

Sale Name: W

C2.3# - RESERVE TREES (04/2004)

Notwithstanding the designations for cutting under B2.31, B2.32, B2.33, or B2.34, live or dead Wildlife reserve trees or groups of reserve trees within such cutting units or clearings shall be left uncut. Reserve trees are identified by Orange, orange and white or pink tree marking paint and shall be protected in accordance with C6.32#. Units with reserve trees are shown on Sale Area Map.

C2.35# (OPTION 1) - INDIVIDUAL TREE DESIGNATION (06/2008)

All see attached instructions which meet the minimum tree diameter stated in A2 are designated for cutting. Additional timber to be cut, if any, will be designated for cutting in accordance with B2.37.

Leave trees, Marked with Orange tree marking paint, or identified by see attached specifications are not to be cut, unless designated by the Forest Service.

C3.47# - ABNORMAL DELAY (09/2004)

Unless otherwise agreed, felled timber meeting Utilization Standards shall be removed by Purchaser pursuant to B2.2 and shall be presented for Scaling within the time period indicated in the following removal schedule. The number of days shown are consecutive calendar days.

Failure to remove and present such timber for Scaling within the required time limits will be considered abnormal delay, subject to B3.47.

See attached removal schedule.

Table Pursuant to C2.35# (Option 1) - Individual Tree Designation, (06/2008)

<u>Subdivision</u>	<u>D x D Spacing</u>	<u>1/ Description of Included Timber (See Other Requirements)</u>
360, 370, 400	13 feet	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within the specified spacing of a live conifer with a larger stump diameter. All other species are non-included timber.
510, 511, 512	14 feet	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within the specified spacing of a live conifer with a larger stump diameter. All other species are non-included timber.
430, 410	15 feet	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within the specified spacing of a live conifer with a larger stump diameter. All other species are non-included timber.
390	16 feet	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within the specified spacing of a live conifer with a larger stump diameter. All other species are non-included timber.
440, 530, 531	17 feet	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within the specified spacing of a live conifer with a larger stump diameter. All other species are non-included timber.
260, 460, 461	18 feet	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within the specified spacing of a live conifer with a larger stump diameter. All other species are non-included timber.
480, 481, 486, 482, 490, 491, 540, 550	19 feet	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within the specified spacing of a live conifer with a larger stump diameter. All other species are non-included timber.
470, 471, 472, 473, 500, 501	21 feet	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within the specified spacing of a live conifer with a larger stump diameter. All other species are non-included timber.
450	24 feet	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within the specified spacing of a live conifer with a larger stump diameter. All other species are non-included timber.

380, 381, 385, 386, 387	25 feet	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within the specified spacing of a live conifer with a larger stump diameter. All other species are non-included timber.
371, 382, 383, 384, 388, 389, 391, 392, 471, 475, 476, 477, 483, 484, 485, 532, 533, 534, 535, 536, 537, 551, 981, 982	LTM (Gaps)	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, <u>not marked</u> with orange or orange and white tree marking paint above stump height and marked below stump height.
360, 440, 460, 540	LTM (DTR)	Only live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within 66' slope distance, stump to stump of a marked tree, double banded (2 horizontal bands) marked with orange, orange and white or pink tree marking paint above stump height and marked below stump height.
ALL	DxD (DTR)	All live Douglas-fir, Western Hemlock, Incense Cedar and True firs, if they are within 66' slope distance, stump to stump of a Sugar Pine greater than or equal to 24" at DBH. All other species are non-included timber.

NOTE: Subdivisions 385, 386, 387, 440, 472, 512 has existing orange tree marking paint from a previous Timber Sale. This paint shall not be considered in the application of the designation of included timber by the DxD spacing requirements and/or LTM designation (Gaps and/or DTRs).

Purchaser agrees to the following measures:

- All
1. Down timber from adjacent private land will be protected from cutting and kept separate from Included Timber.
 2. Boundary trees are designated with orange tree marking paint and blue boundary cards.
 3. Boundary trees with orange paint and blue boundary tags shall be included in the DXD spacing when the boundary tree has a larger stump diameter than other trees within the DXD spacing. Boundary trees shall always "cut" a tree within subdivision/payment unit. Boundary trees shall not be cut, B2.3, Timber Designations.
 4. Orange painted trees within Group selects (LTM - Gaps) will not be included timber.
 5. Orange painted trees within Dominant Tree Release (DTR) will not be included timber.
 6. If orange painted buffer trees along streams are needed to be cut to accommodate a corridor they shall be directionally felled into the channel and left on site.
 7. If purchaser premarks units, trees within 50 feet of Forest roads will be marked on the back side of the tree facing away from road, unless waived by Forest Service.

Definitions:

- 1 D x D: Designation by Description.
- 2 ITM: Individual Tree Mark
- 3 LTM: Leave Tree Mark.

- 4 DTR: Dominant Tree Release.
- 5 D x D Stump Height: Measure at 4 inches above the ground on the uphill side of the tree. When obstacles are present on the uphill side of the tree measure 4 inches from the obstacles.

Other requirements:

- 1 Minimum stump height left for inspection purposes will be 4 inches.
- 2 D x D Diameter: Measure at the DxD specified stump height 4 inches, outside the bark with a diameter tape that is perpendicular to the bole of the tree. Stumps missing all or part of their bark will be measured as presented. Measure to the nearest tenth of an inch.
- 3 D x D Spacing: Measure slope distance at 4 inches above the ground from the closest point between trees. This does not need to be measured on the uphill side of the tree.
- 4 All leave trees will remain standing.
- 5 Down Tree: a) An entire tree lying on the ground with an attached root wad;
b) a root sprung tree with broken and exposed roots showing above the ground (root sprung trees must remain identifiable after logging).

C4.21# (OPTION 1) - TRANSFER OF PURCHASER CREDIT (07/2001)

The amount of Purchaser Credit earned on National Forest lands which may be transferred to this contract is limited to _____ and from other revested lands within the Forest boundary _____. This limit may be adjusted pursuant to B8.3. Any such adjustment shall be calculated in a manner consistent with the limit computation at time of sale.

Purchaser credit transferred to this contract from other contracts may be used to meet charges for timber subject to B4.2. Transfer of purchaser credit to or from Timber Sale Account shall be made monthly, or at longer intervals, as requested by Purchaser.

C4.211 - DOWNPAYMENT (06/2007)

The downpayment amount shown in A18 may not be applied toward any other payment required under the provisions of this contract, except damages determined pursuant to B9.4, transferred to other timber sales, or refunded until (a) stumpage value representing 25 percent of the total bid value of the timber sale has been charged and paid for, or (b) the estimated value of the unscaled timber is equal to or less than the amount of the downpayment, or (c) if 36 CFR 223.49(e) is applicable, the estimated value of the unscaled timber is equal to or less than the amount of the downpayment.

If Forest Service makes a determination that this contract should not have been included under increased downpayment requirements (36 CFR 223.49(e)), the downpayment shall be revised and applied in accordance with 36 CFR 223.49(f).

C4.212 - TEMPORARY REDUCTION OF DOWNPAYMENT (08/2009)

Notwithstanding B4.211 or C4.211, upon the Purchaser's written request Forest Service may temporarily reduce the downpayment when Purchaser's scheduled operations are delayed or interrupted for 30 or more consecutive days, or the contract term is extended for 30 or more consecutive days for any of the following reasons:

- (1) Forest Service requests or orders Purchaser to delay or interrupt operations for reasons other than breach;
- (2) Purchaser interrupts or delays scheduled operations to work on a sale designated by the Forest Service as in urgent need of harvesting; or
- (3) An adjustment of the contract term authorized upon a determination of substantial overriding public interest, including a market-related contract term addition, or an urgent removal contract term extension under 36 CFR 223.53.

When Purchaser is not cutting or removing timber under contract during a qualifying period of delay, interruption, or extension listed above the downpayment may be reduced to \$1000 or 2 percent of the downpayment amount stated in the contract, whichever is greater. The Purchaser must restore the downpayment to the full amount stated in the contract within 15 days from receipt of the bill for collection and written notice from the Contracting Officer that the basis for temporarily reducing the downpayment no longer exists. Purchaser shall not cut or remove timber on a contract where the downpayment has been temporarily reduced until the downpayment amount stated in the contract is fully restored.

C4.4 - PAYMENTS NOT RECEIVED (08/2012)

(a) Payments are due and payable on the date of issue indicated on the bill for collection. When a payment for timber cut and other charges is not received at the location designated by Forest Service by the date specified in the bill for collection for, Contracting Officer will suspend all or any part of Purchaser's Operations until payment or acceptable payment guarantee is received. Other charges include, but are not limited to:

- (i) Slash disposal, road maintenance, and contract Scaling deposits;
- (ii) Cooperative work at rates established by specific agreement under B4.218;
- (iii) Damages pursuant to B9.4;
- (iv) Road use fees;
- (v) Restoration of downpayment pursuant to B4.22;
- (vi) Periodic payments pursuant to B4.213;
- (vii) Extension Deposits pursuant to B4.217; and
- (viii) Other mandatory deposits.

(b) Failure to pay amounts due by the date specified in the bill for collection shall be considered a breach under B9.3. The 30-day notice period prescribed therein shall begin to run as of the end of business on the date specified for receipt of payments. If the performance or payment is guaranteed by surety bond, the surety will receive a copy of the written notification of breach. Demand will be made on the surety or other institution providing the guarantee or bond instrument for immediate payment 10 days after issuance of written notification of the breach.

(c) Pursuant to the Debt Collection Improvement Act of 1996, as amended, if payment is not received by Forest Service within 15 days after the date of issue indicated on the bill for collection:

- (i) Simple interest shall be assessed at the Current Value of Funds Rate as established by the Secretary of the Treasury. Interest will begin to accrue as of the date of issue indicated on the initial bill for collection.
- (ii) Debtors will be assessed administrative charges, in addition to the delinquent amount due. Administrative charges are those additional costs incurred by the Government in processing, handling, and collecting delinquent debts.
- (iii) A penalty charge of six (6) percent per annum will be assessed on any portion of a debt delinquent more than 90 days. This penalty charge is in addition to interest and administrative charges under paragraphs (c)(i) and (c)(ii). The penalty charge shall accrue from the date of issue indicated on the bill for collection and shall be assessed on all outstanding amounts, including interest and administrative costs assessed under paragraphs (c)(i) and (c)(ii).

(iv) Payments will be credited on the date received by the Federal Depository or Collection Officer designated on the bill for collection.

(d) Forest Service remedies for Purchaser's failure to make payment for timber cut and other charges when due, except for accrual of interest, suspension of all or any part of Purchaser's Operations, and administrative offset, shall be stayed for so long as:

- (i) A bona fide dispute exists as to Purchaser's obligation to make such payment and
- (ii) Purchaser files and prosecutes a timely Claim.

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C5.1# (OPTION 1) - TEMPORARY ROAD AND LANDING CONSTRUCTION (06/2008)

In addition to the requirements of B5.1 and B6.63, Purchaser and Forest Service will agree to the design, construction, maintenance, closure, and obliteration of all Temporary Roads.

Construction of Temporary Roads in areas shown on Sale Area Map shall be in accordance with the attached plans or criteria.

Unless otherwise agreed, if Purchaser's Operations require more than N/A cubic cu. yds. of rock for Temporary Roads, landings, or other temporary uses, such rock shall be obtained from commercial sources.

PLANS AND/OR CRITERIA PURSUANT TO C5.1# (OPTION 1) - TEMPORARY ROAD AND LANDING CONSTRUCTION (06/2008) see attached specifications and/or criteria

C5.11# - LAND USE AGREEMENTS (07/2001)

Purchaser shall adhere to all requirements and stipulations contained in the agreement(s) in the attached table;

See attached table of agreement(s).

PLANS AND CRITERIA PURSUANT TO C5.1# (OPTION 1) -
TEMPORARY ROAD AND LANDING CONSTRUCTION (07/2001)

1. The Forest Service and Purchaser shall agree to temporary road locations and clearing limits prior to construction.
2. Temporary roads shall be constructed to a minimum width to accommodate logging equipment and shall be located to minimize the number of trees cut while minimizing the extent of ground impacted by construction.
3. All trees to be cut by the purchaser shall be identified and designated for cutting by the Forest Service prior to cutting.
4. On native surface roads, hauling shall be restricted during wet weather, from October 16 thru the end of May 15.
5. Clearing and grubbing debris shall be scattered in areas designated on the ground by the Forest Service.
6. Straw bales or other agreed upon erosion control devices shall be placed in ditches, as needed, to prevent sediment from entering stream courses. All straw bales will be certified weed free.
7. At the end of each season and/or when purchaser is done with the temporary road and/or termination of contract, purchaser shall install drivable drain dips and water bars and close the road to normal vehicular traffic, B6.63.
8. In accordance with B6.631, Temporary Roads to remain open, to facilitate short-term access, purchaser agrees to leave temporary road open as designated on Sale Area Map.
9. Methods of closure shall be determined based on existing terrain conditions and needs at the time of closure.
10. Reopening of temporary roads may occur.

PLANS AND CRITERIA PURSUANT TO C5.1# (OPTION 1) -
TEMPORARY ROAD AND LANDING CONSTRUCTION (07/2001)
(Continued)

11. Other erosion control measures, to stabilize the road and prevent erosion on slopes over 8%, may require a structure approximately every 100 feet. Seed and fertilizer for the road will be in accordance with C6.6.
12. Culverts shall be placed in all stream courses, along/across temporary roads. Culverts shall be corrugated metal pipe and shall not be less than 18 inches diameter.
13. Culvert installation in fish-bearing and other perennial streams shall be restricted, beginning July 1 thru the end of August 15, C6.315#. During culvert installation in live streams, the streams will be temporarily diverted around the site and biodegradable geotextile cloth will be placed downstream from the site to minimize transport of sediment, unless other methods are agreed to in writing with the Forest Service.
14. Culverts shall not be left in place after purchasers operations are completed.
15. Landings and helicopter service landings shall be designed in accordance to B6.422, shall be as small as operationally feasible, and shall be agreed to in writing by the Forest Service.
16. All landings will be designed to provide adequate drainage to protect the adjacent resources.
17. Areas to be covered with fill material shall be cleared of logs and cull woody material over 4 inches in diameter and/or 8 feet long.
18. Where side slopes exceed 45 percent, waste material shall be end-hauled to locations authorized in writing by the Forest Service.
19. Placement of rock ballast shall not take place unless mutually agreed to in writing by the Forest Service.
20. Rock ballast shall not exceed 4 inches in depth, unless mutually agreed to in writing by the Forest Service. Landing cut and fill slopes shall be left at no steeper than 1 ½ to 1 upon completion of sale operations.
21. Any culverts replaced shall be removed and disposed of by Purchaser off of National Forest lands.

C5.11# - LAND USE AGREEMENTS, (con't)

<u>Type of Agreement</u>	<u>Grantor</u>	<u>Purpose</u>
Temporary License Agreement - Road Use	Giustina Resources, LLC.	Road Use

See attached agreement.

Effective Date: June____, 2016
Expiration Date: December 31, 2021

TEMPORARY LICENSE AGREEMENT – ROAD USE

THIS LICENSE AGREEMENT entered into as of the date set forth above, by and between GIUSTINA RESOURCES, LLC, an Oregon Limited Liability Company, hereinafter called "Licensor," and the UNITED STATES OF AMERICA, acting through the FOREST SERVICE, DEPARTMENT OF AGRICULTURE, hereinafter called "Licensee."

RECITALS

- A. Licensor owns and/or manages certain land and timber located in Township 16 South, Range 05 East, Section 13, Willamette Meridian, in Lane County, Oregon ("Property").
- B. Licensee plans to sell certain timber located in the N1/2 of the NW1/4 of Section 13 and the NE1/4 of the NE1/4 of Section 14, both in Township 16 South, Range 05 East, in Lane County, Oregon, as part of the "W" Timber Sale, under contract which will be administered by the McKenzie River Ranger District, and desires access across the Property in order to manage and remove said timber.
- C. Once Licensee sells and contracts the "W" Timber Sale, the party who purchases and subsequently performs the harvest, removal and haul of timber from Licensee's "W" Timber Sale shall hereinafter be called "Purchaser." Purchaser shall become a third party to this Agreement with its acceptance of the terms and conditions of this Agreement.
- D. Licensee and Purchaser desire access and/or use of the Property for the purposes set forth herein.

WHEREAS, Licensor is willing to grant said access/use subject to the terms and conditions set forth herein,

NOW THEREFORE, the parties hereto do mutually agree as follows:

1. Grant of License. Licensor hereby grants to Licensee and Purchaser a non-exclusive right, license and permission to use existing roads as shown on the attached map marked Exhibit A ("Exhibit A") located on the Property for the hauling of approximately 1,250 MBF of timber from the "W" Timber Sale. Additionally, Licensee and Purchaser shall have administrative and management access as needed for pre-sale, active-sale, and post-sale activities associated only with the "W" Timber Sale. This License is subject to all existing easements, licenses, exceptions, and other encumbrances. The permission granted to Licensee and Purchaser is limited to Property owned by Licensor. Licensor makes no representation or warranty as to the present or future conditions of its Property or the character of the traffic on any of the Property roadways ("Road(s)"), and Licensee and Purchaser both assume all risks associated with their respective activities thereon. For the purposes of this Agreement, "Licensee" shall mean Licensee and its employees, agents and contractors (excluding the Purchaser), and "Purchaser" shall mean Purchaser and its employees, agents and contractors.

2. Title to Property. Except as expressly granted to Licensee and Purchaser in writing under this Agreement, title to the Property, including the existing Roads, and all logs, plants, animals or other resources derived therefrom, shall and at all times will remain in Licensor, subject to the rights granted to Licensee and Purchaser herein.
3. Road Maintenance and Repairs. Road maintenance shall be as follows:
 - 3.1 Licensee (and/or Purchaser) Use Only. If the Road is used by Purchaser, and not by Licensor (no simultaneous haul), then Purchaser shall maintain the Road during its use thereof, at its sole cost and expense. Except as set forth herein, Licensee and Purchaser shall maintain the Road in as good of a condition as existed prior to its use and to reasonably protect the Road from adverse weather. Any patch rocking (soft spots) shall use 3"-0 rock. Purchaser shall place/process at least two loads (10 yards each) of ¾"-0 starting from North Bank Road (paved county road) up through access gate (approximately 400' in length) after all timber hauling and equipment moves are complete. Licensee and Purchaser shall return the Road to substantially the same condition as existed immediately prior to its use on or before the Expiration Date.
 - 3.2 Repair. Any party who causes damage to a Road by failure to maintain (if required) or through negligence shall be solely responsible to repair the damage.
4. Road Renovation. Licensor hereby grants Purchaser the right to renovate an existing road as shown and labeled on Exhibit A of this Agreement. In addition to normal renovation requirements to get the road to a haul-able state, Purchaser shall blade/scape cut/fill slopes free of brush and grass vegetation (down to the soil). Plantation trees shall remain untouched, except for any limbing/brush cutting reasonably required for safe travel. In most areas, 10-15' on each side of the existing 10-12' wide roadway [the road shoulders] should be sufficient for these purposes. Existing stumps as of the date of this Agreement need not be removed. The intent of the foregoing shall be to reduce the risk of wildfire spread along the road (powerline R/W) by minimizing ground fuels. No timber exists along this road segment, but Purchaser shall minimize damage to Licensor's plantation. This road segment shall be left as a native surface, out-sloped, seasonal use road. Licensee and Purchaser further acknowledge and agree that any road on the Property that Purchaser constructs, reconstructs, renovates, or improves shall be owned by Licensor and title to such road shall at all times remain with Licensor, subject to Licensee's and Purchaser's right to use the road as provided in this Agreement. Purchaser shall submit a Notification of Operations Permit with the Oregon Department of Forestry ("ODF") for the renovation of such road across the Property.
5. Tailholds and Landings. Purchaser shall not use Licensor's trees for tailholds or to construct landings for loading logs, nor yard logs on such Road, without express written permission from Licensor.
6. Consideration. Purchaser shall pay to Licensor a road use fee as follows: **\$0.50/MBF (net).** A sum of \$625.00 shall be paid prior to use or hauling based on the estimated haul volume of 1,250 MBF. Any road use fee due from additional haul volume shall be made upon final haul completion. A request for report of scale tickets or load volumes hauled on Licensor's Road(s) may be requested by Licensor and shall be provided within ten (10) days of such request. No refund shall be made in the event that final haul volume totals less than the original estimated amount.
7. Compliance with Licensor Rules. When accessing/using the Property and Roads, Licensee and Purchaser shall comply with easements, right-of-ways, permits, and safety and road

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- regulations of Licensor and applicable laws. Such regulations shall be uniformly applicable to all users of the Property and Roads.
8. Equipment. Licensee's or Purchaser's equipment operating upon the Property shall be maintained in a good and safe condition and shall be operated cautiously to minimize accidents or hazards. No equipment shall be left unattended or parked on the Property without specific written permission from Licensor.
 9. Inspection. Licensee or Purchaser shall inspect the Property and notify Licensor of any conditions not suitable for the Licensee's or Purchaser's designated purpose prior to accessing the Property. In absence of such notification, Licensee and Purchaser hereby agree that all conditions, including Roads, are suitable for Licensee's or Purchaser's use.
 10. Suspension. Licensor may suspend the access/use of such Property and/or Roads during periods when forests are closed by lawful authority or when, due to weather conditions, unrestricted use could cause excessive damage. Any suspension shall be applicable to all users. Licensor shall also have the right to suspend access/use of such Property/Roads when it reasonably believes that, under the circumstances, use would pose an immediate risk of danger to persons or property or may violate any applicable laws, rules or regulations. Notwithstanding any other provision of this Agreement, Licensee and Purchaser shall cease and suspend all access/use when an extreme fire hazard or risk exists, including low humidity ($\leq 30\%$ R.H.) shutdown and/or IFPL 4 Shutdown on ODF protected lands.
 11. Slash and Debris. Licensee and Purchaser shall not permit slash or other debris from its activities to fill in or close the ditches or culverts of the Roads. Prior to the expiration or termination of the Agreement, Licensee or Purchaser shall clean up and remove from the Property all debris, refuse and waste material which may have resulted from Licensee's or Purchaser's use. On-site disposal of waste, including, but not limited to, packaging material, whether by burning, burying or otherwise, is specifically prohibited.
 12. Compliance with Laws. Whenever Licensee or Purchaser exercises any rights granted herein, it shall comply will all applicable laws, rules, and regulations and shall take every reasonable precaution to safeguard timber, immature forests and other property of Licensor from fire or other damage. When requested by Licensor or by applicable laws, Purchaser will hire competent firewatch and security personnel equipped with adequate means to communicate emergencies and/or to report a forest fire. The firewatch and security personnel will have keys to open gates at all times. In the event of fire, Licensor shall be notified immediately after notifying the Oregon Department of Forestry and Licensee and Purchaser shall make efforts to suppress or contain the fire.
 13. Gates. Licensee and Purchaser shall also insure that gates are locked each evening and on the weekends when Licensee or Purchaser is not actively using the Property. Licensee and Purchaser shall also leave the Property in good and safe condition, free from waste or unsightly condition, all to Licensor's satisfaction.
 14. Insurance. Before exercising any rights under this Agreement, Purchaser shall at its expense procure and maintain in full force, until it has been released from all its obligations incurred by or resulting from this Agreement, the policies of insurance set forth below:
 - 14.1 Comprehensive General Liability insurance written on an occurrence basis providing coverage for a combined single limit for Bodily Injury and Property Damage, of at least \$1,000,000 for each occurrence and \$2,000,000 aggregate. This policy must

provide coverage for Premises-Operations, Independent Contractors, Broad Form Property Damage, Contractual Liability, and Products & Completed Operations (which shall be maintained for a period of not less than six years after substantial completion of the project or the statute of limitation, whichever is greater). Explosion, Collapse and Underground Exclusions must be deleted when applicable to Services performed by Contractor. Policy must have an endorsement providing that the general aggregate limit applies separately to the Services. Contractor's General Liability policy shall contain a waiver of subrogation.

- 14.2 Automobile liability insurance covering all motor vehicles utilized by Purchaser in connection with Purchaser's activities in the amounts not less than the following:
 - (a) Bodily injury or death - \$1,000,000.00 for injury to any one person, and \$1,000,000.00 for any one occurrence.
 - (b) Property damage - \$1,000,000.00 for any one occurrence.
 - 14.3 Loggers' Broad form Property Damage, including firefighting expense, with a limit of not less than \$1,000,000.
 - 14.4 Workers' compensation insurance to the extent and in the manner required by law.
 - 14.5 All such insurance policies shall be obtained from an insurer which is duly authorized to do business in the State of Oregon and is registered pursuant to Oregon statutes and which is rated "A" or better as defined in the then current edition of Best's Insurance Reports (or the equivalent thereof if Best's Insurance Reports is no longer published).
 - 14.6 Purchaser shall not cancel or modify the coverage or reduce the limits without giving Licensor at least thirty (30) days written notice prior to such proposed cancellation, modification, or reduction in limits.
 - 14.7 Each such insurance policy shall contain an endorsement providing substantially as follows:

"Should any of the described policies be canceled or the coverage or limits reduced before the expiration date thereof, the issuing company will mail thirty (30) days written notice to Giustina Resources, LLC, P.O. Box 529, Eugene, Oregon 97440-0529."
 - 14.8 Before entering the Property, Purchaser shall deliver to Licensor a certificate from the insurer evidencing the insurance coverages and endorsements required by this Agreement (including, but not limited to workers' compensation insurance).
 - 14.9 Licensor and Giustina Tree Farms Limited Partnership shall be named as an additional insured on all policies.
15. Performance Bond or Other Security. Before exercising any rights under this Agreement, Licensor requires a cash or surety bond of \$2,000.00, from Purchaser, as security for Purchaser's obligations to be performed hereunder. If Purchaser defaults in the performance of any obligation hereunder, Licensor may apply said sum to the extent necessary to reimburse itself in a sum equal to any damage sustained as a result of said default, including costs incurred for its reasonable attorneys' fees. If and when security for the performance of the terms of this Agreement or the settlement of claims incidental thereto is no longer necessary, and after satisfactory releases obtained from Licensor, the State, and the United States of America, or any other governmental body having jurisdiction, the balance remaining in this retainage shall be paid to Purchaser. Provided, however, if Purchaser fails to fulfill or perform the terms and requirements of this

Agreement, or make prompt settlement of claims incidental thereto, Purchaser agrees that all monies then being withheld by Licensor under the terms hereof may be applied by Licensor toward the satisfaction of the obligations of Purchaser hereunder, without prejudice to any other rights and remedies of Licensor.

16. Indemnity.

16.1 By Licensee: The United States Government is self-insured, and acting by and through the Forest Service, Department of Agriculture, (Licensee) and hereby agrees to bear any and all costs and liabilities of any kind related to the exercise of its rights under this License to the extent it may legally do so under the Federal Tort Claims Act (FTCA), 28 U.S.C. 2671 et seq., or any other act wherein Congress has specifically waived the sovereign immunity of the United States.

16.2 By Purchaser: Purchaser shall defend (with counsel reasonably acceptable to Licensor), indemnify and hold harmless Licensor from and against any and all suits, actions, proceedings, claims, environmental claims, trespass claims, demands, liens, charges, losses, damages, liabilities, costs, expenses (including reasonable attorney fees and expert witness and consultant fees) fines, penalties, settlements, judgments and decrees, of every nature or kind, whether or not involving a third party claim, which arise out of, or relate to, either directly or indirectly: (1) a breach of this Agreement by the Purchaser; (2) the violation of any statute, ordinance, regulation, law or order by the Purchaser or its employees, agents or contractors; (3) any negligent act, error or omission of the Purchaser or its employees, agents or contractors; (4) any fire caused by Purchaser or its employees, agents or contractors; and (5) the intentional or willful misconduct of the Purchaser or its employees, agents or contractors. The duty to defend shall be subject to the Indemnified Party's right to select defense counsel of its choice or to obtain independent counsel who shall have authority to participate in any suit or settlement proceedings

17. Prohibition Against Liens and Encumbrances. Purchaser shall not create, cause or permit to attach to the real or personal property (including timber) subject to this Agreement any lien, charge or encumbrance of any kind or nature.

18. Hazardous Materials. Licensee or Purchaser shall:

18.1 Not dispose or discard any dangerous, hazardous, or regulated products or materials including, but not limited to, petroleum products, anti-freeze, oil filters, grease tubes, etc., on the Property.

18.2 Inspect, on a daily basis, all equipment used by Licensee for hydraulic and fuel leaks, and ensure that any such equipment is repaired and properly maintained before entry upon the Property.

18.3 Immediately clean up and properly dispose of any and all leaks, spills, and overfills of any material or substance, including any contaminated soil, other than clean water.

18.4 Report all oil sheen on waters and all spills immediately to Licensor's designated representative and advise such person of the location, type of spill, and the steps to being taken to contain and control the spill.

18.5 Report all oil sheen on waters and all spills within two (2) hours to the responsible local agency.

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19. Worker Protection - Herbicides. In the course of its forest management activities Licensor may, from time to time, apply EPA registered herbicides to forest lands and rights of way. Information about these herbicides is maintained in Licensor's office at 200 International Way, Springfield, Oregon and is available to any person who is working in close proximity to the treated area. To avoid accidental exposure, Licensees, their employees, contractors, Purchaser, and invitees are advised to remain in their vehicles when passing through recent clear-cuts or reforested harvest units.
- 19.1 Twenty-four (24) hours or less prior to herbicide application, Licensor will verbally notify Licensee and/or post the area to be treated with herbicides if any person can reasonably be expected to walk within ¼ mile of the treated area during herbicide application or during the EPA required restricted-entry interval.
- 19.2 Upon notification of herbicide application, Licensee shall convey this information to its employees, agents and contractors, and Purchaser.
20. Firearms and Weapons. Licensee or Purchaser shall not use or display firearms or weapons on Licensor's property while operating under this Agreement, exception is made to USDA Forest Service Law Enforcement and Investigation personnel acting in their official capacity.
21. Default - Termination. Prior to the Expiration Date of this Agreement, or any Exhibit, this Agreement may be terminated as follows:
- 21.1 Without Cause. By Licensor, without cause, by giving written notice of such termination to the Licensee at least thirty (30) days prior to the date upon which said termination becomes effective.
- 21.2 For Cause. If Licensee or Purchaser is in default of this Agreement as determined by Licensor in its sole but reasonable discretion, Licensor reserves the right to immediately suspend this Agreement while such default continues. In the event Licensor suspends the Agreement, it shall provide a notice at the time Licensee's and Purchaser's access is suspended setting forth Licensee's or Purchaser's default and allowing Licensee or Purchaser three (3) days to cure the same. In the event Licensee or Purchaser fails to cure the default within three (3) days from the date of Licensor's notice, Licensor shall have the right to immediately terminate the Agreement after the third day, and shall have the right to pursue any remedy at law, in equity, or otherwise for such default. For the purposes of this Section 21.2, notice may be given verbally or in writing.
- 21.3 Emergency. Licensor may terminate this Agreement at any time, without notice, in the event that continuation would create an unreasonable risk of harm to persons or property.
- 21.4 Effect of Termination. If this Agreement is terminated, all obligations accruing prior to the effective date of termination which have not yet been performed or satisfied shall survive the termination.
22. Extension. Licensee shall formally submit a request letter for extension of this Agreement 30 days prior to the Expiration Date. Licensor shall extend this Agreement in yearly increments in the form of a formal response letter or amendment. No more than three yearly extensions shall be made, provided Licensee provides sufficient reasoning of the need for each extension.
23. Rights Reserved to Licensor. Licensor reserves the right to use the Property subject to this License and other property owned by Licensor.

Sale name: W

- 24. Recording. Licensee (or Purchaser) shall not record this Agreement in any public records unless expressly agreed to in writing by Licensor.
- 25. Assignment. The rights granted herein are not assignable without the prior written consent of the Licensor. Any attempted or purported assignment or transfer hereof without such prior written consent shall be void and of no force.
- 26. Relationship of Parties. This Agreement is not intended to create and shall not be construed to create any partnership, agency or association for profit between the parties, and any liabilities hereunder shall be several and not joint. Licensee is an independent contractor in the performance of each and every term and condition of this Agreement.
- 27. Modification/Further Assurances. This Agreement may not be modified except in writing signed by all parties. The parties agree to execute any additional documents reasonably necessary to effectuate the provisions and purposes of this Agreement.
- 28. Interpretation/Enforceability. Each party acknowledges that it and its legal counsel have had the opportunity to review this Agreement. The parties agree that the terms and conditions of this Agreement shall not be construed against any party on the basis of such party's drafting, in whole or in part, of such terms and conditions. If any provision of this Agreement is held to be invalid or unenforceable, such provision shall not affect or invalidate the remainder of this Agreement, and to this end, the provisions of this Agreement are declared to be severable.
- 29. Notices. Except as otherwise provided herein, all notices shall be in writing and shall be personally delivered, sent by certified mail, return receipt requested, by commercial overnight delivery service, or by facsimile. All notices shall be effective upon delivery. Such notices shall be addressed as follows:

To Licensor

- If by mail: Giustina Resources, LLC
P.O. Box 529
Eugene, OR 97440-0529
- If personally delivered: Giustina Resources, LLC
200 International Way
Springfield, OR 97477
- If by facsimile transmission: Giustina Resources, LLC
Attn: Forestry Operations Manager
(541) 485-2050

To Licensee

- If by mail/personally delivered: _____

- If by facsimile transmission: _____

Provided, that these addresses may be changed by either party giving written notice thereof.

Sale name: W

- 30. Entire Agreement/No Waiver. This Agreement, including Exhibits, contains the entire agreement between the parties and supersedes all prior written and oral agreements. No waiver by Licensor of any violation, default, or breach of this Agreement or any provision thereof shall operate as a waiver of any subsequent violation, default, or breach, or of the right of Licensor to require strict performance.
- 31. Governing Law & Venue. The validity, construction, and performance of this Agreement shall be governed by and construed in accordance with the laws of the state of Oregon. The parties agree to submit to the jurisdiction of any federal court within such state in any action or dispute resolution process arising out of the terms, enforcement, or breach of this Agreement.
- 32. Counterparts. This Agreement may be executed in counterparts and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument. Delivery of this Agreement shall not be binding upon either party until executed and delivered by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement in duplicate originals on the day and year first above written.

LICENSEE:

LICENSOR:

By: _____
Its: _____

By: _____
Its: _____

ACKNOWLEDGMENT and ACCEPTANCE BY PURCHASER:

_____ ("Purchaser") has purchased the "W" Timber Sale from Licensee under contract number _____ Dated _____.

Purchaser has read this Agreement and agrees to be bound by the terms and conditions contained herein, and understands that Purchaser shall fulfill applicable obligations.

By: _____ Date: _____
Its: _____

Sale Name: W

C5.12# - USE OF ROADS BY PURCHASER (06/1999)

Purchaser's use of existing roads identified on Sale Area Map by the following codes is prohibited or subject to restrictive limitations, unless agreed otherwise:

Code	Use Limitations
X	Hauling prohibited
R	Hauling restricted
U	Unsuitable for hauling prior to completion of agreed reconstruction
P	Use prohibited
A	Public use restriction
W	Regulation waiver

Roads coded A will be signed by the Forest Service to inform the public of use restrictions. Purchaser's use of roads coded R, A, or W shall be in accordance with the following restrictions:

See Restricted Road List Table.

Restricted Road List

Road Number	Road Name	Termini		Map Legend	Description of Restrictions
		From	To		
2600275 ^{3/4/5/6}		Landing 410	Pvt Bdy	R	^{1/} Haul on Roads is not allowed evenings or weekends, or during long holiday periods, unless waived by Contracting Officer.
2600275 ^{2/3/4/5/6}		Pvt Bdy	2600280	R/U	
2600280 ^{3/5}	North Bank	Landing 550	End of AC	R	^{2/} U-Road use is unsuitable for hauling prior to all prehaul Road Maintenance Requirements identified in C5.31# being completed and accepted by the CO.
2600705 ^{1/3/}	McK. Dump Rd.	2633700	Hwy 126	R	
2633700 ^{1/3/}	Dry Gulch	2633706	2600705	R	^{3/} These Roads have limited strength and are likely to be damaged if used when adverse conditions exist in the roadbeds. When authorized for use, placement of additional aggregate or other determined mitigating measures, at the expense and by the purchaser shall be planned to support haul during poor weather conditions.
2633704 ^{1/3/}	Goose Creek	End of Road	2633700	R	
2633706 ^{3/}		End of Road	2633700	R	
2600275 ^{3/4/5/6} (Logging operations and service non- haul route)		Landing 260	Landing 410	R	^{4/} Haul will not be allowed outside normal operating period (June 1-Oct 31) unless waived by contracting officer.
					^{5/} Road closed by gate. Gate will remain locked at all times except during periods of active haul, unless otherwise agreed to.
					^{6/} Road shall remain accessible at all times due to powerline access route

Title and Date of Governing Road Rules Document:

Willamette NF Road Rules

Commercial Road Rules

1992

Effective Date

Sale Name: W

C5.13# - ROAD COMPLETION DATE (04/2004)

Construction of Specified Roads shall be completed no later than 10/31/2017; except for earlier construction completion dates for roads listed below:

Road Number	Road Name	Station		Completion Date
		From	To	
NA				

Completion date is binding on the party that constructs road, whether Purchaser or Forest Service. Contracting Officer shall modify the completion date in writing to conform to the approved Plan of Operations under B6.311 at the request of Purchaser.

When Purchaser elects Forest Service construction of Specified Roads shown in sale advertisement, Forest Service may adjust construction completion date when road construction is delayed or interrupted for causes that qualify for an adjustment of the completion date of Forest Service's road construction contract. When qualifying delays or interruptions of road construction occur, Forest Service shall evaluate such occurrences and document any findings. The current status of any adjustment shall be available to Purchaser on request. Promptly after the end of Normal Operating Season in which qualifying days occur, Forest Service shall give Purchaser written notice of (a) number of qualifying days claimed, and (b) new construction completion dates. After all road construction is complete, Forest Service shall grant Contract Term Adjustment. Such adjustment shall be limited to road completion date delays that occurred during Normal Operating Season.

If Forest Service is responsible for road construction and the actual date of road completion is 1 year or more after the completion date stated above, Purchaser may request a rate redetermination under B3.3 for remaining volume. Such request must be made within 30 days of notification that road construction has been completed. Upon receipt of such request, Forest Service shall redetermine rates using standard methods in effect on the completion date of road construction. Rates to be established shall apply to all timber removed from Sale Area after the effective date of the rate redetermination.

Forest Service shall in no way be responsible for any delay or damage caused by road contractor in performing the road construction, except such delay as may be the fault or negligence of Forest Service.

When Purchaser constructs Specified Roads and requests Contract Term Adjustment, completion dates shall be adjusted by number of days that qualify for such adjustment, provided such qualifying days occur before specified construction completion date. When Purchaser desires to construct an alternate facility under B5.26, Forest Service and Purchaser shall agree, in writing, on a construction completion date for alternate facility. Contract Term Adjustment as noted above will apply. Completion date shall be adjusted where a Design Change or physical changes necessitate a modification of Specified Road construction work that increases the scope or magnitude of the required work.

If Purchaser fails to complete construction of any or all Specified Roads by applicable completion date, as adjusted, Contract Term Extension shall not be granted.

As used in this Subsection, construction of a road is completed when:

(a) Purchaser constructs Specified Roads and Forest Service furnishes Purchaser with written notice of acceptance under B6.36 or

Sale Name: W

(b) Forest Service constructs road and furnishes Purchaser with written notice authorizing use of road.

Notwithstanding B5.1, Purchaser shall not use a road that Purchaser has elected for Forest Service to construct, until construction is completed and Forest Service furnishes Purchaser with written notice authorizing use of road.

C5.213# - DEPOSIT FOR RECONSTRUCTION ENGINEERING SERVICES (04/2004)

Purchaser shall make a cash deposit for engineering services (preconstruction and construction) provided by Forest Service for reconstruction of National Forest system roads necessary to accommodate Purchaser's use under this contract, pursuant to 16 USC 537.

The total amount to be deposited by Purchaser for reconstruction related engineering services to be completed by Forest Service personnel or by public works contract is \$ \$23,043.00 . Purchaser shall make this deposit at the end of the first full Normal Operating Season or 12 months from contract award, whichever occurs first. In the event a different deposit schedule is agreed to, such deposit shall be due within 15 days after the date of issue indicated on the initial bill for collection, pursuant to B4.4.

The amount of the required deposit will be shown as an associated charge on Purchaser's Timber Sale Account. Forest Service shall retain any unexpended deposit for reconstruction related engineering services.

The deposit for reconstruction related engineering services shall be commensurate with project need and Purchaser's road use. Forest Service shall complete reconstruction related engineering services on the following schedule unless a different completion schedule is agreed in writing:

Road or Facility No.	Termini		Engineering Services Completion Date
	From	To	

N/A

Reconstruction related engineering services may consist of some or all of the engineering work and expense of: preparing, setting out, controlling, inspecting, and measuring the reconstruction of a National Forest system road.

C5.221# - MATERIAL SOURCES (04/2004)

Sources of local materials are designated on Drawings and Sale Area Map. Forest Service assumes responsibility for the quality and quantity of material in designated sources. Purchaser shall determine the equipment and work required to produce the specified product, including the selection of acceptable material that is reasonably available in the source that meets specifications. The designation of source includes the rights of Purchaser to use certain area(s) for plant site, stockpiles, and haul roads.

Should the designated source, due to causes beyond the control of Purchaser, contain insufficient acceptable material, Forest Service will provide another source with adjustment in accordance with B5.253.

When Purchaser elects not to use designated sources, Purchaser shall furnish the specified product with no adjustment in unit rates. Quality testing shall be the responsibility of Purchaser. Test results shall be furnished to Forest Service.

When Purchaser elects not to use designated sources and the Schedule of Items lists pit development separately, cost allowance will be reduced under B5.253 when Forest Service determines the work will not be required.

When materials are subject to a weight measurement, the specific gravity or weight/volume relationship used as a basis for determination of estimated quantities shall be:

Source I N/A, Source II N/A, and Source III N/A.

Purchaser may, when agreed in writing, use on the project such suitable stone, gravel, and sand, or other material found in the excavation, and will earn a cost allowance for the excavation of such materials at the corresponding contract unit price and for the pay items for which the excavated material is used. Purchaser shall replace, without additional cost allowance, sufficient suitable materials to complete the portion of the work that was originally contemplated to be constructed with such material. Purchaser shall not excavate or remove any material, except that which is within the excavation limits, without written authorization from Forest Service.

When material is appraised from non-National Forest designated sources, owner charges for the material in terms of unit cost for royalties, purchase of raw materials, or finished products shall be as follows until N/A:

See Material Source Table.

Should quantity vary from that estimated, payment to owners shall be for units actually obtained. Purchaser shall make arrangements with owner(s) for measurement and payment for royalties, purchase of raw materials, or finished products, as shown above.

Materials produced or processed from National Forest lands in excess of the quantities required for performance of this contract are the property of Forest Service, unless prior written agreement has been obtained to use excess material on other National Forest sales. Forest Service is not obligated to reimburse Purchaser for the cost of their production.

Materials shall be stored to assure the preservation of their quality and fitness for the work. Stored materials shall be located to facilitate their prompt inspection. Sites on Forest Service administered land, approved by Forest Service, may be used for storage purposes and for the placing of Purchaser's plant equipment. All storage sites provided by Forest Service shall be restored at Purchaser's expense. Purchaser

shall be responsible for making arrangements for storage on other than Forest Service administered lands.

When the construction of the portion of the project for which Temporary Roads used for hauling materials is completed, all such Temporary Roads shall be restored as nearly as practicable to their original ground profile, unless otherwise agreed in writing.

C5.221# – MATERIAL SOURCES. (4/04) (con't)

Material	Type of Purchase	Owner(s)	Unit of Measure	Unit Price	Estimated Quantity	Total
		N/A				

Sale Name: W

C5.31# - ROAD MAINTENANCE REQUIREMENTS (07/2001)

Purchaser shall maintain roads in accordance with the following Contract Road Maintenance Requirements Summary:

See Contract Road Maintenance Requirements Summary Table.

ROAD MAINTENANCE REQUIREMENTS SPECIFICATION TABLE PURSUANT TO
C5.31# - ROAD MAINTENANCE REQUIREMENTS (7/01)

1	2	3			4	5	6			7	8	9	
Road No. and Termini	Special Project Specifi- cation	Travel Way			Brushing And Log Out	Surfacing	Dust Abatement			Seasonal Mainte- nance	Snow Removal	Post Haul	
		Width	Cross Slope	Comp			Product	Applic Rate	Width			Block	Treat
2600275 Unit 410 To FS Bdy		EX	AI	A	4 Ft. LEFT & RIGHT, OPT					T-838			PR
2600275 FS Bdy To End Powerline		EX*	OS	A	10 Ft. LEFT & RIGHT, OPT					T-838			PR
2600275 End Powerline To 2600280		EX	AI	A	4 Ft. LEFT & RIGHT, OPT	20 CY ¾ inch minus Place between asphalt and gate post haul				T-838			PR
2600280 Unit 550 To County Maint		EX	AI	A	4 Ft. LEFT & RIGHT, OPT					T-838	TS		PR
2633704 End of RD To 2633700		EX	AI	A	4 Ft. LEFT & RIGHT, OPT					T-838	TS		PR
2633706 End of RD To 2633700		EX	AI	B	4 Ft. LEFT & RIGHT, OPT					T-838	TS		PR

ROAD MAINTENANCE REQUIREMENTS SPECIFICATION TABLE PURSUANT TO
C5.31# - ROAD MAINTENANCE REQUIREMENTS (7/01)

Road No. and Termini	Special Project Specification	Travel Way			Brushing And Log Out	Surfacing	Dust Abatement			Seasonal Maintenance	Snow Removal	Post Haul	
		Width	Cross Slope	Comp			Product	Applic Rate	Width			Block	Treat
2633700 RD 2633704/ 706 To 2600705		EX	AI	B	4 Ft. LEFT & RIGHT, OPT					T-838	JU		PR
2600705 2633700 To Hwy 126		EX	AI	B	4 Ft. LEFT & RIGHT, OPT		*Water	0.5 gal per squar e yard	10 feet	T-838	JU		PR

*Blading to mineral surface required for full width of brushing limits. Removal of stumps not required.

ROAD MAINTENANCE REQUIREMENTS SPECIFICATION CODES TABLE PURSUANT TO
C5.31# - ROAD MAINTENANCE REQUIREMENTS (7/01)

Column No.	Heading	Entry	Explanation
	Any	Blank	Except as otherwise described, no entry indicates Purchaser is not authorized or required to perform the work item(s).
	Any	RC	This work requirement applies only when haul of sale related construction materials occurs.
2	Special Project Specification	Number	Entry indicates Special Project Specification which applies.
3	Travel Way	EX	Purchaser shall maintain the traveled way to the width existing upon entry, or at the completion of Specified Road work.
		Numbers	Purchaser shall maintain the traveled way to the standard width indicated by the entry, plus curve widening, in accordance with Section T-811. If required, the road template shall be shaped to this width and to the designated cross slope before haul and during recurring maintenance.
		IS, C, OS, F, or AI	Cross slopes are designated as: IS (Inslope), C (Crown), OS (Outslope), F (Flat), AI (As Is).
		A or B	If compaction is required.
4	Brush and Log Out	Numeric & R and or L	Purchaser shall remove brush for specified width on either or both the right (R) side or left (L) side of road.
		As Staked	Limits of brushing are as staked or marked in the field.
		OPT	Purchaser may use hand or mechanical means of brushing.
		H	Only hand brushing may be used.

ROAD MAINTENANCE REQUIREMENTS SPECIFICATION CODES TABLE PURSUANT TO
C5.31# - ROAD MAINTENANCE REQUIREMENTS (7/01)

Column No.	Heading	Entry	Explanation
5	Surfacing	Aggregate Grading	Purchaser shall place surfacing on roads listed according to the grading indicated.
6	Dust Abatement	OPT	Product selection is Purchaser's choice from those listed in Section T-812.
		Product Abbr.	Unless otherwise agreed, Purchaser is restricted to product listed corresponding to the abbreviation shown in Section T-812; (i.e., LigS = Lignon Sulfonate) Application rates are estimated amounts.
		EX	Purchaser shall abate dust on the existing width
		Numbers	Purchaser shall abate dust to the width indicated by entry.
7	Seasonal Maintenance	W	Waterbars and/or crossditching shall be required prior to expected seasonal precipitation.
		B	Entrance barriers shall be installed by Purchaser prior to nonuse periods.
8	Snow Removal	TS	Snowplowing authorized for Purchaser's Operations without recreation access being provided per Section T-803 requirements.
		JU	Snowplowing authorized, but must provide for recreation joint use per Section T-803 requirements.
		Blank	Snowplowing is not authorized. Forest Service may authorize plowing by permit when not in conflict with other uses.
9	Post Haul	PR	PR denotes that work is Purchaser's Responsibility to perform.

Sale Name: W

C5.32# - ROAD MAINTENANCE DEPOSIT SCHEDULE (07/2001)

Other provisions herein notwithstanding, when Forest Service requests payment in lieu of Purchaser's performance of road maintenance, Purchaser shall make Required Deposits (16 USC 537) for current and/or deferred road maintenance. Such deposits are based on the estimated volume and distance hauled and Purchaser's commensurate use of each road listed in the Road Maintenance Plan in C5.31#.

Purchaser and Forest Service may agree in writing on adjustment of such rates. If Purchaser uses roads under jurisdiction of Forest Service other than those listed in the Road Maintenance Plan, Forest Service shall establish rates commensurate with Purchaser's use of such roads.

The Required Deposits for Forest Service work in lieu of Purchaser performance and for deferred maintenance is: \$.17 per Ton.

The following table lists who Purchaser will make deposits for road maintenance to, and the rate per unit of measure of the deposit. The Road Maintenance Agreement is available for inspection at the Forest Supervisor's office.

Deposit Made To	Rate	Unit of Measure
N/A		

C6.24# - SITE SPECIFIC PROTECTION MEASURES (04/2004)

Special protection measures needed to protect known areas identified on Sale Area Map or on the ground include:

Cultural Resource Protection Measures: Specifics are on file at Ranger District Office

Wildlife and Botanical Protection Measures: Specifics are on file at Ranger District Office

Cave Resource Protection Measures: Specifics are on file at Ranger District Office

C6.29# - PROTECTION OF HABITAT OF NESTING NON-THREATENED, ENDANGERED AND SENSITIVE RAPTORS (09/2004)

Location of areas needing special measures for protection of nesting non-TE&S raptors, colony nesting birds, and species with designated protection outlined in the ROD for Amendments to Forest Service and Bureau of Land Management Planning Documents Within the Range of the Northern Spotted Owl (1994), are shown on the Sale Area Map and identified on the ground. Measures needed to protect such areas have been included elsewhere in this contract or as follows: Specifics on file at Ranger District Office

If protection measures prove inadequate or if other such areas are discovered, Forest Service may either terminate the sale under B8.34 or unilaterally modify this contract to provide additional protection regardless of when such facts become known. Discovery of such areas by either party shall be promptly reported to the other party.

In the events of contract modification under this Subsection, Purchaser shall be reimbursed for any additional protection required by the modification, provided that any work or extra protection required shall be subject to prior approval by Forest Service. Amount of reimbursement shall be determined by Forest Service using standard Forest Service rate redetermination methods in effect at time of agreed change and shall be in the form of a reduction in Current Contract Rates unless agreed otherwise in writing. However, in no event may Current Contract Rates be reduced below Base Rates.

C6.315# - SALE OPERATION SCHEDULE (06/1994)

Unless otherwise agreed to between Purchaser and Forest Service, Purchaser's Operations shall be performed in accordance with the following schedule.

See attached schedule.

C6.315# - SALE OPERATION SCHEDULE (06/94)

SUBDIVISION	OPERATING CONDITIONS	PURPOSE
ALL	<p>Ground based operations will normally occur, when soils are relatively dry and water is not pooling.</p> <p>Factors used to evaluate conditions:</p> <ul style="list-style-type: none"> - Lower soil moisture - Minimal standing water - Non-clay soils - Existing soil disturbance - Existing soil exposure - Existing soil compaction - Anticipated weather conditions - Opportunities to work on snow - Anticipated ground base method 	Minimize soil resource impacts
ALL	<p>Restrict Haul during</p> <p>Evenings, 6:00PM - 12:00AM, Weekends, Friday 6:00PM - Monday 6:00AM, And all Federal Holidays.</p>	Public Safety
ALL	<p>Restrict ALL operations during approximately 3rd week in October, including the Friday before, through the end of the Friday following on ALL Forest roads, <u>behind locked gates</u>.</p> <p>All non-emergency vehicle traffic shall be restricted on ALL Forest roads, <u>behind locked gates</u>, during this period.</p>	Cascade Bull Elk Rifle Season
ALL	<p>Native surface roads have limited structural strength. Haul is restricted during wet weather</p>	Minimize impacts to soil resources
ALL	<p>All in stream work for road reconstruction shall be restricted, beginning July 1 thru the end of August 15.</p>	Minimize water resource impacts

C6.32# - PROTECTION OF RESERVE TREES (04/2004)

Purchaser's damage or destruction of reserve trees described in C2.3# will cause serious and substantial silvicultural or other damage to the National Forest. It will be difficult if not impossible to determine the amount of such damage. Therefore, Purchaser shall pay as fixed, agreed, and liquidated damages \$____ \$100.00 for each Wildlife reserve tree and \$ N/A for each N/A reserve tree damaged or destroyed by Purchaser's Operations, in addition to amounts payable under B3.45 and B3.46.

Damage, as used herein, includes any injury to the living crown, bole, or roots of reserve trees. If areas are marked on the ground around such reserve trees, operation of heavy equipment or skidding of products within the area shall be considered to be damage to the tree.

C6.405 - ALTERNATE REMOVAL OF INCLUDED TIMBER (05/2005)

Purchaser and Forest Service may agree to alternate removal requirements of Included Timber contained in A2. Alternate removal requirements are to be set forth in an agreement signed by both Purchaser and Contracting Officer. The terms of the agreement binds both parties and becomes part of the timber sale contract.

The development and execution of the agreement is based upon the determination by the Contracting Officer that removal of Included Timber is economically impractical if Purchaser has no ready market for such logs in the tributary area. A tributary area is defined as the area in which the Purchaser and competitors regularly deliver saw logs, or 200 miles from the Sale Area, whichever distance is greater.

The agreement for alternate removal requirements shall be executed prior to removing any timber from the Subdivisions included in the agreement. Alternate removal requirements shall apply only to whole units and not to portions of units. All material meeting alternate removal specifications shall be cut and removed to locations designed in the agreement.

Volumes of material with alternate removal requirements will be determined from the National Cruise report for the sale. Purchaser will be charged for the following:

- a) stumpage value at current contract rates of the alternatively removed timber;
- b) plus the cost of other work required by the Forest Service to dispose of alternatively removed material;
- c) plus the difference between the appraised transportation cost of the Sawtimber and/or Nonsawtimber material involved and the appraised transportation cost of the alternative.
- d) Minus any work required to be completed by the Purchaser associated with alternate removal requirements.

Charges will be debited to the Purchaser's timber sale account.

Upon acceptance of the alternate removal requirements, the Subdivision will be removed from the Sale Area under B6.36.

Title to material included in the alternate removal agreement shall remain with the Forest Service.

C6.41# - SPECIFIC REQUIREMENTS (01/2000)

Notwithstanding B6.41, B6.411, B6.5 and B6.61, felling objectives shall be accomplished by the type of felling methods and equipment listed herein. Methods or equipment other than those specified may be approved. For Subdivisions shown in the following table, Purchaser shall submit a cutting plan for Forest Service acceptance, prior to the start of felling operations.

See attached table.

C6.41# -Specific Requirements (01/2000)

FELLING METHODS

SUBDIVISIONS

- 1. Directional Felling shall be utilized.
- 2. Directional Felling shall be utilized to fall away from designated streamscourses, buffers, reserve trees, SMA's and all existing or proposed improvements (Forest Service and other) or as directed.
- 3. Directional Felling shall be utilized to fall corridor trees into stream channel in riparian, as they are cut. Corridor trees shall be left.
- 4. Directional Felling shall be utilized to fall included timber into and/or toward gaps, wherever possible, to reduce fuel loading concentrations and eliminate windrows adjacent to alley ways of residual trees. Included timber residual tops and limbs are the focus objective.

ALL

ALL

ALL

ALL

FELLING EQUIPMENT

SUBDIVISIONS

The use of tree jacks, wedges or tree lining may be required, however, the required methods used shall not be limited to these options.

ALL

C6.42# - YARDING/SKIDDING REQUIREMENTS (04/2003)

Purchaser shall submit for Forest Service approval a Yarding/Skidding Plan prior to the start of felling operations. Requirements other than those specified in the following table may be approved. When appropriate, such approval shall include adjustments in Current Contract Rates and revision of the Sale Area Map. In no such case shall the adjustments result in Current Contract Rates less than Base Rates.

Location of all skid roads and trails, tractor roads, skyline corridors, mechanized harvester trails, forwarder roads, and other log skidding facilities, shall be approved prior to their use or construction.

See attached table for requirements.

C6.42# - Yarding/Skidding Requirements (04/2003)

YARDING/SKIDDING REQUIREMENTSSUBDIVISIONS

A. Prior to all operations commencing, purchaser shall submit a plan of operations, specifying, but, not limited to:

1. haul road access to and from subdivisions,
2. all proposed temporary roads,
3. landings,
4. skid trails and skid roads,
5. decking areas.

ALL

B. Purchaser is alerted that:

1. No fueling or fuel storage within 150' of a stream or body of water,
2. Prebunching equipment is permitted on slopes up 45%,
3. Repair of road damage due to landing locations will be required to be kept current,
4. A rock cost allowance, for landings on roads, that have resulted in road surface damage is included within Development and Other of Timber Sale appraisal. This post operational repair will be required on all landing sites on roads to restore the road to pre-operational conditions. A cost allowance for approximately 378 Cubic yards of rock has been made. Landings should be rocked or armored with a size and quality of rock to support required operational use. The replacement rock to repair the damage to the road surface will be compatible with contractual road maintenance and reconstruction specifications in the contract. This may require a 1" minus cap to meet the final inspection and specifications,

All

5. Road 2600275 is designated as an access route. An approximate section of this road has been designated as a tractor swing. This section is approximately from the EWEB power line to the end of this road. It is approximately 0.3 mile,

260, 380, 384,
390, 392, 391

6. Road repair or rehab will be required after purchaser has completed the required use of Rd. #2600275. This road will be restored to the original condition,

7. All timber sale operations pre, during and post shall avoid areas identified as SMA, as designated on the Sale Area Map,

All

8. All access points for temporary roads and skidroads (main or secondary) to Forest Road 2600700 shall be no closer than 200' (feet) spacing slope distance.

9. Where applicable to be used, it is required that existing landings, skid trails, skid roads, legacy haul roads and/or tractor fireline, etc. are preferred for use.

10. Refer to OSHA 437-007-0230, Power Line Safeguards for all Forest activities adjacent to overhead lines. All operations are to be in compliance with the requirements of OAR 437, Division 2/S, Electrical, §1910.333(c)(3),

Selection and Use of Work Practices. Purchaser will be required to contact EWEB prior to any operation adjacent to these electrical lines.

- C. Ground base yarding permitted/restricted to predesignated and approved skidtrails in subdivisions and portions of subdivisions as designated on Sale Area Map. 360, 370, 371, 380, 381, 382, 383, 387, 388, 389, 981, 390, 391, 392, 400, 410, 430, 480, 482, 484, 490, 530, 531, 532, 535, 536, 537, 540, 550, 551
1. Yarding and skidding is restricted to slopes 30% or less, unless, otherwise agreed to by the Forest Service.
 2. No more than 2 mainline skidtrails or skidroads shall radiate from landings. Secondary or feeder skidtrail or skidroad use will be maximized in order to minimize the number needed and to avoid excessive compaction and/or disturbance.
 3. No ground based operations within 80'(feet) of all designated streamcourses.
 4. Skid trails will be spaced no closer than 150'(feet), from center line to center line.
 5. Ground based yarding equipment will be equipped with an arch and a winch line, a minimum of 75 feet.
 6. Tractor swing will be required to transport included timber on a designated section of Rd. #2600275 (Logging operations and EWEB service, non-haul route). An approximately distance has been designated as a tractor swing. This is approximately from the EWEB power line to the end of the road. It is approximately 0.4 mile. Skidding on permanent roads may be required. 260, 380, 384, 390, 391, 392
- D. Skyline yarding permitted as designated in subdivisions and portions of subdivisions as designated on Sale Area Map. 260, 380, 384, 385, 386, 982, 440, 450, 460, 461, 471, 481, 483, 491, 531, 550
1. No yarding across designated streamcourses, without full suspension.
 2. All skyline yarding corridors shall initially be made as narrow as practical. The corridors shall normally not exceed 12 feet in width after yarding has been completed. All corridors shall be a minimum of 150'(feet) center-to-center for parallel corridors **OR** a minimum of 150'(feet) at the backend or farthest point from the landing for radial logging configurations.
 3. All skyline corridors shall be approved before timber falling is started.
 4. One-end suspension required when using skyline yarding system. Stream Channels may require alternate methods for protection to negate all ground disturbance, during yarding.
 5. All Corridor trees in riparian zones, if felled for operations, will be left in the riparian zone.

<p><u>C. Helicopter</u> yarding permitted as designated in subdivisions and portions of subdivisions as designated on Sale Area Map.</p>	<p>450, 460, 470, 472, 473, 475, 476, 477, 480, 485, 486, 500, 501, 510, 511, 512, 531, 533, 534</p>
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YARDING/SKIDDING REQUIREMENTSSUBDIVISIONS

<p><u>A.</u> A ground based yarding system capable of transporting logs 1000 feet, utilizes an arch or equivalent system of elevating the lead end of the log and a cable drum system w/ a bull line. A rubber tired skidder or equivalent equipment. Shovel logging equipment is acceptable ground based equipment.</p>	<p>360, 370, 371, 380, 381, 382, 383, 387, 388, 389, 981, 390, 391, 392, 400, 410, 430, 480, 482, 484, 490, 530, 531, 532, 535, 536, 537, 540, 550, 551</p>
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<p><u>B.</u> A skyline yarding system capable of transporting logs at least 1500 feet uphill and 350 feet downhill. The yarder must be equipped with a spar tower with a cable fairlead at least 40 feet above the ground and a slack pulling carriage with a 100 feet dropline.</p>	<p>260, 380, 384, 385, 386, 982, 440, 450, 460, 461, 471, 481, 483, 491, 531, 550</p>
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<p><u>C.</u> A helicopter yarding system capable of lifting 7500 pounds payload at an elevation of 4,500 feet above sea level and transporting logs fully suspended at least 5,000 feet horizontal distance uphill and downhill. Logs must be broken free of their beds vertically and totally suspended during in-haul portion of the yarding cycle. A 150' tagline may be required.</p>	<p>450, 460, 470, 472, 473, 475, 476, 477, 480, 485, 486, 500, 501, 510, 511, 512, 531, 533, 534</p>
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C6.6# - EROSION CONTROL AND SOIL TREATMENT BY PURCHASER (04/2014)

Erosion prevention and control work required by B6.6, shall be completed within 15 calendar days after yarding/skidding operations related to each landing are substantially completed or after Forest Service designation on the ground of work where such designation is required hereunder. Said time limit shall be exclusive of full days lost in Purchaser's Operations due to causes beyond Purchaser's control. Such on the ground designation shall be done as promptly as feasible unless it is agreed that the location of such work can be established without marking on the ground. After September 15, and as long thereafter as operations continue, the work shall be done as promptly as practicable. Damage resulting from Purchaser's Operations due to failure to perform required work shall be repaired by Purchaser.

On slopes greater than 30% percent, erosion control measures will be done with methods other than mechanized equipment, unless otherwise agreed.

Where soil has been disturbed or displaced on Sale Area by Purchaser's Operations and where measures described in B6.6 will not result in satisfactory erosion control or where subsoiling is shown on Sale Area Map, the following shall be performed. If applicable, timing of the work shall be coordinated with required scarification or subsoiling.

(a) Where staked or otherwise marked on the ground by Forest Service, seed, fertilizer, and mulch will be applied as indicated below in the seeding, fertilizing, and mulching schedule. All applications shall be current and done during the period from May 15 to October 15, unless otherwise agreed to. Applications shall be done only during favorable conditions. If Purchaser and Forest Service agree, seed can be applied and covered within 10 days of ground disturbance, and may be done outside the required periods.

(b) Where shown on Sale Area Map, landings, Temporary Roads and/or skidtrails/roads shall be scarified to a depth of 20 inches to provide a seedbed for grass seed, fertilizer, and mulch. Seed, fertilizer, and mulch shall be spread evenly at the rates shown in the table. When the seed, fertilizer, and mulch are applied in separate operations, the second or third operations shall be within 10 days of the first or second.

(c) Where shown on Sale Area Map, landings, Temporary Roads, and skid trails/roads used by Purchaser shall be subsoiled to a minimum depth of 20 inches, except that Forest Service may agree to lesser depths. Each subsoiler shank shall be equipped with a shoe and wings which has a total width of at least 18 inches. The design of the shank and wings will be such that the treated, compacted soil is slightly lifted and well-fractured rather than plowed, mixed, or displaced. The distance between subsoiler shank passes shall not exceed 36 inches. Treated areas shall span the total width of compaction. Subsoiling shall be kept reasonably current and shall be done during Normal Operating Season unless otherwise agreed.

(d) When agreed to, Purchaser may use alternate methods of erosion control.

Seed shall meet current Forest Service requirements, with the additional requirement that no seed containing any noxious weed seed in excess of established state limitations as listed in the current "State Noxious Weed Requirements Recognized in the Administration of the Federal Seed Act" publication will be used (commonly referred to as the "all states" noxious weed seed list). Seed shall be furnished separately or in mixture in standard containers clearly marked with: (1) seed name; (2) lot number; (3) net weight; (4) percentages of purity and of germination (in case of legumes, percentage of germination to include hard seed); (5) percentage of weed seed content; and (6) certification that no noxious weed seeds in excess of established state standards are present. The contractor shall furnish the Government duplicate signed copies of a certificate, signed by a Registered Seed Technologist or Seed Analyst (certified through either the Association of Official Seed Analysis or the Society of Commercial Seed Technologists), certifying that each lot of seed has been tested in accordance with the Association of Official Seed Analysts Standards within 12 months prior to date of application. This certificate shall include (1) name and address of laboratory, (2) date of test, (3) lot number for each kind of seed, (4) name of seed, (5) percentage of

Sale Name: W

germination, (6) percentage of purity, (7) percentage of weed seed content, and (8) certification that no noxious weed seeds in excess of established state limitations are present in any kind of seed.

Legume seed shall be inoculated with approved cultures in accordance with the instructions of the manufacturer.

No seed may be applied without prior written approval by the government.

(e) Purchaser may be required to seed areas disturbed by harvest activities to prevent the spread of noxious weeds, or the establishment of new areas.

See attached application schedule.

APPLICATION SCHEDULE PURSUANT TO C6.6# - EROSION CONTROL AND SOIL TREATMENT BY PURCHASER (04/14)

PAYMENT UNIT OR UNIT NUMBER	AREAS	SEED		FERTILIZER		MULCH	
	A) SKID TRAILS B) FIRELINES C) TEMP. ROADS D) LANDINGS E) OTHER	APPLICATION		APPLICATION		APPLICATION	
		SPECIES 1/ MIXTURE	LBS/AC	TYPE 2/	LBS/AC	TYPE 3/	LBS/AC
ALL	A, C, D.	1/		N/A	N/A	N/A	N/A

1/ Seed mixture will be any of the following: winter wheat, spring wheat, or triticale. Seed will be certified weed free (Blue tag). Application rate will be 40 lbs/acre. Purchaser or sub-contractor that does the actual purchase of the seed will coordinate the acquisition of the seed with the Forest Service.

The purchaser will be required to pay a co-op deposit of: \$0.02/Ton for the cultivation and harvest of replacement seed of native species for use on future contracts.

1/ For sales in Oregon, the seed shall meet the State certification specifications. Seed must be packaged in containers carrying official certification labels sewn in, glued to, or printed upon the container, with the following information:

1. Variety (if certified as to variety) and kind.
2. Quantity of seed (pounds or bushels).
3. Class of certified seed (blue tags for certified seed).
4. Inspection or lot number traceable to the certifying agency's records.

For sales in Washington, the seed shall be labeled as "Prohibited and Restricted Noxious Weed Free for the State of Washington." The purchaser shall furnish a copy of the seed analysis.

For state of California lands in Region 6, seed must be certified by the state of California, or by an independent agency or company that is approved by the state of California for "prohibited and restricted noxious weed free for the state of California."

For mixtures of seed, each ingredient in excess of 5 percent must be listed with its percentage by weight and its germination percentage. Legumes must be inoculated with nitrogen fixing bacteria before planting. The label must show the expiration date of the inoculant. All seed treated with a fungicide or pesticide must be labeled that it is "treated" giving the name of the chemical used, and an appropriate warning or a caution statement.

2/ Fertilizer shall be a standard commercial fertilizer with guaranteed analysis of contents clearly marked on containers.

3/ Mulch shall meet the appropriate State's certification specifications, with evidence of its certification traceable to the certifying agency's records.

4/ All skid trails/roads used by Purchaser that have a mineral soil exposed for lineal distances based on the slope of the skid trail.

Waterbars will be spaced every 100 feet on slopes less than 10%,
 Waterbars will be spaced every 75 feet on slopes of 10-19%,
 Waterbars will be spaced every 50 feet on slopes of 20-39%,
 Waterbars will be spaced every 25 feet on slopes greater than 40%.

Water bar locations should occur where local terrain feature facilitates effective drainage of the skidtrail. Install waterbars at a 45-degree angle to the slope, pointing downslope towards the drain of the slope. Outlet shall be lower than the inlet of the waterbar at all times. Side berms shall not occur, which, would negate the transfer action of the waterbar. The outlet of the waterbar shall be armored with material that is present to aid in the reduction of erosion at the outlet.

Treated areas shall span the total width of compaction. Water barring shall be kept reasonably current and shall be done during Normal Operating Season unless otherwise agreed.

Sale Name: W

C6.7 - SLASH DISPOSAL (06/2008)

As used in the following Subsections, the term "slash" is vegetative debris including, but not limited to, cull logs, blasted or pushed-out stumps, chunks, broken tops, limbs, branches, rotten wood, damaged brush, damaged or destroyed reproduction, saplings or poles, resulting from Purchaser's Operations.

Any burning of slash or refuse by Purchaser is subject to C7.201.

Forest Service may agree to substitute methods of slash disposal if such substitute methods will give equally satisfactory results.

Forest Service may waive specific slash treatment requirements. Purchaser's Timber Sale Account will be charged for any slash treatment requirements waived or for work taken over by Forest Service. The amount of such charges will be determined by Forest Service if Purchaser has not begun felling operations. If felling operations have begun, charges will be determined by mutual agreement.

Forest Service may enter into a written agreement with the Purchaser for the Purchaser to complete slash disposal work originally scheduled to be done by the Forest Service. The agreement will describe the work to be completed by the Purchaser, and the value of such work. Value of the work to be done will be based upon the slash disposal plan in which the cooperative deposits were calculated, and will include Forest Service overhead. Any deposits paid by the Purchaser for this work will be credited to the Purchaser's timber sale account. This work is in addition to that required by C6.74#.

Forest Service may also enter into a written agreement with Purchaser for the Purchaser to remove slash from landings, subject to B3.41. Brush disposal deposits paid by the Purchaser for the Forest Service to burn landing piles will be credited to the Purchaser's timber sale account in the amount shown in the brush disposal plan, less the amount needed by the Forest Service for final cleanup of the landings following removal of the landing slash piles by the Purchaser. The credit will be made following the final removal by the Purchaser of all Included Timber, and slash piles, from the Sale Area.

C6.74# - SLASH TREATMENT REQUIREMENTS (02/2002)

Purchaser shall pile, burn, yard, construct firelines or otherwise treat slash defined in C6.7, within designated areas. Work required of Purchaser shall be in accordance with the attached slash plan, specifications, and Sale Area Map.

Unless otherwise agreed, or shown in the attached slash plan or specifications, when Included Timber is removed during Normal Operating Season, required slash work shall be completed within 30 days of removal of approximately three-quarters of the volume in the unit. When Included Timber is removed outside Normal Operating Season, required work will be completed within 30 days of the beginning of the next Normal Operating Season.

See attached specifications.

Sale Name: W Timber Sale

DETAILED SLASH DISPOSAL PLAN
W Timber Sale
Willamette National Forest, McKenzie River Ranger District

- In accordance with Contract Provisions C6.74, Slash Treatment Requirements and Detailed Slash Disposal Plan
- Not with standing Contract Provision C6.74

Purchaser responsibilities are as follows:

- A) **Construction and size of landing piles:** The Purchaser shall pile substantially all created slash at least 1 inch in diameter on the small end and at least 3 feet in length shall be piled as compact as possible and free of soil and rocks. Excessive bark that has fallen off of logs generated from logging activities on the landing shall be dispersed on the landing, not piled. Piles will be constructed with a "lift and pile" mechanism rather than a "push and pile" mechanism. Landing piles shall be a minimum of 8 feet in height and diameter at base shall not exceed height. Height of piles should not exceed 12 feet. The area around each pile shall be cleared of all created slash a minimum of 6 feet. All pieces extruding from piles shall be bucked off to facilitate covering after construction.
- B) **Location of all landing and grapple piles:** Slash piles will be located to minimize damage of standing green trees and snags during burning. Unless otherwise agreed, this will be construed to be at least 12 feet from standing green trees and snags. Piles should not be built on tree stumps or heat sinks. Piles should not be located in the bottom of draws, streams, or ditches and should not obstruct roadways. Piles should be spaced 30 feet apart unless otherwise agreed. Multiple piles may occur at site. Where multiple piles occur, spacing between piles shall not be less than average pile height. All piles shall be constructed within the subdivision.
- C) **Construction and size of grapple piles: Sub Divisions 360, 370, 371, 410, 430, 480, 481, 482, 484, 490, 530, 531, 532, 535, 536, 537, 540, 550, 551.** Grapple piles will be constructed with a "lift and pile" mechanism rather than a "push and pile" mechanism. Piles shall not be placed on stumps or logs in order to remove a heat sink when burning. Created slash shall be piled compactly and free of soil and rocks. Pile the created slash that is at least 1 inch in diameter at the small end and at least 3 feet in length. Pile height shall be at least 8 feet in height and diameter at base shall not exceed height. The area around each pile shall be cleared of all created slash a minimum of 6 feet. All pieces extruding from the piles shall be bucked off to facilitate covering after construction.
1. **Subdivision #360:** Substantially all created slash within 150 feet north of road 700 shall be grapple piled.
 2. **Subdivision #370:** Substantially all created slash within 150 feet south of road 700 shall be grapple piled.
 3. **Subdivision #371, 410, 430, 482, 484, 490, 530, 532, 535, 536, 537, 540, and 551:** Substantially all created slash within the sub division shall be grapple piled.
 4. **Subdivision #480, 481, 531:** Substantially all created slash within the ground base portion shall be grapple piled.
 5. **Subdivision #550:** Substantially all created slash north of road 280 within the subdivision shall be grapple piled.

- D) **Location of hand piles:** Piles will be located to minimize the damage of standing trees during burning. Unless otherwise agreed this will be construed to be equal distance from the boles of standing green trees and snags. Piles shall not be located within drainage structures, ditches, or stream channels. Piles shall not be placed on stumps or logs in order to remove a heat sink when burning. Piles will be placed so their length is right angle to the direction of the slope.
- E) **Construction and size of hand piles: Subdivisions #400, #460, #461, #511, #512.** Purchaser shall hand pile substantially all created slash. Created slash is slash that is at least 1 inch in diameter at the small end and at least 3 feet in length. Fine slash should be placed at the bottom of the pile with heavier material on the top. Slash shall be piled in the same direction and as compact as possible. Diameter of piles shall be 6-12 feet. Height of piles shall not be less than 6 feet nor greater than the diameter of the pile. Piles shall be built to facilitate covering after construction. All pieces extruding from piles shall be bucked off. All piles shall be constructed within the subdivision.
1. **Subdivision #400:** Substantially all created slash 200 feet along southern boundary shall be hand piled.
 2. **Subdivision #460:** Substantially all created slash within 200 feet of both sides of Rd. 704 shall be hand piled.
 3. **Subdivision # 461,511,512:** Substantially all created slash with in subdivision shall be hand piled.
- F) **Hand pile covering requirement: Subdivisions #400, #460, #461, #511, #512.** Purchaser shall cover all hand piles within subdivisions. All piles shall be covered with polyethylene plastic film .004 inches thick. Plastic size should be approximately 100 square feet. Plastic shall be placed in locations that will ensure safe and adequate ignition can be achieved to allow consumption of piles and should be placed in the upper ¼ of the pile. The corners of the plastic shall be secured to the pile and pieces of burnable material shall be placed on top of the plastic to keep the plastic from filling with wind and blowing off.
- G) **Fire line construction:** Fire lines shall be cleared of all brush and debris for a minimum width of 10 feet with the edge of the clearing inside the sub division boundary. Debris created from the clearing shall be scattered inside the sub division to reduce the creation of a windrow of slash along the fire line. A continuous fire line, minimum of 18 inches wide, shall be dug to mineral soil within the outer portion of the clearing.

No fire line shall be constructed within 60 feet of any stream, pond, or wetland within any subdivision. These wet areas can be used in place of fire line.

All firelines adjacent to designated SMA's on the Sale Area Map shall be constructed by hand method only, unless specifically approved by the Forest Service to be done by other methods.

1. Subdivisions #380, 382, 383, 384, 385, 390, 391, shall have approximately 1.2 miles of fire line constructed. Fire line construction shall begin at the northwest corner of subdivision 382 at the common corner of subdivision 382 and 370. Fire line will continue south along the western boundary of subdivisions #382, 380, 383 to the

- southwest corner of subdivision 380. Follow the southern boundary of subdivisions 380 and 384, to the southeast corner of subdivision 380. Continue north and follow eastern boundary of subdivision 380 to Rd. 275. Continue north of road 275 along east boundary of subdivision 380 and southern boundary of subdivision 385 and west boundary of subdivision 390 to road 275. At corner of subdivision 390 and Rd. 275 continue south along western boundary of subdivisions 390 to Rd. 275. Continue east along southern boundary of subdivisions 390 and 391. Continue north along the eastern boundary of subdivisions 390, 386, 380, and along northern boundary of subdivision 382 to end at the northwest corner of subdivision 382 at the corner of subdivision 382 and 370.
2. Subdivision 982 shall have approximately 0.3 miles of fire line constructed. Fire line construction shall begin on the south side of road 700 and follow the west and south boundary of subdivision to the south east corner of the subdivision.
 3. Subdivisions 440, 381, 387, 388, 981 shall have approximately 1 mile of fire line constructed. Fire line construction shall begin on the south side of road 706 and follow west boundary of Subdivisions 440, 388, 381, and 387 to the common corner of subdivisions 387 and 400. Continue along southern boundary of subdivision 387 to common corner of subdivisions 387 and 381. Continue south and east along Subdivisions 381 and 981 and end at the south east corner of subdivision 981.
 4. Subdivisions 470, 471, 475, 491 shall have approximately 0.70 miles of fire line. Fire line construction will start in northeast corner of subdivision 470, south of trail #3512 and continue south along subdivision 470. Continue east along north boundary, south along east boundary, and west along south boundary of subdivision 475. Continue south along eastern boundary of subdivision 471 and 491. Follow southern boundary of subdivision 491. End fire line at the southwest corner of subdivision 491. Maintain 50 foot buffer along Frissell trail.
 5. Subdivision 472 and 477 shall have approximately 0.5 miles of fire line. Fire line construction will start in southeast corner of subdivision 472, north of trail #3512. Follow subdivision 472 and 477 boundary to the north along east boundary. Fire line will end at the northwest corner of subdivision 477. Maintain 50 foot buffer along Frissell trail.
 6. Subdivisions 473, 476, 480, 485, 486 shall have approximately 0.5 miles of fire line. Fire line construction will start at northeast corner of subdivision 473, south of trail #3512 and proceed south along east boundary of subdivision 473, 476, 486 to Rd 706. Continue at common corner of subdivision 480 and 485 and continue west along southern boundary of subdivision 485 to the common corner of subdivision and 485 and 480. Continue fire line west through subdivision 480. End fire line on the western boundary of subdivision 480. Maintain 50 foot buffer along Frissell trail #3512.
 7. Subdivision 510 shall have approximately 0.6 miles of fire line constructed. Fire line construction on subdivision shall begin on the south east portion of subdivision 510 and follow the entire subdivision boundary.
 8. Subdivision 501 shall have approximately 0.5 miles of fire line constructed. Fire line construction on subdivision shall begin on the south west corner of the subdivision and follow the subdivision boundary to the east and then north and end on the northwest corner of subdivision.

9. Subdivision 531, 533, 534 shall have approximately 1.1 miles of fire line constructed. Fire line construction on subdivision shall begin on the southeast corner of subdivision 531, north side of road 280 and continue north along the eastern boundary of subdivision 531, 534, and 533. Continue west and south along subdivision 533, and 531. Western boundary of fire line in subdivision 531 will be on the approximate boundary of the ground base and skyline portion of subdivision 531. Continue east along Subdivision 531 at the common corner of subdivision 531 and 536. Continue south along subdivision 531 to southern subdivision boundary of 531. Continue east along southern boundary of subdivision 531. End fire line at south east corner of subdivision 531.
10. Subdivision 550 shall have approximately 0.5 miles of fire line. Fire line shall begin on east corner of subdivision 550, south of Rd. 280 and continue along the west, south and east portion of Subdivision 550. End fire line on west corner of subdivision 550, south of road 280.

C6.815 - THIRD PARTY SCALING SERVICES (04/2004)

Notwithstanding the requirement for Forest Service or parties under contract to Forest Service to provide Scaling services under B6.81, Scaling designated in A10 shall be conducted by a third party Scaling organization approved by Forest Service. Scaling shall be done in accordance with A9 and Purchaser shall bear costs for Scaling service.

In the event third party Scaling service is suspended for causes such as strikes, termination of third party's approval to Scale National Forest logs by Forest Service, or Purchaser's failure to pay third party Scaling costs, hauling operations shall be suspended until agreed alternate Scaling services are provided or service by third party is resumed.

When an approved alternate Scaling location pursuant to B6.811 does not have an approved third party scaling organization as a commonly used Scaling services provider, Forest Service or parties under contract to Forest Service shall provide Scaling services at the approved alternate location. In such an event, the cost of waived third party Scaling listed in A10 shall be charged to Timber Sale Account.

If Forest Service and Purchaser agree in writing that another party under contract to Forest Service will perform Scaling, the contract will be modified to include C6.816 and Timber Sale Account will be charged for such Scaling.

C6.84 (OPTION 1) - USE OF PAINT BY PURCHASER (05/2005)

Notwithstanding B6.842, use of paint by the Purchaser within the Sale Area in the color(s) used by the Forest Service in the preparation of the sale and administration of the contract will be by written approval of the Forest Service.

C6.840 - ACCOUNTABILITY (04/2014)

Notwithstanding B6.84, when Weight scaled contracts offer products at different rates in A4, each product must be completely removed from a landing or decking area before another product can be removed, unless otherwise agreed to in writing by the Contracting Officer.

C6.851 - WEIGHT OF LOST LOADS (04/2014)

Purchaser shall present all loads for weighing and shall furnish a weight ticket for each load pursuant to a weighing services agreement. Any load for which a weight ticket is not provided, or the weight ticket is incomplete or unreadable, or does not include the Forest Service load receipt number, shall be considered a lost sample load with a net weight equal to the load with the heaviest net weight presented during the billing period, as established by the Forest Service.

C7.1 - PLANS (09/2004)

The plan shall state how Purchaser's representative or alternates will be contacted in a fire emergency, both during periods of operation and at other times such as evenings or weekends. Purchaser shall certify compliance with specific fire precautionary measures included as Subsections under C7.2 - Specific Fire Precautions, before beginning operations during Fire Precautionary Period (closed season) and shall update such certification when operations change.

If helicopter yarding is required, the plan shall include a schedule of rates mutually agreed to for computing Purchaser costs incurred toward meeting Purchaser's obligations under A14, or for paying for helicopters controlled by Purchaser and used under Forest Service direction for suppressing Operations Fires or other fires on Sale Area, excluding Negligent Fires.

C7.11 - ADDITIONAL AREA OF FIRE RESPONSIBILITY (03/1989)

The area within 200 feet slope distance of the center line of any road constructed or reconstructed under this contract on National Forest lands outside of Sale Area shall be considered as a part of Sale Area in connection with responsibilities under B7.3 and B7.4 until the road has been accepted in writing by Forest Service.

C7.2 - SPECIFIC FIRE PRECAUTIONS (09/2002)

When the industrial fire precautions level is I or higher, unless waiver is granted under C7.22, specific required fire precautionary measures are as follows:

A. Fire Security.

Purchaser will designate in writing a person or persons who shall perform fire security services listed below on Sale Area and vicinity. The designated person will be capable of operating Purchaser's communications and fire fighting equipment specified in the contract, excluding helicopters, and of directing the activities of Purchaser's personnel on Forest fires. Such person must report any fire detected to Forest Service within 15 minutes of detection. In lieu of having the designated person perform the required supervisory duties, Purchaser may provide another person meeting the qualifications stated above to direct the activities of Purchaser's personnel and equipment during all fire fighting activities.

Services described shall be for at least 1 hour from the time Purchaser's Operations are shut down. For the purposes of this provision, personnel servicing equipment, and their vehicles, who are not engaged in cutting or welding metal are excluded.

Fire security services shall consist of moving throughout the operation area or areas constantly looking, reporting, and taking suppression action on any fires detected. Where possible, the designated person shall observe inaccessible portions of helicopter operating areas from vantage points within or adjacent to Sale Area.

Purchaser shall furnish fire security services based on the predicted industrial precaution level, obtained by Purchaser from the appropriate Ranger District Headquarters. If predictions made after 6:00 p.m. local time, are significantly different than originally estimated, Forest Service will inform Purchaser when changes in fire security services are indicated.

B. Fire Extinguisher and Equipment (on Trucks, Tractors, Power Saws, etc.).

(a) Each yarder or loader equipped with an internal combustion engine or other spark emitting source shall be equipped with a readily accessible fire extinguisher, with an Underwriter's Laboratory (UL) Rating of at least 5 B,C.

(b) All power-driven equipment operated by Purchaser on National Forest land, except portable fire pumps, shall be equipped with one fire extinguisher having a UL rating of at least 5 B,C and one "D" handled or long handled round point shovel, size 0 or larger. In addition, each motor patrol, truck and passenger-carrying vehicle shall be equipped with a double-bit axe or Pulaski, 3-1/2 pounds or larger.

(c) Equipment required in (a) and (b) shall be kept in a serviceable condition and shall be readily available.

(d) Each gasoline power saw operator shall be equipped with a pressurized chemical fire extinguisher of not less than 8-ounce capacity by weight, and one long handled round point shovel, size 0 or larger, except at a landing where a suitable fire extinguisher and shovel are immediately available. The extinguisher will be kept in possession of the saw operator at all times. The shovel shall be accessible to the operator within 1 minute.

(e) Each helicopter shall be equipped with one fire extinguisher having a UL rating of at least 5 B,C mounted inside the aircraft within reach of the pilot's operating position.

(f) One refill for each type or one extra extinguisher sufficient to replace each size extinguisher required on equipment shall be safely stored in the fire tool box or other agreed upon place on Sale Area that is protected and readily available.

Sale Name: W

(g) At each area where helicopters are being serviced or supplied, a carbon dioxide fire extinguisher with a UL rating of at least 20 B,C will be provided on the site and placed where it is available for immediate use.

C. Spark Arrestors and Mufflers.

Each internal combustion engine shall be equipped with a spark arrester qualified and rated under USDA Forest Service Standard 5100-1a as shown in the National Wildfire Coordination Group Spark Arrester Guide, unless it is:

(a) Equipped with a turbine-driven exhaust supercharger such as the turbocharger. There shall be no exhaust bypass.

(b) A multi-position engine, such as on power saws which must meet the performance levels set forth in the Society of Automotive Engineers (SAE) "multi-positioned small engine exhaust fire ignition standard, SAE recommended practice J335B" as now or hereafter amended.

(c) A passenger carrying vehicle or light truck, or medium truck up to 40,000 GVW, used on roads and equipped with a factory designed muffler complete with baffles and an exhaust system in good working condition.

(d) A heavy duty truck, such as a dump or log truck, or other vehicle used for commercial hauling, used only on roads and equipped with a factory designed muffler and with a vertical stack exhaust system extending above the cab.

Exhaust equipment described in this Subsection, including spark arresters and mufflers, shall be properly installed and constantly maintained in serviceable condition.

D. Fire Tools.

Purchaser shall furnish serviceable fire fighting tools in a readily accessible fire tool box or compartment of sound construction with a hinged lid and hasp so arranged that the box can be secured or sealed. The box shall be red and marked "Fire Tools" in letters at least 1 inch high. It shall contain a minimum of:

(a) Two axes or Pulaskis with a 32 inch handle.

(b) Three adze eye hoes. One Pulaski may be substituted for one adze eye hoe.

(c) Three long handled, round point shovels, size 0 or larger.

E. Tank Truck.

Purchaser shall provide a tank truck or trailer, containing not less than 300 gallons of water, during yarding, skidding, loading, land clearing, right-of-way clearing, mechanical falling, and mechanical treatment of slash. Such tank truck or trailer shall be maintained in a serviceable condition and located within 10 minutes, round trip, from each operating side during Fire Precautionary Period (closed season), except as provided under B7.21.

The tank truck or trailer shall be equipped with a pump capable of discharging 20 gallons of water per minute, using a 1/4 inch nozzle tip, through a 50 foot length of poly or rubber lined hose. In addition, 500 feet of serviceable hard rubber poly or rubber lined or FJRL hose of not less than 1 inch outside diameter, fitted with a nozzle capable of discharging a straight stream of 1/4 inch diameter and a spray pattern shall be immediately available for use. The tank, pump, nozzle and at least 250 feet, of the total 500 feet of hose, shall be connected and ready for use at all times. Synthetic hose may be used by

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agreement.

If a trailer is used, it shall be equipped with a hitch to facilitate prompt movement. A serviceable tow vehicle shall be immediately available for attachment to the trailer and must meet the time requirements stated above. Such truck or trailer shall be equipped to operate for a minimum of 8 hours.

Where designated on Sale Area Map, Purchaser shall provide a tank trailer or water source and pumping equipment, including accessories, which can be lifted and transported by the yarding system. The component parts shall meet all specifications above. The tank trailer or water supply and pumping accessories shall be deliverable to a fire, in area of operations, within 15 minutes of detection.

In lieu of the above tank trailer or water supply for helicopter operations, Purchaser may provide a suitable helicopter water bucket with a 300 gallon capacity. When Purchaser provides a water bucket, a water source shall be provided within 5 minutes round trip flight time from operating side.

F. Communications.

During Purchaser's Operations, excluding powersaw falling and bucking, Purchaser shall provide adequate two-way communication facilities to report a fire to Forest Service within 15 minutes of detection. Citizen Band radios (CB's) are not considered adequate two-way communications because FCC Regulations prohibit commercial use.

G. Smoking and Open Fire Restrictions.

Smoking and fires shall be permitted only at the option of Purchaser. Purchaser shall not permit open fires on Sale Area without advance permission in writing from Forest Service.

H. Blasting.

Blasting shall be permitted only for road construction purposes unless advance permission is obtained from Forest Service.

Whenever the Industrial Fire Precaution Level is II or greater, a fire security person equipped with a long handled round point No. 0 or larger shovel and a 5 gallon backpack pump can filled with water, will stay at location of blast for 1 hour after blasting is done. Blasting may be suspended by Forest Service, in areas of high rate of spread and resistance to control.

Fuses shall not be used for blasting. Explosive cords shall not be used without permission of Forest Service, which may specify conditions under which such explosives may be used and precautions to be taken.

I. Compliance with State Fire Laws.

Listing of specific fire precautionary measures in the foregoing Subsections is not intended to relieve Purchaser in any way from compliance with State fire laws covering fire prevention and suppression equipment, applicable to Purchaser's Operations.

J. Aircraft Communications.

Every aircraft used in conjunction with Purchaser's Operations shall be equipped with an operable radio system. The radio system shall be capable of transmitting and receiving on VHF frequency 122.85 Megahertz (MHz) with a minimum output of 5 watts at the transmitter. The system shall be located and installed so that the pilot can operate it while flying. A shielded all-weather broad-band antenna shall be part of the system. Radio and antenna shall be properly installed and maintained.

Upon discovery or notification of a fire on Sale Area, all aircraft pilots controlled by Purchaser shall

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monitor VHF frequency 122.85 MHz when within 5 miles of a fire and broadcast their intentions.

