

thereof, and apply the same, less reasonable costs of collection, upon the indebtedness hereby secured, and the mortgagee shall have the right to the appointment of a receiver to collect the rents, issues and profits of the mortgaged premises. The rents, issues and profits of said premises after default are hereby assigned and mortgaged to the mortgagee as additional security for the indebtedness herein described.

This mortgage and the note secured hereby are executed and delivered under and in accordance with the said Federal Farm Loan Act and acts amendatory thereof or supplementary thereto, and are subject to all the terms, conditions and provisions thereof, which acts are made a part hereof the same as if set out in full herein.

The covenants and agreements herein contained shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

TIMBER LAND MORTGAGE RIDER

The Mortgagor covenants and agrees:

FIRST. Definitions: That the term "Timber Lands" as hereinafter used refers to that part of the mortgaged property now maintained and operated primarily for the production of timber.

SECOND. Management, General: That the Timber Lands shall be operated for their highest and best use as timberlands, having due regard to soil conditions, stand arrangements and other factors relevant to the conduct of sound silvicultural and harvesting practices. The Mortgagor further agrees that any intermediate harvesting of timber shall be carried out in a manner calculated to produce the maximum growth on the maximum number of stems, consistent with the production of the greatest quantity of timber.

- A. Harvesting Operations: That all cutting operations shall be conducted in such a manner as to realize the greatest return from the individual tree and from the timber stand, to effect suitable utilization of the Timber Lands, to assure the early and complete regeneration of stands of desirable timber, and to bring about their optimum development as to growth; that trees shall be cut as close to the ground as practicable; that all desirable trees which are not at the time being harvested, including young trees, shall be protected against unnecessary injury from felling, skidding and hauling; and that all measures reasonably practicable be used to prevent soil erosion including the proper location of skidways and roads.
- B. Salvage: That to the extent economically feasible, all trees which are dead, diseased, fallen or otherwise damaged by casualty, shall be salvaged in accordance with sound silvicultural practices; that any timber salvaged shall be applied against the release provision in Paragraph THIRD hereof; and that any salvage in excess of the volumes permitted under Paragraph THIRD hereof shall be subject to the prior written approval of the Mortgagee.
- C. Fire Protection: That all measures shall be taken which are reasonably necessary to protect the Timber Lands from loss by fire, which measures shall be at least equal to fire-control practices generally followed on timber-producing property in the same general area, including the adoption of suitable prevention and control measures, the maintenance of adequate fire-fighting equipment, proper disposal of slash, and full cooperation with state and federal agencies on matters of fire prevention and control.
- D. Maintenance of Roads: That an adequate system of roads and roadways shall be maintained in such manner as to permit access of mobile fire-fighting equipment to all parts of the Timber Lands.
- E. Control of Disease: That there shall be maintained at all times in a manner satisfactory to the Mortgagee and in accordance with sound silvicultural practices all reasonable and effective measures to prevent the development of and to control the spread of disease and insect infestation on the mortgaged property.
- F. Trespass: That the mortgaged property shall be marked to indicate the boundaries thereof in a conspicuous manner satisfactory to the Mortgagee; that such markings shall be renewed from time to time as may be necessary clearly to maintain public notice of boundaries; and that the Mortgagor shall cause the Timber Lands to be inspected for the purpose of preventing trespass of any type or nature, including unauthorized cutting of timber.
- G. Contracts: That no contract for the sale of timber wherein the buyer is granted the privilege of entry upon the mortgaged property for cutting and removal shall be made without prior written approval of the Mortgagee.
- H. Inspection: That the Mortgagee shall have the right to inspect the mortgaged property, to examine the scaling sheets and books of account of the Mortgagor relating to the mortgaged property, and to discuss the business, finances and accounts of the Mortgagor with the Mortgagor and its agents, all at such reasonable times and intervals as the Mortgagee may desire.

THIRD. Cutting and Removal of Timber: The Mortgagor agrees neither to cut or remove, nor to permit the cutting or removal of timber from the Timber Lands, without the prior written consent of the Mortgagee, except as hereinafter provided. The Mortgagor shall have the right to cut timber for non-commercial use on the mortgaged premises (and not for resale), for the purposes of repair, replacement, and construction of improvements, including bridges and fences, and for fuel; provided, however, that there shall be no default in accordance with the terms of the Note or of this Mortgage, that only trees not then of merchantable quality and without reasonable prospect of becoming such quality shall be used for fuel, and that no timber shall be cut for the purposes described in this sentence until timber cut or removed in salvage or thinning operations shall have been used for such purposes to the fullest extent practicable.

This rider is attached to and made a part of this mortgage, dated August 1st, 19 62, executed by the undersigned.

x Learl Kohn
x Arthur M. Graham