

UNIFORM COMMERCIAL CODE—FINANCIAL STATEMENT—FORM 933

Vol. M89 Page 12385

1. This statement is filed with the Secretary of State, UCC Section, Capitol Bldg., Room 411, Salem, Oregon 97310. (Tele 533-378-4146)

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9. This statement is filed with the Secretary of State, UCC Section, Capitol Bldg., Room 411, Salem, Oregon 97310. (Tele 533-378-4146)

10. This statement is filed with the Secretary of State, UCC Section, Capitol Bldg., Room 411, Salem, Oregon 97310. (Tele 533-378-4146)

1A. Debtor(s): (If an individual(s) last name(s) first)

Crown Pacific, Ltd.

1B. Mailing Address (es):

1500 SW First Ave., Ste. 1170
Portland, OR 97201

2A. Secured Party(ies)

Bankers Trust Company, as Agent
for Principals on Schedule I

2B. Address of Secured Party from which
security information is obtainable

280 Park Avenue
New York, NY 10017

Tele. No.

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Vol. M89/12385

3. This financing statement covers the following types (or items) of collateral: (ORS 73.4020)

No. of additional Sheets attached _____

All property described on attached Exhibit B related or
pertaining in any manner to the real estate described on
attached Exhibit A.

Klamath County

4A. Assignee of Secured Party(ies) if any:

4B. Address of Assignee:

PM 1 20

File: INDICATE WHETHER DOCUMENT IS BEING FILED WITH AN EFFECTIVE PERIOD OF: (check box) 5A. ☒ 5 YEARS or 5B. ☐ 10 YEARS (Read instructions 3 & 4)

6. This statement is filed without the debtor's signature to perfect a security interest in collateral (if applicable check box below):
☐ collateral already subject to a security interest in another jurisdiction;
☐ which is proceeds of the described original collateral which was perfected
☐ collateral as to which the filing has lapsed; or
☐ collateral acquired after a change of name, identity or corporate structure of the debtor.

Crown Pacific, Ltd.

By

Signature(s) of Debtor(s) or
Signature(s) of Secured Party(ies) or Assignee(s)

STANDARD FORM 1—UNIFORM COMMERCIAL CODE—FORM UCC-1
01-01-88

STEVEN-NESS LAW PUBLISHING CO., PORTLAND, OR. 97204 • 223-3137
FILING OFFICER - ALPHABETICAL

12386

SCHEDULE I

SCHEDULE I

NAMES AND ADDRESSES OF BANKS

Bankers Trust Company,
Bankers Trust Plaza
New York, New York 10005
Attn: Donald R. Carse, Jr.
Energy Finance Group
Telecopy: (212) 850-1079

United States National Bank of Oregon,
321 Southwest Sixth Avenue
P.O. Box 4412
Portland, Oregon 97208
Attn: Sally J. Williams, A.V.P.
Commercial Services
Telecopy: (503) 275-5795

The Bank of Tokyo, Ltd.
411 S.W. 6th Avenue
Portland, Oregon 97204
Attn: Mr. Mike Kringle
Vice President and Manager
Domestic Loan Department
Telecopy: (503) 227-5372

First Interstate Bank of Oregon, N.A.
Oregon Corporate Division
1300 S.W. Fifth Avenue, T19
Portland, Oregon 97201
Attn: Ms. Debra M. Dereiko
Vice President
Telecopy: (503) 225-4698

Union Bank of Finland Ltd.
Cayman Islands Branch
437 Madison Avenue
New York, New York 10022
Attn: Ms. Ritva Laukkanen
Vice President
Credit and Marketing
Telecopy: (212) 421-4420

YXI/045710/284/6L191311.OREG
07/07/89

EXHIBIT "A"

DESCRIPTION OF PROPERTY

The following described real property situate in Klamath County, Oregon:

Township 23 South, Range 9 East of the Willamette Meridian

- Section 2: SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$
- Section 3: Government Lots 1, 2, 3 and 4, SW $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$
- Section 4: N $\frac{1}{4}$, N $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 5: N $\frac{1}{4}$, W $\frac{1}{4}$ SW $\frac{1}{4}$
- Section 9: SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 10: E $\frac{1}{4}$, E $\frac{1}{4}$ W $\frac{1}{4}$, W $\frac{1}{4}$ SW $\frac{1}{4}$
- Section 11: S $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{4}$ SW $\frac{1}{4}$
- Section 14: W $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ W $\frac{1}{4}$, E $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 15: N $\frac{1}{4}$, SW $\frac{1}{4}$, W $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 20: N $\frac{1}{4}$, E $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 21: N $\frac{1}{4}$ N $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$
- Section 22: W $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$, N $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$
- Section 23: E $\frac{1}{4}$ E $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$
- Section 24: W $\frac{1}{4}$ SW $\frac{1}{4}$
- Section 25: SE $\frac{1}{4}$ SW $\frac{1}{4}$ and that portion of W $\frac{1}{4}$ NW $\frac{1}{4}$ lying North and West of U. S. Hwy. 97
- Section 26: NE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{4}$ SE $\frac{1}{4}$, that portion of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ lying Easterly of the irrigation ditch, that portion of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ lying Northwesterly of U.S. Highway 97
- Section 28: W $\frac{1}{4}$
- Section 29: NE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 32: E $\frac{1}{4}$ NE $\frac{1}{4}$
- Section 33: N $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 34: E $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 35: E $\frac{1}{4}$, E $\frac{1}{4}$ W $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ lying Southeasterly of the Irrigation Ditch, W $\frac{1}{4}$ SW $\frac{1}{4}$
- Section 36: NE $\frac{1}{4}$, E $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, W $\frac{1}{4}$ SE $\frac{1}{4}$

Township 23 South, Range 10 East of the Willamette Meridian

- Section 1: Government: Lots 1, 2, 3 and 4, S $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{4}$
- Section 2: SE $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 11: NE $\frac{1}{4}$ NE $\frac{1}{4}$
- Section 12: N $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 13: NE $\frac{1}{4}$ NE $\frac{1}{4}$
- Section 24: E $\frac{1}{4}$ E $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 25: NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$
- Section 36: N $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$

Township 23 South, Range 11 East of the Willamette Meridian

Section 5: All
 Section 6: All
 Section 7: All
 Section 8: All
 Section 17: All
 Section 18: All
 Section 19: All
 Section 20: All
 Section 26: All
 Section 27: All
 Section 28: All
 Section 29: All
 Section 30: All
 Section 31: Governments Lots 1 thru 9, 16 thru 20, E½
 Section 32: All
 Section 33: All
 Section 34: All
 Section 35: All
 Section 36: All

Township 24 South, Range 8 East of the Willamette Meridian

Section 2: Government Lots 2, 3 and 4, SW¼NE¼, S½NW¼, SW¼, W½SE¼
 Section 3: All
 Section 8: Government Lots 1, 2, 7 and 8, E½SE¼
 Section 9: All
 Section 10: All
 Section 11: W½NE¼, W¼, SE¼
 Section 14: NE¼, N½NW¼, SW¼NW¼, NW¼SW¼
 Section 16: All
 Section 20: SE¼NW¼, N½SW¼, SW¼SW¼
 Section 21: All
 Section 28: N¼, NE¼SW¼, NW¼SE¼

Township 24 South, Range 9 East of the Willamette Meridian

Section 1: Government Lots 2 and 3, SE¼NW¼, NE¼SW¼, SW¼NE¼
 Section 2: Government Lots 3 and 4, SW¼NW¼
 Section 3: Government Lots 1 and 2, S½NE¼, S½NW¼, N½SW¼, SW¼SW¼, NW¼SE¼
 Section 4: SE¼NE¼, E½SE¼
 Section 9: N¼, N½S¼
 Section 10: W½NW¼, NW¼SW¼

Township 24 South, Range 11 East of the Willamette Meridian

Section 2: All
Section 3: All
Section 4: All
Section 5: All
Section 8: All
Section 9: All
Section 10: All
Section 11: All
Section 15: All
Section 16: All
Section 17: N $\frac{1}{2}$

Township 25 South, Range 7 East of the Willamette Meridian

Section 25: W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 25 South, Range 8 East of the Willamette Meridian

Section 2: NE $\frac{1}{4}$

Township 25 South, Range 11 East of the Willamette Meridian

Section 25: SE $\frac{1}{4}$ SE $\frac{1}{4}$
Section 36: All

Township 27 South, Range 8 East of the Willamette Meridian

Section 21: N $\frac{1}{2}$ SW $\frac{1}{4}$ lying Easterly of the Burlington
Northern Railway Right-of-way

SAVING AND EXCEPTING portions lying within rights of way for Railroads and
Highways.

