

be made under this contingency unless and until there shall have been lodged with the Trustees:

(a) stock certificates in such other company evidencing the total consideration of such exchange;

(b) certificate of the president of the Company attested by the Secretary under its corporate seal, that the stock so substituted represents the entire consideration of such exchange;

(c) certificate by the Bankers in terms consenting to such exchange.

3. If the Company shall sell said stock partly for cash and partly for any other consideration: But no delivery of the stock of Trout Lake Lumber Company hereby pledged shall be made under this contingency unless and until there shall have been lodged with the Trustees:

(a) all of the cash moneys received on account of the purchase price of said stock;

(b) all of the stocks or other securities evidencing the residue of the purchase price; but all such stocks and securities shall be assigned to the Trustees by proper endorsement or assignment or conveyance so as to vest the Trustees with absolute control over, and title to, them;

(c) certificate of the president of the Company, attested by the secretary under its corporate seal, that the items (a) and (b) above specified together constitute the entire consideration of such sale, and that the fair market value thereof is the fair market value of said stock;

(d) certificate by the Bankers in terms consenting to such sale.

Thereupon the Trustees shall deliver to the Company or to its appointee the stock of Trout Lake Lumber Company hereby pledged and lodged.

In the event of the happening of the first contingency the cash proceeds derived from such sale shall be employed as other sinking fund in redemption of bonds hereby secured in advance of their maturity. In the event of the happening of the second contingency, the stock substituted for the stock of Trout Lake Lumber Company shall be held under the same trusts created by this instrument as the stock of Trout Lake Lumber; and the Company may vote the same and receive the dividends thereof until default as herein provided in the case of the stock of Trout Lake Lumber Company. In the event of the happening of the third contingency, the cash proceeds of the sale shall be turned over into sinking fund account and applied as other sinking fund to the redemption of bonds in advance of their maturity; and the stocks, securities or other things of value constituting the residue of the consideration shall continue in the possession of the Trustees and shall be held under the same trusts as the stock of Trout Lake Lumber Company; the Company, however, until default herein shall be entitled to vote all stock, if any, and to receive the dividends or all income from all other securities. But the principal thereof as and when realized shall be applied for the account of sinking fund and the Trustees are hereby vested with full power and authority to protect or to enforce the collection of any substituted securities, subject, nevertheless to the provisions of Section XIV. of this instrument for the protection and remuneration of the Trustees.

But in the event of the happening of any default made and continued as in Article IX of this instrument provided, the Trustees may, if they elect so to do, cause said stock certificates to be reissued in their name as Trustees, and may thereafter vote such shares of stock at all stockholders' meetings, regular and special, and may thereafter receive for the account of sinking fund all dividends declared and thereafter paid on said stock. And in the event of a foreclosure of this instrument, either by court proceedings or by Trustees' sale, the Trustees may sell said shares of stock at the same time and in the same manner as all or some part of the residue of the mortgaged premises, or may cause the