

Company covenants and agrees to assign to the Trustees all its rights to any payments accruing to it thereunder, as additional protection to the holders of bonds issued hereunder), and will not itself cut or otherwise use the timber standing thereon, except in accordance with the terms and conditions in this Indenture contained.

Section 8. The Company further covenants and agrees that while it remains in possession of the mortgaged premises and property covered hereby, it will diligently preserve all the rights now or hereafter owned or held by it and will diligently comply with all the contract obligations and grants under which it operates, and in using and operating its plants, works, machinery, apparatus and equipment it will at all times maintain the same and every part thereof, and the appurtenances thereto, in thorough repair, working order and conditions, and will from time to time make all needful and proper repairs and replacements, so that the operations and business of the works and plants and every part thereof shall be at all times carried on with all reasonable efficiency and economy and with safety and dispatch.

Section 9. The Company covenants that it will at all times and henceforth until the principal sum of money and interest due thereon shall be fully paid, keep all its mills and the contents thereof respectively, that are usually insured by like companies, insured against loss or damages by fire in good and responsible insurance companies or associations, for an amount not less than the average amount for which similar properties are commonly insured by companies engaged in like business, and will cause such insurance to be made payable in case of loss to Continental and Commercial Trust and Savings Bank, one of the Trustees, as its interest for the bondholders may appear, by proper stipulations inserted in the policies, and will deliver to said Trustee a detailed statement or schedule of such policies of insurance and all the renewal certificates and policies therefor, as soon as and whenever such insurance is effected, and in default of so doing the said Trustee may at its option (but shall not be obligated so to do) effect such insurance in its name as such Trustee; and all moneys paid by said Trustee or by any bondholder therefor, together with interest thereon at the rate of six per cent. (6%) per annum, shall be repaid by the Company upon demand, and shall become so much additional indebtedness secured by this trust deed, to be paid out of the proceeds of any sale of said property, if not otherwise paid by the said Company.

In case of loss the said Trustee shall allow the insurance money received on any policy of insurance procured by the Company to be applied by the Company toward the replacement of or addition to or betterment of the property destroyed or injured, if the Company shall in writing so request, and said Trustee shall upon request pay over to the Company, for that purpose, either ratably as the work progresses or when the work is completed, at the option of the Company, upon receipt of proper vouchers showing that said property has been or is being replaced by new and additional property costing as much as the amount of money so paid over, any and all of such insurance received on policies procured by the Company; but if the Company shall not, within three months from the time of the payment of such loss, request said Trustee in writing so to apply such insurance, then the same shall be turned over to the Sinking Fund hereinafter provided for, and shall be applied as is hereinafter provided for the application of other portions of such Sinking Fund.

In case of any loss covered by any policy of insurance, any appraisalment or adjustment of such loss and any settlement or payment of indemnity therefor, which shall be agreed upon between the Company and any insurance company, may be consented to and accepted by the said Trustee without further inquiry on its part, and the said Trustee shall in no way be liable or responsible for the collection of any insurance in case of any loss, or be bound to take any affirmative action whatsoever in connection therewith.