

## FIRST LIEN AND REFUNDING MORTGAGE GOLD BOND

(SEVEN AND ONE-HALF PER CENT.)

PORTLAND RAILWAY, LIGHT AND POWER COMPANY, A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF OREGON (HEREINAFTER CALLED THE "COMPANY"), FOR VALUE RECEIVED, PROMISES TO PAY TO \_\_\_\_\_, OR REGISTERED ASSIGNS, THE PRINCIPAL SUM OF \_\_\_\_\_ DOLLARS ON MAY 1, 1946, AND TO PAY INTEREST THEREON FROM THE DATE HEREOF AT THE RATE OF SEVEN AND ONE-HALF PER CENT. PER ANNUM, SEMI-ANNUALLY, ON MAY 1 AND NOVEMBER 1 IN EACH YEAR.

BOTH PRINCIPAL AND INTEREST OF THIS BOND ARE PAYABLE IN GOLD COIN OF THE UNITED STATES OF AMERICA OF OR EQUAL TO THE STANDARD OF WEIGHT AND FINENESS EXISTING MAY 1, 1921, AT THE PRINCIPAL OFFICE OF THE TRUSTEE HEREINAFTER NAMED, IN THE BOURGHOUGH OF MANHATTAN, CITY AND STATE OF NEW YORK, WITHOUT DEDUCTION FOR ANY TAXES, ASSESSMENTS OR OTHER GOVERNMENTAL CHARGES WHICH THE COMPANY OR THE TRUSTEE MAY BE PERMITTED OR REQUIRED TO PAY THEREON OR TO RETAIN OR DEDUCT THEREFROM UNDER ANY PRESENT OR FUTURE LAW, EXCEPT INHERITANCE TAXES, STATE INCOME TAXES AND SO MUCH OF ANY FEDERAL INCOME TAXES IN RESPECT TO INCOME DERIVED FROM SUCH INTEREST AS MAY EXCEED TWO PER CENT. THEREOF.

THE COMPANY WILL, IN EACH YEAR, REFUND AND REPAY TO THE REGISTERED OWNER OF THIS BOND THE AMOUNT OF ANY LAWFUL TAX THEREON PAID BY HIM IN AND FOR SUCH YEAR TO THE COMMONWEALTH OF PENNSYLVANIA, NOT EXCEEDING 4/10THS OF ONE PER CENT. OF THE PRINCIPAL AMOUNT HEREOF, UPON PRESENTATION TO THE COMPANY OF RECEIPTS, OR OTHER EVIDENCE SATISFACTORY TO IT, OF THE PAYMENT OF SUCH TAX, WITHIN FOUR MONTHS AFTER PAYMENT THEREOF.

THIS IS ONE OF A DULY AUTHORIZED ISSUE OF BONDS OF THE COMPANY, KNOWN AS ITS FIRST LIEN AND REFUNDING MORTGAGE GOLD BONDS, IN BOTH COUPON FORM WITH INTEREST COUPONS ATTACHED AND FULLY REGISTERED FORM WITHOUT INTEREST COUPONS, ALL ISSUED AND TO BE ISSUED IN SERIES, FROM TIME TO TIME, UNDER AND, IRRESPECTIVE OF THE TIME OF ISSUE, EQUALLY SECURED BY A CERTAIN MORTGAGE OR DEED OF TRUST, DATED APRIL 30, 1921, EXECUTED BY THE COMPANY TO THE NATIONAL CITY BANK OF NEW YORK, AS TRUSTEE, TO WHICH MORTGAGE REFERENCE IS HEREBY MADE FOR A DESCRIPTION OF THE PROPERTY MORTGAGED AND PLEDGED, THE NATURE AND EXTENT OF THE SECURITY AND THE RIGHTS OF THE COMPANY, THE TRUSTEE AND THE RESPECTIVE HOLDERS AND OWNERS OF THE SAID BONDS WITH RESPECT THERETO.

IN THE MANNER PROVIDED IN THE SAID MORTGAGE, THIS BOND MAY BE REDEEMED ON ANY INTEREST DATE AFTER MAY 1, 1931, AND PRIOR TO MATURITY, AT THE OPTION OF THE COMPANY, ON THIRTY DAYS' PRIOR PUBLISHED NOTICE, AT 105 PER CENT. OF SO MUCH OF THE PRINCIPAL HEREOF AS IS SO REDEEMED, IF REDEEMED ON OR BEFORE MAY 1, 1941, AND AT 103 PER CENT. THEREOF, IF REDEEMED THEREAFTER. THIS BOND IS ENTITLED TO THE BENEFITS OF THE SINKING FUND PROVIDED FOR IN THE SAID MORTGAGE, AND MAY LIKEWISE BE REDEEMED THROUGH THE OPERATION THEREOF.

IN CASE OF THE DEFAULT BY THE COMPANY, AS SET FORTH IN THE SAID MORTGAGE, THE PRINCIPAL OF ALL THE BONDS OF EACH AND EVERY SERIES ISSUED AND OUTSTANDING THEREUNDER MAY BE DECLARED, OR MAY BECOME, DUE AND PAYABLE IN THE MANNER AND WITH THE EFFECT PROVIDED IN THE SAID MORTGAGE.

THIS BOND IS TRANSFERABLE BY THE REGISTERED OWNER IN PERSON OR BY DULY AUTHORIZED ATTORNEY ON BOOKS KEPT FOR THAT PURPOSE AT THE PRINCIPAL OFFICE OF THE TRUSTEE, IN THE BOURGHOUGH OF MANHATTAN, CITY AND STATE OF NEW YORK, UPON