

III. That it will pay all taxes, assessments and other governmental rates and charges heretofore or hereafter levied or assessed or otherwise lawfully imposed on said property prior to delinquency and deliver the official receipts showing such payment or duplicates thereof to the Bank and will otherwise keep said property free and clear of all liens and encumbrances arising out of or resulting from anything done, suffered or permitted by it.

IV. That it will keep all the mortgaged property which is of a character usually insured by like concerns or enterprises insured as may be required from time to time by the Bank against loss or damage by fire and other hazards, casualties and contingencies in such amounts and for such periods as may be required by the Bank with loss, if any, payable to the Bank under standard mortgagee clause and will pay promptly when due any premiums on such insurance; all such insurance shall be effected with responsible insurance companies satisfactory to the Bank and all policies of insurance covering any of the mortgaged property shall be delivered to and retained by the Bank as additional security for the payment of the debt and moneys hereby secured.

V. That it will keep all and singular the mortgaged property in good order, condition and state of repair, and will not commit or permit any waste on or of the mortgaged property or any part thereof. That it will not remove or permit the removal of any of the personal property covered hereby from the mill premises upon which said property is situated without the consent in writing of the Bank.

VI. That with respect to the mortgaged timber standing and being upon lands not owned by the Company or mortgaged hereunder, Company shall remove such timber within the time limitations on removal as provided in the several timber deeds, bills of sale, or contracts under which the same was acquired by it, or will obtain extensions of the time limitations on removal before the expiration thereof, and will duly keep and perform all other terms, conditions and covenants of the respective conveyances or agreements hereafter to be kept and performed.

It is Further mutually covenanted and agreed as follows:

VII. While not in default in the payment of principal or of interest on any note or other evidence of any of the indebtedness secured hereby or in respect of any of the covenants, agreements or conditions in this indenture contained, the Company shall be suffered and permitted to possess, use and enjoy the mortgaged property and to receive and use the rents, issues, income and profits thereof in the ordinary course of business, and may from time to time sell and convey, free from the lien of this indenture and without any release therefrom but with the consent in writing of the Bank, any of the machinery, equipment, appliances or other personal property as may, in its judgment be or have become worn out or obsolete or unnecessary for the carrying on of logging and milling operations upon the condition that the proceeds from each and all such sales shall be paid to the Bank for application upon such part of the indebtedness secured hereby as the Bank may elect.

VIII. The Company shall have the right, prior to payment in full of the moneys and debt hereby secured, to cut and remove the timber covered by this mortgage, but only upon and in accordance with the following terms and conditions, all of which the company hereby covenants and agrees strictly and faithfully to observe, keep and perform, to-wit:

(a) The Company shall not cut or remove any of said timber at any time when it shall be in default in the payment of the principal sum secured hereby or any of the interest thereon or in the payment of any taxes to be paid by it as hereinabove