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SIERRA PACIFIC POWER COMPANY  
TO  
THE NEW ENGLAND TRUST COMPANY  
AND  
FLETCHER C. CHAMBERLIN  
AS TRUSTEES

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**Fifth Supplemental Indenture**

*Dated as of November 1, 1956*

Supplementing the Indenture of Mortgage

*Dated as of December 1, 1940*

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**This is a Chattel Mortgage as well as a Mortgage  
upon Real Estate and Other Property.**

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**THIS FIFTH SUPPLEMENTAL INDENTURE** dated for convenience as of the first day of November, 1956 by and between **SIERRA PACIFIC POWER COMPANY** (formerly known as **THE TRUCKEE RIVER GENERAL ELECTRIC COMPANY** and also as **TRUCKEE RIVER POWER COMPANY**), a corporation duly organized and existing under the laws of the State of Maine (hereinafter sometimes called the "Company"), party of the first part, and **THE NEW ENGLAND TRUST COMPANY**, a corporation duly organized and existing under and by virtue of the laws of the Commonwealth of Massachusetts, and having its principal place of business in the City of Boston, Massachusetts and **FLETCHER C. CHAMBERLIN** (both of whom are hereinafter sometimes called the "Trustees", the former being hereinafter sometimes called the "Trustee" and the latter the "Individual Trustee" or "Co-Trustee" and the address of each of whom is 135 Devonshire Street, Boston, Massachusetts), parties of the second part.

WHEREAS, the Company has heretofore executed and delivered to The New England Trust Company and Leo W. Huegle, as Trustees, an Indenture of Mortgage, dated as of December 1, 1940 (hereinafter called the "Original Indenture") to secure, as provided therein, its bonds (in the Original Indenture and herein called the "Bonds") to be designated generally as its First Mortgage Bonds and to be issued in one or more series as provided in the Original Indenture; and

WHEREAS, on April 11, 1947, Leo W. Huegle, Co-Trustee under the Original Indenture, resigned, and the Company and The New England Trust Company, Trustee, in accordance with the provisions of §15.20 of the Original Indenture accepted such resignation and appointed Fletcher C. Chamberlin as successor Co-Trustee thereunder and Fletcher C. Chamberlin is now the qualified and acting Co-Trustee thereunder; and

WHEREAS, the Company has heretofore executed and delivered to the Trustees a First Supplemental Indenture dated as of August 1,

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1947 and a Second Supplemental Indenture dated as of April 1, 1948, supplementing and modifying the Original Indenture, and a Third Supplemental Indenture dated as of October 1, 1952 and a Fourth Supplemental Indenture dated as of November 1, 1954, supplementing the Original Indenture, pursuant to each of which the Company provided for the creation of a new series of First Mortgage Bonds; and

WHEREAS, pursuant to the Original Indenture, as so supplemented and modified, there have been executed, authenticated and delivered and there are now outstanding First Mortgage Bonds of series and in principal amounts as follows:

<u>Title</u>	<u>Issued and Outstanding</u>
Series A Bonds $3\frac{1}{4}\%$ , due December 1, 1970.....	\$3,000,000
$2\frac{7}{8}\%$ Bonds of 1977 Series.....	975,000
$3\frac{1}{8}\%$ Bonds of 1978 Series.....	3,500,000
$3\frac{3}{8}\%$ Bonds of 1984 Series.....	4,000,000

WHEREAS, the Board of Directors of the Company has established under said Original Indenture, as supplemented and modified, a new series of Bonds to be designated First Mortgage Bonds,  $5\frac{1}{4}\%$  Series due 1986, to be dated as of November 1, 1956 and to be due November 1, 1986 (hereinafter sometimes referred to as "Bonds of the 1986 Series") and has authorized the initial issue of Bonds of the 1986 Series in the principal amount of Three Million Dollars (\$3,000,000) pursuant to the provisions of Article 3 of the Original Indenture for the purposes of obtaining funds for its corporate purposes; and

WHEREAS, §16.01 of the Original Indenture provides, among other things, that the Company may execute and file with the Trustees and the Trustees at the request of the Company shall join in indentures supplemental to the Original Indenture and which thereafter shall form a part thereof, for the purposes, among others, of (a) describing the terms of any new series of Bonds as established by resolution of the

Board of Directors of the Company pursuant to §2.03 of the Original Indenture, (b) subjecting to the lien of the Original Indenture, or perfecting the lien thereof upon, any additional properties of any character, and (c) for any other purpose not inconsistent with the terms of the Original Indenture and which shall not impair the security of the same, or for the purpose of curing an ambiguity or curing, correcting or supplementing any defective or inconsistent provision contained therein; and

WHEREAS, the Company desires to execute this Fifth Supplemental Indenture and hereby requests the Trustees to join in this Fifth Supplemental Indenture for the purpose of describing the terms of the Bonds of the 1986 Series, and subjecting to the lien of the Original Indenture, as supplemented and modified, or perfecting the lien thereof upon, the additional properties acquired by the Company since the execution and delivery of the Fourth Supplemental Indenture (the Original Indenture, as supplemented and modified by the First Supplemental Indenture and by the Second Supplemental Indenture and as supplemented by the Third Supplemental Indenture, the Fourth Supplemental Indenture and this Fifth Supplemental Indenture being herein sometimes called the "Indenture"); and

WHEREAS, all conditions necessary to authorize the execution, delivery and recording of this Fifth Supplemental Indenture and to make this Fifth Supplemental Indenture a valid and binding Indenture of Mortgage for the security of the Bonds of the Company issued or to be issued under the Indenture have been complied with or have been done or performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That, in order to secure equally and ratably the payment of the principal and interest of the Bonds issued under and secured by the Original Indenture, as heretofore supplemented and modified and hereby supplemented, at any time outstanding, according to their tenor

and effect, and the performance of all the covenants and conditions in the Indenture and in said Bonds contained, said Sierra Pacific Power Company for and in consideration of the premises and of the purchase and acceptance of said Bonds by the holders thereof, and of the sum of one dollar (\$1.00) and of other valuable consideration to it duly paid by the Trustees at or before the execution and delivery of these presents, the receipt whereof is hereby acknowledged, has executed and delivered these presents, and has granted, bargained, sold, conveyed, transferred, pledged, assigned, remised, released, mortgaged, set over and confirmed, and by these presents does grant, bargain, sell, convey, transfer, pledge, assign, remise, release, mortgage, set over and confirm, all of the property hereinafter described (except the property described in Part V hereof), which has been acquired by the Company since the execution and delivery by it of the Fourth Supplemental Indenture, that part not situated in the State of California unto the Trustees and their successors and assigns, and that part situated in the State of California unto the Individual Trustee and his successors and assigns, to wit:

#### **PART I.**

##### **Real Property in the State of Nevada.**

The following described pieces, parcels or tracts of land, rights of way, easements and rights and interests in and to land lying and being in the State of Nevada, together with all improvements of every description thereon situate or in anywise incident or appertaining thereto:

##### **WASHOE COUNTY, NEVADA**

(1) The following described property situate in Washoe County, Nevada, which Vaughn Millwork Company conveyed to Sierra Pacific Power Company by deed dated January 20, 1955 and recorded in Book 387 of Deeds, Page 556, Records of Washoe County, Nevada:



A portion of the Southwest one-quarter (SW $\frac{1}{4}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of the Northwest one-quarter (NW $\frac{1}{4}$ ) of Section 36, T.20N. R.19E. MDB&M, and a portion of the West one-half (W $\frac{1}{2}$ ) of the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of Section 36, T.20N. R.19E. MDB&M.

*Parcel No. 1*

The East 100 feet of the Southwest one-quarter (SW $\frac{1}{4}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of the Northwest one-quarter (NW $\frac{1}{4}$ ) of said Section 36.

Containing 1.50 acres, more or less.

