

operations to be conducted as hereinafter provided.

To Have and To Hold all of the said properties mortgaged and conveyed by the Company as aforesaid, or intended so to be, unto the Bank, its successors and assigns, forever as security for:

- (a) Payment of the indebtedness, both principal and interest, as evidenced by the promissory note of the Company hereinbefore set forth, and all renewals and extensions thereof, strictly at the times provided therein;
- (b) The performance and discharge of each agreement of the Company herein contained and the repayment of any sums expended or advanced by the Bank pursuant to the terms hereof together with interest thereon as hereinafter provided.
- (c) The due and faithful observance and performance by the Company of that certain Loan Agreement dated September 11, 1944, heretofore executed and delivered by Company to the Bank, and of each and every term, covenant and condition therein contained in strict accordance with the tenor and intent of said agreement.

Accordingly, if the Company, its successors or assigns, shall pay or cause to be paid unto the Bank, its successors or assigns, the aforesaid indebtedness in the principal sum of \$550,000.00, together with interest thereon, at the time and in the manner provided in said note and shall keep, perform and observe all and singular the covenants, promises and conditions of said note and of such Loan Agreement, and of this indenture to be kept, performed and observed by and on the part of the Company, then this indenture and the estate and rights of the Bank hereby granted and created shall cease and determine and a discharge of this mortgage shall be given by the Bank; provided, however, that this mortgage shall not be or be considered to be wholly or partially satisfied or discharged by the renewal or successive renewals of said note or other instruments at any time evidencing any part of such indebtedness, nor by the extension or successive extensions of any thereof; nor by any substitution therefor, but shall remain in full force and effect and its security shall continue unaffected and unimpaired by any interim or partial payments or by any renewal or extension of or any substitution for any instrument at any time evidencing any part of such indebtedness until all indebtedness created or recreated pursuant to said Loan Agreement, together with all interest thereon and all sums secured hereby shall have been fully paid.

In consideration of the premises and of the payment hereinbefore acknowledged, the Company hereby covenants and agrees to and with the Bank as follows:

I. That as to Parcel No. 1 above described, comprising the main plywood plant, including land and machinery and equipment and personal property therein, in Aberdeen, Washington, that it is lawfully possessed of and lawfully seized of an indefeasible estate in fee simple in and to all of the mortgaged real estate and personal property comprising its said Aberdeen plywood mill plant hereinbefore described and referred to and has a good right and full power to mortgage the same, as provided in and by this indenture; that the same is free and clear of all liens and incumbrances whatsoever and that it will forever warrant and defend the same with all the rights, privileges and appurtenances thereunto belonging or in anywise appertaining unto the Bank, its successors and assigns, against all and every person or persons lawfully claiming or to claim the same or any part thereof. And as to all the remainder of the mortgaged property, comprising Parcels 2, 3, 4 and 5, hereinbefore described, the Company covenants and agrees that it is either the owner in fee simple of, or has cutting contracts or logging rights on the timber therein described, and that it will warrant and does warrant that it has such cutting contracts and rights to enter upon the land and ^{cut and} remove said timber.

II. That it will duly and punctually pay the principal sum of and the interest upon the note hereinabove described and hereby secured and any and all renewals or extensions thereof at the time and in the manner in said note or other instruments at any time evidencing any part of such indebtedness provided.