

DEED OF TRUST

THIS DEED OF TRUST made this 17th day of September, 1990, between: STEVENSON CO-PLY, INC., Grantor, whose address is P.O. Box 910, Stevenson, WA 98648; Skamania County Title Company, Trustee; and Great American Insurance, an Ohio corporation, Beneficiary, currently holding this collateral for the purpose of securing payment for surety bond premiums and for indemnity and related obligations now or hereafter owing from Grantor to Beneficiary in connection with the terms and conditions of surety bonds and and related goods and services which may now or hereafter be sold to Grantor by Beneficiary.

WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in Trust with the power of sale, the following described real property in Skamania County, Washington:

Section 35, EXCEPT the West half of the Northwest quarter and the Northwest quarter of the Southwest quarter; and the Southwest quarter of Section 36, Township 3 North, Range 5 East of the Willamette Meridian.

which real property is not used principally for agriculture farming, together with all tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any way appertaining, and the rents, issues and profits thereof.

This Deed is for the purpose of collateral for the premium payments and indemnity obligations owing to Beneficiary which may be incurred by the Grantor from time to time, securing the sum of up to ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00) in accordance with the terms of the premium payment and indemnity obligations payable to Beneficiary or its order, subject only to the first Deed of Trust, and made by Grantor, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by the Beneficiary to Grantor or incurred or otherwise owing by Grantor, or any of its successors or assigns, together with interest thereon at such rate as shall be agreed upon.

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property. To cut or sell no timber located on the property without the prior written consent of Beneficiary.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens or encumbrances impairing security of this Deed of Trust.
3. To defend any action or proceeding according to effect of security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including costs of title search and attorney's fees in a reasonable amount, in any such action or proceeding and in any suit brought by Beneficiary to foreclose this Deed of Trust.
4. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

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SKAMANIA CO. WASH
BY SKAMANIA CO. TITLE

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5. Should Grantor fail to pay when due any taxes, assessments, liens, encumbrances or other charges against the property, then Beneficiary may--in its sole discretion and without any obligation to do so--pay such charges, and the sum of such charges shall be added to and become a part of the debt secured in the Deed of Trust.

IT IS MUTUALLY AGREED that:

1. If Stevenson Co-Ply, Inc. shall become extinct, disbanded, or cease to function as a viable and solvent corporation, then, at the option of the Beneficiary if a claim is pending or the time remains when the Beneficiary can be held liable for premium payments or indemnity obligations, this Deed of Trust shall continue as security for the Beneficiary, the entire amount of principal and interest shall become due and payable within one year following such disbandment or dissolution.

2. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award of such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to the Beneficiary to be applied to said obligation.

3. By accepting payment of any sums secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all sums so secured or to declare a default for failure to so pay.

4. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor and Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary for the person entitled thereto.

5. Upon default by the Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) To the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto.

6. Trustee shall deliver to the Purchaser at the sale its Deed, without warranty, which shall convey to the Purchaser the interest in the property which the Grantor had or had the power to convey at the time of the execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's Deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of the law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide Purchaser and encumbrancers for value.

7. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

8. In the event of the death, incapacity, disability or resignation of the Trustee, Beneficiary may appoint in writing a

successor Trustee, and upon the recording of such appointment in the mortgage records of the County in which this Deed of Trust is recorded, the successor Trustee shall be vested with all powers of the original Trustee. The Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which the Grantor, Trustee or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

9. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors and assigns. The term Beneficiary shall mean party holding this collateral for payment per the terms of the Surety Agreement.

10. When the Beneficiary no longer has any duty to be a surety for the Grantor and no claims are pending or can be filed against the Grantor which would be protected by the Beneficiary as surety, then this Deed of Trust shall terminate and there shall be no future obligation on the part of the Grantor.

11. If this Deed of Trust is placed with an attorney for collection or enforcement, Grantor shall pay Beneficiary's reasonable attorney fees and collection costs even though no suit, action, or other proceeding is filed. If any suit, action, or other proceeding shall be instituted relating to any term or condition of this Deed of Trust or relating to any of the rights, duties, or obligations arising under it, the prevailing party shall be entitled to recover from the other party and the other party agrees to pay to the prevailing party, whether or not the matter proceeds to final judgment or decree, in addition to costs and disbursements allowed by law, such sum as the trial and each appellate court may adjudge reasonable as an attorney's fee in such suit, action, or other proceeding, and in any appeal thereof. Such sum shall include an amount estimated by the court as the reasonable costs and fees to be incurred by the prevailing party in collecting any monetary judgment or award or otherwise enforcing each order, judgment, or decree entered in such suit, action, or other proceeding. This clause applies, but is not limited to proceedings under the bankruptcy code or any receivership proceedings.

12. In the event the real property which is the subject of this Deed of Trust, or any part thereof or any interest therein, is sold, agreed to be sold, or otherwise alienated, by Grantor, then the debts and obligations to Beneficiary which are secured hereby shall be immediately due and payable to Beneficiary.

13. Nothing contained herein shall imply any obligation or commitment whatsoever on the part of Beneficiary to issue bonds or related goods and services to Grantor. The issuance of such bonds and the sale of such goods and services by Beneficiary shall be in Beneficiary's sole and absolute discretion.

STEVENSON CO-PLY, INC.

By John Kilpatrick
John Kilpatrick, President

By Jack Bell
Jack Bell, Vice President

By Chancey R. Davis, Jr.
Chancey R. Davis, Jr.,
Secretary/Treasurer

By Louie Nance
Louie Nance, Asst. Secretary

James Callahan
James Callahan, Director

James Fine
James Fine, Director

Larry Smyth
Larry Smyth, Director

STATE OF WASHINGTON)
) ss.
 COUNTY OF SKAMANIA)

On this day personally appeared before me, John Kilpatrick; Jack Bell; Chancey R. Davis, Jr.; Louie Nance; James Callahan; James Fine and Larry Smith, to me known to be the individuals described herein, and acknowledged to me that they signed the foregoing instrument as their free and voluntary act and deed for the uses and purposes therein mentioned.

Cloida F. Peyrolle
 NOTARY PUBLIC in and for the State
 of Washington, residing at
 MY COMMISSION EXPIRES ON 3-10-91



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