



MTL 51050

AFTER RECORDING RETURN TO:
Davis Wright Tremaine LLP
1201 Third Avenue
Suite 2200
Seattle, WA 98101-3045
Attn: Peter J. Mucklestone

2013-007278

Klamath County, Oregon



00138310201300072780130134

06/25/2013 03:55:44 PM

Fee: \$117.00

DOCUMENT TITLE and TRANSACTIONS:

LINE OF CREDIT INSTRUMENT - FOURTH DEED OF TRUST MODIFICATION AGREEMENT

GRANTOR: 1. INTERFOR U.S. INC., a Washington corporation (formerly known as Interfor Pacific Inc.)
2. ROYAL BANK OF CANADA, as Collateral Agent, ROYAL BANK OF CANADA, as Arranger, ROYAL BANK OF CANADA as agent for the Lenders, ROYAL BANK OF CANADA, THE TORONTO-DOMINION BANK, THE BANK OF NOVA SCOTIA, BANK OF MONTREAL, HSBC BANK CANADA, CANADIAN WESTERN BANK, EXPORT DEVELOPMENT CORPORATION, a corporation established pursuant to the Export Development Act, Canada, R.S., c.E-18, S.1, PRUDENTIAL INVESTMENT MANAGEMENT, INC., THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, FARMERS NEW WORLD LIFE INSURANCE COMPANY and UNITED OF OMAHA LIFE INSURANCE COMPANY, acting by and through ROYAL BANK OF CANADA, a Canadian Chartered Bank, as their collateral agent

GRANTEE: 1. INTERFOR U.S. INC., a Washington corporation (formerly known as Interfor Pacific Inc.)
2. ROYAL BANK OF CANADA, as Collateral Agent, ROYAL BANK OF CANADA, as Arranger, ROYAL BANK OF CANADA as agent for the Lenders, ROYAL BANK OF CANADA, THE TORONTO-DOMINION BANK, THE BANK OF NOVA SCOTIA, BANK OF MONTREAL, HSBC BANK CANADA, CANADIAN WESTERN BANK, EXPORT DEVELOPMENT CORPORATION, a corporation established pursuant to the Export Development Act, Canada, R.S., c.E-18, S.1, PRUDENTIAL INVESTMENT MANAGEMENT, INC., THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, FARMERS NEW WORLD LIFE INSURANCE COMPANY and UNITED OF OMAHA LIFE INSURANCE COMPANY, acting by and through ROYAL BANK OF CANADA, a Canadian Chartered Bank, as their collateral agent

LINE OF CREDIT INSTRUMENT - THE MAXIMUM PRINCIPAL AMOUNT TO BE ADVANCED PURSUANT TO THE LINE OF CREDIT AGREEMENT IS CDN\$315,000,000, PLUS US\$100,000,000; HOWEVER, SUCH MAXIMUM PRINCIPAL AMOUNT TO BE ADVANCED MAY BE EXCEEDED BY PRINCIPAL ADVANCES MADE TO PROTECT THE SECURITY OF THIS DEED OF TRUST. THE MATURITY DATE OF THE CREDIT AGREEMENT IS FEBRUARY 27, 2017, EXCLUSIVE OF OPTION(S) TO EXTEND.

97AmT

NOTICE TO RECORDER: this document serves as a fixture filing under the Oregon Uniform Commercial Code. Debtor's organizational identification number: 602-414-194

2409-01900-00100-000; 2409-01900-00101-000; 2409-03000-00200-000; 2409-03000-00300-000;
2409-03000-00401-000.

Until a change is requested, tax statements shall be sent to: Interfor U.S. Inc., 2211 Rimland Drive, Suite 220, Bellingham, WA 98226

LINE OF CREDIT INSTRUMENT

FOURTH DEED OF TRUST MODIFICATION AGREEMENT

This Fourth Deed of Trust Modification Agreement (this "Amendment") is made as of June 26, 2013 by and between INTERFOR U.S. INC., a Washington corporation, which acquired title as INTERFOR PACIFIC INC. (in such capacity, and together with its successors, "Grantor"), whose address is 2211 Rimland Drive, Suite 220, Bellingham, WA 98226, ROYAL BANK OF CANADA as agent for the Lenders, whose address is c/o Royal Bank of Canada, Agent's Branch of Account, 4th Floor, 20 King Street, West, Toronto, Ontario M5H 1C4, and ROYAL BANK OF CANADA, as collateral agent (the "Collateral Agent") for ROYAL BANK OF CANADA as Arranger, ROYAL BANK OF CANADA, as agent for the Lenders, ROYAL BANK OF CANADA, THE TORONTO-DOMINION BANK, THE BANK OF NOVA SCOTIA, BANK OF MONTREAL, HSBC BANK CANADA, CANADIAN WESTERN BANK, EXPORT DEVELOPMENT CORPORATION (collectively, the "Lenders"), PRUDENTIAL INVESTMENT MANAGEMENT, INC. ("PIM"), THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, FARMERS NEW WORLD LIFE INSURANCE COMPANY and UNITED OF OMAHA LIFE INSURANCE COMPANY (collectively, the "Pru Note Holders"), and holders of Shelf Notes (defined below), whose address is c/o Royal Bank of Canada, Agent's Branch of Account, 4th Floor, 20 King Street, West, Toronto, Ontario M5H 1C4, with reference to the following facts:

Line of Credit Instrument

THE MAXIMUM PRINCIPAL AMOUNT TO BE ADVANCED PURSUANT TO THE LINE OF CREDIT AGREEMENT IS CDN\$315,000,000, PLUS US\$100,000,000; HOWEVER, SUCH MAXIMUM PRINCIPAL AMOUNT TO BE ADVANCED MAY BE EXCEEDED BY PRINCIPAL ADVANCES MADE TO PROTECT THE SECURITY OF THIS DEED OF TRUST. THE MATURITY DATE OF THE CREDIT AGREEMENT IS FEBRUARY 27, 2017, EXCLUSIVE OF OPTION(S) TO EXTEND.

Grantor and Royal Bank of Canada, as agent for the Lenders (as defined therein) are parties to that certain Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing dated as of August 25, 2004 by the Grantor in favor of Chicago Title Insurance Company, a Missouri corporation, as Trustee, for the benefit of Royal Bank of Canada, as agent for the Lenders, recorded September 2, 2004 under Klamath County, Oregon Recording No. M04-58947, and re-recorded October 28, 2004 under Klamath County, Oregon Recording No. M04-73943 (collectively the "Original Deed of Trust") as amended by a Line of Credit Deed of Trust Modification Agreement dated as of September 30, 2008, among the Grantor and Royal Bank of Canada, as agent for the Lenders, recorded September 30, 2008 under Klamath County, Oregon Recording No. 2008-013505 (the "First Deed of Trust Modification") and as further amended by the Deed of Trust Modification Agreement dated as of January 14, 2010 among the Grantor and Royal Bank of Canada, as agent for the Lenders, recorded January 14, 2010 under Klamath County, Oregon Recording No. 2010-000491 (the "Second Deed of Trust Modification") as further amended by a Line of Credit Instrument - Third Deed of Trust Modification Agreement dated as of February 27, 2013, among the Grantor and Royal Bank of Canada, as agent for the Lenders, recorded February 28, 2013 under Klamath county, Oregon Recording No. 2013-002203 (the "Third Deed of Trust Modification") and together with the First Deed of Trust Modification, the Second Deed of Trust Modification and the Original Deed of Trust, as the same may be further amended, supplemented or otherwise modified from time to time, the "Deed of Trust").

WHEREAS:

- A. International Forest Products Limited (the "Borrower") has entered into the Note Purchase and Private Shelf Agreement, entitled as such, dated as of June 26, 2013 (as the same may be amended, extended,

renewed, replaced, restated and in effect from time to time the "Pru Note Agreement"), with PIM and the Pru Note Holders providing for, inter alia, the purchase by the Pru Note Holders of the Borrower's 4.33% Series A Senior Secured Notes due June 26, 2023, in the aggregate original principal sum of US\$50,000,000 (collectively, as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Series A Notes"), and PIM and certain of its affiliates and its and their managed accounts are willing to consider, in their sole discretion and within limits which may be authorized for purchase by them from time to time, the purchase of the Borrower's additional series of senior secured promissory notes in the aggregate principal amount for all such additional series of notes, collectively, of up to US\$50,000,000 (or its equivalent in Canadian dollars) (collectively, as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Shelf Notes" and, together with the Series A Notes, the "Pru Notes");

- B. In connection with the Pru Note Agreement, the Grantor has executed and delivered a guaranty (the "Pru Guarantee") dated as of June 26, 2013, in favor of PIM and the Pru Note Holders, of indebtedness arising under, inter alia, the Pru Note Agreement and the Pru Notes, and the Credit Agreement and the Interfor Guarantee have been amended;
- C. Concurrently herewith, all of the collateral security, including, without limitation, the Deed of Trust, are being modified to be in favor of, and/or for the benefit of, Royal Bank of Canada in its capacity as the Collateral Agent to secure, inter alia, the obligations under the Credit Documents, the Pru Note Agreement, the Pru Notes and the Pru Guarantee; and

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows the Deed of Trust is amended as follows:

- 1. The Recitals A, B, C, and D in the Deed of Trust are deleted in their entirety and replaced with the following:
 - "A. International Forest Products Limited, a British Columbia company (the "Borrower"), Royal Bank of Canada, as Arranger, Royal Bank of Canada, as agent for the Lenders (as hereinafter defined), and Royal Bank of Canada, The Toronto-Dominion Bank, The Bank of Nova Scotia, Bank of Montreal, HSBC Bank Canada, Canadian Western Bank, and Export Development Corporation, a corporation established pursuant to the *Export Development Act*, Canada, R.S., c.E-18, S.1, together with any successor or replacement lender which has delivered an instrument agreeing to be bound by the Credit Agreement (as hereinafter defined), and their respective successors and permitted assigns, have entered into the credit agreement entitled the "Interfor 2013 Amended and Restated Credit Agreement" dated for reference February 27, 2013 (the "Original Credit Agreement"), as amended by the First Amendment to the Interfor 2013 Amended and Restated Credit Agreement, entitled as such, dated for reference June 26, 2013 (the Original Credit Agreement, as so amended and as it may be further amended, extended, renewed, replaced, restated, or otherwise modified and in effect from time to time, the "Credit Agreement"). Subject to the terms and conditions of the Credit Agreement, Royal Bank of Canada, The Toronto-Dominion Bank, The Bank of Nova Scotia, Bank of Montreal, HSBC Bank Canada, Canadian Western Bank, and Export Development Corporation, a corporation established pursuant to the *Export Development Act*, Canada, R.S., c.E-18, S.1, together with any successor or replacement lender which has delivered an instrument agreeing to be bound by the Credit Agreement, and their respective successors and permitted assigns (collectively the "Lenders" and each individually a "Lender"), have agreed to make loans and otherwise extend credit to or for the account of the Borrower in an

aggregate principal amount not to exceed \$315,000,000 Canadian Dollars. The loans and other extensions of credit will accrue interest and fees at the rates set forth in the Credit Agreement.

- B. The Borrower has entered into the Note Purchase and Private Shelf Agreement, entitled as such, dated as of June 26, 2013 (as the same may be amended, extended, renewed, replaced, restated and in effect from time to time the "Pru Note Agreement"), with Prudential Investment Management, Inc. ("PIM") and The Prudential Insurance Company of America, Farmers New World Life Insurance Company and United of Omaha Life Insurance Company (collectively, the "Pru Note Holders"), providing for, inter alia, the purchase by the Pru Note Holders of the Borrower's 4.33% Series A Senior Secured Notes due June 26, 2023, in the aggregate original principal amount of US\$50,000,000 (collectively, as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Series A Notes"), and PIM and certain of its affiliates and its and their managed accounts are willing to consider, in their sole discretion and within limits which may be authorized for purchase by them from time to time, the purchase of the Borrower's additional series of senior secured promissory notes in the aggregate principal amount for all such additional series of notes, collectively, of up to US\$50,000,000 (or its equivalent in Canadian dollars) (collectively, as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Shelf Notes" and, together with the Series A Notes, the "Pru Notes").
- C. The Grantor, Interfor U.S. Holdings Inc., a Washington corporation ("Interfor Inc."), CEDARPRIME Inc., a Washington corporation ("Cedarprime"), Klamath Northern Railway Company, an Oregon corporation ("KNRC"), and Interfor Sales & Marketing Ltd, a British Columbia company ("Interfor Trading" and together with the Grantor, Interfor Inc., Cedarprime and KNRC, collectively, the "Guarantors" and each individually, a "Guarantor"):
- (i) executed and delivered a Guarantee dated for reference January 14, 2010, as amended by the US Security Second Amending Agreement dated for reference February 27, 2013 (the "US Security Second Amending Agreement"), among, inter alia, the Guarantors, the Borrower and the Lenders, and as further amended by the US Security Third Amending Agreement dated for reference June 26, 2013 (the "US Security Third Amending Agreement"), among, inter alia, the Guarantors, the Borrower, the Lenders and PIM (said Guarantee, as so amended and as it may be further amended, supplemented or otherwise modified from time to time, the "Interfor Guarantee"), in which, among other things, the Guarantors have unconditionally guaranteed all present and future indebtedness, obligations and/or liabilities of every kind, nature and description of the Borrower from time to time owing to the Beneficiary or any of them, whether now existing or hereafter incurred or created, arising under or in connection with the Credit Agreement, the Interfor Guarantee and all of the security and the other Credit Documents held, as security for the Credit Agreement, by Royal Bank of Canada, as collateral agent (the "Collateral Agent") for Royal Bank of Canada, as Arranger, Royal Bank of Canada, as agent for the Lenders, the Lenders, PIM and the Pru Note Holders; and
 - (ii) executed and delivered a guarantee dated as of June 26, 2013 (as amended, supplemented or otherwise modified from time to time, the "Pru Guarantee"), in which, among other things, the Guarantors have unconditionally guaranteed all present and future indebtedness, obligations and/or liabilities of every kind, nature and description of the Borrower from time to time owing to the Pru Note Holders or other holders of any Pru Notes, or any of them, whether now existing or hereafter incurred or created, arising under or in connection with the Pru Note Agreement and

the Pru Notes, the Pru Guarantee and the other Credit Documents held as security by the Collateral Agent as security for the Pru Note Agreement and the Pru Notes.