*Parcel No. 2.*

Beginning at a point from which the West quarter corner of said Section 36 bears South 89° 37' West a distance of 648.44 feet, said point being the Northeast corner of the West one-half (W $\frac{1}{2}$ ) of the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of said Section 36, running

Thence, South 0° 03' 30" West along the easterly line of the West one-half (W $\frac{1}{2}$ ) of the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of said Section 36, a distance of 828.52 feet,

Thence, South 89° 32' 40" West 650.18 feet

Thence, North 0° 10' 50" East 200 feet

Thence, North 89° 32' 40" East 549.76 feet

Thence, North 0° 03' 30" East 628.56 feet

Thence, North 89° 37' East 100.0 feet to the true point of beginning.

The northerly strip of this parcel being the East 100 feet of the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of said Section 36.

Containing 4.45 acres.

(2) The following described property situate in Washoe County, Nevada, which John S. Hicks and Flora Weed Hicks, conveyed to Sierra Pacific Power Company by deed dated August 31, 1956 and recorded in Book 421 of Deeds, Page 527, Records of Washoe County, Nevada:

Commencing at the Southwest corner of Section 36, T.20N. R.19E. MDB&M;

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Thence, North 89° 58' East 2324.00 feet along the South boundary of said Section 36;

Thence, North 15.0 feet to the Southeasterly corner of the property described in Book 154, File No. 112242, being the true point of beginning of the hereinafter described parcel of land;

Thence, North 204.34 feet along the East line of said land described in said deed to the Southwest corner of a road easement, hereinafter described;

Thence, North 89° 58' East 255.0 feet along the South line of said road easement to a point on the West line of a County Road;

Thence, South 204.34 feet along said West road line;

Thence, South 89° 58' West 255.0 feet to the true point of beginning.

Together with the right to use the following described road easement:

Beginning at the Northwest corner of the hereinabove described parcel of land;

Thence, North 30.0 feet;

Thence, North 89° 58' East 255.0 feet to a point on the West line of a County Road;

Thence, South 30.0 feet along said West road line to the Northeast corner of said hereinabove described parcel of land;

Thence, South 89° 58' West 255.0 feet along the North line of said parcel of land to the place of beginning of this easement.

## PART II.

### Real Property in the State of California.

The following described pieces, parcels or tracts of land, rights of way, easements and rights and interests in and to land lying and being in the State of California, together with all improvements of every description thereon situate or in anywise incident or appertaining thereto:

### PLUMAS COUNTY, CALIFORNIA.

(1) The following described property situate in Portola Townsite, Plumas County, California, which Felix LaSarte and Geraldine LaSarte

conveyed to Sierra Pacific Power Company by deed dated June 17, 1955 and recorded in Volume 86, Page 93, Official Records of Plumas County, California:

The Northerly 65 feet of Lot 12 in Block 3 of Portola Townsite, together with a 50 foot strip of land adjoining said lot on the Northwest and forming a 50 foot extension for the full width of said lot, and being formerly the Southerly 50 feet of the right of way of the Sierra Valley Railroad, as delineated on the official map of the Portola Townsite filed in the office of the County Recorder of said Plumas County on August 14, 1909; said 50 foot strip being shown on said map as a portion of Sierra Avenue.

**SIERRA COUNTY, CALIFORNIA.**

(2) The following described property situate in Sierra County, California, which D. W. Priest and Esther B. Priest conveyed to Sierra Pacific Power Company by deed dated July 7, 1955 and recorded in Volume 12, Page 56, Official Records of Sierra County, California:

The South 100 feet of Lots 6, 5, 4, and 3 and the South 100 feet of the West one-half ( $W\frac{1}{2}$ ) of Lot 2 of Section 7, T.19N. R.18E. MDB&M, and being a strip of land 100 feet in width and approximately 5876 feet in length, running from the West line of said Section 7 to the Sierra Pacific Power Company's existing substation lands in the East one-half ( $E\frac{1}{2}$ ) of Lot 2 of said Section 7.

**PART III.**

**All Other Property.**

Whether the same has or has not been specifically described or referred to elsewhere in the Indenture, and provided the same is not therein or herein elsewhere expressly excepted: all the corporate and other franchises owned by the Company, and all permits, ordinances, easements, privileges, immunities, patents and licenses, all rights to construct, maintain and operate overhead and underground systems for the distribution and transmission of electric current, gas,



water, steam, heat or other agencies for the supplying to itself and to others of light, heat, power and water, all rights of way and all grants and consents and all leases and leasehold interests whatsoever (not therein or herein specifically excepted) whether the same or any of the same are now owned or hereafter acquired by the Company; also all other property, real, personal and mixed, now owned or hereafter acquired by the Company, including (but not limited to) all its properties situated in the Cities of Reno, Sparks, Carson City, Yerington, Lovelock and Battle Mountain, in the Counties of Churchill, Douglas, Lander, Lyon, Ormsby, Pershing, Storey and Washoe, in the State of Nevada, and also in the Counties of Alpine, El Dorado, Mono, Nevada, Placer, Plumas and Sierra in the State of California and wheresoever situated (not therein or herein specifically excepted), including (without in any wise limiting or impairing by the enumeration of the same, the generality, scope and intent of the foregoing or of any general description contained in the Original Indenture, as heretofore supplemented and modified and hereby supplemented), all lands, rights of way, water and riparian rights and all interest therein, dams and dam sites, gas and electric light, heat and power plants and systems, water and/or water-works plants and systems, plants, manufactories, power houses, substations, garages, sheds, warehouses, repair shops, storage houses, buildings, tunnels, bridges, distribution and transmission lines, pipe lines, conduits, towers, poles, wires, cables and all other structures, machinery, engines, boilers, dynamos, electric machines, regulators, meters, transformers, generators, motors, electric and mechanical appliances, and other equipment of every description; and also all accessions, additions, alterations, improvements, betterments, developments, extensions and enlargements hereafter made, constructed or acquired by the Company to, of or upon any or all of the properties, equipment, systems and/or plants, and/or property used thereby or useful therefor or incidental thereto or connected therewith; and the reversions, reservations and remainders and all the estate, right, title, interest, possession, claim and demand of every nature and description whatsoever of

the Company, as well at law as in equity, of, in and to the same and every part and parcel thereof.

#### **PART IV.**

##### **Income.**

All tolls, revenues, earnings, income, rents, issues and profits of all property, real and personal, tangible and intangible, which are now or hereafter shall be or be required to be made subject to the lien of the Indenture, or pledged thereunder.

#### **PART V.**

##### **Properties Excepted.**

There is, however, expressly excepted and excluded from the lien and operation of the Indenture:

(A) The following described property owned by the Company but not used or useful in or for the operation of its public utility business, situate in Mono County, California which Jeanfay Corporation conveyed to Sierra Pacific Power Company by deed dated March 23, 1954 and recorded on March 4, 1955 in Volume 33, page 166 of Official Records of Mono County:

A parcel of land lying in the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Northeast one-quarter (NE $\frac{1}{4}$ ) of Section 28, T.8N. R.23E. MDB&M, and more particularly described as follows:

Beginning at the north quarter corner of Section 28, T.8N. R.23E. MDB&M, and running

Thence, easterly along the north boundary line of said Section 28, 500 feet;

Thence, southerly parallel to the center line of said Section 28, 330 feet;

Thence, westerly parallel to said north boundary of Section 28, 500 feet to said center line of Section 28;

Thence, northerly along said center line of Section 28, 330 feet to the point of beginning.

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(B) All property excepted or excluded or intended to be excepted or excluded by the Granting Clauses of the Original Indenture as heretofore supplemented and modified and as hereby supplemented, subject to the provisions of §5.17 of the Original Indenture, provided, however, that no properties necessary or appropriate for purchasing, storing, generating, manufacturing, utilizing, transmitting, supplying and/or disposing of electricity, water and/or gas shall be excepted from the lien of the Indenture, anything contained in Subdivision I of Part X of the Granting Clauses of the Original Indenture to the contrary notwithstanding, and

(C) All property released or otherwise disposed of pursuant to the provisions of Article 6 of the Original Indenture (all herein sometimes for convenience collectively referred to as "excepted property").

TO HAVE AND TO HOLD all that part of the aforesaid property, rights, privileges, franchises and immunities not situated in the State of California, whether now owned or hereafter acquired by the Company, unto the Trustees, and their respective successors and assigns in trust forever; and TO HAVE AND TO HOLD all that part of the aforesaid property, rights, privileges, franchises and immunities situated in the State of California, whether now owned or hereafter acquired by the Company, unto the Individual Trustee, and his successors and assigns in trust forever.

