

SECTION 7. NO COUPON BELONGING TO ANY NOTE ISSUED HEREUNDER, OR ANY CLAIM FOR INTEREST ON ANY REGISTERED NOTE, WHICH IN ANYWAY AT OR AFTER MATURITY SHALL HAVE BEEN TRANSFERRED OR PLEDGED SEPARATE AND APART FROM THE NOTE TO WHICH IT RELATES, SHALL, UNLESS ACCOMPANIED BY SUCH NOTE, BE ENTITLED IN CASE OF DEFAULT HEREUNDER, TO PAYMENT OR TO ANY BENEFIT OF OR FROM THIS AGREEMENT, EXCEPT AFTER PRIOR PAYMENT IN FULL OF THE PRINCIPAL OF THE NOTES ISSUED HEREUNDER AND OF COUPONS AND INTEREST OBLIGATIONS NOT SO TRANSFERRED OR PLEDGED.

SECTION 8. WHEN AND AS THE NOTES SECURED HEREBY AND THE COUPONS THERETO ATTACHED ARE PAID, SAID NOTES AND COUPONS SHALL BE CANCELLED AND NO PURCHASE OR SALE OF SAID NOTES OR COUPONS OR ADVANCES OR LOANS MADE UPON THE SAME IN BEHALF OF OR AT THE REQUEST OF OR WITH THE PRIVACY OF "THE COMPANY", AND NO REDEMPTION OF SAID NOTES OR COUPONS OR ANY OF THEM BY ANY GUARANTOR OF THE PAYMENT OF THE SAME, SHALL BE TAKEN TO OPERATE AS KEEPING THE SAID NOTES OR COUPONS OR ANY OF THEM ALIVE OR IN FORCE AS AGAINST THE OUTSTANDING NOTES ISSUED HEREUNDER, AND THE COUPONS ANNEXED THERETO. NEITHER SHALL "THE COMPANY" EXTEND, NOR CONSENT TO AN EXTENSION OF THE TIME OF PAYMENT OF ANY NOTES ISSUED HEREUNDER, OR OF ANY INTEREST COUPONS AND IF SUCH EXTENSION BE MADE WITH OR WITHOUT THE CONSENT OF "THE COMPANY", SUCH NOTE OR INTEREST COUPON, OR CLAIM FOR INTEREST REPRESENTED THEREBY SHALL BE SUBJECT TO PRIOR PAYMENT IN FULL OF THE PRINCIPAL OF THE NOTES AND COUPONS WHOSE PAYMENT SHALL NOT HAVE BEEN SO EXTENDED.

SECTION 9. IN CASE ANY NOTE OR COUPON ISSUED HEREUNDER SHALL BE MUTILATED OR LOST, OR DESTROYED, "THE COMPANY" IN ITS DISCRETION MAY ISSUE, AND "THE TRUSTEE" MAY IN ITS DISCRETION CERTIFY AND DELIVER A NEW NOTE AND COUPON OF LIKE TENOR, AMOUNT AND DATE, HAVING THE SAME SERIAL NUMBER, IN EXCHANGE AND SUBSTITUTION FOR AND UPON CANCELLATION OF THE MUTILATED NOTE OR COUPON OR IN LIEU THEREOF, AND IN SUBSTITUTION FOR SUCH LOST OR DESTROYED NOTE OR COUPON UPON RECEIPT OF EVIDENCE SATISFACTORY TO "THE COMPANY" AND TO "THE TRUSTEES" OF THE DESTRUCTION OR LOSS OF SUCH NOTE OR COUPON, AND ALSO UPON RECEIPT OF INDEMNITY SATISFACTORY TO "THE COMPANY" AND TO "THE TRUSTEES". "THE COMPANY" MAY CHARGE FOR THE ISSUE OF SUCH NEW NOTE OR COUPON AN AMOUNT SUFFICIENT TO REIMBURSE "THE COMPANY" FOR THE EXPENSE INCURRED BY IT IN THE ISSUE THEREOF.

ARTICLE III.

COVENANTS OF "THE COMPANY".

"THE COMPANY" COVENANTS AND AGREES TO AND WITH "THE TRUSTEES" FOR THE BENEFIT OF EACH AND EVERY PERSON WHO MAY HEREAFTER BECOME A HOLDER OR OWNER OF ANY OF THE NOTES ISSUED HEREUNDER THAT SO LONG AS ANY OF THE NOTES ISSUED UNDER THIS AGREEMENT OR ANY OF THE COUPONS APPERTAINING THERETO, OR THE INTEREST TO ACCRUE THEREON SHALL BE OUTSTANDING AND UNPAID:

~~SECTION 1. IT WILL DULY AND PUNCTUALLY PAY THE PRINCIPAL AND INTEREST OF EACH AND EVERY NOTE ISSUED HEREUNDER AT THE DATES AND PLACE AND IN THE MANNER MENTIONED~~

SECTION 1. IT WILL DULY AND PUNCTUALLY PAY THE PRINCIPAL AND INTEREST OF EACH AND EVERY NOTE ISSUED HEREUNDER AT THE DATES AND PLACE AND IN THE MANNER MENTIONED IN SAID NOTES OR THE COUPONS THERETO BELONGING ACCORDING TO THE TRUE INTENT AND MEANING THEREOF. "THE COMPANY" HEREBY CONSTITUTES AND APPOINTS LUMBERMENS TRUST COMPANY AT PORTLAND, OREGON, ITS AGENT TO MAKE SAID PAYMENTS OF PRINCIPAL AND INTEREST OF THE NOTES AND AGREE THAT IT WILL PROVIDE IT AT LEAST FIFTEEN DAYS IN ADVANCE OF MATURITY WITH FUNDS NECESSARY TO MAKE SUCH PAYMENT, AND THAT IT WILL INDEMNIFY AND EXONERATE