DESCRIPTION OF COLLATERAL

[Note list of property not to be a part of Collateral]

As used in this Exhibit B, the term "Real Property" means that certain real property, including all improvements thereon, more particularly described in Exhibit A attached to this Security Agreement. All capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Credit Agreement or the Deeds of Trust.

The Collateral is described as follows:

(a) All of Debtor's right title and interest in and to the following, to the extent that any part thereof constitutes or is held to be personal property:

(i) any and all buildings, structures, fixtures and improvements now or hereafter erected on or appurtenant to the Real Property, including all machinery, attachments, appliances, and other equipment (including leased equipment to the extent of Debtor's leasehold interest and the lease pursuant to which such equipment has been leased) now or hereafter incorporated into or attached to the Real Property or said buildings, structures, fixtures and improvements, and all support and ancillary facilities, all roads and miscellaneous storage and parking areas, including all replacements and substitutions of and additions and accessions to the foregoing (collectively the "Improvements");

(ii) all crops and all trees, timber, whether severed or unsevered and including standing and down timber, stumps and cut timber remaining on the Real Property and logs, woodchips and other forest products, whether now located on or hereafter planted or growing in or on the Real Property or elsewhere or now or hereafter removed from the Real Property or elsewhere for sale or other disposition (collectively "Timber") to the extent that such Timber does not constitute real property under applicable law;

(iii) all royalty and other contractual rights (excluding leaseholds) of Debtor pertaining

to all water, steam, thermal energy and other geothermal resources and all oil, gas, hydrocarbons, gravel, phosphate, limestone, coal and other mineral resources and subterranean substances, and all existing or hereafter acquired surface and subsurface water and water rights and shares of stock evidencing the same, and all products thereof in, on, under or pertaining to the Real Property (the "Minerals") and all surface access and mining or drilling rights in, on, under or pertaining to the Real Property, to the extent that the foregoing do not constitute Real Property under applicable law, and all royalty and other rights of Debtor pertaining thereto (excluding leaseholds), and all agreements providing for the payment to Debtor of royalties (including overriding royalties) or other payments derived from any part of the Real Property and all production payments, farm-out agreements, unit agreements and other similar agreements and rights pertaining thereto (collectively the "Mineral Rights");

(iv) all air rights, development rights, zoning rights or other similar rights or interests which benefit or are appurtenant to the Real Property or the Improvements or any or all thereof and any proceeds arising therefrom (collectively the "Development Rights"); and

(v) all interests, estates or other claims, both in law and in equity, which Debtor now has or may hereafter acquire in the Real Property, the Improvements, the Timber, the Minerals and the Development Rights and all right, title and interest now owned or hereafter acquired by Trustor in and to any greater estate therein.

(b) Any and all permits, entitlements, licenses, orders, approvals, exemptions, authorizations, certifications, franchises, building permits, subdivision approvals, timber harvesting plan reviews and approvals, site plan reviews, environmental approvals (including an environmental impact statement or report if required under applicable law for Debtor's acquisition or disposition of the Real Property or harvesting of the Timber or for any other operations of Debtor), sewer and waste discharge permits, water appropriative rights and permits, zoning and land use entitlements and other authorizations, whether now existing or hereafter issued to or obtained by or on

behalf of Debtor that relate to or concern in any way the acquisition, ownership, development, occupancy, use, operation, maintenance, management, restoration or disposition of all or any part of the Real Property, the Improvements, the Timber, the Minerals, or the Mineral Rights or Development Rights and are given or issued by any Governmental Agency or quasi-governmental authority, as the same may be modified, amended or supplemented from time to time (collectively the "Authorizations");

(c) all inventory of logs, lumber, woodchips and other forest products now existing or hereafter acquired at, or in connection with the operation of, the Prineville Sawmill;