SUBJECT, HOWEVER, to the exceptions and reservations and matters hereinabove recited, any permitted liens, other than liens and encumbrances junior to the lien of the Indenture, as defined in §1.01(y) of the Original Indenture, and to liens existing on any property hereafter acquired by the Company at the time of such acquisition or permitted by §5.04 of the Original Indenture.

BUT IN TRUST, NEVERTHELESS, for the equal pro rata benefit, security and protection of all present and future holders of the Bonds

issued and to be issued under and secured by the Indenture, and to secure the payment of such Bonds and the interest thereon, in accordance with the provisions of said Bonds and of the Indenture, without any discrimination, preference, priority or distinction as to lien or otherwise of any Bond over any other Bond, except insofar as any sinking fund established in accordance with the provisions of the Indenture may afford additional security for the Bonds of any one or more series and except as provided in §10.29 of the Original Indenture, so that the principal and interest of every such Bond shall be equally and ratably secured by the Indenture, as if all said Bonds had been issued, sold and delivered for value simultaneously with the execution of the Original Indenture and to secure the performance of and the compliance with the covenants and conditions of said Bonds and of the Indenture, and upon the trusts and for the uses and purposes and subject to the covenants, agreements, provisions and conditions hereinafter set forth and declared; it being hereby agreed as follows, to wit:

#### ARTICLE 1.

##### Description of Bonds of the 1986 Series.

§1.01. *Establishment of Bonds of the 1986 Series.* There shall be and hereby is established a new series of Bonds to be issued under and secured by the Indenture and to be designated as the Company's "First Mortgage Bonds, 5¼% Series due 1986" (herein sometimes referred to as "Bonds of the 1986 Series").

§1.02. *Terms of Bonds of the 1986 Series.* The Bonds of the 1986 Series shall be registered Bonds, without coupons, and/or coupon Bonds payable to bearer with the privilege of registration as to principal, in substantially the respective forms hereinafter set forth. No charge shall be made by the Registrar or the Company against the

holders thereof for any such registration as to principal or for any transfer or discharge from registration of any coupon Bonds of the 1986 Series so registered.

The registered Bonds of the 1986 Series shall be dated as of the date of authentication thereof and shall bear interest from November 1, 1956, or from the interest payment date next preceding the date of authentication of such Bonds, or from the date thereof if it be an interest payment date, whichever date is the later. The coupon Bonds of the 1986 Series shall be dated as of November 1, 1956 and shall bear interest from said date. All Bonds of the 1986 Series shall be due on November 1, 1986 and shall bear interest at the rate of five and one-quarter per centum ( $5\frac{1}{4}\%$ ) per annum, to be paid semi-annually on the first day of May and on the first day of November in each year, until payment of the principal thereof, payable until maturity upon surrender, in the case of coupon Bonds, of the respective coupons attached thereto as they severally become due; principal and interest being payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, at the principal office of The New England Trust Company in Boston, Massachusetts, or its successor in trust, or, at the option of the bearers of the coupons or of the registered owners of registered Bonds without coupons, such interest shall be payable at the office or agency of the Company in the Borough of Manhattan, City and State of New York.

Definitive coupon Bonds of the 1986 Series may be issued in the denomination of \$1,000 each, numbered MD1 consecutively upward.

Definitive registered Bonds of the 1986 Series, without coupons, may be issued in the denomination of One Thousand Dollars (\$1,000) or any multiple thereof bearing appropriate serial numbers.

As permitted by the provisions of §2.06 of the Original Indenture and upon payment, at the option of the Company, of the charges therein provided, registered Bonds of the 1986 Series without coupons may be



exchanged for a new registered Bond or Bonds, of like aggregate principal amount, or for a like aggregate principal amount of coupon Bonds of said Series, and coupon Bonds of the 1986 Series may be exchanged for a like aggregate principal amount of registered Bonds of the said Series without coupons of the same or different authorized denomination or denominations.

The Trustee hereunder shall, by virtue of its office as such Trustee, be the Registrar and Transfer Agent of the Company for the purpose of registering and transferring Bonds of the 1986 Series.

**§1.03. Redemption Provisions for Bonds of the 1986 Series.** The Bonds of the 1986 Series shall be subject to redemption prior to maturity as a whole at any time or in part from time to time,

(a) at the option of the Company upon payment of the applicable percentage of the called principal amount thereof during the respective periods set forth under the heading "Regular Redemption Price" in the tabulation in the forms of the Bonds of the 1986 Series set forth in §1.06 of this Fifth Supplemental Indenture; and

(b) either (i) through operation of the sinking and improvement fund for the Bonds of the 1986 Series provided for in §1.04 of this Fifth Supplemental Indenture, or (ii) through the application of cash received by the Trustee if all or substantially all of the properties used by the Company in the conduct of certain classes of business thereof, are sold, purchased or taken, as provided in §6.05 of the Original Indenture, upon payment of the applicable percentage of the called principal amount thereof during the respective periods set forth in said tabulation under the heading "Special Redemption Price";

together in any case with interest accrued on such principal amount to the date fixed for redemption; upon prior notice (unless waived as provided in the Original Indenture) given by publication at least once each week for three (3) successive calendar weeks (the first publication to

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be not less than thirty (30) days nor more than ninety (90) days prior to the date fixed for redemption), in a newspaper printed in the English language, customarily published at least five days a week, excluding legal holidays, and of general circulation in the City of Boston, Massachusetts, and in a similar newspaper published and of general circulation in the Borough of Manhattan, City and State of New York, and in a similar newspaper published and of general circulation in each of the other city or cities, if any, where interest on the Bonds of the 1986 Series shall at the time be payable; provided that if all of the Bonds of the 1986 Series at the time outstanding shall be registered Bonds without coupons and/or coupon Bonds registered as to principal such notice may be given by mail in lieu of such publication; all as more fully provided in Article 4 of the Original Indenture.

§104. *Sinking and Improvement Fund for Bonds of the 1986 Series.* As a sinking and improvement fund for the benefit of the Bonds of the 1986 Series, the Company covenants that it will, subject to the provisions hereinafter set forth in this Section, on or before October 31 in each year, beginning with the year 1958 and continuing to and including the year 1985, pay to the Trustee a sum equal to the lowest multiple of \$1,000 which exceeds (or is equal to) one and three-quarters per centum ( $1\frac{3}{4}\%$ ) of the greatest aggregate principal amount of the Bonds of the 1986 Series theretofore outstanding at any one time prior to September 15 next preceding such October 31, after deducting from said greatest aggregate principal amount the sum of the following (a) the aggregate principal amount of Bonds of the 1986 Series theretofore purchased or redeemed by the application of the proceeds of the property released from the lien of the Indenture, sold, purchased or taken pursuant to the provisions of Article 6 of the Original Indenture, and (b) the aggregate principal amount of Bonds of the 1986 Series made the basis of the withdrawal of such proceeds pursuant to Article 7 of the Original Indenture.

The payments and the dates upon which payments are required for the sinking and improvement fund as above provided are in this §1.04 referred to as "sinking fund payments" and "sinking fund payment dates", respectively.

The Company shall have the right, subject to conditions herein contained, to satisfy any sinking fund payment in whole or in part by

(a) delivering to the Trustee for the sinking and improvement fund on or prior to the sinking fund payment date Bonds of the 1986 Series theretofore issued and then outstanding, together, in case of coupon Bonds, with all coupons appertaining thereto and unmatured at the time of such delivery;

(b) relinquishing, for the period during which any Bonds of the 1986 Series shall remain outstanding, upon compliance with the provisions set forth below in this §1.04, the right to use for any purpose under the Indenture (i) a net amount of additional property established by additional property certificates filed with the Trustee pursuant to §3.04 (B) of the Original Indenture, not theretofore funded, and equal to 10/6ths of a principal amount of Bonds issuable pursuant to said §3.04 and/or (ii) Bonds retired as evidenced to the Trustee pursuant to §3.05 (B) of the Original Indenture, and not theretofore funded, which net amount of additional property referred to in (i) above and the Bonds referred to in (ii) above shall thereupon become funded within the meaning of §1.01 (cc) (6) of the Original Indenture, so long as any Bonds of the 1986 Series remain outstanding, provided that when no Bonds of the 1986 Series shall be outstanding all such relinquishment shall cease to be in effect and any net amount of additional property and Bonds which so become funded shall cease to be funded and deemed to be not theretofore funded for any other use under the Indenture, notwithstanding any other provision contained in the Indenture;

(c) redeeming Bonds of the 1986 Series, not theretofore funded, within twelve months prior to the current sinking fund payment date at the Special Redemption Price provided for in §1.03 of this Fifth Supplemental Indenture in anticipation of the current sinking fund payment; and

(d) redeeming Bonds of the 1986 Series, not theretofore funded, at any time at the Regular Redemption Price provided for in §1.03 of this Fifth Supplemental Indenture in anticipation of future sinking fund payments.

Bonds of the 1986 Series delivered to the Trustee pursuant to (a) above, Bonds of any series the right to the authentication and delivery of which is relinquished pursuant to (b) above, and Bonds of the 1986 Series redeemed as provided in (c) and (d) above, shall be treated as a credit on account of any such sinking fund payment at the principal amount of such Bonds to the extent so used.

The Company shall file with the Trustee on or before September 15 next preceding any sinking fund payment date a certificate of the Company setting forth the methods, if any, referred to in Clauses (a), (b), (c) and (d) above, by which the Company proposes to satisfy such sinking fund payment. Unless the Company files such a certificate on or before the time so required, the sinking fund payment shall be made entirely in cash or, if the certificate so filed shows that such sinking fund payment is not to be satisfied in whole by one or more of the above methods enumerated in (a) to (d), inclusive, the balance of the sinking fund payment shall be made in cash.

All Bonds of the 1986 Series delivered to the Trustee and credited against any sinking fund payment for such series and all such Bonds redeemed by operation of, or the redemption of which has been made the basis of a credit against, and Bonds of any series the right to the authentication of which, and net amount of additional property the use of which, has been relinquished as a basis for a credit against, this sinking and improvement fund and credited against any sinking fund payment, shall be deemed to be thereupon funded, so long as any Bonds of the 1986 Series are outstanding.

Forthwith after the September 15 preceding each sinking fund payment date on which the Company will be required to make to the Trustee a payment in cash for the sinking and improvement fund, the

Trustee shall proceed to select for redemption from the Bonds of the 1986 Series, in the manner provided in Article 4 of the Original Indenture, a principal amount of Bonds of the 1986 Series equal to the aggregate principal amount of Bonds redeemable with such cash payment and, in the name of the Company, shall give notice as required by the provisions of §1.03 of this Fifth Supplemental Indenture of the redemption for the sinking and improvement fund on the then next ensuing November 1 of the Bonds so selected. On or before the sinking fund payment date next preceding such November 1, the Company shall pay to the Trustee the cash payment required by this Section, plus the amount of all premiums, if any, and interest accrued and payable on the Bonds to be redeemed by the application of such cash payment, and the money so paid shall be applied by the Trustee to the redemption of such Bonds. The Company shall also deliver to the Trustee with the filing of any certificate of the Company heretofore provided for in this Section, or not later than the next succeeding sinking fund payment date, any Bonds specified in said Clause (a) of this Section. In the event any credit is being taken pursuant to Clause (b) of this Section, the Trustee shall be furnished with the following:

(1) A statement of the Company by which it relinquishes, for the period during which any Bonds of the 1986 Series shall remain outstanding under the Indenture, the right to use for any purpose under the Indenture (i) a stated net amount of additional property, not theretofore funded, equal to 10/6ths of a stated principal amount of Bonds, and established by an additional property certificate or certificates filed with the Trustee pursuant to §3.04 (B) of the Original Indenture, and/or (ii) a stated principal amount of Bonds retired as evidenced to the Trustee pursuant to §3.05 (B) of the Original Indenture, not theretofore funded. In establishing Bonds and/or a net amount of additional property for use pursuant to this §1.04, the Company need not file any documents required by the provisions of §3.02 of the Original Indenture, except as provided below. If the Company is acting under (i) and/or (ii) above, such statement shall set forth statements which would be required by Subdi-



sion (a) of §3.02 of the Original Indenture, in connection with an application for the authentication and delivery of Bonds pursuant thereto, subject to appropriate changes in language to show that the purpose is the relinquishment of the right to have authenticated a specified principal amount of Bonds in lieu of authentication.

(2) The documents and other things required to be furnished the Trustee by the provisions of §3.04 (B) and/or §3.05 (B) of the Original Indenture (other than those required by §3.02 of the Original Indenture) if any, not theretofore furnished, and such statement shall be deemed an application as that word is used in the definition of credit certificate in §1.01 (dd) of the Original Indenture, as modified by §2.01 of the Second Supplemental Indenture and in §3.04 (C) (b) of the Original Indenture.

(3) A resolution of the Board of Directors authorizing the relinquishment which is being effected by such statement.

The Company shall pay to the Trustee an amount equal to the interest and premium, if any, on the Bonds of the 1986 Series to be redeemed for this sinking and improvement fund as provided in this §1.04 and upon request of the Trustee from time to time, will also pay to the Trustee an amount equal to the cost of giving notice of redemption of such Bonds of the 1986 Series and any other expense of operation of such fund, the intention being that such fund shall not be charged for interest, premium and such expenses.

*§1.05. Restrictions on Payment of Dividends on Common Stock.* The Company will not (a) declare or pay any dividend (other than dividends payable in common stock of the Company) on or make any other distribution in respect of any shares of the common stock of the Company; or (b) purchase, redeem, retire or otherwise acquire for a consideration (other than in exchange for or from the proceeds of other shares of capital stock of the Company) any shares of capital stock of the Company of any class, except to the extent required to comply with any sinking or purchase fund which may now exist or

hereafter be established for any class of Preferred Stock of the Company, if the aggregate amount so declared, paid, distributed or expended after December 31, 1949 would exceed the aggregate amount of the net income of the Company available for dividends on its common stock accumulated after December 31, 1949, plus the sum of \$143,000.

Net income of the Company available for dividends on its common stock for the purpose of this Section shall mean the sum of (i) the total operating revenues of the Company, less the total operating expenses, taxes (including income, excess profits and other taxes based on or measured by income or undistributed earnings or income), interest charges and other appropriate items, including provision for maintenance, and provision for depreciation in an amount which shall not be less than any provision for depreciation provided for in the Indenture, after provision for all dividends accrued on any outstanding stock of the Company having preference over the common stock as to dividends, determined in accordance with sound accounting practice and (ii) other income net of the Company. In determining such net income of the Company no deduction or adjustment shall be made for or in respect of any charges which under sound accounting practice are not appropriate deductions in determining net income and, without limiting the generality of the foregoing, no deduction or adjustment shall be made for or in respect of (a) premiums, discounts and expenses in connection with the issuance of securities of the Company, and expenses in connection with the redemption or retirement of any securities issued by the Company, including any amount paid in excess of the principal amount or par or stated value of securities redeemed or retired, or, in the event that such redemption or retirement is effected with the proceeds of sale of other securities of the Company, interest or dividends on the securities redeemed or retired from the date on which the funds required for such redemption or retirement are deposited in trust for such purpose to the date of redemption or retirement; (b) profits or losses from sales of property

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or other capital assets or from the reacquisition of any securities of the Company, or taxes on or in respect of any such profits; (c) any change in the book value of, or any appreciation or diminution in the value of, any assets owned by the Company; (d) charges for the elimination or amortization of utility plant adjustments or utility plant acquisition adjustments or other intangibles except any such charges amortized on a monthly, quarterly, semi-annual, annual or other regular periodic basis; or (e) any earned surplus adjustment (including tax adjustments) applicable to any period prior to January 1, 1950.

