

terioration of said property, or any part thereof, or the cutting of timber, beyond the reasonable requirements of the premises, or to perfect the title to the said property in the Trustees, and all sums expended in the doing of, or on account of the same, shall be a part of the debt hereby secured, and shall be secured as fully as the principal debt and interest coupon notes herein declared a first lien, are secured, and shall bear interest at the rate of six per cent (6%) per annum from the date of the expenditure thereof, and shall, together with the interest thereon, be repaid by the first parties before the expiration of a period of thirty (30) days thereafter. But there is no obligation upon the Trustees to make such payments, or take such steps, nor shall any act of the Trustees nor any failure to act under the powers hereby invested in them, nor any lapse of time, be construed as a waiver of any breach of the covenants and agreements contained herein.

2. That in the event of: (a) default in the payment in full at maturity of any interest coupon note or principal note, first or second parties, or (b) default in the performance of any of the covenants and agreements in this deed of trust to be performed by the first parties, then and thence forth it shall be optional with the second parties, their successors or assigns to consider the whole of said principal sum expressed in said promissory notes as immediately due and payable and time of payment is of the essence of this contract, and said Trustees shall at the written direction of any one or more of the holder or holders, owner or owners, of said principal notes, exercise their option to declare the entire principal sum immediately due and payable in the event the first parties make default as above set forth, and the Trustees herein shall, at the direction of one or more of the holder or holders, owner or owners of this said principal notes, 1st series, proceed with the foreclosure of this deed of trust, as provided by law. In the event of foreclosure of this deed of trust, as provided by law, the proceeds of said sale shall be distributed according to law, and further in accordance with the terms and provisions of this deed of trust, to the payment of the principal notes, 1st series, and coupon notes attached, and then to the payment of the second or subordinate notes, as hereinabove described, and in the event of foreclosure of this deed of trust, as provided by law, the Trustees named herein shall be entitled, after the payment of the costs and expenses of foreclosure of this Trust, to a commission of five (5%) per cent. on the gross proceeds of sale, which shall be taxed as part of the costs of foreclosure.

(Over)