

covenant that they are well seized of all the properties above described and mentioned and have full power to convey the same as hereby conveyed; that the same are free from taxes and assessments and that the same are free from all further grants and encumbrances and that the said companies will forever warrant and defend to the said Trustee the peaceable and quiet possession of said property against all and every person or persons lawfully claiming the whole or any part thereof, and the Blazier Company will pay all taxes and assessments, general and special, which may be levied or assessed upon any property hereby conveyed, as and when the same shall become due and payable; that it will not suffer any property hereby conveyed to be sold for any taxes or assessments or be forfeited therefor; nor suffer any mechanics' lien or other lien having priority over this indenture, to attach to any of said property, and will not permit or commit any waste of any property hereby conveyed and necessary, useful or profitable in the conduct of its business.

ARTICLE SIXTH: The parties of the first part covenant that they will, upon request of the Trustee, do and perform all acts necessary and proper to keep valid the lien hereby created or intended to be created, and that they will, upon request of the Trustee at any time hereunder, as often as may be necessary, make, execute and deliver, or cause to be made, executed and delivered to said Trustee, any other or further deed or deeds, acts, purchase money mortgages, conveyances or assurances said Trustee may, upon advice of counsel learned in the law, reasonably demand for the purpose of carrying into full effect the objects and purposes of this indenture.

ARTICLE SEVENTH: The Blazier Company and the Railroad Company covenant and agree that from and after the 1st day of February, 1911, and so long as any of the notes or any of the first mortgage bonds hereby secured are outstanding, they will pay or cause to be paid to the Trustee for the sinking fund as hereinafter provided, one dollar per 1,000 feet, mill scale, for all logs hauled over the lines of the Railroad Company, with the exception of logs belonging to the Oregon-Washington Timber Company upon which a sinking fund has been heretofore provided under the terms of the first mortgage deed of trust of said Timber Company hereinbefore referred to, which sinking fund shall be paid upon and shall include the first 30,000,000 feet of timber, mill scale, so hauled.

The Blazier Company and the Railroad Company further covenant that upon all timber hauled over the lines of the Railroad Company, with the exception above contained of the timber of the Oregon-Washington Timber Company, after the first 30,000,000 feet, mill scale, of timber covered hereby, they will pay, or cause to be paid, to the Trustee for the sinking fund, and so long as any of the notes and first mortgage bonds secured hereby are outstanding, the sum of \$1.75 per 1,000 feet, mill scale, for all logs hauled over the lines of said Railroad Company, until the notes in Series A for the sum of One Hundred Thousand (\$100,000) Dollars herein provided for, shall have been paid, anything hereinbefore to the contrary notwithstanding, and it is agreed that said sinking fund shall be based upon, and shall include all the timber to be purchased by the Blazier Company, or any of the parties of the first part, and upon any and all timber or timber lands in Skamania County, Washington, hereafter acquired by the Blazier Company or J.E. Blazier.

Payments on account of the sinking fund herein provided for shall be made regularly to some bank or trust company in the City of Portland, in the State of Oregon, named by said J.E. Blazier, and satisfactory to and approved by the Trustee, on the 15th day of each month for all logs covered by this agreement hauled over the rail-