

DESCRIPTION

PARCEL 1

Township 25 South, Range 6 East of the Willamette Meridian, in the
County of Klamath, State of Oregon:

Section 13: E $\frac{1}{2}$

Section 24: NE $\frac{1}{4}$, E $\frac{1}{2}$ W $\frac{1}{2}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$

Section 25: NW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$

Township 25 South, Range 7 East of the Willamette Meridian, in the
County of Klamath, State of Oregon:

Section 18: Lots 1, 2, 3 and 4

Section 19: Lots 2 and 3

AND

The Northwest quarter of the Northeast quarter of Section 33,
Township 26 South, Range 10 East of the Willamette Meridian, in the
County of Klamath, State of Oregon.

PARCEL 2

The S $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 24, Township 23 South, Range 10 East
of the Willamette Meridian, in the County of Klamath, State of Oregon.

The NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 25, Township 23 South, Range 10 East of the
Willamette Meridian, in the County of Klamath, State of Oregon.

The W $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 36, Township 23 South, Range 10 East of the
Willamette Meridian, in the County of Klamath, State of Oregon.

Government Lots 4 and 5 Section 19, Township 23 South, Range 11 East
of the Willamette Meridian, in the County of Klamath, State of Oregon.

Government Lots 7, 10 and 15, Section 18, Township 23 South, Range 11
East of the Willamette Meridian, in the County of Klamath, State of
Oregon.

The NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 2, Township 23 South, Range 9 East of the
Willamette Meridian, in the County of Klamath, State of Oregon.

Government Lots 2, 3, 4 SW $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ Section 3, Township 23
South, Range 9 East of the Willamette Meridian, in the County of Klamath,
State of Oregon.

The N $\frac{1}{2}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 4, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The N $\frac{1}{2}$ Section 5, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 9, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$, SE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$ Section 10, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The SE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 11, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The E $\frac{1}{2}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 14, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The W $\frac{1}{2}$ SE $\frac{1}{4}$, W $\frac{1}{2}$, W $\frac{1}{2}$ NE $\frac{1}{4}$ Section 15, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The N $\frac{1}{2}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ Section 20, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The N $\frac{1}{2}$ N $\frac{1}{2}$ Section 21, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The SE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ Section 22, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The E $\frac{1}{2}$ E $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 23, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The W $\frac{1}{2}$ SW $\frac{1}{4}$ Section 24, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 25, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon; NE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, Portion of SE $\frac{1}{4}$ SE $\frac{1}{4}$ lying Northwest of Road and SE $\frac{1}{4}$ SW $\frac{1}{4}$ lying East of River, Section 26, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 28, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The SE $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 29, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The E $\frac{1}{2}$ NE $\frac{1}{4}$ Section 32, Township 23 South, Range 9 East of the Willamette

The W $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 33, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The S $\frac{1}{4}$ SE $\frac{1}{4}$ Section 34, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The N $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$, E $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 35, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The W $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 36, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

Lots 1, 2, 7 and 8, W $\frac{1}{2}$ SE $\frac{1}{4}$ Section 8, Township 24 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 11, Township 24 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The S $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$ Section 21, Township 24 South, Range 8 East of the Willamette Meridian, and NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 28, Township 24 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The W $\frac{1}{2}$ NE $\frac{1}{4}$ Section 2, Township 25 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The S $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 25, Township 25 South, Range 7 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The W $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 1, Township 24 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The W $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 2, Township 24 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

The N $\frac{1}{4}$, SW $\frac{1}{4}$ Section 2, Township 24 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

All Section 5, Township 24 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 3

The W $\frac{1}{2}$ SE $\frac{1}{4}$ EXCEPT any portion lying within Little River Ranch Plat and the E $\frac{1}{4}$ SW $\frac{1}{4}$ Section 2, Township 23 South, Range 9 East of the Willamette Meridian, and NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 11, Township 23 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

Exhibit B to Financing Statement of
DIAMOND (USA) INC., as Debtor

This financing statement covers the following types (or items) of property:

All of the Debtor's right, title and interest in and to the following (the "Collateral"):

