the accrued interest on the bonds and the accruing dividends on the stock, if a cash dividend has been declared within six months prior to such conversion, shall be adjusted in cash, said dividends to be computed at the rate per annum of said last previous cash dividend; but if no cash dividend has been paid within said period of six months, the conversion shall be made at the above rate for bonds and stock without any allowance for interest or dividends. In case this bond is called for redemption or called for purchase with moneys in the Sinking Fund, the holder hereof may still exercise his right of conversion provided he gives the required notice at least ten (10) days prior to the date fixed for redemption or purchase.

This bond is transferable only by the registered owner in person or by attorney duly authorized, by surrender hereof at any of the Company's three agencies, viz: in the Borough of Manhattan, City of New Mork, N.Y., in Boston, Mass., and in Philadelphia, Pa., and at any other registration agency which the Company may establish, for cancellation, accompanied by a written instrument of transfer duly executed, and thereupon the Company shall, as provided in said Indenture, and on payment of the transfer charge, if any, as therein provided, deliver to the transferee a new registered bond without coupons for a like principal amount having endorsed thereon the same series and numbers of coupon bonds as are endorsed hereon, or two or more registered bonds without coupons aggregating a like principal amount with the same series and numbers of coupon bonds endorsed on either one or another of said new registered bonds, or, at the otpion of the registered owner, a like principal amount in coupon bonds having attached all coupons maturing on or after the next ensuing interest due date and of the denominations and the series and number or numbers endorsed hereon as provided in said Indenture or a like principal amount in such registered bonds without coupons and such coupon: bonds.

No recourse shall be had for the payment of any part of the principal or or interest on this bond against any incorporator or any past, present or future stockholder, officer or director of the Company or of any successor corporation, either directly or through the Company, by virtue of any statute or constitution or by the enforcement of any assessment or otherwise, any and all individul liability of the said encorporators, stockholders, officers and directors of the Company or of any successor corporation being by the acceptance hereof and as part of the consideration for the issue hereof expressly waived.

This bond shall not be valid or become obligatory for any purpose until and unless authenticated by the execution by the Trustee under said Indenture of the certificate hereon endorsed.

In witness whereof Portland Railway, Light and Power Company has caused these presents to be signed by its President or Vice-President and its corporate seal to be hereunto affixed and attested by its Secretary or Assistant Secretary this......

BY

PORTLAND RAILWAY, LIGHT AND POWER COMPANY

ATTEST:

Secretaru

PRESIDENT

"The within bond is issued in lieu of, or in exchange for, coupon bond, series numbered M for one thousand dollars (\$1,000) and coupon bonds series numbered D for five hundred dollars (\$500) each not contemporaneously outstanding and coupon bond of the same series and number will be issued in exchange for this bond upon its surrender and cancellation."