

ARTICLE THIRD PROVIDED, IN THE AMOUNTS AND SUBJECT TO THE RESTRICTIONS AND CONDITIONS HEREIN SPECIFIED, RESPECTIVELY.

SECTION 25. UPON THE EXECUTION OF THIS INDENTURE, THE COMPANY SHALL EXECUTE AND DELIVER TO THE TRUSTEE FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$4,500,000), AGGREGATE PRINCIPAL AMOUNT, OF BONDS OF SERIES A AND THE TRUSTEE SHALL THEREUPON, WITHOUT WAITING FOR THE RECORDING OR FILING OF THIS INDENTURE, AUTHENTICATE THE SAID BONDS AND DELIVER THE SAME TO OR UPON THE WRITTEN ORDER OF THE COMPANY, SIGNED BY ITS PRESIDENT OR A VICE-PRESIDENT AND ITS SECRETARY OR AN ASSISTANT SECRETARY.

SECTION 26. BONDS MAY BE EXECUTED BY THE COMPANY AND AUTHENTICATED AND DELIVERED BY THE TRUSTEE, FROM TIME TO TIME, IN PRINCIPAL AMOUNT IN EACH CASE EQUAL TO BUT NOT EXCEEDING THE PRINCIPAL AMOUNT OF, AND FOR THE PURPOSE OF ACQUIRING BY OR FOR THE COMPANY, OR FOR THE PURPOSE OF RETIRING, REFUNDING AND DISCHARGING AT OR BEFORE MATURITY, ANY OF THE FOLLOWING BONDS:

(A) \$15,156,900, AGGREGATE PRINCIPAL AMOUNT, FIRST AND REFUNDING MORTGAGE THIRTY YEAR SINKING FUND GOLD BONDS, SERIES A, OF THE COMPANY, HEREINBEFORE DESCRIBED AS OUTSTANDING IN THE HANDS OF THE PUBLIC AT THE DATE HEREOF;

(B) \$7,524,000, AGGREGATE PRINCIPAL AMOUNT, FIRST MORTGAGE FIVE PER CENT. GOLD BONDS OF THE PORTLAND GENERAL ELECTRIC COMPANY, HEREINBEFORE DESCRIBED AS OUTSTANDING IN THE HANDS OF THE PUBLIC AT THE DATE HEREOF;

(C) \$7,408,000, AGGREGATE PRINCIPAL AMOUNT, FIRST AND REFUNDING MORTGAGE FIVE PER CENT. SINKING FUND GOLD BONDS OF THE PORTLAND RAILWAY, COMPANY, HEREINBEFORE DESCRIBED AS OUTSTANDING IN THE HANDS OF THE PUBLIC AT THE DATE HEREOF;

(D) \$1,290,000, AGGREGATE PRINCIPAL AMOUNT, CONSOLIDATED FOUR PER CENT. GOLD BONDS OF THE CITY AND SUBURBAN RAILWAY COMPANY, HEREINBEFORE DESCRIBED AS OUTSTANDING IN THE HANDS OF THE PUBLIC AT THE DATE HEREOF;

(E) ANY BONDS, OBLIGATIONS OR OTHER EVIDENCES OF INDEBTEDNESS, SECURED BY LIEN SUPERIOR TO THE LIEN OF THIS INDENTURE UPON ANY PROPERTY HEREAFTER ACQUIRED BY THE COMPANY OR SECURED BY LIEN UPON THE PROPERTY OF A SUBSIDIARY COMPANY (AS THE SAME IS DEFINED IN SECTION 29 HEREOF) EXISTING ON THE DAY ON WHICH SUCH COMPANY SHALL HAVE BECOME A SUBSIDIARY COMPANY OR UPON ANY PROPERTY THEREAFTER ACQUIRED BY SUCH SUBSIDIARY COMPANY, THE AGGREGATE AMOUNT OF WHICH INDEBTEDNESS SHALL NOT BE IN EXCESS OF SEVENTY-FIVE PER CENT. OF THE ACTUAL CASH COST OR FAIR VALUE (WHICHEVER WAS LESS) OF SUCH PROPERTY, AFTER DUE ALLOWANCE FOR DEPRECIATION; PROVIDED, THAT IN CASE THE AGGREGATE AMOUNT OF SUCH INDEBTEDNESS SHALL BE IN EXCESS OF SEVENTY-FIVE PER CENT. OF SUCH ACTUAL CASH COST OR FAIR VALUE, AFTER DUE ALLOWANCE FOR DEPRECIATION, NO BONDS SHALL BE ISSUED HEREUNDER FOR THE PURPOSE OF ACQUIRING, RETIRING, REFUNDING OR DISCHARGING ANY OF SUCH BONDS, OBLIGATIONS OR OTHER EVIDENCES OF INDEBTEDNESS, UNLESS AND UNTIL SUCH EXCESS SHALL HAVE BEEN ELIMINATED BY THE DISCHARGE AND CANCELLATION OF SO MUCH OF THE SAID INDEBTEDNESS AS MAY CONSTITUTE SUCH EXCESS OR SHALL HAVE BEEN COMPENSATED BY ADDITIONAL EXPENDITURES FOR PERMANENT EXTENTIONS, ENLARGEMENTS AND ADDITIONS OF AND TO THE PLANTS, PROPERTY AND EQUIPMENT OF THE COMPANY OR OF SUCH SUBSIDIARY COMPANY, AS THE CASE MAY BE, AMOUNTING TO ONE AND ONE-THIRD TIMES SUCH EXCESS, ON ACCOUNT OF WHICH EXPENDITURES NO BONDS SHALL AT ANY TIME BE ISSUED OR DEPOSITED CASH PAID OUT HEREUNDER.