam in any form and for any purposes whatsoever; and any power or force or energy in any form and for any purposes whatsoever;

To manufacture, produce, buy or in any other manner acquire, and to sell, furnish, dispose of and distribute steam for heating or other purposes, and to purchase, lease or otherwise acquire, build, construct, erect, hold, own, improve, enlarge, maintain, operate, control, supervise and manage and to sell, lease or otherwise dispose of plants, works and facilities, including distribution systems, mains, pipes, conduits and meters, and all other necessary apparatus and appliances used or useful or convenient for use in the business of manufacturing, producing, selling, furnishing, disposing of and distributing steam for heating or for any other purposes;

To acquire, organize, assemble, develop, build up and operate constructing and operating and other organizations and systems, and to hire, sell, lease, exchange, turn over, deliver and dispose of such organizations and systems in whole or in part and as going organizations and systems and otherwise, and to enter into and perform contracts, agreements and undertakings of any kind in connection with any or all of the foregoing powers;

To do a general contracting business;

To purchase, acquire, develop, mine, explore, drill, hold, own, sell and dispose of lands, interests in and rights with respect to lands and waters and fixed and movable property;

To plan, design, construct, alter, repair, remove or otherwise engage in any work upon bridges, dams, canals, piers, docks, wharves, buildings, structures, foundations, mines, shafts, tunnels, wells, waterworks and all kinds of structural excavations and subterranean work and generally to carry on the business of contractors and engineers;

To manufacture, improve and work upon and to deal in, purchase, hold, sell and convey minerals, metals, wood, oils and other liquids, gases, chemicals, animal and plant products or any of the products and by-products thereof or any article or thing into the manufacture of which any of the foregoing may enter;

To manufacture, improve, repair and work upon and to deal in, purchase, hold, sell and convey any and all kinds of machines, instruments, tools, implements, mechanical devices, engines, boilers, motors, dynamos, rails, cars, ships, boats, launches, automobiles, trucks, tractors, airships, aeroplanes, articles used in structural work, building materials, hardware, textiles, clothing, cloth, leather goods, furs and any other goods, wares and merchandise of whatsoever kind;

To construct, erect and sell buildings and structures in and on any lands for any use or purpose; to equip and operate warehouses, office buildings, hotels, apartment houses, apartment hotels and restaurants, or any other buildings and structures of whatsoever kind;

To guarantee, purchase, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the shares of the capital stock of, or any bonds, securities or evidences of indebtedness created by any other corporation or corporations of the State of Washington or of any other state or government, and, while the owner of such stock, to exercise all the rights, powers and privileges of individual ownership with respect thereto, including the right to vote thereon, and to consent and otherwise act with respect thereto;

To aid in any manner any corporation or association, domestic or foreign, or any firm or individual, any shares of stock in which or any bonds, debentures, notes, securities, evidence of indebtedness, contracts or obligations of which are held by or for the Corporation or in which or in the welfare of which the Corporation shall have any interest, and to do any acts designed to protect, preserve, improve or enhance the value of any property at any time held or controlled by the Corporation, or in which it may be interested at any time; and to organize or promote or facilitate the organization of subsidiary companies;

To purchase from time to time any of its stock outstanding (so far as may be permitted by law) at such price as may be fixed by its Board of Trustees or Executive Committee and accepted by the holders of the stock purchased, and to resell any stock so purchased at such price as may be fixed by its said Board of Trustees or Executive Committee;

In any manner to acquire, enjoy, utilize and to sell or otherwise dispose of patents, copyrights and trademarks and any licenses or other rights or interests therein and thereunder;

To purchase, acquire, hold, own and sell or otherwise dispose of franchises, concessions, consents, privileges and licenses;

To borrow money and contract debts, to issue bonds, promissory notes, bills of exchange, debentures and other obligations and evidences of indebtedness payable at a specified time or times or payable upon the happening of a specified event or events, whether secured by mortgage, pledge or otherwise or unsecured, for money borrowed or in payment for property purchased or acquired or any other lawful objects; all as may be determined from time to time by the Board of Trustees or Executive Committee of the Corporation, pursuant to the authority hereby conferred;