§1.06. *Forms of Bonds of the 1986 Series.* The coupon Bonds of the 1986 Series, the coupons appertaining thereto, the registered Bonds of said series, and the Trustee's authentication certificate on all Bonds of said series shall be substantially in the forms following, respectively:

No. MD [FORM OF COUPON BOND OF 1986 SERIES] \$1000

SIERRA PACIFIC POWER COMPANY  
Incorporated under the laws of the State of Maine

First Mortgage Bond, 5¼% Series due 1986

Due November 1, 1986

SIERRA PACIFIC POWER COMPANY, a Maine corporation (hereinafter sometimes called the "Company" which term shall include any successor corporation as defined in the Indenture hereinafter mentioned), for value received, hereby promises to pay to the bearer or, in case this bond be registered, to the registered owner hereof, One Thousand Dollars on November 1, 1986, and to pay interest thereon from November 1, 1956, at the rate of five and one-quarter per centum (5¼%) per annum, semi-annually on the first day of May and on the first day of November in each year until payment of the principal hereof, payable until maturity only upon surrender of the respective coupons attached hereto as they severally become due.

Both principal of and interest on this bond will be paid in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, at the principal office of The New England Trust Company (hereinafter sometimes called the "Trustee") in the City of Boston, Massachusetts, or its successor in trust, or, at the option of the bearer of the coupons, such interest will be paid at the office or agency of the Company in the Borough of Manhattan, City and State of New York.

This bond is one of the bonds, of a series designated as 5¼% Series due 1986 (herein sometimes referred to as the "Bonds of the 1986 Series"), of an authorized issue of bonds of the Company, known as First Mortgage Bonds, not limited as to maximum aggregate principal amount except as otherwise provided in the Indenture hereinafter mentioned, all issued or issuable in one or more series (which several series may be of different denominations, dates and tenor) under and equally secured (except insofar as a sinking fund established in accordance with the provisions of said Indenture may afford additional security for the bonds of any specific series) by an Indenture of Mortgage dated as of December 1, 1940, duly executed and delivered by the Company to The New England Trust Company and Leo W. Huegle (now Fletcher C. Chamberlin by succession), as Trustees, as supplemented and modified by the First Supplemental Indenture, dated as of August 1, 1947, and by the Second Supplemental Indenture, dated as of April 1, 1948, and as supplemented by all other indentures supplemental thereto, including a Fifth Supplemental Indenture, dated as of November 1, 1956, executed and delivered by the Company to said Trustees, to which Indenture of Mortgage and all indentures supplemental thereto (herein sometimes collectively called the "Indenture") reference is hereby made for a description of the property mortgaged and pledged as security for said bonds, the rights and remedies and limitations on such rights and remedies of the bearer or registered owner of this bond in regard thereto, the terms and conditions upon which said bonds and the coupons appurtenant thereto are secured thereby, the terms and conditions upon which additional bonds and coupons may be issued thereunder and the rights, immunities and obligations of the Trustees under said Indenture.

Said Indenture, among other things, provides that no bondholder or bondholders may institute any suit, action or proceeding for the collection of this bond, or any coupon appurtenant thereto or claim for inter-

est thereon, or to enforce the lien of said Indenture, if and to the extent that the institution or prosecution thereof or the entry of a judgment or a decree therein would, under applicable law, result in the surrender, impairment, waiver or loss of the lien of said Indenture upon any property subject thereto.

The Bonds of the 1986 Series are subject to redemption prior to maturity as a whole at any time, or in part from time to time, (a) at the option of the Company upon payment of the applicable percentage of the called principal amount thereof during the respective periods set forth in the tabulation below under the heading "Regular Redemption Price"; and (b) by operation of the sinking and improvement fund provided for in the Fifth Supplemental Indenture and (in the instances provided in the Indenture) by application of money received by the Trustees, if all or substantially all of the properties used by the Company in the conduct of certain classes of business thereof are sold to or taken through the exercise of the right of eminent domain or the right to purchase by any municipal or governmental body or agency, upon payment of the applicable percentage of the called principal amount thereof during the respective periods set forth in the tabulation below under the heading "Special Redemption Price":

12 Months' Period Beginning November 1	Regular Redemption Price %	Special Redemption Price %	12 Months' Period Beginning November 1	Regular Redemption Price %	Special Redemption Price %
1956.....	109.30	102.30	1971.....	104.70	101.60
1957.....	109.30	102.30	1972.....	104.40	101.50
1958.....	109.30	102.25	1973.....	104.05	101.45
1959.....	109.30	102.20	1974.....	103.70	101.35
1960.....	109.30	102.15	1975.....	103.35	101.30
1961.....	108.05	102.15	1976.....	103.05	101.20
1962.....	107.75	102.05	1977.....	102.70	101.10
1963.....	107.40	102.05	1978.....	102.35	101.00
1964.....	107.05	102.00	1979.....	102.05	100.90
1965.....	106.70	101.95	1980.....	101.70	100.80
1966.....	106.40	101.90	1981.....	101.35	100.70
1967.....	106.05	101.85	1982.....	101.05	100.55
1968.....	105.70	101.80	1983.....	100.70	100.45
1969.....	105.40	101.70	1984.....	100.35	100.30
1970.....	105.05	101.65	1985.....	100.00	100.00



together in any case with interest accrued on said principal amount to the date fixed for redemption; upon prior notice (unless waived as provided in the Indenture) given by publication at least once each week for three (3) successive calendar weeks (the first publication to be not less than thirty (30) days nor more than ninety (90) days prior to the redemption date), in a newspaper, printed in the English language, customarily published at least five days a week, excluding legal holidays, and of general circulation in the City of Boston, Massachusetts, and in a similar newspaper published and of general circulation in the Borough of Manhattan, City and State of New York, and in a similar newspaper published and of general circulation in each of the other city or cities, if any, where interest on the bonds of this series shall at the time be payable; provided that if all of the bonds of this series at the time outstanding shall be registered bonds without coupons and/or coupon bonds registered as to principal, such notice may be given by mail in lieu of such publication; all as more fully provided in the Indenture.

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

The bonds of this series are entitled to the benefit of the sinking and improvement fund for bonds of this series provided for in said Fifth Supplemental Indenture.

To the extent permitted and as provided in said Indenture, modifications or alterations of said Indenture, or of any indenture supplemental thereto, and of the bonds issued thereunder and of the rights and obligations of the Company and the rights of the bearers or registered owners of the bonds and coupons, may be made with the consent of the Company and with the written approvals or consents of the bearers or registered owners of not less than seventy-five per centum (75%) in principal amount of the bonds outstanding, and unless all of the bonds then outstanding under said Indenture are affected in the same manner and to the same extent by such modification or alteration, with the written approvals or consents of the bearers or registered owners of not less than seventy-five per centum (75%) in principal amount of the bonds of each series outstanding, provided, however,

that no such alteration or modification shall, without the written approval or consent of the bearer or registered owner of any bond affected thereby, (a) impair or affect the right of such bearer or registered owner to receive payment of the principal of and interest on such bond, on or after the respective due dates expressed in such bond, or to institute suit for the enforcement of any such payment on or after such respective dates, except that the holders of not less than seventy-five per centum (75%) in principal amount of the bonds outstanding may consent on behalf of the bearers or registered owners of all of the bonds to the postponement of any interest payment for a period of not exceeding three (3) years from its due date, or (b) deprive any bearer or registered owner of the bonds of a lien on the mortgaged and pledged property, or (c) reduce the percentage of the principal amount of the bonds upon the consent of which modifications or alterations may be effected as aforesaid.

This bond shall pass by delivery, except that it may be registered as to principal from time to time at the option of the bearer on registration books to be kept for the purpose at the principal office of the Trustee, such registration being noted hereon, and if so registered shall pass only by transfer upon such books by the registered owner or his duly authorized attorney, similarly noted hereon, unless such transfer shall have been made and registered to bearer and noted hereon, in which case it shall again pass by delivery until again registered. Such registration of this bond as to principal shall not affect the negotiability of its coupons, which shall remain payable to bearer, be treated as negotiable and pass by delivery, whether or not this bond is registered.

Coupon bonds of this series, bearing all unmatured coupons, may be exchanged at said office of the Trustee for registered bonds of the same series without coupons for a like aggregate principal amount in authorized denominations, upon payment, if the Company shall so require, of the charges provided for in the Indenture and subject to the terms and conditions therein set forth.

In case an event of default as defined in said Indenture shall occur, the principal of this bond may become or be declared due and payable before maturity in the manner and with the effect provided in said Indenture. The holders, however, of certain specified percentages of the bonds at the time outstanding, including in certain cases specified percentages of bonds of particular series, may in the cases, to the

extent and under the conditions provided in said Indenture, waive default thereunder and the consequences of such defaults.

In case all or substantially all of the electric properties of the Company are sold to or taken through the exercise of the right of eminent domain or the right to purchase by any municipal or governmental body or agency, the principal of this bond will, upon receipt by the Company of payment or compensation, become due and payable before maturity at the then applicable special redemption price and accrued interest thereon, all as provided in said Indenture.

It is part of the contract herein contained that each bearer or registered owner hereof by the acceptance hereof waives all right of recourse to any personal liability of any incorporator, stockholder, officer or director, past, present or future, of the Company, as such, or of any predecessor or successor corporation, howsoever arising, for the collection of any indebtedness hereunder; and as a part of the consideration for the issue hereof releases from all such liability each such incorporator, stockholder, officer or director, all as provided in said Indenture.

Neither this bond nor any of the coupons for interest hereon shall become or be valid or obligatory for any purpose until the authentication certificate endorsed hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, SIERRA PACIFIC POWER COMPANY has caused these presents to be executed in its name and behalf by its President or a Vice President and its corporate seal, or a facsimile thereof, to be hereunto affixed and attested by its Secretary or an Assistant Secretary, and has likewise caused the annexed coupons to be authenticated by a facsimile of the signature of its Treasurer, all as of the first day of November, 1956.

SIERRA PACIFIC POWER COMPANY,

By .....  
President.

Attest:

.....  
Secretary.

## [GENERAL FORM OF THE BONDS OF 1986 SERIES INTEREST COUPON]

\$26.25

No.

On the first day of \_\_\_\_\_, 19\_\_\_\_, Sierra Pacific Power Company will pay to the bearer upon surrender of this coupon at the principal office of The New England Trust Company, in the City of Boston, Massachusetts, or at the office of its successor, or, at the option of the bearer, at the office or agency of the Company in the Borough of Manhattan, City and State of New York, twenty-six dollars and twenty-five cents (\$26.25) in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, being six months' interest then due on its First Mortgage Bond, 5¼% Series due 1986, No. MD unless said bond shall have been duly called for previous redemption and payment duly provided therefor.

Treasurer.

## [FORM OF REGISTERED BOND WITHOUT COUPONS OF 1986 SERIES]

No. RD

\$

## SIERRA PACIFIC POWER COMPANY

Incorporated under the laws of the State of Maine

First Mortgage Bond, 5¼% Series due 1986

Due November 1, 1986

SIERRA PACIFIC POWER COMPANY, a Maine corporation (hereinafter sometimes called the "Company" which term shall include any successor corporation as defined in the Indenture hereinafter mentioned), for value received, hereby promises to pay to

or registered assigns, \_\_\_\_\_ Dollars on November 1, 1986, and to pay to the registered owner hereof interest thereon from November 1, 1956, or from the interest payment date next preceding the date of this bond, or from the date of this bond if it be an interest payment date, whichever date is the later, at the rate of five and one-quarter per centum (5¼%) per annum, semi-annually on the first day

of May and on the first day of November in each year until payment of the principal hereof.

Both principal of and interest on this bond will be paid in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, at the principal office of The New England Trust Company (hereinafter sometimes called the "Trustee") in the City of Boston, Massachusetts, or its successor in trust, or, at the option of the registered owner hereof, such interest will be paid at the office or agency of the Company in the Borough of Manhattan, City and State of New York.

This bond is one of the bonds, of a series designated as 5¼% Series due 1986 (herein sometimes referred to as the "Bonds of the 1986 Series"), of an authorized issue of bonds of the Company, known as First Mortgage Bonds, not limited as to maximum aggregate principal amount except as otherwise provided in the Indenture hereinafter mentioned, all issued or issuable in one or more series (which several series may be of different denominations, dates and tenor) under and equally secured (except insofar as a sinking fund established in accordance with the provisions of said Indenture may afford additional security for the bonds of any specific series) by an Indenture of Mortgage dated as of December 1, 1940, duly executed and delivered by the Company to The New England Trust Company and Leo W. Huegle (now Fletcher C. Chamberlin by succession), as Trustees, as supplemented and modified by the First Supplemental Indenture, dated as of August 1, 1947, and by the Second Supplemental Indenture, dated as of April 1, 1948, and as supplemented by all other indentures supplemental thereto, including a Fifth Supplemental Indenture, dated as of November 1, 1956, executed and delivered by the Company to said Trustees, to which Indenture of Mortgage and all indentures supplemental thereto (herein sometimes collectively called the "Indenture") reference is hereby made for a description of the property mortgaged and pledged as security for said bonds, the rights and remedies and limitations on such rights and remedies of the registered owner of this bond in regard thereto, the terms and conditions upon which said bonds are secured thereby, the terms and conditions upon which additional bonds and coupons may be issued thereunder and the rights, immunities and obligations of the Trustees under said Indenture.

Said Indenture, among other things, provides that no bondholder or bondholders may institute any suit, action or proceeding for the



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collection of this bond, or claim for interest thereon, or to enforce the lien of said Indenture, if and to the extent that the institution or prosecution thereof or the entry of a judgment or a decree therein would, under applicable law, result in the surrender, impairment, waiver or loss of the lien of said Indenture upon any property subject thereto.

The Bonds of the 1986 Series are subject to redemption prior to maturity as a whole at any time, or in part from time to time, (a) at the option of the Company upon payment of the applicable percentage of the called principal amount thereof during the respective periods set forth in the tabulation below under the heading "Regular Redemption Price"; and (b) by operation of the sinking and improvement fund provided for in the Fifth Supplemental Indenture and (in the instances provided in the Indenture) by application of money received by the Trustees, if all or substantially all of the properties used by the Company in the conduct of certain classes of business thereof are sold to or taken through the exercise of the right of eminent domain or the right to purchase by any municipal or governmental body or agency, upon payment of the applicable percentage of the called principal amount thereof during the respective periods set forth in the tabulation below under the heading "Special Redemption Price":

12 Months' Period Beginning November 1	Regular Redemption Price %	Special Redemption Price %	12 Months' Period Beginning November 1	Regular Redemption Price %	Special Redemption Price %
1956.....	109.30	102.30	1971.....	104.70	101.60
1957.....	109.30	102.30	1972.....	104.40	101.50
1958.....	109.30	102.25	1973.....	104.05	101.45
1959.....	109.30	102.20	1974.....	103.70	101.35
1960.....	109.30	102.15	1975.....	103.35	101.30
1961.....	108.05	102.15	1976.....	103.05	101.20
1962.....	107.75	102.05	1977.....	102.70	101.10
1963.....	107.40	102.05	1978.....	102.35	101.00
1964.....	107.05	102.00	1979.....	102.05	100.90
1965.....	106.70	101.95	1980.....	101.70	100.80
1966.....	106.40	101.90	1981.....	101.35	100.70
1967.....	106.05	101.85	1982.....	101.05	100.55
1968.....	105.70	101.80	1983.....	100.70	100.45
1969.....	105.40	101.70	1984.....	100.35	100.30
1970.....	105.05	101.65	1985.....	100.00	100.00

together in any case with interest accrued on said principal amount to the date fixed for redemption; upon prior notice (unless waived as provided in the Indenture) given by publication at least once each week for three (3) successive calendar weeks (the first publication to be not less than thirty (30) days nor more than ninety (90) days prior to the redemption date), in a newspaper, printed in the English language, customarily published at least five days a week, excluding legal holidays, and of general circulation in the City of Boston, Massachusetts, and in a similar newspaper published and of general circulation in the Borough of Manhattan, City and State of New York, and in a similar newspaper published and of general circulation in each of the other city or cities, if any, where interest on the bonds of this series shall at the time be payable; provided that if all of the bonds of this series at the time outstanding shall be registered bonds without coupons and/or coupon bonds registered as to principal, such notice may be given by mail in lieu of such publication; all as more fully provided in the Indenture.

If this bond or any portion thereof (One Thousand Dollars or any multiple thereof) is duly designated for redemption, if payment of the principal hereof or of such portion with accrued interest and premium, if any, is provided for, and if notice of such redemption shall have been duly given, provided for or waived, all as specified in the Indenture, this bond or such portion shall cease to be entitled to the lien of the Indenture from and after the date such payment and notice are irrevocably so provided for and shall cease to bear interest from and after the date fixed for redemption.

In the event of the selection for redemption of a portion only of the principal of this bond, payment of the redemption price will be made only (a) upon presentation of this bond for notation hereon of such payment of the portion of the principal of this bond so called for redemption, or (b) upon surrender of this bond in exchange for a bond or bonds, in either registered or coupon form (but only of authorized denominations of the same series), for the unredeemed balance of the principal amount of this bond.

The bonds of this series are entitled to the benefit of the sinking and improvement fund for bonds of this series provided for in said Fifth Supplemental Indenture.

To the extent permitted and as provided in said Indenture, modifications or alterations of said Indenture, or of any indenture supplemental thereto, and of the bonds issued thereunder and of the rights and obligations of the Company and the rights of the bearers or registered owners of the bonds and coupons, may be made with the consent of the Company and with the written approvals or consents of the bearers or registered owners of not less than seventy-five per centum (75%) in principal amount of the bonds outstanding, and unless all of the bonds then outstanding under said Indenture are affected in the same manner and to the same extent by such modification or alteration, with the written approvals or consents of the bearers or registered owners of not less than seventy-five per centum (75%) in principal amount of the bonds of each series outstanding, provided, however, that no such alteration or modification shall, without the written approval or consent of the bearer or registered owner of any bond affected thereby, (a) impair or affect the right of such bearer or registered owner to receive payment of the principal of and interest on such bond, on or after the respective due dates expressed in such bond, or to institute suit for the enforcement of any such payment on or after such respective dates, except that the holders of not less than seventy-five per centum (75%) in principal amount of the bonds outstanding may consent on behalf of the bearers or registered owners of all of the bonds to the postponement of any interest payment for a period of not exceeding three (3) years from its due date, or (b) deprive any bearer or registered owner of the bonds of a lien on the mortgaged and pledged property, or (c) reduce the percentage of the principal amount of the bonds upon the consent of which modifications or alterations may be effected as aforesaid.

This bond is transferable by the registered owner hereof in person or by his duly authorized attorney, at the principal office of the Trustee, upon surrender of this bond for cancellation and upon payment, if the Company shall so require, of the charges provided for in the Indenture, and thereupon a new registered bond of the same series of like principal amount will be issued to the transferee in exchange therefor.

The registered owner of this bond at his option may surrender the same for cancellation at said office and receive in exchange therefor the

same aggregate principal amount of registered bonds of the same series but of other authorized denominations, or coupon bonds of the same series of the denomination of One Thousand Dollars, upon payment, if the Company shall so require, of the charges provided for in the Indenture and subject to the terms and conditions therein set forth.

In case an event of default as defined in said Indenture shall occur, the principal of this bond may become or be declared due and payable before maturity in the manner and with the effect provided in said Indenture. The holders, however, of certain specified percentages of the bonds at the time outstanding, including in certain cases specified percentages of bonds of particular series, may in the cases, to the extent and under the conditions provided in said Indenture, waive defaults thereunder and the consequences of such defaults.

In case all or substantially all of the electric properties of the Company are sold to or taken through the exercise of the right of eminent domain or the right to purchase by any municipal or governmental body or agency, the principal of this bond will, upon receipt by the Company of payment or compensation, become due and payable before maturity at the then applicable special redemption price and accrued interest thereon, all as provided in said Indenture.

It is part of the contract herein contained that each registered owner hereof by the acceptance hereof, waives all right of recourse to any personal liability of any incorporator, stockholder, officer or director, past, present or future, of the Company, as such, or of any predecessor or successor corporation, howsoever arising, for the collection of any indebtedness hereunder; and as a part of the consideration for the issue hereof releases from all such liability each such incorporator, stockholder, officer or director, all as provided in said Indenture.

This bond shall not become or be valid or obligatory for any purpose until the authentication certificate endorsed hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, SIERRA PACIFIC POWER COMPANY has caused these presents to be executed in its name and behalf by its President or a Vice President and its corporate seal, or a facsimile thereof, to be

hereunto affixed and attested by its Secretary or an Assistant Secretary; all as of

SIERRA PACIFIC POWER COMPANY,

By

President.

Attest:

Secretary.

[FORM OF AUTHENTICATION CERTIFICATE FOR ALL BONDS]

This bond is one of the bonds of the series designated therein, referred to in the within-mentioned Indenture.

THE NEW ENGLAND TRUST COMPANY,  
Corporate Trustee,

By

Authorized Officer.

§1.07. *Duration of Effectiveness of Article 1.* This Article shall be in force and effect only so long as any of the Bonds of the 1986 Series are outstanding.

## ARTICLE 2.

### Principal Amount of Bonds Presently to be Outstanding.

§2.01. The total aggregate principal amount of First Mortgage Bonds of the Company issued and outstanding and presently to be issued and outstanding under the provisions of and secured by the Indenture, will be Fourteen Million Four Hundred Seventy-five Thou-



sand Dollars (\$14,475,000), namely, Three Million Dollars (\$3,000,000) principal amount of First Mortgage Bonds, Series A  $3\frac{1}{4}\%$ , due December 1, 1970, now issued and outstanding, Nine Hundred Seventy-five Thousand Dollars (\$975,000) principal amount of First Mortgage Bonds,  $2\frac{7}{8}\%$  Series due 1977, now issued and outstanding, Three Million Five Hundred Thousand Dollars (\$3,500,000) principal amount of First Mortgage Bonds,  $3\frac{1}{8}\%$  Series due 1978, now issued and outstanding, Four Million Dollars (\$4,000,000) principal amount of First Mortgage Bonds,  $3\frac{3}{8}\%$  Series due 1984, now issued and outstanding and Three Million Dollars (\$3,000,000) principal amount of First Mortgage Bonds,  $5\frac{1}{4}\%$  Series due 1986, established by resolution of the Board of Directors and to be issued upon compliance by the Company with the provisions of §3.02 and §3.04 of the Original Indenture.

### ARTICLE 3.

#### Miscellaneous.

§3.01. This instrument is executed and shall be construed as an indenture supplemental to the Original Indenture, as supplemented and modified by the First Supplemental Indenture and by the Second Supplemental Indenture, and as supplemented by the Third Supplemental Indenture and by the Fourth Supplemental Indenture, and shall form a part thereof, and the Original Indenture as so supplemented and modified is hereby confirmed. All terms used in this Fifth Supplemental Indenture shall be taken to have the same meaning as in the Original Indenture, as supplemented and modified by the First Supplemental Indenture and by the Second Supplemental Indenture and as supplemented by the Third Supplemental Indenture and by the Fourth Supplemental Indenture except in cases where the context clearly indicates otherwise.

§3.02. All recitals in this Supplemental Indenture are made by the Company only and not by the Trustees; and all of the provisions con-

tained in the Original Indenture, as supplemented and modified by the First Supplemental Indenture and by the Second Supplemental Indenture and as supplemented by the Third Supplemental Indenture and by the Fourth Supplemental Indenture, in respect of the rights, privileges, immunities, powers and duties of the Trustees shall be applicable in respect hereof as fully and with like effect as if set forth herein in full.

§3.03. Although this Supplemental Indenture is dated for convenience and for the purpose of reference as of November 1, 1956, the actual date or dates of execution by the Company and the Trustees are as indicated by their respective acknowledgments hereto annexed.

§3.04. In order to facilitate the recording or filing of this Supplemental Indenture, the same may be simultaneously executed in several counterparts, each of which shall be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

§3.05. The Company hereby acknowledges receipt from the Trustees of a full, true and complete copy of this Supplemental Indenture.

