

by the last preceding paragraph of this Article contemplated, the Company may, if it elect so to do, substitute for the damaged timber other timber lands of the same or greater acreage, of the same or greater value and stumpage and similarly situated, whereof the fee to the land and to the timber is vested in the Company, under the terms and conditions specified in paragraph numbered One (1) of Article III of this instrument.

Article III. It is further made a stipulation and covenant of this agreement that the lien of this deed of trust or mortgage upon specific parcels of real property shall be released by suitable deed of release by said Trustees in the following cases:

The Trustees shall release any number of acres from the lien of this instrument:

(1) Providing other timber lands of the same or greater acreage and of the same or greater value and stumpage and similarly situated, shall be substituted therefor. At the time that application for such release is made a certificate of the Company, accompanied by the opinion of counsel learned in the law, shall be lodged with the Trustees, from which certificate it shall appear to the satisfaction of the Trustees and of Causey, Foster & Company, Bankers, of Chicago, Illinois (hereinafter called The Bankers), that said lands are uncut timber lands of substantially the same acreage, quality, situation and value as the said lands sought to be released; and that substantially merchantable title thereto is vested in the Company free of all liens save the lien of current taxes that may not then be due or payable; or,

(2) Whenever the lands sought to be released are to be used and have been dedicated by the Company to railroad right of way purposes; but no such release shall be for more land than a strip one hundred (100) feet wide.

(3) Whenever the Company shall have purchased the release of any quarter-quarter section or of any governmental lot, pursuant to the provisions of Article VI hereof.

Article IV. The stock certificates evidencing the stock of Trout Lake Lumber Company hereby pledged and lodged with the Trustees as a part of the mortgaged premises, shall continue in the possession of the Trustees until the indebtedness hereby secured is fully paid, or until this mortgage shall be foreclosed, unless said stock shall sooner be sold or shall be sooner exchanged for stock in another company as hereinafter provided.

And until default shall be made by the Company in the performance of some of the covenants and agreements of this instrument the Company may:

(a) vote such stock at all regular and special meetings of the stockholders of Trout Lake Lumber Company precisely as if the pledge thereof by this instrument had never been made;

(b) receive and apply to its own proper purposes all dividends declared and paid upon said stock or upon any of it.

The Trustees, however, shall deliver said certificates of stock to the Company or to its appointee, upon the happening of any of the following contingencies;

If the Company shall sell said stock for cash moneys and shall pay to the Trustees the entire proceeds of such sale for the account of sinking fund: In any such case there shall be filed with the Trustees a certificate signed by the President of the Company and attested by the Secretary, under its corporate seal, that such sale has been made in good faith at a stated price; that the price is the fair market value of said stock; and that the entire proceeds of such sale have been or will be transmitted to the Trustees for the account of sinking fund. Thereupon and upon receipt in cash moneys or in current funds satisfactory to the Trustees of the purchase price of said stock, the Trustees shall deliver said stock certificates to the Company or to such person as it may in writing designate.

2. If the Company shall exchange said stock for stock in another company, one of whose purposes is the owning and operating of saw mills; But no delivery of said stock shall