To create mortgages or deeds of trust which shall cover and create a lien upon all or any part of the property of the Corporation of whatsoever kind and wheresoever situated, then owned or thereafter acquired, and to provide in any such mortgage or deed of trust that the amount of bonds or other evidences of indebtedness to be issued thereunder and to be secured thereby shall be limited to a definite amount or limited only by the conditions therein specified and to issue or cause to be issued by the Corporation the bonds or other evidences of indebtedness to be secured thereby; all as may be determined from time to time by the Board of Trustees or Executive Committee of the Corporation pursuant to the authority hereby conferred;

To do all and everything necessary and proper for the accomplishment of the objects enumerated in these Articles of Incorporation or any amendment thereof or necessary or incidental to the protection and benefit of the Corporation, and in general to carry on any lawful business necessary or incidental to the attainment of the objects of the Corporation whether or not such business is similar in nature to the objects set forth in these Articles of Incorporation or any amendment thereof;

To do any or all things herein set forth, to the same extent and as fully as natural persons might or could do, and in any part of the world, and as principal, agent, contractor or otherwise, and either alone or in conjunction with any other persons, firms, associations or corporations;

To conduct its business in any or all its branches in the State of Washington, other states, the District of Columbia, the territories and colonies of the United States, and any foreign countries, and to have one or more offices out of the State of Washington.

THIRD: The amount of the total authorized capital stock of the Corporation shall consist of:

1. 5,000,000 shares without nominal or par value of Common Stock;

2. 50,000 shares of the par value of \$100 each of \$6.50 Preferred Stock, said \$6.50 Preferred Stock being entitled in preference to the Common Stock to cumulative dividends at the rate and in the event of any liquidation or dissolution or winding up (whether voluntary or involuntary) of the Corporation to the amounts as stated in the resolutions passed at the annual meeting of the stockholders of the Corporation held on March 8, 1926 and referred to in the Certificate of Increase of Capital Stock and creating a Preferred Stock issue, verified on March 25, 1926 and filed with the Secretary of State. Said shares of \$6.50 Preferred Stock are not an increase of or an addition to the shares authorized by said resolutions. Said \$6.50 Preferred Stock shall have the preferences, rights and privileges hereinafter provided for;

3. 200,000 shares without nominal or par value of \$6 Preferred Stock (not heretofore authorized), which shall have the preferences, rights and privileges hereinafter provided.

The amount of capital with which the Corporation will begin to carry on business hereunder shall be Five Million Five Hundred Dollars (\$5,000,500).

The holders of \$6.50 Preferred Stock and \$6 Preferred Stock shall be entitled *pari passu* to receive dividends, when and as declared by the Board of Trustees, out of the surplus or profits of the Corporation, in the case of the \$6.50 Preferred Stock at the rate of \$6.50 per share per annum and no more, and in the case of the \$6 Preferred Stock at the rate of \$6 per share per annum and no more, payable on such dates as the Board of Trustees may from time to time determine. Such dividends on the \$6.50 Preferred Stock and the \$6 Preferred Stock shall be cumulative from and after the date of issue thereof unless the Corporation shall have then established regular dividend periods with respect to its said \$6.50 Preferred Stock and/or its said \$6 Preferred Stock in which event such dividends shall be cumulative from the first day of the current dividend period within which such stock shall have been originally issued, so that if dividends in the case of the \$6.50 Preferred Stock at the rate of \$6.50 per share per annum and in the case of \$6 Preferred Stock at the rate of \$6 per share per annum for all past dividend periods shall not have been paid on the outstanding \$6.50 Preferred Stock and \$6 Preferred Stock or declared and funds set apart therefor and the dividends at said respective rates for the then current dividend periods shall not have been paid or declared and funds set apart therefor, the deficiency shall be fully paid or declared and funds set apart therefor at said respective rates before any dividends shall be paid upon or set apart for the Common Stock. Dividends may be paid

upon the Common Stock only when dividends at the rate of \$6.50 per share per annum upon the outstanding \$6.50 Preferred Stock and at the rate of \$6 per share per annum upon the outstanding \$6 Preferred Stock for all past dividend periods and for the current dividend periods shall have been paid in full or declared and funds set apart therefor, but whenever there shall have been paid or funds shall have been set aside for the payment of all such dividends upon the \$6.50 Preferred Stock and the \$6 Preferred Stock as aforesaid, then dividends upon the Common Stock may be declared payable then or thereafter out of any surplus or profits then remaining. The holders of the \$6.50 Preferred Stock shall not receive dividends thereon other than the aforesaid dividends at the rate of \$6.50 per share per annum and the holders of the \$6 Preferred Stock shall not receive any dividends thereon other than the aforesaid dividends at the rate of \$6 per share per annum.

