CT2.301# - CUTTING UNIT BOUNDARIES *(09/2001)*

The boundaries of cutting units are designated as shown in the following table. The trees used for boundary designation are not to be cut.

See Cutting Unit Boundary Designation Table

Sale Name: HAYNES 5 POST & POLE

CT2.356# - INDIVIDUAL TREES (LEAVE TREE MARKING) *(09/2001)*

Notwithstanding BT2.35, all live, dead and windthrown trees meeting utilization standards in AT2, in units shown as LTM on the Sale Area Map, are designated for cutting. Trees to be left uncut are marked above and below stump height as shown in the table below.

See Leave Tree Marking Table

Sale Name: HAYNES 5 POST & POLE

CT4.211 - DOWNPAYMENT *(06/2007)*

The downpayment amount shown in AT15 may not be applied toward any other payment required under the provisions of this contract, except damages determined pursuant to BT9.4, transferred to other timber sales, or refunded until (a) stumpage value representing 25 percent of the total bid value of the timber sale is shown on Timber Sale Account to have been cut, removed, and paid for, or (b) the estimated value remaining to be cut and removed, as shown on Timber Sale Account, is equal to or less than the amount of the downpayment, or (c) if 36 CFR 223.49(e) is applicable, the estimated value remaining to be cut and removed, as shown on Timber Sale Account, is equal to or less than the amount of the downpay-ment. For lump sum timber sales, the downpayment may be applied to payment for release of the single payment unit.

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

CT4.212 - TEMPORARY REDUCTION OF DOWNPAYMENT *(08/2009)*

Notwithstanding BT4.211 or CT4.211, 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 scheduled 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.

CT4.31# - BLANKET BOND *(09/2001)*

If Purchaser furnishes an acceptable bond or deposits securities, in accordance with BT4.3, to guarantee payment for timber from this and other timber sales within the same Contracting Zone, the amount of such bond or deposited securities shall be allocated to such sales by Forest Service. When there is to be no timber cutting hereunder for 30 calendar days or more and payment of current charges has been made, the allocation to this sale shall be reallocated to other sales at Purchaser's request, and Purchaser shall not start cutting hereunder until this sale receives an allocation which will, in combination with transferred-in Purchaser Credit, meet the obligation for payment guarantee.

A Contracting Zone as stated in this provision contains the following National Forests:

See Contracting Zone Table

Sale Name: HAYNES 5 POST & POLE

CT4.4 - 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, 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 and road maintenance deposits;

(ii) Cooperative work at rates established by specific agreement under BT4.218;

(iii) Damages pursuant to BT9.4;

(iv) Road use fees;

(v) Restoration of downpayment pursuant to BT4.22;

(vi) Periodic payments pursuant to BT4.213;

(vii) Extension Deposits pursuant to BT4.217; 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 BT9.3. 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.

CT5.12# - 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.

Sale Name: HAYNES 5 POST & POLE

CT5.31# - 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.

Sale Name: HAYNES 5 POST & POLE

CT5.34# - OBLITERATION OF TEMPORARY ROADS, SKID TRAILS AND LANDINGS *(03/2002)*

Unless otherwise agreed in writing, temporary roads, skid trails, and landings associated with the cutting unit(s) listed in the following table shall be obliterated using the method described below:

See Obliteration Table.

Sale Name: HAYNES 5 POST & POLE

CT5.35# - CLOSURE OF TEMPORARY ROADS *(09/2001)*

Unless otherwise agreed to in writing, temporary roads associated with the cutting unit(s) listed in the following table shall be closed using the closure method described.

See Closure of Temporary Roads Table

Sale Name: HAYNES 5 POST & POLE

CT5.36# - SNOW REMOVAL *(09/2001)*

Snow removal shall be done in a manner to preserve and protect the roads to insure safe and efficient transportation and to prevent unacceptable erosion damage to roads, streams, and adjacent lands.

A. Description. Snow removal work by Purchaser shall include:

1. Removal of snow from entire road surface width including turnouts.

2. Removal of snow slides, minor earth slides, fallen timber and boulders that obstruct normal road surface width including turnouts.

3. Maintain drainage so that the drainage system will function efficiently.

B. Performance. All items of snow removal shall be done currently as necessary to insure safe, efficient transportation. Work shall be done in accordance with the following minimum standards of performance.

1. Removal of material. All debris, except snow and ice, that is removed from the road surface and ditches shall be deposited away from stream channels at agreed locations.

2. During snow removal operations, banks shall not be undercut nor shall gravel or other selected surfacing material be bladed off the roadway surface.

3. Ditches and culverts shall be kept functional during and following roadway use.

4. Snow berms shall not be left on the road surface. Berms left on the shoulder of road shall be removed and/or drainage holes shall be opened and maintained. Drainage holes shall be spaced as required to obtain satisfactory surface drainage without discharge on erodible fills.