K. Logging Block Equipment.

Purchaser shall provide a serviceable 5 gallon backpack pump full of water, one axe, and one long handled round point shovel, size 0 or larger, at each haulback block through which a running line passes.

The area below such blocks must be kept clear of all flammable debris under 4 inches in diameter for a distance of 6 feet in all directions. Material larger than 4 inches that poses a fire risk, such as punky logs, must also be removed.

Purchaser shall avoid line-rub on rocks or woody material which may result in sparks or sufficient heat to cause ignition of fire.

C7.201 - BURNING BY PURCHASER (01/1993)

Notwithstanding the Fire Precautionary Period limitation of B7.2, Purchaser is required to obtain written permission from Forest Service prior to any burning on the National Forest Lands.

C7.22 - EMERGENCY FIRE PRECAUTIONS (09/2004)

Purchaser shall restrict operations in accordance with the Industrial Fire Precaution Levels attached. Forest Service may change the Industrial Fire Precaution Levels to other values upon revision of the National Fire Danger Rating System and may change the specific Industrial Fire Precaution Levels when such changes are necessary for the protection of the National Forest. When sent to Purchaser, the revised Industrial Fire Precaution Levels will supersede the attached levels.

INDUSTRIAL FIRE PRECAUTIONS SCHEDULE

LEVEL INDUSTRIAL FIRE PRECAUTION

I. Closed Season - Fire precaution requirements are in effect. A Fire Watch/Fire Security is required at this and all higher levels unless otherwise waived.

II. Partial Hootowl - The following may operate only between The hours of 8 p.m. and 1 p.m. local time:

power saws, except at loading sites;
cable yarding;
blasting;
welding or cutting of metal.

III. Partial shutdown - The following are prohibited:

cable yarding - except that gravity operated logging systems employing non-motorized carriages may be operated between the hours of 8 p.m. and 1 p.m. local time when all blocks and moving lines are 10 feet or more above the ground, excluding the line between the carriage and the choker.

power saws - except at loading sites and on tractor/skidder operations between the hours of 8 p.m. and 1 p.m. local time.

In addition, the following are permitted between the hours of 8 p.m. and 1 p.m. local time:

tractor, skidder, feller-buncher, forwarder, or shovel logging operations where tractors, skidders or other equipment with a blade capable of constructing fireline are immediately available to quickly reach and effectively attack a fire start;
mechanized loading and hauling;
blasting;
welding or cutting of metal;
any other spark-emitting operation not specifically mentioned.

IV. General shutdown - All operations are prohibited.

The following definitions shall apply to these Industrial Fire Precaution Levels:

Cable yarding systems: A yarding system employing cables and winches in a fixed position.

Closed Season (Fire Precautionary Period): That time period each year when a fire hazard exists as

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described in A12.

Hauling: Where hauling involves transit through more than one shutdown zone/regulated use area, the precaution level at the woods site shall govern the level of haul restrictions, unless prohibited by other than the Industrial Fire Precaution Level system.

Loading sites/woods site: A place where any product or material (including but not limited to logs, firewood, slash, soil, rock, poles, posts, etc.) is placed in or upon a truck or other vehicle.

Advance written waiver of the above precautions may be issued by the Contracting Officer or Forest Service Representative.

Such waiver, or substitute precautions under B7.21, shall prescribe measures to be taken by Purchaser to reduce the risk of ignition, and/or the spread of fire. The Contracting Officer or Forest Service Representative shall consider site specific weather factors, fuel conditions, and specific operations that result in less risk of fire ignition and/or spread than contemplated when precaution level was predicted. Consideration shall also be given to measures that reduce the precaution levels above. Purchaser shall assure that all conditions of such waivers or substitute precautions are met.

Purchaser shall obtain the predicted Industrial Fire Precaution Level from the appropriate Ranger District headquarters. If predictions made after 6:00 p.m., local time, are significantly different than originally estimated, Forest Service will inform Purchaser when changes in restrictions or industrial precautions are indicated.

C8.13 - DISCLAIMER OF EXPRESSED OR IMPLIED WARRANTY (09/2004)

Purchaser and Forest Service hereby agree, acknowledge, and accept that there is no expressed or implied warranty provided by the Forest Service that guarantees the Purchaser will be allowed to complete the removal of products sold under the terms of the contract. Upon execution of the contract, Purchaser hereby acknowledges the acceptance of the risk that this contract is subject to interruption or termination as a result of litigation associated with the environmental analysis process used by the Forest Service in the planning of this timber sale. If such interruption or termination occurs due to litigation, Purchaser agrees to accept as full compensation for such interruption remedies pursuant to B8.33, or for termination remedies pursuant to B8.34.

C8.212 - MARKET-RELATED CONTRACT TERM ADDITION (11/2008)

The term of this contract may be adjusted when a drastic reduction in wood product prices has occurred in accordance with 36 CFR 223.52. The Producer Price Index used to determine when a drastic reduction in price has occurred is stated in A20. Purchaser will be notified whenever the Chief determines that a drastic reduction in wood product prices has occurred. If the drastic reduction criteria specified in 36 CFR 223.52 are met for 2 consecutive calendar quarters, after contract award date, Contracting Officer will add 1 year to the contract term, upon Purchaser's written request. For each additional consecutive quarter such a drastic reduction occurs, Contracting Officer will, upon written request, add an additional 3 months to the term during Normal Operating Season, except that no single 3-month addition shall extend the term of the contract by more than one year. Contracting Officer must receive Purchaser's written request for a market-related contract term addition before the expiration of this contract.

No more than 3 years shall be added to a contract's term by market-related contract term addition unless the following conditions are met:

(i) The sale was awarded after December 31, 2006; and

(ii) A drastic reduction in wood product prices occurred in at least ten of twelve consecutive quarters during the contract term, but not including the quarter in which the contract was awarded.

For each qualifying quarter meeting the criteria in paragraphs (i) and (ii) of this provision, the Forest Service will, upon the Purchaser's written request, add an additional 3 months during the normal operating season to the contract, except no single 3-month addition shall extend the term of a contract by more than 1 year.

In no event shall a revised contract term exceed 10 years as a result of market-related contract term addition.

Additional contract time may not be granted for those portions of the contract that have a required completion date or for those portions of the contract where Contracting Officer determines that the timber is in need of urgent removal or that timber deterioration or resource damage may result from delay.

C8.3# (OPTION 1) - CONTRACT CHANGES (06/2004)

Contract changes involving volumes and/or values will use a weightratio of 3.00 to convert net CCF cruise volumes to TONS.

C8.66# (Option 1) - USE OF TIMBER (04/2004)

(a) This contract is subject to the Forest Resources Conservation and Shortage Relief Act of 1990, as amended (16 USC 620, et seq.).

(b) Except for Alaska-yellow cedar determined pursuant to public hearing to be surplus, unprocessed Included Timber shall not be exported from the United States nor used in direct or indirect substitution for unprocessed timber exported from private lands by Purchaser or any person as defined in the Act (16 USC 620e).

(c) Timber in the following form will be considered unprocessed:

(i) Trees or portions of trees or other roundwood not processed to standards and specifications suitable for end product use;

(ii) Lumber, construction timbers, or cants intended for remanufacturing not meeting standards defined in the Act (16 USC 620e); and

(iii) Aspen or other pulpwood bolts exceeding 100 inches in length.

(d) Unless otherwise agreed in writing, unprocessed Included Timber shall be delivered to a domestic processing facility and shall not be mixed with logs intended for export.

(e) Prior to award, during the life of this contract, and for a period of 3 years from Termination Date, Purchaser shall furnish to Forest Service, upon request, records showing the volume and geographic origin of unprocessed timber from private lands exported or sold for export by Purchaser or affiliates.

(f) Prior to delivering unprocessed Included Timber to another party, Purchaser shall require each buyer, exchangee, or recipient to execute an acceptable agreement that will:

(i) Identify the Federal origin of the timber;

(ii) Specify domestic processing for the timber involved;

(iii) Require the execution of such agreements between the parties to any subsequent transactions involving the timber;

(iv) Require that all hammer brands and/or yellow paint must remain on logs until they are either legally exported or domestically processed, whichever is applicable; and

(v) Otherwise comply with the requirements of the Act (16 USC 620d).

(g) No later than 10 days following the execution of any such agreement between Purchaser and another party, Purchaser shall furnish to Forest Service a copy of each such agreement. Purchaser shall retain, for 3 years from Termination Date, the records of all sales, exchanges, or dispositions of all Included Timber.

(h) Upon request, all records dealing with origin and disposition of Included Timber shall be made available to Contracting Officer.

(i) For breach of this Section, Forest Service may terminate this contract and take such other action as may be provided by statute or regulation, including the imposition of penalties. When terminated by Forest Service under this Section, Forest Service will not be liable for any Claim submitted by Purchaser relating to the termination.

C8.71 - TRIPARTITE LAND EXCHANGE (04/1999)

Purchaser agrees that timber values for which cash payment is required under B4.0 may be applied to any land exchange transaction authorized by law under which the owner of offered lands agrees to accept the money value of timber sold for the value of land granted to the United States.

TRAFFIC CONTROL PLAN AND SPECIFICATIONS PURSUANT TO B6.33 SAFETY

Unless otherwise agreed, the following measures are required to provide adequate warning of hazards for users of roads and trails adjacent to Purchaser's Operations.

Part I. Signing and Other Warning Methods:

(a) Signs. The following signs are required when Purchaser's Operations are in progress adjacent to or on Forest Service controlled roads and trails:

<u>MINIMUM LETTER SIZE AND LEGEND</u>	<u>MINIMUM SIZE AND SHAPE</u>	<u>WHEN AND WHERE REQUIRED</u>
1. LOGGING OPERATIONS NEXT <> MILES (4" letters)	24" (rectangle) 36"	Min. 100 ft. outside of any continuous work areas, on roads listed in C5.31# and trails listed in Part II.
2. LOGGING OPERATIONS (3" letters)	24" (diamond) 24"	To be used in conjunction with "Logging Operations Next <> Miles" and where work area is not continuous.
3. FOR LOGGING USE ONLY (3" letters)	24" (diamond) 24"	Required where roads listed in C5.31# and temporary roads intersect with C5.31# roads. Install a cross ditch to discourage use when sign is covered or removed for extended periods.
4. TRUCKS (4" letters)	24" (diamond) 24"	At critical intersections on roads listed in C5.31# when traffic is heavy or otherwise exceeds volumes stated in Part II below. Remove or cover when the sign is not applicable.
5. END LOGGING OPERATIONS (4" letters)	24" (rectangle) 36"	Use in conjunction with "Logging Operations Next <> Miles" and "Logging Operations."
6. TREE FELLING AHEAD (3" letters)	24" (diamond) 24"	Required 200 feet in advance of danger area where timber is being felled adjacent to all roads, including temporary roads, and trails.
7. ROAD MACHINERY AHEAD (3" letters)	24" (diamond) 24"	Required at least 200 feet in advance of Purchaser road maintenance operations on roads listed in Schedule C5.31#.

TRAFFIC CONTROL PLAN AND SPECIFICATIONS – B6.33 Safety (continued)

All signs shall meet requirements as specified in Parts I and VI of the Manual of Uniform Traffic Control Devices (MUTCD).

Sign borders and lettering shall be black. Borders are 1/2 inch wide, inset 1/2 inch from outside edge of sign. All sign backgrounds shall be orange, except signs #1 and 5 which shall be reflectorized orange.

Signs shall be installed on posts, with a 5 foot minimum ground clearance, or on temporary supports complying with MUTCD standards.

All signs are to be removed or covered when operations are interrupted for seasonal nonuse or other extended periods.

Purchaser shall furnish flag personnel and advance warning signs when cable or helicopter logging above roads or trails, felling adjacent to roads or trails, where logs being bucked may roll into roads or trails, and in areas where fallout from blasting may occur. On roads listed in C5.31# and temporary roads, Purchaser may temporarily block the road in lieu of furnishing flag personnel.

(b) Barricades. On roads listed in C5.31#, if Purchaser's Operations cause the traveled way or road shoulders to be constricted overnight, or longer, by such obstructions as decked logs, parked equipment, or piled slash, Purchaser shall place barricades on both sides of the encroaching obstruction to safely channel traffic around such obstructions. Barricades shall remain in place until the obstruction is removed.

Barricades shall be Type II and meet specifications in MUTCD, Part VI. Barricades must be at least 3 feet high. Rails must be at least 2 feet long. Striping shall be alternating orange and white, sloping at a 45 degree angle, and reflectorized. For rails 2 feet to 3 feet long, striping shall be 4 inches wide. For rails longer than 3 feet, striping shall be 6 inches wide. Two rails, 8-12 inches in width, must face each direction.

Barricades shall be equipped with warning lights which shall be Type A low intensity flashing and shall be maintained so as to be capable of being visible on a clear night from a distance of 3,000 feet.

(c) Other Traffic Control Methods. The posting of CB channel signs may be authorized.

On roads listed in C5.31#, Purchaser may be authorized to install temporary gates, barricades (except cables), or natural barriers. The devices must be installed with the necessary hazard markers, be reasonably passable by Forest Service, and be removed prior to acceptance of the subdivision being served by the road.

TRAFFIC CONTROL PLAN AND SPECIFICATIONS – B6.33 SAFETY (continued)

Part II. Specific Requirements:

<>

Purchaser and Forest Service agree to the above stated requirements of the Traffic Control Plan:

Name

Name

Title

Title

Date

Date