Arnold Marcus, John Crosby Brown, A.A. H. Boissevain and Henry R. Reed, or upon the order of a majority of said persons.

Section 3. Five million three hundred and ninety thousand dollars ($5,390,000) of the remainder of such consolidated mortgage bonds, or such part thereof as may be required for the use and purpose hereinafter mentioned shall be reserved to be certified and delivered in amounts equal to the outstanding first mortgage bonds of the Oregon Railway and Navigation Company secured by the said mortgage of that company to the Farmers Loan and Trust Company dated the first day of July 1879, and by the said other two mortgages of further assurance hereinabove mentioned, that may from time to time be acquired for the sinking fund under the provisions of the said first mortgage of the said Oregon Railway and Navigation Company, or to be certified and delivered for the purpose of retiring, otherwise than by the operation of said sinking fund provisions, the said first mortgage bonds of the said Oregon Railway and Navigation Company by the exchange purchase or payment thereof by the Railroad Company, such consolidated mortgage bonds to be certified and delivered at the rate of not more than one hundred and ten dollars of the principal thereof for each one hundred dollars of the principal of said first mortgage bonds exchanged, purchased or retired otherwise than by the operation of the said sinking fund provisions of the said first mortgage of the Oregon Railway and Navigation Company.

Whenever The Railroad Company shall tender to the Trustee any of the present outstanding first mortgage bonds of the Oregon Railway and Navigation Company with all unmatured coupons and obligations thereto belonging accompanied with a certificate from the President and Treasurer of the Railroad Company that said bonds have been acquired since the date of this mortgage by the operation of the sinking fund provisions of the said first mortgage of the Oregon Railway and Navigation Company, The Trustee shall receive such first mortgage bonds, and in exchange therefor shall certify and deliver to The Railroad Company or upon its order from the bonds provided to be reserved in this section an amount equal to the amount of said first mortgage bonds which The Railroad Company has so delivered, or caused to be delivered to The Trustee.

Whenever The Railroad Company shall tender or cause to be tendered to the Trustee any of the outstanding first