In the event of any liquidation, dissolution or winding up of the affairs of the Corporation or any distribution of its capital, whether voluntary or involuntary, before any distribution shall be made to the holders of the Common Stock, each holder of the \$6.50 Preferred Stock and/or \$6 Preferred Stock shall be entitled *pari passu* to be paid on each share of such stock held by him the sum of \$100 plus in the case of \$6.50 Preferred Stock the amount, if any, by which \$6.50 per annum from the date after which dividends on said share became cumulative to the date of such distribution exceeds the dividends actually paid thereon and plus in the case of \$6 Preferred Stock the amount, if any, by which \$6 per annum from the date after which dividends on said share became cumulative to the date of such distribution exceeds the dividends actually paid thereon. After such payment, or the setting aside of funds for such payment, to the holders of the \$6.50 Preferred Stock and the \$6 Preferred Stock, the remaining assets and funds of the Corporation (subject to the rights of any class of stock hereafter authorized) shall be divided and distributed among the holders of the Common Stock alone according to their respective shares.

Except for those purposes only for which the right to vote is herein elsewhere expressly given to the holders of \$6 Preferred Stock, the \$6 Preferred Stock shall not entitle any holder thereof to vote at any meeting of stockholders or election of the Corporation or otherwise to participate in any action taken by the Corporation or the stockholders thereof. Upon the vote of a majority of the total number of shares of the issued and outstanding Common Stock at any annual meeting or at any special meeting called for that purpose, the denial of voting rights as in this paragraph contained may be removed with respect to the \$6 Preferred Stock. Thereafter each holder of record of the \$6 Preferred Stock shall be entitled to one vote for each share of such stock held by him.

Each holder of record of the \$6.50 Preferred Stock and the Common Stock shall be entitled to one vote for each share of such stock held by him.

Upon the written consent, or upon the affirmative vote at any annual meeting or at any special meeting called for that purpose, of the holders of record of a majority of the shares of the issued and outstanding Common Stock the \$6.50 Preferred Stock or the \$6 Preferred Stock, or both thereof, may be redeemed in whole or in part at any time at One hundred and four Dollars (\$104) for each share of the \$6.50 Preferred Stock redeemed, plus the amount, if any, by which Six and 50/100 Dollars (\$6.50) per annum upon such share from the date after which dividends thereon became cumulative to the date of redemption exceeds the dividends actually paid thereon or declared and set apart for payment thereon from such date to the date of redemption, and at One hundred and ten Dollars (\$110) for each share of the \$6 Preferred Stock redeemed, plus the amount, if any, by which Six Dollars (\$6) per annum upon such share from the date after which dividends thereon became cumulative to the date of redemption exceeds the dividends actually paid thereon or declared and set apart for payment thereon from such date to the date of redemption. If, pursuant to said written consent or affirmative vote of the Common Stock, less than all of the shares of the \$6.50 Preferred Stock are to be redeemed, such redemption of the \$6.50 Preferred Stock

