

BOND, AND THEREUPON A NEW REGISTERED BOND, HAVING INDORSED THEREON THE SAME COUPON BOND SERIAL NUMBERS AS ARE INDORSED HEREON, WILL BE ISSUED TO THE TRANSFEREE IN EXCHANGE HEREFOR; OR THE REGISTERED OWNER OF THIS BOND, AT HIS OPTION, MAY SURRENDER THE SAME FOR CANCELLATION IN EXCHANGE FOR A COUPON BOND OR BONDS OF THIS SERIES, BEARING THE SERIAL NUMBERS INDORSED HEREON, WITH ALL UNMATURED INTEREST COUPONS ATTACHED, WHICH COUPON BOND OR BONDS MAY IN TURN BE EXCHANGED FOR ANOTHER REGISTERED BOND OR BONDS OF THIS SERIES, ALL IN THE MANNER AND UPON PAYMENT, IN EACH CASE, OF THE CHARGES PROVIDED IN THE SAID MORTGAGE.

NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF ANY PART OF EITHER PRINCIPAL OR INTEREST OF THIS BOND, OR FOR ANY CLAIM BASED HEREON OR THEREON, OR OTHERWISE IN ANY MANNER IN RESPECT HEREOF OR IN RESPECT OF THE SAID MORTGAGE OR OF THE SAID SUPPLEMENTAL INDENTURE, TO OR AGAINST ANY INCORPORATOR, STOCKHOLDER, OFFICER OR DIRECTOR, PAST, PRESENT OR FUTURE, OF THE COMPANY OR OF ANY SUCCESSOR CORPORATION, BY VIRTUE OF ANY STATUTE OR PROVISION OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY, OR IN ANY MANNER.

THIS BOND SHALL NOT BE OBLIGATORY OR VALID FOR ANY PURPOSE UNTIL AUTHENTICATED BY THE EXECUTION BY THE TRUSTEE OF THE CERTIFICATE INDORSED HEREON.

IN WITNESS WHEREOF, THE COMPANY HAS CAUSED THIS BOND TO BE SIGNED BY ITS PRESIDENT OR A VICE-PRESIDENT, AND ITS CORPORATE SEAL TO BE HEREUNTO AFFIXED, ATTESTED BY ITS SECRETARY OR AN ASSISTANT SECRETARY, AS OF

PORTLAND ELECTRIC POWER COMPANY,

BY

PRESIDENT

ATTEST:

SECRETARY

AND WHEREAS, SECTION 89 OF THE SAID MORTGAGE PROVIDES, IN PART, AS FOLLOWS:

"SECTION 89. THE COMPANY AND THE TRUSTEE MAY, FROM TIME TO TIME AND AT ANY TIME, IF BY THEM DEEMED NECESSARY OR ADVISABLE, ENTER INTO SUCH INDENTURES OR AGREEMENTS SUPPLEMENTAL HERETO AS SHALL NOT BE INCONSISTENT WITH THE TERMS AND PROVISIONS HEREOF (WHICH SUPPLEMENTAL INDENTURES OR AGREEMENTS SHALL THEREAFTER FORM A PART HEREOF) FOR ONE OR MORE OF THE FOLLOWING PURPOSES:

(C) TO PROVIDE THE TERMS AND CONDITIONS OF REDEMPTION OF THE BONDS OF ANY PARTICULAR SERIES.

(G) FOR ANY OTHER PURPOSE NOT INCONSISTANT WITH THE TERMS OF THIS INDENTURE, OR FOR THE PURPOSE OF CURING ANY AMBIGUITY OR DEFECTIVE PROVISION CONTAINED HEREIN OR IN ANY SUPPLEMENTAL INDENTURE."

AND WHEREAS, THE COMPANY AND THE TRUSTEE DEEM IT DESIRABLE TO ENTER INTO THIS SUPPLEMENTAL INDENTURE FOR THE PURPOSE OF DESCRIBING THE BONDS OF SERIES C, AND OF PROVIDING THE TERMS AND CONDITIONS OF THE REDEMPTION THEREOF, AND FOR OTHER PURPOSES NOT INCONSISTENT WITH THE TERMS OF THE SAID MORTGAGE;

AND WHEREAS, ALL THINGS NECESSARY TO MAKE THE BONDS OF SERIES C, WHEN AUTHENTICATED BY THE TRUSTEE AND DELIVERED AS PROVIDED IN THE SAID MORTGAGE, THE VALID, BINDING AND LEGAL OBLIGATIONS OF THE COMPANY, ENTITLED IN ALL RESPECTS TO THE SECURITY OF THE SAID MORTGAGE, HAVE BEEN DONE AND PERFORMED, AND THE CREATION, EXECUTION AND DELIVERY OF THIS SUPPLEMENTAL INDENTURE HAVE IN ALL RESPECTS BEEN DULY AUTHORIZED;

NOW THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSETH, THAT, FOR AND IN CONSIDERATION OF THE PREMISES, THE PARTIES HERETO HEREBY MUTUALLY AGREE AS FOLLOWS: