

certify to such reserved bonds and issue the same to the company or upon its order as aforesaid to an amount not exceeding one dollar and twenty cents for each one thousand feet of merchantable timber shown by said estimates to be standing upon such additional timber lands.

Article VIII. Each of the bonds hereby secured shall pass by delivery unless registered. Each bond may be registered in the name of the owner on the books of said trustee at its office in the city of Chicago, such registered owner or the legal representative of such owner shall be entitled to receive the principal thereof and no transfer shall be valid unless made by the legal representative of such owner and similarly noted on the bond, but the same may be discharged from registry by transfer to bearer after which it shall be transfereable by delivery, but such bond may again and from time to time be registered or transferred to bearer as before. Such registration however shall not restrain the transfereability of the coupons by delivery merely. In case any unpaid bond issued under this indenture or the coupons thereto appertaining, shall become mutilated or be destroyed, the company in its discretion, may issue and thereupon the Trustee shall certify and deliver a new bond of like date and tenor bearing the same serial number as the one mutilated or destroyed in exchange for and in place and upon cancellation of the mutilated bond or coupons or in lieu of and substitution for the same if destroyed, but the applicant shall bear all expenses connected with such exchange or substitution. In case of destruction the applicant for such substituted bond shall furnish to the party of the first part and the said trustee evidence of the destruction of such bonds or coupons so destroyed, which evidence shall be satisfactory to the party of the first part and the said trustee in their discretion, and said applicant shall also furnish indemnity satisfactory to both of them in their discretion.

Article IX. In case (1) default shall be made in the payment of any of the principal or any of the interest money mentioned in said bonds or coupons or any or either of them and any such default shall continue for a period of ten (10) days after such payment is demanded, or (2) default shall be made in the due observance or performance of any of the covenants agreement or condition herein required to be kept or performed by the Company, and any such default shall continue unremedied for a period of thirty (30) days after written notice thereof to the company from the trustee or from the holder of any of the outstanding bonds secured hereby to the company and the trustee, the trustee or its successor or successors in the trust hereby created may exercise any one or more of the following rights:

(a) The trustee may declare the principal of all of the bonds hereby secured and then outstanding to be due and the same shall thereupon become immediately due and payable, anything contained in said bonds or herein to the contrary notwithstanding. But if at any time after such declaration all arrears of interest upon all outstanding bonds with interest on overdue installments of interest and the principal of all bonds which by their terms are due and the expense of the Trustee shall be paid by the Company or collected out of the mortgaged property and any other default or defaults adjusted before any sale of the property shall have been made then the holder or holders of the majority in the amount of said outstanding bonds by written notice to the company and to the trustee may waive all such defaults previously accruing and obtain a rescission of such declaration.

(b) The Trustee may forthwith enter unto and take full possession of the real estate including the timber hereby mortgaged or intended so to be and any or every part thereof and hold and use the same to the best advantage of the holders of the bonds hereby secured and to the fullest extent authorized by law, collect and receive all moneys and income arising from such management and apply the same to the expense of the trustee in the performance of the trust, including a reasonable compensation for its own service, the services of its counsel attorneys agents and otherservant, and next to the management of the real estate hereby mortgaged including to payment of insurance and of taxes assessments and other governmental