

requesting such delivery and upon the delivery to the Trustee of a certificate of the president or vice president of the Railway Company that the railways, property and franchises heretofore belonging to the Portland Consolidated Railway Company have been duly conveyed to and vested in the Railway Company, party hereto of the first part;

(b) Two million five hundred and eighty-five thousand dollars (\$2,585,000), face value, of the First and Refunding Bonds shall be authenticated and delivered by the Trustee, from time to time, when and as the president or vice-president of the Railway Company shall direct in writing, in exchange for, or after the payment or cancellation of an equal amount in face value of, any of the following described bonds, which are herein collectively referred to as the "Underlying Bonds", to-wit:

\$87,000 of the First Mortgage Six per Cent. Bonds of the City and Suburban Railway Company secured by mortgage to the Security Saving and Trust Company, of Portland, Oregon, as Trustee, dated September 1, 1891, payable September 1, 1916;

\$1,290,000 of the Four Per Cent. Consolidated Mortgage Bonds of the City and Suburban Railway Company secured by mortgage to the said Security Saving and Trust Company, as Trustee, dated June 1, 1900, payable June 1, 1930;

\$100,000 of the First Mortgage Six Per Cent. Bonds of the Willamette Bridge Railway Company secured by mortgage to The American Loan and Trust Company, of Boston, as Trustee dated September 2, 1889, payable March 1, 1914;

\$100,000 of the First Mortgage Six per cent. Bonds of the Portland and Vancouver Railway Company secured by mortgage of said company and The Oregon Land and Investment Company to The Farmers' Loan and Trust Company, of New York, as Trustee, dated February 12, 1889, payable February 1, 1919, redeemable at any time after ten years from date at one hundred and ten per cent. (11%) and accrued interest;

\$148,000 of the First Mortgage Six Per Cent. Bonds of the Multnomah Street Railway Company secured by mortgage to The American Trust and Savings Bank, of Chicago, as Trustee, dated June 1, 1890, payable June 1, 1910, of which bonds of the face value of \$22,000 have been purchased with the sinking fund under the provisions of said mortgage;

\$882,000 of the First Consolidated Mortgage Five Per Cent. Gold Bonds of the Portland Railway Company (not the mortgagor herein) secured by mortgage to The Mercantile Trust Company, of New York, as Trustee, dated February 1, 1896, payable January 1, 1916, redeemable at any time on or after January 1, 1906, at par and accrued interest.

The Trustee shall at any time, not more than six months prior to the maturity of any of the underlying bonds, either pursuant to the terms thereof, or in case the said bonds shall have been called for redemption pursuant to the terms of the respective mortgages securing the same, then within six months prior to the date so fixed for redemption, certify and deliver to the Railway Company upon request, evidenced by resolution of its Board of Directors, certified to by its secretary or assistant secretary under its corporate seal, an amount of the First and Refunding Bonds so reserved, equal in face value to the amount of the underlying bonds so to mature or called for redemption as aforesaid, upon the deposit with the Trustee of an amount in cash equal to the principal and interest which will be payable upon such underlying bonds at the date of said maturity or payment, or upon furnishing to the Trustee evidence satisfactory to it that said amount has been deposited with the Trustee under the mortgage securing said bonds, to be applied in payment of the same at maturity or redemption day, or upon delivering to the Trustee to be held by it subject to the trusts of this indenture securities satisfactory to it for payment by the Railway Company of the underlying bonds so to mature or to be redeemed.

(c) The remainder of the First and Refunding Bonds amounting to two million four hundred and fifteen thousand dollars (\$2,415,000), face value, shall be authenticated and delivered by the Trustee from time to time when and as directed by resolution of the Board