5. Dozers and skidders shall not be used to plow snow on system roads without written approval of Forest Service. Upon approval, dozers and skidders must be equipped with shoes or runners to keep the plow blade a minimum of **4** inches above the road surface unless specifically removed from the requirements in writing.

6. Snow must not be removed to the road surface. A minimum **4** inch depth must be left to protect the roadway.

7. Purchaser's damage from, or as a result of, snow removal shall be restored in a timely manner.

CT6.223 - PROTECTION OF FENCES *(09/2001)*

Unless otherwise agreed to in writing, all fences, as designated on Sale Area Map, which are required to be cut because of temporary road construction, skid road construction, or other logging activities, shall not be cut until the fence has first been "line braced" or "fence braced," to prevent loss of tension, on both sides of the wire span or series of short spans to be cut.

The Purchaser shall install temporary cattleguards in accordance with attached plans at each location where the fence is cut for temporary road access unless otherwise approved in writing by Forest Service. All fences will be restored promptly after logging to the condition existing immediately prior to logging. Fence repair will be kept current with logging operations.

CT6.24# - SITE SPECIFIC SPECIAL 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: **N/A**
Wildlife and Botanical Protection Measures: **A mitigation plan will be developed in cooperation with the Forest Service and Purchaser before any sale could proceed if use by any threatened, endangered, or sensitive species is discovered in the sale area after sale award. Servicing and genereal maintenance of heavy equipment will not be done with the Riparian Habitat Conservation Area (RHCA) of any streams.**
Cave Resource Protection Measures: **N/A**

CT6.312# - SALE OPERATION RESTRICTIONS *(11/2006)*

Unless otherwise agreed in writing, sale operations will be restricted as listed below:

See Sale Operation Restriction Schedule Table

Sale Name: HAYNES 5 POST & POLE

CT6.341 - PREVENTION OF OIL SPILLS (IDAHO FORESTS) *(05/2006)*

If Purchaser maintains storage facilities for petroleum or petroleum products on Sale Area, Purchaser shall take appropriate preventive measures to ensure that any spill of such petroleum or petroleum products does not enter any stream or other waters of the United States or any of the individual States.

Petroleum or petroleum product storage containers with capacities of more than 200 gallons, stationary or mobile, shall be located no closer than 100 feet from stream, watercourse, or area of open water. Dikes, berms, or embankments shall be constructed to contain at least 110% of the volume of petroleum products stored within the containers. Diked areas shall be sufficiently impervious and of adequate capacity to contain spilled petroleum products.

If the total petroleum or petroleum products storage exceeds 1,320 gallons in containers of 55 gallons or greater, Purchaser shall prepare a Spill Prevention Control and Countermeasures (SPCC) Plan. Such plan shall meet applicable EPA requirements (40CFR 112), including certification by a registered professional engineer.

Purchaser shall notify Contracting Officer and appropriate agencies of all reportable (40CFR 110) spills of petroleum or petroleum products on or in the vicinity of Sale Area that are caused by Purchaser's employees, agents, contractors, subcontractors, or their employees or agents, directly or indirectly, as a result of Purchaser's operations. Purchaser will take whatever initial action that may be safely accomplished to contain all spills.

CT6.411# - FELLING AND BUCKING (SPECIAL OBJECTIVES) *(11/1998)*

Unless otherwise agreed in writing, silvicultural prescriptions and land management objectives shall be conducted and accomplished by the following requirements, methods and procedures:

See Felling and Bucking Table

Sale Name: HAYNES 5 POST & POLE

CT6.42# - SKIDDING AND YARDING (SPECIAL OBJECTIVES) *(11/1998)*

Unless otherwise agreed in writing, silvicultural prescriptions and land management objectives shall be conducted and accomplished by the following requirements, methods and procedures:

See Skidding and Yarding Table

Sale Name: HAYNES 5 POST & POLE

CT6.6# - EROSION PREVENTION AND CONTROL *(11/1998)*

A. Purchaser shall locate Temporary Roads on locations approved by the Forest Service. Such location shall include the marking of road centerline or grade-line and the setting of such construction stakes as are necessary to provide a suitable basis for economical construction and the protection of National Forest lands.

B. Skidding with tractors within **150** feet of live streams shall not be permitted except in places designated in advance by Forest Service, and in no event shall skid roads be located in live or intermittent streamcourses. Skid trails shall be located high enough out of draws, swales, and valley bottoms to permit diversion of runoff water to natural undisturbed forest ground cover.

C. Prior to periods of accelerated water runoff, especially during the spring runoff and periods of heavy rainfall, Purchaser shall inspect and open culverts and drainage structures, construct special cross ditches for road runoff, and take other reasonable measures needed to prevent soil erosion and siltation of streams.

D. Temporary Road surface width shall be limited to truck bunk width plus four (4) feet, except for needed turnouts which shall not exceed two (2) times the bunk width plus four (4) feet. If shovels or cranes with revolving carriage are used to skid or load, Temporary Road surface width equal to track width plus tail swing shall be permitted.

E. Unless otherwise agreed in writing, Purchaser shall keep erosion control work current with his operations under the sale and in any case not later than 15 days after completion of skidding on each payment unit or cutting unit.

CT6.601# - EROSION CONTROL SEEDING *(11/1998)*

Following completion of skidding and yarding operations in an area, Purchaser shall seed and fertilize all exposed areas of raw soil as designated by the Forest Service on skid trails, landings, firebreaks, slides, slumps, Temporary Roads and traveled ways of Specified Roads **NONE** following closure specified in CT5.41#. Soil on areas to be seeded shall be left in a roughened condition favorable to the retention and germination of the seed. Scarification of traveled ways on Specified Roads listed above shall be to a minimum depth of **N/A** inches and a maximum depth of **0** inches.

Seed and fertilizer shall be spread evenly at the rate of **20.25** pounds of seed and **0** pounds of fertilizer per acre.

When fertilizer and seed are applied in separate operations, the second operation shall be carried out within 72 hours of the first.

Seeding shall be done during the period **September 1** to **October 15** and under the above specified conditions unless otherwise approved.

The kinds and amounts of seed to be sown in terms of pure live seed (PLS) shall be:

See Seed Application Table

All seed purchased will be certified to be free of the noxious weed seeds from weeds listed on the current "All States Noxious Weeds List." Test results from a certified seed analyst and seed analysis labels attached to the bags will be provided to the Forest Service.

The following kinds and amounts of standard commercial fertilizer shall be used with guaranteed analysis of contents clearly marked on containers:

See Fertilizer Application Table

Sale Name: HAYNES 5 POST & POLE

CT6.7# - SLASH TREATMENT *(04/2003)*

Slash is defined as logs, tops, limbs, and other woody material, exclusive of stumps, which is created by the logging operation and remaining on the ground after logging. In areas where Purchaser-created slash is intermingled and inseparable with pre-existing slash, slash disposal requirements shall apply to the pre-existing slash as well as the Purchaser-created slash. Such areas are designated in the Purchaser Slash Responsibility Table herein.

Slash created in the construction of Specified Roads shall not be considered as logging slash in this Section.

Unless otherwise agreed in writing, Purchaser shall perform the following work described below and/or as shown on the Sale Area and Slash Disposal Map.

Forest Service and Purchaser shall jointly develop a schedule for completion of slash treatment on the various portions of the sale area.

See Purchaser's Slash Responsibility Table

Sale Name: HAYNES 5 POST & POLE

CT6.81# - ACCOUNTABILITY *(04/2009)*

The following requirements are applicable to Product Removal Permits:

1. Forest Service will issue to Purchaser or designated representative(s) serially numbered Product Removal Permit books for use only on this sale. Product Removal Permit books, whether used or unused, shall be accountable property of Forest Service and shall be returned to issuing Forest Service Office in accordance with instructions contained in each book. Each book which is not returned to the Forest Service will be considered a lost book and liquidated damages of $500 will be assessed.

2. Purchaser shall require all permits be completed in accordance with the instructions contained on the inside cover of each book.

3. Each load will have the last three digits of the load receipt number painted on both ends of three logs with **RED** paint. All loads that consist of a truck and pup(s) must have the last three digits of the load receipt painted on both ends of three logs on all subunits of the combination.

Purchaser shall require vehicles hauling Included Products to stop at agreed upon locations for purposes of monitoring accountability. The parties shall agree upon the haul route prior to operations.

CT7.2 - FIRE PRECAUTIONS *(04/1979)*

Specific fire precautions are as follows:

State Fire Laws. Where State laws provide specific requirements, these requirements must also be met.

Smoking and Lunch Fires. Purchaser shall prohibit smoking and the building of fires by persons engaged in Purchaser's Operations, except at established camps and shall enforce this prohibition by all means within Purchaser's power. Forest Service may, on written request of Purchaser, designate places where (1) campfires may be built for the purpose of heating lunches or (2) smoking may be permitted. Such designated places shall be cleared of flammable material to mineral soil prior to use.

Debris Around Structures. Purchaser shall clear and maintain an area free of flammable material for a distance not less than 15 feet from buildings, tents, and other structures connected with Purchaser's Operations.

Furnishing of Tools. Purchaser shall furnish sufficient fire tools of a kind and type satisfactory for fire suppression to equip persons engaged in Purchaser's Operations. Fire tools shall be used only for suppressing wildfires. Tools shall be stored in fireboxes provided by Purchaser and readily available to employees. Each toolbox shall be marked "Tools for Fire Only," painted red and kept sealed.

