

Receiver of the J. K. Lumber Company and the Basin Logging Company;

- (2) A certain contract relating to certain rights-of-way and concerning booming rights appurtenant to and connected with the contract last aforesaid, made between the aforesaid Receiver and J. F. Ridenour and wife;
- (3) A certain contract relative to the cutting and sale of timber between William H. Putnam as such Receiver and Louis Aalvik;
- (4) A certain contract relative to the cutting and sale of timber between the aforesaid Receiver and Theo Lindis.

TO HAVE AND TO HOLD all and singular the properties aforesaid unto the said Grantees, their successors in trust and assigns forever; (in trust nevertheless), for the purpose of securing the prompt and punctual payment of all and every of the Notes above described and interest that may accrue thereon, and for the uses and purposes and upon the terms and conditions hereinafter more particularly set forth.

#### ARTICLE 1.

Item 1. The one hundred and fifteen (115) Notes hereinbefore described shall be at once certified and delivered by the Grantees to the Grantor or to such other person or persons as Grantor may designate in writing.

Item 2. All of the notes issued and certified hereunder shall stand upon equality without regard to the date of issue, certification or delivery thereof. Only such notes as shall have endorsed thereon the certificate of the said Security Loan and Trust Company, the Corporate Grantee, shall be obligatory for any purpose, or shall be secured by this Instrument; and every such certificate of said Grantee, upon any note executed in behalf of the grantor, shall be the only and conclusive evidence that the note so certified has been duly issued hereunder; and no holder of any note issued hereunder, which shall be so certified, shall be under the duty or obligation to ascertain whether the same shall have been duly issued, certified or delivered according to the provisions hereof. The interest coupons shall be authenticated by a fac-simile of the signature of the Grantor.

Item 3. Any and all notes secured hereby shall pass by delivery unless registered, but they may be registered as to the principal thereof in the holder's name on books kept for that purpose by the said Security Loan and Trust Company, at its office in Red Wing, State of Minnesota, or by any successor of such Registrar, such registry being noted on the note by such Registrar, after which only such registered holder or <sup>his</sup> legal representative of such holder shall be entitled to receive the principal thereof; and, while registered, no transfer of any note shall be valid unless made on such Registrar's books by the registered holder of the same in person or by the legal representative of such holder, and similarly noted on the note; but any note may be discharged from registry by registration to bearer, after which it shall again be negotiable and transferable by delivery. It may be registered again, however, after any discharge from registry, in the manner above provided.

The registration of any note shall not impair the negotiability of the interest coupons, but they shall continue to be negotiable and transferable by delivery, notwithstanding such registration.

Item 4. In case any note issued hereunder shall become mutilated, lost or destroyed, the Grantor in his discretion may issue, and thereupon the Corporate Grantee shall certify and deliver, a new note of like date, tenor and amount, bearing the same number as the note that may be mutilated, lost or destroyed, in exchange