IN WITNESS WHEREOF, SIERRA PACIFIC POWER COMPANY has caused this Fifth Supplemental Indenture to be signed in its corporate name and behalf by its President or one of its Vice Presidents and its corporate seal to be hereunto affixed and attested by its Secretary or one of its Assistant Secretaries; and The New England Trust Company in token of its acceptance of the trust hereby created has caused this Fifth Supplemental Indenture to be signed in its corporate name and behalf by its President or one of its Vice Presidents and its corporate seal to be hereunto affixed and attested by its Secretary or one of its Assistant Secretaries; and Fletcher C. Chamberlin in token of his

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acceptance of the trust hereby created has hereunto set his hand and seal, all as of the day and year first above written.

SIERRA PACIFIC POWER COMPANY,

By

Vice President.

Attest:

*George E. Kehoe*  
Assistant Secretary.

Signed, sealed and delivered on behalf of  
SIERRA PACIFIC POWER COMPANY, in the  
presence of:

*Peter E. Pratt*  
*Sam B. Wash*



THE NEW ENGLAND TRUST COMPANY,

By

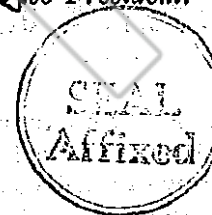
Vice President.

Attest:

*Carl B. Jones*  
Assistant Secretary.

Signed, sealed and delivered on behalf of  
THE NEW ENGLAND TRUST COMPANY, in  
the presence of:

*Peter E. Pratt*  
*Sam B. Wash*



Signed, sealed and delivered by FLETCHER  
C. CHAMBERLIN, in the presence of:

*Peter E. Pratt*  
*Sam B. Wash*

*Nathaniel C. Chamberlin*  
FLETCHER C. CHAMBERLIN



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COMMONWEALTH OF MASSACHUSETTS, } ss.:  
COUNTY OF SUFFOLK,

On this 12th day of December, 1956, before me appeared John A. Moir and George E. Kehoe to me personally known, who being by me duly sworn did say that they are a Vice President and an Assistant Secretary, respectively, of Sierra Pacific Power Company, and that the seal affixed to the foregoing instrument is the corporate seal of said Corporation, and that the foregoing instrument was signed by them and sealed on behalf of said Corporation by authority of the Stockholders and Directors, and the said John A. Moir and George E. Kehoe acknowledged the said instrument to be the free act and deed of said Corporation.

*A E Hall*  
Notary Public.

**A E Hall**

My commission expires January 23, 1959.

COMMONWEALTH OF MASSACHUSETTS, } ss.:  
COUNTY OF SUFFOLK,

On this 12th day of December, 1956, before me appeared Myles Standish, Jr. and Carl B. Jones, to me personally known, who being by me duly sworn did say that they are a Vice President and an Assistant Secretary, respectively, of The New England Trust Company, and that the seal affixed to the foregoing instrument is the corporate seal of said trust company, and that the foregoing instrument was signed and sealed by them on behalf of said trust company, and the said Myles Standish, Jr. and Carl B. Jones, acknowledged said instrument to be the free act and deed of said trust company.

*A E Hall*  
Notary Public.

**A E Hall**

My commission expires January 23, 1959.



COMMONWEALTH OF MASSACHUSETTS,  
COUNTY OF SUFFOLK,

ss.:

On this 12th day of December, 1956, before me appeared Fletcher C. Chamberlin, to me personally known, who being by me duly sworn did say that the foregoing instrument was signed by him as his free act and deed.

*A. E. Hall*  
Notary Public.

My commission expires January 23, 1959.

SEAL  
Affixed

COMMONWEALTH OF MASSACHUSETTS,  
COUNTY OF SUFFOLK,

ss.:

On this 12th day of December, A.D., 1956, personally appeared before me, a Notary Public in and for the County of Suffolk, Myles Standish, Jr., known to me to be a Vice President of The New England Trust Company, one of the corporations that executed the foregoing instrument, and upon oath did depose that he is the officer of said corporation as above designated, that he is acquainted with the seal of said corporation, and that the said seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by the officers of said corporation as indicated after said signatures, and that the corporation executed the said instrument freely and voluntarily and for the purposes and uses therein named.

*A. E. Hall*  
Notary Public.

My commission expires January 23, 1959.

A. E. Hall

SEAL  
Affixed



COMMONWEALTH OF MASSACHUSETTS, } ss.:  
COUNTY OF SUFFOLK,

On this 12th day of December, A.D., 1956, personally appeared before me, a Notary Public in and for the County of Suffolk, George E. Kehoe, known to me to be an Assistant Secretary of Sierra Pacific Power Company, one of the corporations that executed the foregoing instrument, and upon oath did depose that he is the officer of said corporation as above designated, that he is acquainted with the seal of said corporation, and that the said seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by the officers of said corporation as indicated after said signatures, and that the corporation executed the said instrument freely and voluntarily and for the purposes and uses therein named.

*A E Hall*  
Notary Public.

My commission expires January 23, 1959.

A E Hall

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COMMONWEALTH OF MASSACHUSETTS, } ss.:  
COUNTY OF SUFFOLK,

On this 12th day of December, A.D., 1956, personally appeared before me, a Notary Public in and for the County of Suffolk, Fletcher C. Chamberlin, known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

*A E Hall*  
Notary Public.

My commission expires January 23, 1959.

A E Hall

SEAL  
Affixed

# Commonwealth of Massachusetts

SUFFOLK, ss.

CLERK'S OFFICE OF SUPERIOR COURT.

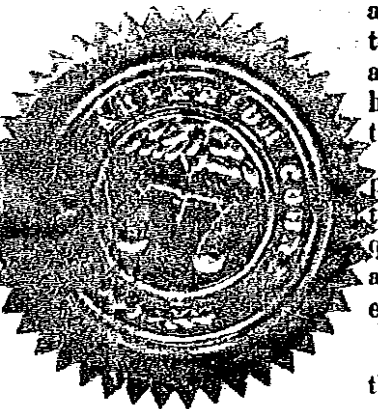
I, THOMAS DORGAN, of Boston, in said County, duly elected, qualified and sworn as Clerk of the Superior Court, for and within said County and Commonwealth, dwelling in Boston in said County, said Court being a Court of record with a seal which is hereto affixed, the records and seal of which Court I have the custody, do herein and hereby in the performance of my duty as said Clerk, certify and attest that.....**ALBERT E. HALL**.....

before whom the annexed affidavit, proof or acknowledgment was taken and subscribed, is a.....**Notary Public**.....

for, within, and including the whole of said Commonwealth, doing business in said County, duly appointed, commissioned, qualified, sworn and authorized by the laws of said Commonwealth to act as such; and also duly authorized by the laws of said Commonwealth to take affidavits and take and certify proofs of acknowledgment of deeds of conveyances for lands, tenements, hereditaments, lying and being in said Commonwealth; in any part thereof and to be recorded therein, wherever situated and however bounded; that he was at the time of taking the affidavit,

proof or acknowledgment, hereto annexed, such.....**Notary Public**.....  
that due faith and credit are and ought to be given to his official acts; that I am well acquainted with his signature and handwriting, and I verily believe that the signature to the said affidavit, proof or acknowledgment is genuine, and, further, that the annexed instrument is executed and acknowledged according to the laws of said Commonwealth.

Witness my hand and the seal of said Court at Boston, in said County and Commonwealth.  
this.....**12th**.....day of.....**December**.....A. D. 1956



*Thomas Dorgan*  
.....  
Clerk.

Indexing under Deeds of Trust - \$1.50

DOCUMENT No. 268335

Filed for record at the request of SIERRA PACIFIC POWER CO.

DEC 14 1956 at 30 Minutes past 1 o'clock P.M.

Recorded in Book 78 of MORTGAGES

Page 457 Records of Washoe County, Nevada.

Fee: \$ 29.75

DELLE B. BOYD, County Recorder

By M. E. McLeod Deputy

File No. 39255

RECORDED AT THE REQUEST OF

Sierra Pacific Power Co.

November 20 A.D. 1963

At 35 minutes past 11 A. M.

in Liber 1 of OFFICIAL RECORDS

Page 120-45 Records of

EUREKA COUNTY, NEVADA

Shirley A. Hart Recorder

By \_\_\_\_\_ Deputy

Fee \$ 35.95