(d) All agreements, contracts, arrangements or other Contractual Obligations, whether now existing or hereafter entered into, whereby Debtor or its predecessors in interest have granted, grant or will grant to third Persons the right to cut, harvest or otherwise remove Timber from the Real Property or elsewhere (to the extent Debtor has an interest in such rights) (collectively the "Cutting Rights Agreements") and all timber sales agreements, log sales agreements, purchase orders, purchase and sale agreements and other Contractual Obligations, whether now existing or hereafter entered into, whereby Debtor, as seller, is or may become obligated to cut, harvest or otherwise remove Timber harvested from the Real Property or elsewhere or to otherwise obtain Timber and to sell, exchange or deliver such Timber to third Persons (collectively the "Timber Sales Agreements") and all agreements, contracts or other Contractual Obligations whether now existing or hereafter entered into, whereby third Persons have granted or will grant to Debtor the right to cut, harvest or otherwise remove Timber from real property the Real Property not owned by Debtor at the pertinent time and all other rights of Debtor to cut, harvest or otherwise remove Timber from real property not owned by Debtor at the time in question (collectively, the "Harvesting Contracts"). Those Cutting Rights Agreements, Timber Sales Agreements and Harvesting Contracts to which the Real Property is subject and to which Scott Paper was a party immediately prior to the delivery hereof or which Debtor otherwise acquires from Scott Paper pursuant to the Scott Paper Purchase Agreement, each of which is identified on Exhibit B-1 attached hereto and made a part hereof, are collectively referred to as the "Acquired Timber Cutting and Timber Sales Agreements". The Cutting Rights Agreements, timber Sales Agreements, Harvesting Contracts and Acquired Timber Cutting and Timber Sales Agreements are

collectively referred to as the "Timber Agreements";

(e) Any and all present and future amendments, modifications, supplements, extensions and renewals to any of the contracts, agreements, arrangements and Contractual Obligations described in clauses (b) through (d) inclusive, and all guaranties of the obligations of any third Persons thereto (collectively the "Related Rights");

(f) All revenues, issues, profits, royalties, proceeds, income and other benefits (excluding rents) derived from the Timber Agreements, the Minerals, the Mineral Rights, the Related Rights and from the personal property described in this Exhibit B (collectively the "Revenues");

(g) All of Debtor's present and future right, title and interest in that certain Log Purchase And Sale Agreement dated April 6, 1988 executed by Debtor, as seller, and by DAW Forest Products Company, L.P., as buyer, the Prineville Log Purchase Agreements and the Scott Paper Wood Fiber Supply Agreement;

(h) All of Debtor's present and future rights to receive payments of money, services or property, including, without limitation, rights to receive capital contributions from Debtor's shareholders, amounts payable on account of the issuance of common or preferred stock of Debtor, Net Cash flow from the operation of the Prineville Sawmill, accounts receivable from operation of the Prineville Sawmill and the Timberland and any other property of Debtor, deposit accounts, chattel paper, notes, drafts, contract rights, instruments, general intangibles and principal, interest and payments due on account of Timber or Minerals sold or otherwise disposed of or lumber milled, sold or otherwise disposed of, services rendered, loans made or credit extended, together with Debtor's title or interest in all documents evidencing or securing the same;

(i) All proceeds in whatever form from sale, exchange or disposition of the aforesaid Collateral;

(j) Debtor's rights under all insurance policies covering the Timberland, the Prineville Sawmill or any other part of the Collateral, and all proceeds, loss payments and premium refunds payable regarding the same;

(k) All causes of action, claims, compensation, awards, damages, recoveries and proceeds for any

condemnation or taking of the Timberland, the Prineville Sawmill or any other part of the Collateral under the power of eminent domain, or for any conveyance in lieu thereof, whether direct or consequential, or for any damage or injury to the Timberland, the Prineville Sawmill or any other part of the Collateral, or for any loss or diminution in value of the Timberland, the Prineville Sawmill or any other part of the collateral;

(l) All Debtor's rights in proceeds of the Loans evidenced by the Notes;

(m) The following accounts at the Main Office of United States National Bank of Oregon, a national banking association P.O. Box 4412, Portland, Oregon 97208 : the Operating Deposit Account, Account No. 010-0661-222; the Harvest Deposit Account, Account No. 010-4549-191; the Reserve Account, Account No. 010-0673-151 and following accounts at the Head Office of First Interstate Bank of Oregon, N.A. a national banking association P.O. Box 2753, Portland, Oregon 97208: the Bridge Deposit Account, Account No. 003-0-601764; the Acquisition Deposit Account, Account No. 003-0-601683; the Tax Deposit Account, Account No. 003-0-601772;

(n) All plans prepared for the harvesting or cutting of Timber;

(o) All trademarks and brands used by Debtor in connection with the Timber;

(p) All computer software and programs used or useable by Debtor in connection with the aforesaid Collateral, including without limitation programs for Timber and other inventory control;

(q) All vehicles (both on- and off-road) and all rolling stock owned or leased by Debtor excluding those vehicles leased or acquired by Debtor from SSW;

(r) The U.S. Forest Service Agreement;

(s) Any and all causes of action, claims, demands, compensation, awards, damages, recoveries and proceeds which Debtor currently has or may in the future have against Scott Paper arising out of the Scott Paper Purchase Agreement;

(t) All of Debtor's rights under the Scott Paper Purchase Agreement to receive proceeds under the Norman Barnes Contracts identified on Exhibit B-2 attached hereto and made a part hereof, and all such proceeds;

12395

(u) The proceeds of all the foregoing.

ACQUIRED TIMBER CUTTING AND TIMBER SALES AGREEMENTSSCOTT PAPER COMPANY

(Blagie County)

<u>Agreement</u>	<u>Party</u>	<u>Exp. Date</u>	<u>Parcel Affected</u>
1. Aldon Creek Skyline	Northwest Hardwoods	Ext. to 07/31/89	T35N, R9E, S20
2. Jordan Falls	T.A.T. (U.S.A.) Corp.	Ext. to 11/01/89	T35N, R11E, S28 T35N, R11E, S29

THREE RIVERS TIMBER COMPANY

(Blagie County)

<u>Agreement</u>	<u>Party</u>	<u>Exp. Date</u>	<u>Parcel Affected</u>
3. Homestead Poles	Cedar Industries	08/31/89	T36N, R4E, S27
4. O'Brien Hardwoods	T.A.T. (U.S.A.) Corp.	12/31/89	T35N, R10E, S26 T35N, R10E, S27 T35N, R10E, S34
5. Swade	Popl & Talbot	09/30/89	T36N, R4E, S34

THREE RIVERS TIMBER COMPANY

(Whatecom County)

<u>Agreement</u>	<u>Party</u>	<u>Exp. Date</u>	<u>Parcel Affected</u>
6. Headwaters	T.A.T. (U.S.A.) Corp.	08/01/89	T37N, R6E, S33

NORMAN FARMS CONTRACT

12397

SCOTT PAPER COMPANY

(Skagit County)

<u>Agreement</u>	<u>Exp. Date</u>	<u>Parcel Affected</u>
1. Jordan Ridge	12/31/09	T35N, R11E, S30 T35N, R10E, S25
2. Lyman Leave	12/31/09	T36N, R9E, S22 T36N, R9E, S27 T36N, R9E, S28

THREE RIVERS TIMBER COMPANY

(Skagit County)

<u>Agreement</u>	<u>Exp. Date</u>	<u>Parcel Affected</u>
3. Whitefish	12/31/09	T35N, R8E, S28 T35N, R8E, S29 T35N, R8E, S33
4. White Rock	12/31/09	T35N, R8E, S28 T35N, R8E, S29 T35N, R8E, S33

THREE RIVERS TIMBER COMPANY

(Whatcom County)

<u>Agreement</u>	<u>Exp. Date</u>	<u>Parcel Affected</u>
5. Boskey	12/31/09	T37N, R6E, S20

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co. the 6th day
of July A.D. 19 09 at 1:20 o'clock P.M., and duly recorded in Vol. M89,
of Mortgages on Page 12385

FEE \$65.00

Evelyn Biehn, County Clerk

By Debra Ann Mendenhall