

## CONTRACT AND PLEDGE AGREEMENT

THIS AGREEMENT entered into this 12<sup>th</sup> day of September, 1989, by and between William B. Tremmel and Savannah G. Tremmel, husband and wife, of 1.34L Berge Road, Stevenson, Washington, hereinafter called the Seller, and Glen Dillingham and Vicky Dillingham, husband and wife, hereinafter called the Purchaser:

## WITNESSETH:

FOR AND IN CONSIDERATION of the covenants and agreements hereinafter set forth the Seller and Purchaser mutually agree as follows:

1. The Seller agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Seller the following described corporate stock:

One share of common stock in Stevenson Co-Ply Inc., a Washington corporation, now standing on the books of the company in the name of Ray Marchant and Gail Marchant and represented by Stock Certificate No. 736.

for the purchase price of Forty Two Thousand Five Hundred and No/100 (\$42,500.00) Dollars on which said purchase price as a down payment, due April 1990, the total amount of earned patronage dividend to be paid by Stevenson Co-Ply Inc. on April 1990, amount will be the percentage set by the Board of Directors. Said percentage of patronage dividend, April 1990, will be payable from Glen Dillingham and Vicky Dillingham earnings. The Purchaser agrees to pay the unpaid balance of the purchase price in monthly installments of Three Hundred Twenty and No/100 (\$320.00) Dollars, or more, commencing on the 12 day of 11, 1989, and on the 12 day of each and every month thereafter until the full amount of the purchase price shall have been paid. Said monthly installments shall include interest at the rate of eight and one half percent (8½%) per annum computed on the unpaid monthly balances of the purchase price, and said installments shall be applied first to interest and then to principal. Interest shall commence when said share of stock has been transferred on the books of the corporation to the Purchaser as hereinafter provided. The Purchaser reserves the right at any time he is not in default under the terms and conditions of this contract to pay without

Received \_\_\_\_\_  
Indirect \_\_\_\_\_  
Indirect \_\_\_\_\_  
Filed 10-13-89  
Mailed \_\_\_\_\_

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penalty any part or all of the unpaid purchase price, plus interest then due. Said installments shall be paid to the Seller at Security Pacific Bank, White Salmon, Washington 98672, or at such other place as the Seller may direct in writing.

2. The Purchaser shall have the privilege of skipping not more than two monthly installments in any calendar year during the periods when Glen Dillingham shall be unable to work by reasons of sickness, accident, or lawful closures of Stevenson Co-Ply Inc. at Stevenson, Washington. Should the Purchaser skip any installment or installments as permitted by the terms of this contract, interest at the rate of eight and one half percent (8½%) shall nevertheless accumulate and be payable from the next installment falling due.

3. This agreement is executed by the parties hereto on condition that Glen Dillingham be approved as a shareholder at Stevenson Co-Ply Inc., after a probationary period of employment; and when Glen Dillingham shall have been approved by the Board of Directors, the Seller agrees forthwith to transfer on the books of the corporation the record ownership of said Stock Certificate to Glen Dillingham.

4. When Glen Dillingham shall have been approved for employment as a shareholder by the Board of Directors, the Purchaser agrees to pledge, set over and assign the aforesaid Stock Certificate to William B. Tremmel and Savannah G. Tremmel as pledgee for the faithful performance by the Purchaser of the terms of this agreement and in particular for the purpose of guaranteeing payment of the unpaid purchase price and interest.

5. The Purchaser shall not assign or transfer any rights under this agreement without the express written consent of the Seller.

6. Time is of the essence in this agreement. If the monthly installments and interest above specified shall not be paid promptly, and in the manner and at the times above described, William B. Tremmel and Savannah G. Tremmel, as pledgee of said corporate stock on thirty (30) days written notice by registered mail at his last known address, shall have the right and privilege to terminate this agreement and thereafter take full record

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ownership of said Stock Certificate and enjoy all rights and privileges incident thereto; and on the giving of said notice all payments theretofore made under this contract shall be forfeited as liquidated damages.

7. On payment of the purchase price in full together with interest the Seller shall deliver to the Purchaser the aforesaid Stock Certificate described in Paragraph 1 above. On the delivery of the Stock Certificate to the Purchaser all of his obligations under this agreement shall cease and terminate.

IN WITNESS WHEREOF the parties hereto have executed this agreement at Stevenson, Washington, this 12<sup>th</sup> day of September, 1989.

Seller: William B. Tremmel  
William B. Tremmel

Savannah G. Tremmel  
Savannah G. Tremmel

FILED FOR RECORD  
SKAMANIA CO. WASH  
BY William Tremmel

OCT 9 2 15 PM '89  
P. Lowmy  
AUDITOR  
GARY M. OLSON

Purchaser: Glen Dillingham  
Glen Dillingham

Vicky Dillingham  
Vicky Dillingham

STATE OF WASHINGTON )  
 ) ss.  
County of Skamania )

On this day personally appeared before me William B. Tremmel and Savannah G. Tremmel, husband and wife, and Glen Dillingham and Vicky Dillingham, husband and wife, to me known to be the individuals described herein and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 12<sup>th</sup> day of Sept, 1989.



Shirley A. Pittman  
Notary Public in and for the State  
of Washington, residing at Stevenson,  
Washington.