shall be made *pro rata* except that fractions of shares of the \$6.50 Preferred Stock shall be disregarded and in such case the redemption shall include full shares of the \$6.50 Preferred Stock only. If, pursuant to said written consent or affirmative vote of the Common Stock, less than all of the shares of the \$6 Preferred Stock are to be redeemed, the shares of the \$6 Preferred Stock to be redeemed shall be selected in such manner as the Board of Trustees or the Executive Committee shall determine. The Board of Trustees by the vote or consent of two-thirds of all the members thereof shall have the power to select for redemption any particular share or shares of the \$6 Preferred Stock to be redeemed, designating the share or shares of said \$6 Preferred Stock so selected by the number or numbers appearing on the then outstanding certificate or certificates representing the shares so selected. Notice of the intention of the Corporation to redeem shares of the \$6.50 Preferred Stock or the \$6 Preferred Stock, or any thereof, and of the date and place of redemption shall be mailed in the case of the redemption of shares of \$6.50 Preferred Stock not less than sixty (60) days and in the case of the redemption of shares of \$6 Preferred Stock not less than thirty (30) days before the date of redemption to each holder of record of the shares to be redeemed at his last known post office address as shown by the records of the Corporation. At any time after such notice has been mailed as aforesaid, the Corporation may deposit the aggregate redemption price (or the portion thereof not already paid in the redemption of shares so to be redeemed) with any bank or trust company in the State of Washington, having a capital and surplus of not less than \$1,000,000, named in such notice, payable in the amounts aforesaid to the respective orders of the record holders of the shares so to be redeemed, on endorsement, if required, and surrender of their certificates, and from and after the making of such deposit said holders shall cease to be stockholders with respect to said shares and shall have no interest in or claim against the Corporation with respect to said shares, but shall be entitled only to receive said moneys from said bank or trust company without interest. The Corporation shall be entitled to receive from any such bank or trust company the interest, if any, allowed by such bank or trust company on any moneys deposited as in this paragraph provided, and the holders of any shares so redeemed shall have no claim to any such interest. Any money so deposited and remaining unclaimed at the end of six (6) years from the date fixed for redemption shall, if thereafter requested by resolution of the Board of Trustees, be repaid to the Corporation, and in the event of such repayment to the Corporation such holders of record of the shares so redeemed, as shall not have made claim against such moneys prior to such repayment to the Corporation, shall be deemed to be unsecured creditors of the Corporation for an amount equivalent to the amount deposited as above stated for the redemption of such shares and so repaid to the Corporation but shall in no event be entitled to any interest.

The Board of Trustees of the Corporation may at any time authorize the conversion of any of the shares of the then outstanding \$6.50 Preferred Stock with the consent of the holder thereof into \$6 Preferred Stock then authorized but unissued upon the basis of one share of \$6 Preferred Stock (plus such additional consideration, if any, in \$6 Preferred Stock and/or in preferred stock of any other class or classes and/or in cash and upon such other terms and conditions as may be determined by the Board of Trustees) for each share of \$6.50 Preferred Stock so converted, and when and if any shares of the \$6.50 Preferred Stock shall be received by the Corporation on any such conversion the same shall be canceled and shall not be issued or reissued thereafter.

Upon the written consent, or upon the affirmative vote given at a meeting of the holders of the Common Stock called and held as provided by the By-Laws, of the holders of record of a majority of the shares of the Common Stock outstanding, the Board of Trustees of the Corporation, in addition to the power conferred by the preceding paragraph hereof, may at any time authorize the conversion of any of the outstanding preferred stock of any class with the consent of the holder thereof into any other class of preferred stock then authorized but unissued, and

may fix the terms and conditions upon which such conversion shall be made, all upon compliance with any statute which may govern such conversion.

A consolidation, merger or amalgamation of the Corporation with or into any other corporation or corporations shall not be deemed a distribution of assets of the Corporation within the meaning of any provisions of these Articles of Incorporation.

Upon the vote of a majority of all of the trustees of the Corporation and of the holders of record of two-thirds of the total number of shares of the Corporation then issued and outstanding and entitled to vote (or, if the vote of a larger number or different proportion of shares is required by the laws of the State of Washington, notwithstanding the above agreement of the stockholders of the Corporation to the contrary, then upon the vote of the holders of record of the larger number or different proportion of shares so required) the Corporation may from time to time create or authorize one or more other classes of stock with such preferences, designations, rights, privileges, powers, restrictions, limitations and qualifications as may be determined by said vote, which may be the same or different from the preferences, designations, rights, privileges, powers, restrictions, limitations and qualifications of the classes of stock of the Corporation then authorized and/or the Corporation may increase or decrease the number of shares of one or more of the classes of stock then authorized, provided, however, that no new class of stock shall hereafter be created which is entitled to dividends or shares in distribution of assets in priority to the \$6.50 Preferred Stock unless the stockholders voting for the creation of such new class of stock shall include the holders of record of all of the shares of the \$6.50 Preferred Stock then outstanding, or unless the holders of record of all of the \$6.50 Preferred Stock then outstanding shall consent thereto in writing; and provided, further, that no new class of stock shall hereafter be created which is entitled to dividends or shares in distribution of assets in priority to the \$6 Preferred Stock unless the stockholders voting for the creation of such new class of stock shall include the holders of record of not less than two-thirds of the number of shares of the \$6 Preferred Stock then outstanding, or unless the holders of record of not less than two-thirds of the number of shares of the \$6 Preferred Stock then outstanding shall consent thereto in writing. Any such vote authorizing the creation of a new class of stock may provide that all moneys payable by the Corporation with respect to any class of stock thereby authorized shall or may be paid in the money of any foreign country named therein or designated by the Board of Trustees pursuant to authority therein granted at a fixed rate of exchange with the money of the United States of America therein stated or provided for, and all such payments shall be made accordingly. Any such vote may authorize any shares of any class then authorized but unissued to be issued as shares of such new class or classes.

