

acknowledge and deliver its Mortgage or Deed of Trust to The Trust Company of America, as Trustee, in the form of this Indenture, conveying to said Trustee all the shares of the capital stocks of the Portland Railway Company and the Portland General Electric Company, which it has now purchased and acquired, or may hereafter purchase and acquire, and such part of the real or personal properties of these Companies as it may hereafter acquire and the other property, rights and interest hereinafter specified, in order to secure the payment of the principal and interest of all the said bonds; and

Whereas, the said bonds and the coupons thereto annexed and the certificates of the Trustee thereon, are to be substantially of the tenor and effect following, namely:

UNITED STATES OF AMERICA,

State of Oregon.

\$1,000.

No \_\_\_\_\_

PORTLAND RAILWAY, LIGHT AND POWER COMPANY.

Twenty-Five Year Sinking Fund Gold Bond.

For value received, the Portland Railway, Light and Power Company, a corporation duly organized under the laws of the State of Oregon, hereinafter called "Company," hereby promises to pay to the bearer, or if registered, to the registered owner, of this bond the sum of One thousand dollars (\$1,000) in gold coin of the United States of America of or equal to the present standard of weight and fineness, on the first day of July, 1931, at its office or agency in the City of New York, and to pay interest thereon from the first day of July, 1906, at the rate of five per centum (5%) per annum, in like gold coin, semi-annually on the first days of January and July in each year, at such office or agency, upon surrender of the coupons hereto annexed as they severally mature. Both the principal of and interest on this bond are payable without deduction for any tax or taxes which the Company may be required to pay thereon, or to retain therefrom, under any present or future laws of the United States, or of any State, County or municipality therein, the Company hereby agreeing to pay all such tax or taxes.

This bond is one of a series of bonds of like tenor, date and amount, known as "Twenty-five Year Sinking Fund Gold Bonds," authorized to be issued to an amount not exceeding in the aggregate the principal sum of Three million dollars (\$3,000,000) numbered consecutively from 1 upwards, all of which bonds are equally secured by a certain Mortgage or Deed of Trust, bearing date the second day of July, 1906, duly made by the Company to The Trust Company of America, as Trustee, transferring, pledging and conveying to the said Trustee, as security for the payment of the principal and interest of said bonds, certain shares of the capital stocks of the Portland Railway Company and the Portland General Electric Company, and the properties and franchises of said Companies if and when acquired by the Company as set forth, mentioned and described in said Mortgage, and upon the trusts, terms and conditions and for the purposes therein provided. If default in the payment of any interest on any of the said bonds be made and continue for sixty days after such interest shall have been duly demanded, the principal of said bonds may become due and payable, as provided in said Mortgage.

This bond is entitled to the benefit of the Sinking Fund provided for in said Mortgage, and is subject to redemption at par and accrued interest on any interest date until and including July 1, 1908, and at one hundred and five per centum (105%), and accrued interest on any interest date after July 1, 1908. This bond may be registered on the books of the Company at its said office or agency and such registration noted hereon, after which no valid transfer of this bond can be made except on said books until after registered transfer to bearer, whereupon it will again be transferable by delivery. It may be again and from time to time registered and transferred to bearer as the holder or owner may elect, but registration shall not in any case affect the annexed interest coupons which shall continue to be