- D. The Borrower owns, directly or indirectly, all of the issued and outstanding stock of the Grantor. The proceeds of the loans and other extensions of credit to or for the account of the Borrower under the Credit Agreement, the Pru Note Agreement and the Pru Notes will be used in part to enable the Borrower to make valuable transfers to the Grantor in connection with the operation of its business. The Borrower and the Grantor are engaged in related businesses, and the Grantor will derive substantial direct and indirect benefit from the making of the loans and the other extensions of credit to or for the account of the Borrower under the Credit Agreement, the Pru Note Agreement and the Pru Notes.
- E. The Lenders are willing to make loans and otherwise extend credit to or for the account of the Borrower under the Credit Agreement, and the Pru Note Holders are willing to purchase the Series A Notes, and PIM and certain of its affiliates may agree to purchase the Shelf Notes, subject to certain provisions and conditions set out in the Pru Note Agreement, but only upon the conditions set forth in the Pru Note Agreement, including, among others, that the Grantor shall have executed and delivered to the Beneficiary this Deed of Trust and shall have conveyed the Property to the Trustee, in trust for the benefit of the Beneficiary, and shall have granted to the Beneficiary a security interest in the Collateral to secure the Obligations as herein provided, and the Grantor has agreed to do so.
- F. The Lenders, Royal Bank of Canada, as agent for the Lenders, the Collateral Agent, PIM and the Pru Note Holders have entered into an intercreditor agreement dated as of June 26, 2013 (as the same may be amended, extended, renewed, replaced, restated and in effect from time to time the "Inter Creditor"), providing for the relative priority of the application of payments received pursuant to the Credit Documents and certain other payments with respect to the Obligations and certain other rights and interests of each of them.
2. Amendment of Persons Included in the Beneficiary. From and after the date of this Amendment, all references to the Beneficiary throughout the Deed of Trust as amended hereby shall mean Royal Bank of Canada, as Arranger, Royal Bank of Canada, as agent for the Lenders, Royal Bank of Canada, The Toronto-Dominion Bank, The Bank of Nova Scotia, Bank of Montreal, HSBC Bank Canada, Canadian Western Bank, and Export Development Corporation, a corporation established pursuant to the *Export Development Act*, Canada, R.S., c.E-18, S.1, Prudential Investment Management, Inc., The Prudential Insurance Company of America, Farmers New World Life Insurance Company, United of Omaha Life Insurance Company, holders of Shelf Notes, and Royal Bank of Canada as Collateral Agent, and any other Person providing the Grantor with financial accommodations, now or hereafter, under any Credit Document or any successor or replacement lender under the Credit Agreement or any successor or replacement holder of Pru Notes, in each case, to the extent that such Person has delivered an instrument agreeing to be bound by the Credit Documents and appointing the Beneficiary, or any of them, as its agent thereunder to act as beneficiary of the Deed of Trust with respect to obligations owing to such Person and secured by the Deed of Trust, and their respective successors and permitted assigns.
3. Amendment of Name of Agent. From and after the date of this Amendment, all references to the Agent throughout the Deed of Trust as amended hereby, except in references to "Royal Bank of Canada, as agent for the Lenders" shall mean Royal Bank of Canada, as Collateral Agent, and its successors and assigns in such capacity as Collateral Agent.
4. Increase of the Obligations; Amendment to Maturity Date under Credit Agreement. For greater certainty, and without limitation, the term "Obligations" as defined in the Deed of Trust as amended by

this Amendment includes the increased liability of the Grantor under or pursuant to the Pru Guarantee, the Pru Note Agreement, the Pru Notes and any other Credit Document to which it is a party. The maturity date under the Credit Agreement, exclusive of any option(s) to extend, is not changed (February 27, 2017). The maturity date of the Series A Notes is June 26, 2023. For the purposes of Oregon Law, the maturity date of the Lien of the Deed of Trust is June 26, 2023.

5. Amendment of Definitions.

(a) Section 1.1 of the Deed of Trust is amended by deleting the definitions of "Credit Documents," "Default Rate," "Environmental Agreement" and "Obligations" and substituting the following therefor:

"Credit Documents" means, collectively, the Credit Agreement, the Pru Note Agreement, the Pru Notes, the Pru Guarantee, the Inter Creditor, Hedge Contracts, the Cash Management Documents and all of the security and agreements to be entered into or granted under or pursuant to the Credit Agreement, including, without limitation, the Lenders' Security (as such term is defined in the Credit Agreement and which includes the Interfor Guarantee) and any and all agreements relating to Letters of Credit, Guarantee Letters, Bankers Acceptances or Discount Notes, as each may be amended, extended, renewed, replaced, restated and in effect from time to time.

"Default Rate" shall mean the highest rate of default interest set forth in the Credit Agreement or the Pru Note Agreement, as applicable.

"Environmental Agreement" shall mean: (A) the Environmental Indemnity Agreement dated as of August 25, 2004, by, inter alia, Klamath Northern Railway Company (an Oregon corporation) and the Grantor in favor of the Lenders (as defined therein) and Royal Bank of Canada, as agent for the Lenders (as defined therein) as amended by (i) the US Security Amending Agreement, entitled as such, dated for reference January 14, 2010, among, inter alia, the Grantor and Royal Bank of Canada, as agent for the Lenders, (ii) the US Security Second Amending Agreement, entitled as such, dated for reference February 27, 2013, among, inter alia, the Grantor and Royal Bank of Canada, as agent for the Lenders, and (iii) the US Security Third Amending Agreement, entitled as such, dated for reference June 26, 2013, in favor of the Lenders, PIM, the Pru Note Holders, Royal Bank of Canada, as agent for the Lenders, and the Collateral Agent; and (B) the Environmental Indemnity Agreement dated as of September 30, 2008, made by the Grantor in favor of the Lenders (as defined therein) and Royal Bank of Canada, as agent for the Lenders (as defined therein), as amended by (i) the US Security Amending Agreement, entitled as such, dated for reference January 14, 2010, among, inter alia, the Grantor and Royal Bank of Canada, as agent for the Lenders, (ii) the US Security Second Amending Agreement, entitled as such, dated for reference February 27, 2013, among, inter alia, the Grantor and Royal Bank of Canada, as agent for the Lenders, and (iii) the US Security Third Amending Agreement, entitled as such, dated for reference June 26, 2013, in favor of the Lenders, PIM, the Pru Note Holders, Royal Bank of Canada, as agent for the Lenders, and the Collateral Agent; and as each of the foregoing may be further amended, extended, modified, renewed, replaced, restated and in effect from time to time.

"Obligations" shall mean, collectively, all present and future debts, liabilities, obligations, covenants and duties of the Grantor arising under or in connection with the Interfor Guarantee, the Pru Guarantee or any other Credit Document to which it is a party, in each case whether primary, secondary, direct or indirect, secured or unsecured, fixed, absolute or contingent, joint, several or independent, due or to become due, liquidated or unliquidated, and whether created directly or acquired by assignment or otherwise; provided, however, that for purposes of this Deed of Trust, the term "Obligations" shall not include (i) any obligations under the Environmental Agreement or (ii) any

obligations under this Deed of Trust or any Credit Document that are substantially equivalent to the obligations arising under the Environmental Agreement.

(b) The following definitions are hereby added to Section 1.1 of the Deed of Trust in the appropriate alphabetical order:

"Accelerated Payment Date" means (i) the date when any of the Pru Notes have become due and payable pursuant to Section 12.1 of the Pru Note Agreement, or (ii) the "Accelerated Payment Date" as defined in the Credit Agreement.

"Cash Management Documents" means any document or instrument comprising or providing for, as the context requires, (i) any cash management, cash aggregation, mirror or concentrator account, zero – balance or similar facility or arrangement entered into with any Lender, or (ii) any corporate credit care or similar facilities provided for by any Lender.

"Event of Default" means an "Event of Default" as defined in the Credit Agreement or the Pru Note Agreement, as applicable.

"Hedge Contracts" means transactions entered into between any of the Lenders and the Borrower if such transaction is entered into: (i) to control, fix or regulate currency exchange fluctuations or the rate or rates of interest payable under the Credit Agreement, including, without limitation, interest rate swaps, interest rate agreements, caps, collars, futures or hedging agreements and other like facilities and any combination thereof; or (ii) to hedge commodity prices, provided, in either case, that the risks hedged are associated the operations of the Borrower and are not for speculative purposes.

6. Amendment to Reference to Treasury Contracts. From and after the date of this Amendment, all references to Treasury Contracts throughout the Deed of Trust as amended hereby shall mean Hedge Contracts.

7. Reaffirmation of Granting Clauses.

(a) The Grantor hereby ratifies and reaffirms the granting clause set forth in Section 1.2 of the Deed of Trust as follows: For good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Grantor, to secure the payment or performance, as the case may be, in full of the Obligations, the Grantor hereby BARGAINS, SELLS, GRANTS, TRANSFERS, CONVEYS and ASSIGNS to the Trustee, in trust for the benefit of the Beneficiary, with power of sale and right of entry and possession, all estate, right, title and interest which the Grantor now has or may hereafter acquire in and to the Property.

(b) The Grantor hereby ratifies and reaffirms the granting clause set forth in Section 1.3 of the Deed of Trust as follows: For good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Grantor, the Grantor hereby grants to the Beneficiary a security interest in all right, title or interest of the Grantor in or to any and all of the Collateral as security for the payment or performance, as the case may be, in full of the Obligations. In addition to its rights under the Deed of Trust or otherwise, the Beneficiary shall have all of the rights of a secured party under the Uniform Commercial Code as in effect from time to time in the State of Washington, or under the Uniform Commercial Code as in effect from time to time in any other state to the extent the same is applicable law.

- (c) The Grantor hereby ratifies and reaffirms the assignment clause set forth in Section 3.1 of the Deed of Trust as follows: The Grantor hereby assigns to the Beneficiary all Rents and all of the Grantor's rights in and under all Leases as security for the payment or performance, as the case may be, in full of the Obligations.
8. Remedies. Section 4.1(a) of the Deed of Trust is amended by deleting it in its entirety and replacing it with the following:
- (a) Remedies Under Credit Documents. The Beneficiary may exercise any and all rights and remedies granted to it in the Credit Agreement, the Pru Note Agreement and the other Credit Documents.
9. Proceeds of Foreclosure. Section 4.2 of the Deed of Trust is amended by deleting the words "Credit Agreement" therein and replacing them with the words "Inter Creditor."
10. Notices. Section 5.10 of the Deed of Trust is amended by deleting the words "Credit Agreement" therein and replacing them with the words "Credit Agreement or the Pru Note Agreement, as applicable."
11. Amendment. The fourth sentence in Section 5.12 of the Deed of Trust is amended by deleting it in its entirety and replacing it with the following:
- None of the provisions of this Deed of Trust may be amended or terminated, or otherwise modified, except by an instrument in writing duly executed by the Agent and the Grantor.
12. No Other Changes. Except as modified herein, the Deed of Trust is unmodified and in full force and effect, and the Grantor hereby acknowledges, confirms and agrees that:
- (a) except as expressly modified by this Amendment, the Deed of Trust shall remain unmodified and in full force and effect.
- (b) the execution and delivery by the Beneficiary or any Person included in the Beneficiary of this Amendment shall not be deemed to create a course of dealing or otherwise obligate any Lender to execute similar amendments under the same or similar circumstances in the future.
- (c) the Deed of Trust, as amended hereby, constitutes a legal, valid and binding obligation of the Grantor, enforceable against the Grantor in accordance with terms thereof;
- (d) the Grantor will continue to be bound by all of the terms, conditions, covenants and obligations applicable to it under or pursuant to the Deed of Trust as amended hereby, and hereby ratifies, acknowledges and confirms all obligations, covenants, clauses, agreements, provisos, stipulations, conditions, powers, matters and things whatsoever contained therein; and
- (e) the representations and warranties made by the Grantor in the Deed of Trust as amended hereby shall survive the execution and delivery of this Amendment and the Credit Documents and any additional security granted by the Grantor notwithstanding any investigation made at any time by or on behalf of the Beneficiary.

WARNING (ORS 93.040): BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS. IF

ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

WARNING:

UNLESS GRANTOR PROVIDES BENEFICIARY WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED BY OUR CONTRACT OR LOAN AGREEMENT, BENEFICIARY MAY PURCHASE INSURANCE AT GRANTOR'S EXPENSE TO PROTECT BENEFICIARY'S INTEREST. THIS INSURANCE MAY, BUT NEED NOT, ALSO PROTECT GRANTOR'S INTEREST. IF THE COLLATERAL BECOMES DAMAGED, THE COVERAGE BENEFICIARY PURCHASES MAY NOT PAY ANY CLAIM GRANTOR MAKES OR ANY CLAIM MADE AGAINST GRANTOR. GRANTOR MAY LATER CANCEL THIS COVERAGE BY PROVIDING EVIDENCE THAT GRANTOR HAS OBTAINED PROPERTY COVERAGE ELSEWHERE.

GRANTOR IS RESPONSIBLE FOR THE COST OF ANY INSURANCE PURCHASED BY BENEFICIARY. THE COST OF THIS INSURANCE MAY BE ADDED TO YOUR CONTRACT OR LOAN BALANCE. IF THE COST IS ADDED TO YOUR CONTRACT OR LOAN BALANCE, THE INTEREST RATE ON THE UNDERLYING CONTRACT OR LOAN WILL APPLY TO THIS ADDED AMOUNT. THE EFFECTIVE DATE OF COVERAGE MAY BE THE DATE GRANTOR'S PRIOR COVERAGE LAPSED OR THE DATE GRANTOR FAILED TO PROVIDE PROOF OF COVERAGE.

THE COVERAGE BENEFICIARY PURCHASES MAY BE CONSIDERABLY MORE EXPENSIVE THAN INSURANCE GRANTOR CAN OBTAIN ON ITS/HIS/HER/THEIR OWN AND MAY NOT SATISFY ANY NEED FOR PROPERTY DAMAGE COVERAGE OR ANY MANDATORY LIABILITY INSURANCE REQUIREMENTS IMPOSED BY APPLICABLE LAW.

UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS BY BENEFICIARY CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES, OR SECURED SOLELY BY THE GRANTOR'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BENEFICIARY TO BE ENFORCEABLE.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed and delivered as of the day and year first above written.

GRANTOR:

INTERFOR U.S. INC., a Washington corporation



Name: Duncan K. Davies
President



Name: John A. Horning
Senior Vice President & Chief Financial Officer

COLLATERAL AGENT:


ROYAL BANK OF CANADA, as Collateral Agent for Royal Bank of Canada as Arranger, Royal Bank of Canada as agent for the Lenders, and Royal Bank of Canada, The Toronto-Dominion Bank, The Bank of Nova Scotia, Bank of Montreal, HSBC Bank Canada, Canadian Western Bank, and Export Development Corporation, a corporation established pursuant to the Export Development Act, Canada, R.S., c.E-18, S.1, Prudential Investment Management, Inc., The Prudential Insurance Company of America, Farmers New World Life Insurance Company and United of Omaha Life Insurance Company and the holders of Shelf Notes

By: 

Name: Baljit Mann
Title: Authorized Signatory

AGENT FOR THE LENDERS:

ROYAL BANK OF CANADA, as agent for the Lenders

By: 


Name: Baljit Mann
Title: Authorized Signatory

PROVINCE OF BRITISH COLUMBIA)
) ss.
CITY OF VANCOUVER)

I certify that I know or have satisfactory evidence that **DUNCAN K. DAVIES**, is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the **President** of **INTERFOR U.S. INC.**, a Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: June 21, 2013.





(Signature)
RON L. BOZZER
(Name legibly printed or stamped)
Notary Public in and for the Province of British Columbia, residing at Vancouver
My appointment does not expire.

PROVINCE OF BRITISH COLUMBIA)
) ss.
CITY OF VANCOUVER)

I certify that I know or have satisfactory evidence that **JOHN A. HORNING** is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the **Senior Vice President & Chief Financial Officer** of **INTERFOR U.S. INC.**, a Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: June 21, 2013.




(Signature)
RON L. BOZZER
(Name legibly printed or stamped)
Notary Public in and for the Province of British Columbia, residing at Vancouver
My appointment does not expire.

RON L. BOZZER
LAWYER
HUNGERFORD TOMYN LAWRENSEN AND NICHOLS
1100 - 925 WEST GEORGIA STREET
VANCOUVER, B.C. V6C 3L2
(604) 408-5616

PROVINCE OF BRITISH COLUMBIA)
) ss.
CITY OF VANCOUVER)

I certify that I know or have satisfactory evidence that **BALJIT MANN** is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the **Authorized Signatory** of **ROYAL BANK OF CANADA**, a Canadian chartered bank, as Collateral Agent, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: June 21, 2013.




PROVINCE OF BRITISH COLUMBIA)
) ss.
CITY OF VANCOUVER)

I certify that I know or have satisfactory evidence that **BALJIT MANN** is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the **Authorized Signatory** of **ROYAL BANK OF CANADA**, a Canadian chartered bank, as agent for the Lenders, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.


Dated: June 21, 2013.




(Signature)

(Name legibly printed or stamped)
Notary Public in and for the Province of British
Columbia, residing at Vancouver
My appointment does not expire.

DAVID R. BAIN
BARRISTER & SOLICITOR
BULL, HOUSSEY & TUPPER LLP
#3000, 1055 WEST GEORGIA
VANCOUVER, B.C. V6E 3R3
(604) 641-4812


(Signature)

(Name legibly printed or stamped)
Notary Public in and for the Province of British
Columbia, residing at Vancouver
My appointment does not expire.

DAVID R. BAIN
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