(a) All equipment in all of its forms, wherever located, now or hereafter existing (including, but not limited to, all rolling stock, cars, trucks, buses, boats, timber cutting or hauling machinery, road graders, saws, cranes, front end loaders, tractors, other motorized vehicles and other wheeled and tracked vehicles), and all parts thereof and all accessions thereto (any and all such equipment, parts and accessions being the "Equipment");

(b) All inventory in all of its forms, wherever located, now or hereafter existing (including, but not limited to, (i) all cut timber, wood, lumber, pulp, wood products, wood chips, sawdust, millwork, molding, packaging products, paper, stationery, paper products, tissue products, building supplies, hardware, paint, roofing materials, tools, appliances, egg packaging machinery, and poultry equipment of whatsoever kind or nature and raw materials and work in process therefor, finished goods thereof, and materials used or consumed in the manufacture or production thereof, (ii) goods in which the Debtor has an interest in mass or a joint or other interest or right of any kind, and (iii) goods which are returned to or repossessed by the Debtor), and all accessions thereto and products thereof and documents therefor (any and all such inventory, accessions products and documents being the "Inventory");

(c) All aircraft, regardless of form, wherever located, now or hereafter existing, including, but not limited to, each airframe and engine and all parts, accessions, appliances, instruments, appurtenances, accessories, furnishings or other equipment of whatever nature which may from time to time be incorporated or installed in or attached to any airframe or engine (any and all such airframes, engines, parts, accessions, appliances, instruments, appurtenances, accessories, furnishings, and equipment being the "Aircraft");

(d) All accounts, contract rights, chattel paper, instruments (except to the extent covered below in subsection (e) below), general intangibles and other obligations of any kind now or hereafter existing arising out of or in connection with the sale or lease of goods, the rendering of services or the sale or other disposition of any other asset, and all rights now or hereafter existing in and to all security agreements, leases, and other contracts securing or otherwise relating to any such accounts, contract rights, chattel paper, instruments, general intangibles or obligations (any and all such accounts, contract rights, chattel paper, instruments, general intangibles and obligations being the "Receivables"), and any and all such leases, security agreements and other contracts being the "Related Contracts");

(e) All promissory notes and other debt or equity instruments payable or endorsed to the Debtor, or bearer, whether now or hereafter existing, including, without limitation, (i) all notes received from time to time from purchasers or other transferees of assets of the Debtor or its Subsidiaries or otherwise; and (ii) all notes and other obligations of Diamond Participations Inc. arising out of any loans or advances or transfers of property from the Debtor; together with all interest, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for such notes and instruments (any and all such notes and instruments being the "Pledged Instruments");

(f) The Timberland Option Agreement (the "Travelers Agreement"), dated August 6, 1982, between Acquisition and The Travelers Corporation, any contracts by which the Debtor is given cutting rights to timberland (to the extent permitted by law), and any other contracts which give the Debtor the right to receive income or receive a benefit, as each such agreement may be amended or otherwise modified from time to time (said agreements, including the Travelers Agreement, as the same may be amended or modified, being the "Assigned Agreements"), including, without limitation, (i) all rights of the Debtor to receive money due and to become due under or pursuant to the Assigned Agreements, (ii) all rights of the Debtor to receive proceeds of any insurance, indemnity, warranty or guaranty with respect to the Assigned Agreements, (iii) all claims of the Debtor for damages arising out of or for breach of or default under the Assigned Agreements, and (iv) all rights of the Debtor to terminate the Assigned Agreements, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder;

(g) To the extent not included above, all farm products including crops (except for almonds grown on trees owned by Debtor, and bees owned by the Debtor and all honey therefrom (all such almonds, bees and honey being "Excluded Property")), livestock and supplies used in farming operations wheresoever located;

(h) To the extent not included above, all timber to be cut, all minerals and all fixtures wheresoever located; and

(i) All proceeds of any and all of the foregoing Collateral and, to the extent not otherwise included, all payments under insurance (whether or not the Trustees are the loss payee thereof), or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to any of the foregoing Collateral.

STATE OF OREGON: COUNTY OF KLAMATH: ss
I hereby certify that the within instrument was received and filed for
record on the 8th day of December A.D., 19 83 at 3:42 o'clock P.M.,
and duly recorded in Vol M83, of Mortgages on page 21025.

Fee \$ 28.00

EVELYN BIEHN, COUNTY CLERK
by *[Signature]* deputy