

property to better advantage in the judicious and more profitable operation and management of its business.

Until default hereunder the Timber Company may sell and dispose of such machinery, equipment and chattels as may become worn out or unserviceable or no longer needed for its use in the conduct of its business, and such sale shall release such machinery, equipment and chattels so sold from the lien of this mortgage; provided, however, that if such sale or sales shall impair the efficiency of the plants of the Timber Company, the articles so sold shall be replaced by new machinery, equipment, chattels, and the Timber Company hereby covenants and agrees to keep all of its plants and mills in good repair and working order.

ARTICLE ELEVENTH: If the Trustee, as it is authorized in its discretion to do, advances or expends money either for premiums for insurance or to save any property hereby conveyed from sale or forfeiture from taxes or assessments, or to redeem the same from such sale, or to purchase any tax title or claim thereon, or to remove any mechanic's lien or other lien or encumbrance thereon having priority over this indenture, or in defending any suit in relation thereto, or in any manner protecting the title or estate hereby conveyed, or intended so to be, all money so advanced or expended, as well as the reasonable or agreed charges of the Trustee for its services hereunder, shall be charges secured by this indenture in the same manner as said bonds, but shall have priority over said bonds and coupons, and shall be repaid with interest at six per cent. per annum by said Timber Company on demand; and it shall not be obligatory to inquire into the validity of such tax title, or of such taxes or assessments, or sales therefor, or of said liens, in advancing money in that behalf as above authorized; but nothing herein contained shall be construed as requiring the Trustee to effect such insurance or to advance or expend money for taxes or assessments or other purposes aforesaid.

ARTICLE TWELFTH: In the event that said Timber Company be required by any law now in force or hereafter passed by the United States, or any state thereof, or any county or municipality therein, to pay for or on behalf of the holder or holders of any of said bonds any taxes or public dues arising out of the ownership of any of said bonds, or be required to retain such taxes or dues out of any payment to be made to such holder or holders of any of said bonds, said Timber Company covenants nevertheless to pay to the holder or holders of such bonds the full amount due thereon, both principal and interest, without deduction for or on account of such payment or payments of taxes or public dues so required to be paid or retained, and will not charge the amount of such payment or payments against such holder or holders of such bonds or any of them.

ARTICLE THIRTEENTH: Said Timber Company covenants faithfully to pay the principal sums due on said bonds when the same become payable according to the tenor thereof, together with the interest coupons thereon, upon presentation and surrender of said coupons and bonds respectively, and covenants well and truly to perform, according to the true intent and meaning thereof, all other covenants by it in this indenture made or stipulations herein on its part to be kept and performed.

No purchase or sale of any of the coupons hereby secured or loan or advance made upon any of said coupons, on behalf of or at the request of the Timber Company, whether before or after maturity, and no redemption of any of said bonds or coupons by any guarantor of the payment thereof, shall beyond the time of maturity of such bonds or coupons keep such bonds or coupons alive or in force as a lien upon the property hereby conveyed as against the holders of any other bonds or other coupons.