All stock of the Corporation without nominal or par value whether authorized herein or upon subsequent increases of capital stock or pursuant to any amendment hereof may be issued, sold and disposed of by the Corporation from time to time for such consideration in labor, services, money or property as may be fixed from time to time by the Board of Trustees and authority to the Board of Trustees so to fix such consideration is hereby granted by the stockholders.

No holder of any stock of the Corporation shall be entitled as of right to purchase or subscribe for any part of any stock of the Corporation authorized herein or of any additional stock of any class to be issued by reason of any increase of the authorized capital stock of the Corporation or of any bonds, certificates of indebtedness, debentures or other securities convertible into stock of the Corporation but any stock authorized herein or any such additional authorized issue of any stock or of securities convertible into stock may be issued and disposed of by the Board of Trustees to such persons, firms, corporations or associations upon such terms and conditions as the Board of Trustees in their discretion may determine without offering any thereof on the same terms or any terms to the stockholders then of record or to any class of stockholders.

The shares with par value of the Common Stock of the Corporation issued and outstanding when the Articles of Incorporation of the Corporation are amended to provide for shares of Common Stock without nominal or par value shall be converted into and exchanged for shares of Common Stock without nominal or par value of the Corporation on the basis of ten shares without nominal or par value of Common Stock of the Corporation for each share of the par value of \$100 each of Common Stock of the Corporation then issued and outstanding.

SEVENTH: For the management of the property and the regulation of the affairs of the Corporation provision is made as follows:

All corporate powers shall be exercised by the Board of Trustees, except as otherwise provided by statute or by these Articles of Incorporation. By-laws may be made by the Board of Trustees except as otherwise provided by law, and may be altered in such manner as may be therein provided. The Board of Trustees shall have power to authorize the payment of compensation to the trustees for services to the Corporation, including fees for attendance at meetings of the Board of Trustees and other meetings, and to determine the amounts of such compensation or fees.

An executive committee may be appointed by and from the Board of Trustees in such manner and subject to such regulations as may be provided in the By-laws, which committee shall have and may exercise, when the Board is not in session, all the powers of said Board which may be lawfully delegated subject to such limitations as may be provided in the By-laws or by resolutions of the Board. The fact that the executive committee has acted shall be conclusive evidence that the Board was not in session at the time of such action.

A trustee of the Corporation shall not be disqualified by his office from dealing or contracting with this Corporation either as a vendor, purchaser or otherwise, nor shall any transaction or contract of the Corporation be void or voidable by reason of the fact that any trustee or any firm of which any trustee is a member or any corporation of which any trustee is a shareholder or trustee, is in any way interested in such transaction or contract, provided that such transaction or contract is or shall be authorized, ratified or approved either (1) by a vote of a majority of a quorum of the Board of Trustees or of the Executive Committee without counting in such majority or quorum any trustee so interested or member of a firm so interested or a shareholder or trustee of a corporation so interested, or (2) by the written consent or by vote at a stockholders' meeting of the holders of record of a majority in number of all the outstanding shares of capital stock of the Corporation entitled to vote; nor shall any trustee be liable to account to the Corporation for any profits realized by and from or through any such transaction or contract of the Corporation authorized, ratified or approved as aforesaid by reason of the fact that he or any firm of which he is a member or any corporation of which he is a shareholder or trustee, was interested in such transaction or contract. Nothing herein contained shall create any liability in the events above described or prevent the authorization, ratification or approval of such transaction or contract in any other manner provided by law.

Stockholders shall have no rights, except as conferred by statute or by the By-laws, to inspect any book, paper or account of the Corporation.

