

WHEREAS, ALL THINGS NECESSARY TO MAKE SAID NOTES WHEN DULY ISSUED AND AUTHENTICATED AS HEREIN REQUIRED, BINDING AND VALID OBLIGATIONS OF "THE COMPANY", AND ALL THINGS NECESSARY TO CONSTITUTE THIS AGREEMENT A VALID INSTRUMENT HAVE BEEN DONE AND PERFORMED, NOW, THEREFORE, THIS INDENTURE, WITNESSETH:

THAT IN ORDER TO SECURE THE PAYMENT OF THE PRINCIPAL AND INTEREST UPON SUCH NOTES AT ANY TIME ISSUED AND OUTSTANDING UNDER THIS INDENTURE, ACCORDING TO THEIR TENOR AND EFFECT, AND TO SECURE THE PERFORMANCE OF ALL THE COVENANTS AND CONDITIONS HEREIN CONTAINED, AND TO DETERMINE THE TERMS AND CONDITIONS UPON WHICH SAID NOTES ARE AND SHALL BE ISSUED AND HELD, AND FOR AND IN CONSIDERATION OF THE PREMISES, AND OF THE PURCHASE AND ACCEPTANCE OF SUCH NOTES BY THE HOLDERS THEREOF, AND IN FURTHER CONSIDERATION OF THE SUM OF \$1.00 EACH TO THE OTHER IN HAND PAID AT THE TIME OF THE EXECUTION AND DELIVERY OF THESE PRESENTS, THE RECEIPT WHEREOF IS HEREBY ACKNOWLEDGED, IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

ARTICLE I.

PARTICIPATION IN BENEFITS.

THIS AGREEMENT IS MADE FOR THE EQUAL PRO RATA USE, BENEFIT AND PROTECTION OF EACH AND EVERY PERSON, FIRM OR CORPORATION WHICH SHALL BECOME OR BE THE LAWFUL OWNERS OR LEGAL HOLDERS OF ANY OF THE NOTES ISSUED HEREUNDER, OR THE OWNERS OR LEGAL HOLDERS OF THE COUPONS FOR INTEREST THEREON, WITHOUT PREFERENCE, PRIORITY, OR DISTINCTION OF ANY OF SAID NOTES OR INTEREST COUPONS OR CLAIMS FOR INTEREST (EXCEPT AS PROVIDED IN SECTION 7 AND 8 OF ARTICLE II.) OVER ANY OTHER NOTE OR INTEREST COUPON OR CLAIM FOR INTEREST BY REASON OF PRIORITY IN THE TIME OF CERTIFICATION, ISSUE, SALE OR NEGOTIATION THEREOF, OR OTHERWISE, SO THAT EACH AND EVERY NOTE AND INTEREST COUPON AND CLAIM FOR INTEREST ISSUED AS AFORESAID SHALL HAVE THE SAME RIGHTS, BENEFITS, AND SECURITY UNDER AND BY VIRTUE OF THIS AGREEMENT, AND SO THAT THE PRINCIPAL AND INTEREST OF EVERY NOTE SHALL, SUBJECT TO THE TERMS HEREOF, BE EQUALLY AND RATABLY SECURED HEREBY, AS IF ALL HAD BEEN CERTIFIED, ISSUED, SOLD AND NEGOTIATED SIMULTANEOUSLY WITH THE EXECUTION AND DELIVERY OF THIS AGREEMENT, IT BEING INTENDED THAT THE BENEFIT AND SECURITY OF THIS AGREEMENT SHALL TAKE EFFECT FROM THE DAY OF THE DATE HEREOF WITHOUT REGARD TO THE DATE OF THE ACTUAL CERTIFICATION, ISSUE, SALE OR NEGOTIATION OF ANY OF SAID NOTES, AS THOUGH UPON SAID DAY ALL OF SAID NOTES WERE ACTUALLY CERTIFIED, ISSUED, SOLD AND DELIVERED AND IN THE HANDS OF THE HOLDERS THEREOF FOR VALUE.

ARTICLE II.

EXECUTION, ISSUANCE, CERTIFICATION, MATURITY, FORM AND REGISTRY OF NOTES.

SECTION 1. THE NOTES ISSUED HEREUNDER AND THE INTEREST COUPONS APPERTAINING THERETO, AND "THE TRUSTEES'" CERTIFICATE ENDORSED THEREON, SHALL BE IN SUBSTANTIALLY THE FORM AND PURPORT HEREINBEFORE RECITED, AND THE SAID NOTES SHALL BE KNOWN AS COLUMBIA RIVER PAPER MILLS 5½% 1 TO 3 YEAR SERIAL SECURED GOLD COUPON NOTES.

SECTION 2. THE AGGREGATE PRINCIPAL SUM OF ALL NOTES, WHICH MAY BE ISSUED AND OUTSTANDING UNDER THIS AGREEMENT AND SECURED HEREBY SHALL BE \$400,000, WHICH NOTES SHALL BE OF THE DENOMINATION OF \$1,000 EACH AS TO \$362,000 THEREOF, NUMBERED CONSECUTIVELY FROM M 1 TO M 362 INCLUSIVE, AND SHALL BE OF THE DENOMINATION OF \$500 EACH AS TO \$38,000 THEREOF, NUMBERED CONSECUTIVELY FROM D 1 TO D 76, AND SHALL MATURE, UNLESS SOONER CALLED, AS FOLLOWS: