said businesses which he is entitled to acquire under the aforesaid options, as in his proposition set forth, upon condition that he shall secure a good and indefeasible title to all such properties, mills, plants, factories, appurtenances, businesses and good-will, and shall pay the entire purchase price necessary to secure the same, and upon the further condition that the said Emanuel Stein shall enter into a contract with this Company satisfactory in form and contents to the Board of Directors, or such officer or officers as they may delegate.

Resolved, further, That in payment for said properties, mills, plants, factories, appurtenances, businesses and good-will this Company pay to the said Emanuel Stein, or his nominees, the sum of five million dollars ($5,000,000), as follows:

(a) One thousand eight hundred dollars ($1,800) in cash.

(b) One million dollars ($1,000,000) thereof by the issuance and delivery to the said Emanuel Stein, or his nominees, of one thousand (1000) six (6) per cent. first Mortgage gold bonds of the Company, of the denomination of one thousand dollars ($1,000) each, being all of a total authorized issue of one million dollars of such bonds secured by a first mortgage as a lien or charge upon all the rights, properties and interests acquired by the Company from the said Emanuel Stein, and upon all after acquired property of the Company, and upon its franchises and undertaking, so far as such rights and interests are capable of being legally subjected to the lien of the mortgage. The bonds secured by said mortgage shall be redeemable in gold coin of the United States of America, of the standard weight and fineness, at a premium of ten per cent. by annual drawings, by means of an annual cumulative sinking fund of one hundred and ten thousand dollars ($110,000), besides which, the interest on the bonds as redeemed shall be set aside as though the said bonds were still outstanding, and the amounts thereof shall be added to and form part of the sinking fund for the redemption of said bonds.

The Trustees for the bondholders shall be designated by the counsel for the Company, and in the event of the said Emanuel Stein being unable to convey the properties free from incumbrances, an amount of bonds equal at par to the incumbrances thus remaining on the properties shall be placed in the hands of one or more of the Trustees for the bondholders, together with an amount of the preferred stock of the Company equal at par to 20 per cent. of the bonds so set apart, and an amount of common stock equal at par to 40 per cent. of the bonds so set apart, with directions to such Trustee or Trustees to dispose of said bonds and stock at public or private sale at the earliest possible date; but, in any event, within one year from the date of issuance of said bonds for an amount of money not less than the incumbrances taken over by the Company, to the end that the property shall, as soon as practicable, be held by the Company free and clear of all liens, claims and incumbrances, and that the mortgage given to secure said bonds shall be a first lien or charge upon all the rights, properties and interests acquired by the Company.