Any property of the Corporation not essential to the conduct of its corporate business may be sold, leased, exchanged, or otherwise disposed of, by authority of its Board of Trustees and the Corporation may sell, lease, exchange or otherwise dispose of, all of its property and franchises, or any of its property, franchises, corporate rights, or privileges, essential to the conduct of its corporate business and purposes upon the consent of and for such consideration and upon such terms as may be authorized by a majority of all of the trustees and the holders of two-thirds of the issued and outstanding shares of the Corporation having voting power (or, if the consent or vote of a larger number or different proportion of the trustees and/or shares is required by the laws of the State of Washington, not-

withstanding the above agreement of the stockholders of the Corporation to the contrary, then upon the consent or vote of the larger number or different proportion of the trustees and/or shares so required) expressed in writing, or by vote at a meeting of holders of the shares of the Corporation having voting power duly held as provided by law, or in the manner provided by the By-laws of the Corporation, if not inconsistent therewith.

Upon the affirmative vote of the holders of two-thirds of the issued and outstanding shares of the Corporation having voting power given at a meeting of the holders of the shares of the Corporation having voting power duly called for that purpose or when authorized by the written consent of the holders of two-thirds of the issued and outstanding shares of the Corporation having voting power and upon the vote of a majority of the Board of Trustees, all of the property, franchises, rights and assets of the Corporation may be sold, conveyed, assigned and transferred as an entirety to a new company to be organized under the laws of the United States, the State of Washington or any other state of the United States, for the purpose of so taking over all the property, franchises, rights and assets of the Corporation, with the same or a different authorized number of shares of stock and with the same preferences, voting powers, restrictions and qualifications thereof as may then attach to the classes of stock of the Corporation then outstanding so far as the same shall be consistent with such laws of the United States or of Washington or of such other state (provided that the whole or any part of such stock or of any class thereof may be stock with or without a nominal or par value), the consideration for such sale and conveyance to be the assumption by such new company of all of the then outstanding liabilities of the Corporation and the issuance and delivery by the new company of shares of stock (any or all thereof either with or without nominal or par value) of such new company of the several classes into which the stock of the Corporation is then divided equal in number to the number of shares of stock of the Corporation of said several classes then outstanding. In the event of such sale, each holder of stock of the Corporation agrees so far as he may be permitted by the laws of Washington forthwith to surrender for cancellation his certificate or certificates for stock of the Corporation and to receive and accept in exchange therefor, as his full and final distributive share of the proceeds of such sale and conveyance and of the assets of the Corporation, a number of shares of the stock of the new company of the class corresponding to the class of the shares surrendered equal in number to the shares of stock of the Corporation so surrendered, and in such event no holder of any of the stock of the Corporation shall have any rights or interests in or against the Corporation, except the right upon surrender of his certificates as aforesaid properly endorsed, to receive from the Corporation certificates for such shares of said new company as herein provided. Such new company may have all or any of the powers of the Corporation and the certificate of incorporation and by-laws of such new company may contain all or any of the provisions contained in the Articles of Incorporation and By-laws of the Corporation.

Upon the written assent, in person or by proxy, or pursuant to the affirmative vote, in person or by proxy, of the holders of a majority in number of the shares then outstanding and entitled to vote (or, if the assent or vote of a larger number or different proportion of shares is required by the laws of the State of Washington notwithstanding the above agreement of the stockholders of the Corporation to the contrary, then upon the assent or vote of the larger number or different proportion of the shares so required) (1) any or every statute of the State of Washington hereafter enacted, whereby the rights, powers or privileges of the Corporation are or may be increased, diminished, or in any way affected, or whereby the rights, powers or privileges of the stockholders of corporations organized under the law under which the Corporation is organized are increased, diminished or in any way affected, or whereby effect is given to the action taken by any part less than all of the stockholders of any such corporation shall, notwithstanding any provision which may at the time be contained in these Articles of Incorporation

or any law, apply to the Corporation, and shall be binding not only upon the Corporation but upon every stockholder thereof, to the same extent as if such statute had been in force at the date of the making and filing of these Articles of Incorporation and/or (2) amendments to said Articles authorized at the time of the making of such amendments by the laws of the State of Washington may be made. No such written consent or vote (a) shall decrease the amounts which the holders of outstanding \$6.50 Preferred Stock are entitled to receive as dividends or in distribution of assets in preference to the holders of the Common Stock and *pari passu* with the \$6 Preferred Stock, all as set forth in Article THIRD hereof, unless the holders of all of the then outstanding \$6.50 Preferred Stock consent in writing to or vote for such decrease; (b) shall decrease the amounts which the holders of outstanding \$6 Preferred Stock are entitled to receive as dividends or in distribution of assets in preference to the holders of the Common Stock and *pari passu* with the \$6.50 Preferred Stock, all as set forth in Article THIRD hereof, unless the holders of at least 90% of the then outstanding \$6 Preferred Stock consent in writing to or vote for such decrease; (c) shall reduce the percentage of the shares of outstanding \$6.50 Preferred Stock required in Article THIRD hereof, to consent to the creation of any new class of stock entitled to dividends or shares in distribution of assets in priority to the \$6.50 Preferred Stock unless the stockholders consenting in writing to, or voting for, such reduction, shall include the holders of all of the shares of the then outstanding \$6.50 Preferred Stock; or (d) shall reduce the percentage of the shares of outstanding \$6 Preferred Stock required in Article THIRD hereof to consent to the creation of any new class of stock entitled to dividends or shares in distribution of assets in priority to the \$6 Preferred Stock, unless the stockholders consenting in writing to, or voting for, said reduction, shall include, in the case of a written consent, the holders of at least two-thirds of all the shares of the then outstanding \$6 Preferred Stock, or in the case of a vote, the holders of not less than two-thirds of the number of shares of the \$6 Preferred Stock voted at the meeting at which said vote is cast."

and further

RESOLVED that the authorized capital stock of the Corporation be and the same hereby is increased from 400,000 shares of the par value of \$100 each, divided into 50,000 shares of Preferred Stock and 350,000 shares of Common Stock, to ~~50,000~~ ^{5,000,000} shares of the par value of \$100 each of \$6.50 Preferred Stock and ~~3,200,000~~ ^{5,000,000} shares without nominal or par value, divided into 200,000 shares of \$6 Preferred Stock and 5,000,000 shares of Common Stock) and further

RESOLVED that the \$6.50 Preferred Stock and \$6 Preferred Stock, as set out in the amendments of the Articles of Incorporation of the Corporation, hereinbefore mentioned, be and the same hereby are authorized and created; and further

RESOLVED that the shares with par value of the Common Stock of the Corporation issued and outstanding, when the amendments of the Articles of Incorporation of the Corporation hereinbefore mentioned become effective, be and the same hereby are converted into and exchanged for shares without nominal or par value of the Common Stock of the Corporation on the basis of 10 shares without nominal or par value of Common Stock of the Corporation for each share of the par value of \$100 each of the Common Stock of the Corporation then issued and outstanding, and the exchange of the certificates for shares with par value of Common Stock of the Corporation upon the surrender thereof to the Corporation for cancellation for certificates for shares without nominal or par value of the Common Stock of the Corporation on the basis aforesaid, be and the same hereby is authorized and directed; and further

RESOLVED that the execution and filing of such certificate or certificates and the doing of such acts or things as may be necessary or desirable to make effective the action taken at this meeting be and the same hereby are authorized and directed.

7. That the amount of capital of said Corporation actually paid in is \$ 30,352,400 -

8. The amount to which the capital stock of said Corporation is to be increased is 50,000 shares of the par value of \$100 each of \$6.50 Preferred Stock and 5,200,000 shares without nominal or par value, divided into 200,000 shares of \$6 Preferred Stock and 5,000,000 shares of Common Stock.

9. That M. W. BIRKETT was Chairman and L. E. Morse was Secretary of said meeting.

IN WITNESS WHEREOF we have executed this certificate in triplicate under the corporate seal of The Washington Water Power Company this 26th day of April, 1929.

...D. L. Huntington.....
President.

...L. E. Morse.....
Secretary.

M. W. Birkett
.....
Chairman of meeting of stockholders of
The Washington Water Power Com-
pany held April 25, 1929. (Corporate Seal)
The Washington Water
L. E. Morse.....Power Company
Secretary of meeting of stockholders of
The Washington Water Power Com-
pany held April 25, 1929.

S. Z. Mitchell

Frank Silliman, Jr.

Harold T. White

E. F. Grant Taff

William I. Frothingham

John W. Frost

E. B. Tracy

G. W. Tidd

D. L. Huntington

F. T. Post

M. W. Birkett

A majority of the Trustees of The
Washington Water Power Company.

