

paid or prepaid, it and all coupons appertaining thereto shall be delivered to and canceled by Baker, Fentress & Company, and by it delivered to the mortgagor and never reissued.

3. After the execution and recording hereof all of said \$65,000 par value of bonds shall be presented by the mortgagor and all such part thereof shall be authenticated by Baker, Fentress & Company and delivered to the order of the President or Vice-President of the mortgagor, as the mortgagor and the Lumber Company shall in writing jointly specify, either all at one time or from time to time.

4. If the mortgagor is not then in default hereunder, it may, at its election at any time, prepay before their ~~set~~ fixed maturities any or all of said \$65,000 par value bonds outstanding hereunder by paying the par value thereof plus accrued interest to the date of prepayment. In such event the mortgagor shall at least ten (10) days before such prepayment, give written notice to the Lumber Company and to Baker, Fentress & Company, specifying the amount par value of the bonds it desires to prepay on such prepayment date. If the amount of bonds which the mortgagor thus desires to prepay is less than the whole amount then outstanding, the bonds thus prepaid shall be those of the earliest maturity or maturities.

all bonds specified in such notice shall become due and payable on the date of prepayment thus fixed; and if before such date there is deposited with Baker, Fentress & Company the amount necessary for such prepayment, the bonds so called for prepayment shall cease to draw interest from such date.

5. Upon the timely deposit with Baker, Fentress & Company of the proper amount for paying any bonds or coupons, whether in due course or by prepayment as above provided such bonds and/or coupons shall be deemed paid, and the mortgagor under no further obligations to the

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