

MEMO



STATE OF WASHINGTON
OFFICE OF SECRETARY OF STATE

CORPORATIONS & TRADEMARKS DIVISION
OLYMPIA, WASHINGTON 98504

OFFICIAL CERTIFICATION OF THIS DOCUMENT,
AS TO ITS PREPARATION BY THE OFFICE OF
THE SECRETARY OF STATE, APPEARS ON THE
BACK OF THE LAST PAGE.

JUN 30 8 52 AM '82
SECRET

0-001050-0

FILE NUMBER



DOMESTIC

STATE OF WASHINGTON | DEPARTMENT OF STATE

I, **RALPH MUNRO**, Secretary of State of the State of Washington and custodian of its seal, hereby certify that

RESOLUTION ESTABLISHING SERIES OF SHARES

of WASHINGTON WATER POWER COMPANY

a domestic corporation of Spokane

was filed for record in this office at _____ o'clock _____ m., on this date, and

I further certify that such Articles remain on file in this office.

Filed at request of _____
J. P. Buckley _____
East 1411 Mission Avenue _____
Spokane, WA 99206 _____

Filing and recording fee \$ _____

License to June 30, 19 _____ \$ _____

Excess pages @ 25c \$ _____

In witness whereof I have signed and have affixed the seal of the State of Washington to this certificate at Olympia, the State Capitol,

August 19, 1981

Microfilmed, Roll No. _____

1591

Page

470 - 474

STATEMENT OF
RESOLUTION ESTABLISHING SERIES OF SHARES

of
THE WASHINGTON WATER POWER COMPANY

00180 AUG 25 81

FILED

AUG 19 1981 *JS*

SECRETARY OF STATE
STATE OF WASHINGTON

To the Secretary of State
of the State of Washington

Pursuant to Section 23A.08.130 of the Washington Business Corporation Act, the undersigned corporation submits the following statement for the purpose of establishing and designating a series of shares and fixing and determining certain of the relative rights and preferences thereof:

FIRST: The name of the corporation is The Washington Water Power Company (the "Company").

SECOND: The following resolution, establishing and designating a series of shares and fixing and determining certain of the relative rights and preferences thereof, was duly adopted by the Board of Directors of the Company on August 7, 1981.

"BE IT RESOLVED that there is hereby established a third series of the Preferred Stock of the Corporation which shall have, in addition to the general terms and characteristics of all of the authorized shares of Preferred Stock of the Corporation, the following distinctive terms and characteristics:

- (a) The third series of Preferred Stock of the Corporation shall consist of 150,000 shares and be designated as "\$12.875 Preferred Stock, Series C".
- (b) Said third series shall have a dividend rate of \$12.875 per share per annum.
- (c) Said third series shall not be redeemable prior to September 15, 1988. On or after September 15, 1988, at the election of the Board of Directors, said third series shall be redeemable in its entirety at the price of \$100 per share plus an amount equivalent to the accumulated and unpaid dividends thereon, if any, to the date fixed for redemption.
- (d) The amount payable upon the shares of said third series in the event of dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, shall be \$100 per share plus an

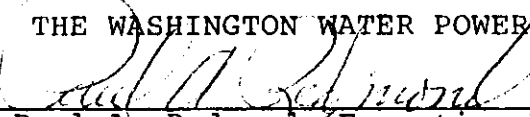
amount equivalent to the accumulated and unpaid dividends thereon, if any, to the date of such dissolution, liquidation or winding up.

- (c) (i) As and for a sinking fund for the redemption of shares of said third series, on September 15, 1989 and each September 15 thereafter until all shares of said third series shall have been retired, the Corporation shall redeem 50,000 shares of said third series at the price of \$100 per share plus an amount equivalent to the accumulated and unpaid dividends thereon, if any, to the date fixed for redemption.
- (ii) The sinking fund requirement of the Corporation to redeem shares of said third series pursuant to this subparagraph (e) shall be subject to any applicable restrictions of law and such redemption shall be made only out of funds legally available therefor.
- (iii) The sinking fund requirement of the Corporation to redeem shares of said third series pursuant to this subparagraph (e) shall be cumulative. If at any time the Corporation shall not have satisfied in full the cumulative sinking fund requirement to redeem shares of said third series, the Corporation shall not pay or declare and set apart for payment any dividends upon, or make any other distribution with respect to, or redeem, purchase or otherwise acquire any shares of, the Common Stock or any other class of stock ranking as to dividends and distributions of assets junior to the Preferred Stock.
- (iv) If at any time the Corporation shall not have satisfied in full the cumulative sinking fund requirement to redeem shares of said third series pursuant to this subparagraph (e), and if at such time the Corporation shall not have satisfied in full any requirements of sinking funds for the redemption or purchase of shares of any other series of the Preferred Stock or any other class of stock ranking as to dividends and distributions of assets on a parity with the Preferred Stock, any funds of the Corporation legally available for the purpose shall be allocated among all such sinking funds for series of the Preferred Stock and such parity stock in proportion to the respective amounts then required for the satisfaction thereof.
- (f) The shares of said third series shall not, by their terms, be convertible."

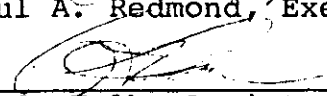
Dated: August 18, 1981

THE WASHINGTON WATER POWER COMPANY

By


Paul A. Redmond, Executive Vice President

By


L. O. Falk, Assistant Secretary

STATE OF WASHINGTON)

: SS

COUNTY OF SPOKANE)

PAUL A. REDMOND, being duly sworn, deposes and says that he is

the Executive Vice President of The Washington Water Power Company,

the corporation named in the foregoing document, that he signed said

document as the Executive Vice President and the statements contained

therein are true.

Paul A. Belmont

Subscribed and sworn to before me this 18th day of August, 1981

Donna Ashew

Notary Public in and for the State of

Washington, Residing at Spokane.