STATE OF WASHINGTON }
COUNTY OF SPOKANE } ss:

I, **Grant D. Godfrey**, a notary public in and for the state and county aforesaid, duly commissioned, sworn and qualified, do hereby certify that on this 26th day of April, 1929, before me personally appeared D. L. HUNTINGTON and L. E. MORSE, to me known and known to me to be the President and Secretary respectively of THE WASHINGTON WATER POWER COMPANY and the individuals who executed the foregoing instrument and acknowledged the 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 and that the seal affixed thereto is the corporate seal of said Corporation and further acknowledged that they signed and sealed said instrument as their free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the day and year first above written.

(SEAL)

Grant D. Godfrey, Notary Public
State of Washington,
Commission Expires Mar. 24, 1932

Grant D. Godfrey
Notary Public in and for the State of
Washington, residing at Spokane, Wash.

STATE OF WASHINGTON }
COUNTY OF SPOKANE } ss.:

D. L. HUNTINGTON and L. E. MORSE, being first duly sworn, each upon oath, says: That he has read the foregoing certificate; that the undersigned, D. L. Huntington, is President of THE WASHINGTON WATER POWER COMPANY; that the undersigned, L. E. Morse, is Secretary of said Corporation; that the individuals who executed said certificate as Trustees of said Corporation are Trustees of said Corporation and constitute a majority of the Trustees of said Corporation; that each and every statement of fact contained in said certificate and all of the same are true and correct.

D. L. Huntington

L. E. Morse

(SEAL) GIVEN under my hand and official seal this 26th day of April, 1929.

Grant D. Godfrey, Notary Public
State of Washington,
Commission Expires Mar. 24, 1932

Grant D. Godfrey
Notary Public in and for the State of
Washington, residing at Spokane, Wash.

STATE OF WASHINGTON }
COUNTY OF SPOKANE } ss:

L. E. MORSE, **M. W. BIRKETT** and
being first duly sworn, each upon oath says:
That he has read the foregoing certificate; that the undersigned **M. W. Birkett**
was Chairman of the stockholders' meeting referred to in said certificate, and the undersigned **L. E. MORSE** was Secretary of said stockholders' meeting; that each and every statement of fact contained in said certificate and all of the same are true and correct; and that he has been authorized and directed to make and verify the foregoing certificate by the vote of holders of at least two-thirds of the issued and outstanding capital stock of The Washington Water Power Company at the said stockholders' meeting.

..... **M. W. BIRKETT**

..... **L. E. MORSE**

(SEAL) GIVEN under my hand and official seal this 26th day of April, 1929.

Grant D. Godfrey, Notary Public
State of Washington,
Commission Expires
Mar. 24, 1932

Grant D. Godfrey
Notary Public in and the State of
Washington, residing at Spokane, Wash.

(E N D O R S E M E N T)

State of Washington, ss.

Filed for record in the office of the Secretary of State
April 27, 1922 at 2:02 o'clock A. M.

Recorded in Book _____ Page _____

DOMESTIC CORPORATIONS

J. Grant Hinkle
Secretary of State.

1 STATE OF WASHINGTON)
2) ss.
3 COUNTY OF SPOKANE)

4 M. W. BIRKETT, being first duly sworn, on oath deposes and says:

5 I am Vice-President of THE WASHINGTON WATER POWER COMPANY, a corpor-
6 ation of the State of Washington. The total authorized capital stock of said
7 Corporation is 50,000 shares of the par value of \$100 each of \$5.00 Preferred
8 Stock and 5,200,000 shares without nominal or par value divided into 200,000
9 shares of \$5.00 Preferred Stock and 5,000,000 shares of Common Stock. To the
10 best of my knowledge and belief the value of the assets received and to be
11 received by such Corporation in return for the issuance of its non-par-value
12 stock does not exceed \$100,000,000.

13 The sum of not exceeding \$100,000,000. so named in this affidavit
14 shall be assumed prima facie as the amount of capitalization represented by
15 such non-par-value stock for the purpose of fixing the filing fees and annual
16 license fees to be paid by such Corporation under the laws of the State of
17 Washington.

18 M. W. Birkett

19
20 Subscribed and sworn to before me this 26th day of April, A. D. 1929.

21
22 (SEAL)
23 Grant D. Godfrey,
24 Notary Public,
25 State of Washington,
26 Commission Expires
27 Mar. 24, 1932.

28 Grant D. Godfrey
29 NOTARY PUBLIC for the State of
30 Washington, residing at Spokane.