

in charge of logging operations, specifying the lands upon which any timber has been cut and the aggregate stumpage upon which said sinking fund shall be computed and paid, provided, however, that where, upon the said Cruise Book the estimated stumpage is shown separately for divisions less than a quarter-quarter section, and it is shown in the said affidavit or affidavits that only such smaller tract upon which the stumpage has been so separately estimated and shown in said Cruise Book has been entered upon and that no timber has been cut except upon such smaller lot or area so separately estimated upon the Cruise Book, the Company need pay into the sinking fund only for the stumpage upon such smaller area upon which such timber has been so cut, provided further, that if the timber so actually cut in any such period upon any quarter-quarter section or lots is less than the estimated stumpage shown upon such Cruise Book for such quarter-quarter section or lot the company shall pay into such sinking fund a sum of money equal to the amount payable for that period for each one thousand (1000) feet of timber cut, based upon the amount of timber shown by the estimate in the Cruise Book. The Company agrees that when any quarter-quarter section has been entered for the purpose of cutting timber thereon that the cutting upon such quarter-quarter section will be forthwith fully completed.

Section 3. The Company covenants and agrees that on or before sixty (60) days from the time when any of the timber subject to the lien hereof shall have been damaged or injured by the action of fire or wind, it will send to the Trustees a statement (and a duplicate thereof to F.A.Brewer & Company) of a cruise made by a timber estimator satisfactory to F.A.Brewer & Company, covering all the land and timber herein described and verified by the affidavit of said estimator and showing the number of feet of merchantable timber which has been damaged or injured by the action of fire or wind. And the Company also covenants and agrees that on or before the 1st day of October in each year it will send to the Trustees (and a duplicate thereof to F.A. Brewer & Company) a cruise made by a timber estimator satisfactory to F.A.Brewer & Company covering all the land and timber herein described verified by the affidavit of said estimator and certifying (1) that none of the timber on said lands has been damaged or injured by the action of fire or wind, or (2) showing the number of feet of merchantable timber which has been damaged or injured by the action of fire or wind during the preceding calendar year ending July 1st next preceding; and in case of failure or refusal of the Company to make the timber cruises above mentioned at the time and in the manner above specified, then and in that event such a cruise may be made at the direction of the Trustees or of F.A.Brewer & Company at the expense of the Company, and the Company agrees to pay such expenses promptly upon demand, and a copy of the statement or statements of such cruise shall be filed with the Trustees.

The Company further covenants and agrees immediately upon the filing of the statements aforesaid to pay into the sinking fund at the rate of Two Dollars and Fifty cents (\$2.50) for each one thousand feet of timber, log scale, shown by such cruise to have been so destroyed by action of fire or wind, as to be unsalvageable and to cause all of said timber which shall have been destroyed or injured by action of fire or wind, and still remains salvageable to be manufactured into lumber or lumber products with reasonable diligence, or to be sold in logs in such manner as to recover the greatest value from the timber so damaged and to forthwith enter upon and cut all timber so damaged and to forthwith enter upon and cut all timber from the lands upon which timber had been damaged by the action of fire or wind, as aforesaid and make payments into the sinking fund therefor, as provided in respect to other timber in Section 2 of Article IV hereof. The Trustees and F.A.Brewer & Company at any time in their discretion, or in the discretion, of either of them may make, or cause to be made an