

within sixty days from the end of each such calendar month, pay or cause to be paid to the depository and in the manner hereinafter mentioned and provided the sum of not less than \$2,20.

The sums so paid shall constitute a sinking fund for the payment of the notes hereby secured as herein provided.

It is expressly understood and it is hereby declared that while the above sinking fund payments are measured by the amount of logs to be cut and transported as aforesaid, and while it is expected that said payments can be made in the amounts and at the times aforesaid out of moneys received for the logs so cut and for transporting said logs, and that the payments on the basis aforesaid will be sufficient to meet the interest on and principal of the notes hereby secured when due (provided the full minimum amount of fifty million feet of logs shall be cut in every twelve months' period as stated in Paragraph A of this Section 1), nevertheless and in any event the Companies hereby undertake, covenant and agree to pay or cause to be paid in the manner hereinafter stated to the said Assets Realization Company as minimum sinking fund payments in each of the years 1912 to 1917, both inclusive, beginning May 1st in the year 1912, such sums as will aggregate the following amounts on the following dates, respectively:

On or before September 1st in the year 1912 the amount of \$42,750.

On or before March 1st in the year 1913 the amount of \$41,850.

On or before September 1st in the year 1913 the amount of \$45,950.

On or before March 1st in the year 1914 the amount of \$44,900.

On or before September 1st in the year 1914 the amount of \$48,850.

On or before March 1st in the year 1915 the amount of \$52,650.

On or before September 1st in the year 1915 the amount of \$56,300.

On or before March 1st in the year 1916 the amount of \$54,800.

On or before September 1st in the year 1916 the amount of \$58,300.

On or before March 1st in the year 1917 the amount of \$56,650.

But nothing in the provisions last stated shall be construed or regarded as relieving the Companies from their obligations and undertakings hereinbefore mentioned with respect to the amount of logs to be cut and transported or to the monthly amounts to be paid for sinking fund on the basis of logs so cut and transported - it being understood that the amounts paid into the sinking fund in any six months' period over and above the amounts required to pay the principal of the notes hereby secured, on their dates of absolute maturity, respectively, and to pay the interest thereon when and as the same accrues, are to be applied towards the redemption of the notes of the longest maturities as hereinabove in Article Two provided, and in that respect and to that extent the security of the remaining notes materially enhanced.

It is further understood and hereby expressly declared that the Railroad Company shall not be entitled to any payment or payments under the aforesaid respective hauling and extension contracts in any six months' period in each of said years 1912 to 1917, both inclusive (or at any time thereafter while any of the notes hereby secured remain outstanding and unpaid), until the maximum sinking fund payments for each such period herein provided for shall be paid to the said Assets Realization Company; and in addition thereto the Railroad Company