Fire Tools on Equipment. Each tractor, power skidder, power loader, and motor truck shall be equipped with one size 0, or larger, round-pointed shovel. Shovels shall be so placed on the machines that they can be readily obtained at all times.

Spark Arresters. Each gasoline or diesel internal combustion engine, except powersaws, shall be equipped with a spark-arresting device which has been approved by Forest Service. After installation, spark-arresting devices shall be kept in a satisfactory working condition.

Powersaws. Each gasoline powersaw shall have a spark arrester muffler affixed and in good working condition. Said spark arrester-muffler shall be of the construction and maintained to the standards approved by Forest Service. In addition, one chemical pressurized fire extinguisher of not less than 8-ounce capacity, by weight, and one size 0, or larger, round-pointed shovel shall also be provided.

The spark arrester-muffler, extinguisher, and shovel shall be maintained in good working condition at all times. The shovel and extinguisher shall be readily available.

Blasting. The use of fuses and detonating cord in blasting shall not be permitted.

During Fire Precautionary Period, blasting shall be permitted as follows:

A. When the predicted Condition Class reaches 3 (High), a watchman shall patrol the blasting area for at least 1 hour following blasting. The watchman shall have available for immediate use a standard fire shovel and a 5-gallon water filled backpack pump.

B. When the predicted Condition Class reaches 4 (Very High), blasting shall be restricted to cleared areas and terminated daily by 11 a.m. local time. The watchman requirements shall be as in item A above.

C. Blasting operations may be terminated when the predicted fire danger reaches extreme conditions.

Gasoline and Oil Storage. Gasoline, oil, grease, or other highly flammable material shall be stored in a separate building (or on site where all flammable debris has been cleared away within a radius of 25 feet). Storage buildings (or sites) shall be a minimum distance of 50 feet from other structures. A suitable shovel, and dry sand in a covered container of not less than 25-gallon capacity (or a fire extinguisher of not less than 2-quart capacity of a type approved by the Underwriter Laboratory for gasoline and oil

fires), shall be placed at each gasoline and oil shed, or other motor-fueling station. Mobile servicing units shall be equipped with a fire extinguisher of not less than 2-quart capacity of a type approved by the Underwriter Laboratory for gasoline and oil fires.

Camp Hazards. Stoves, stovepipes, chimneys, and electric wiring shall be located and maintained to the safety standards set forth in applicable sections of the Forest Service Health and Safety Code, dated March l970, as revised.

Burning Plan. No slash burning shall be started by Purchaser without obtaining Forest Service approval of a written burning plan and also obtaining a burning permit from Forest Service.

CT7.20 - FIRE PRECAUTIONS (HELICOPTER) *(09/2001)*

In addition to Normal Precautions provided for in CT7.2, Purchaser shall provide or take the following precautions or actions where helicopter yarding is specified or permitted.

A. Fire tools, including backpack pump and tool boxes, required at landings shall have a sling arrangement for immediate helicopter transportation of the tools to the vicinity of any fire within Sale Area. The sling arrangement shall not impede access to the tools.

B. Store flammable liquids (fuel) only in tank trucks or trailers specifically designed for storing and transporting liquid fuel or in stationary tanks, securely bedded on skids or frames to prevent rolling or tipping. Fuel storage area shall be adequately diked with dirt to prevent fuel spillage or leakage from spreading beyond the diked area. Mobile fuel tanks (trailers or trucks) shall also be parked within a diked area.

Polyethylene, rubber or other flexible type fuel storage facilities will not be permitted on National Forest land.

C. Provide at fuel servicing operations fire extinguishers which have the following ratings based on the open hose discharge capacity, i.e., "broken hose" of the aircraft fueling system:

1. Where said capacity does not exceed 200 gallons per minute, at least one (1) approved extinguisher having a minimum rating of 20-B,

2. Where said capacity is in excess of 200 gallons per minute, but not over 350 gallons per minute, one (1) approved extinguisher having a minimum rating of 80-B,

3. Where said capacity is in excess of 350 gallons per minute, two (2) approved extinguishers, each having a minimum rating of 80-B.

Extinguishers of over 50 pounds gross weight shall be of the large diameter wheel type or be mounted on carts to provide mobility and ease of handling.

D. Purchaser shall provide one variable capacity water bucket with maximum capacity commensurate with the maximum lifting capabilities of the aircraft. The bucket gate open/close switch(es) shall be spring loaded to the "OFF" position and mounted on the collective pitch lever. The switch shall be of a different design and shall be mounted in such a way as to not easily be confused with the RPM control switch. The weight of the bucket and capacity at each adjustment level shall be marked on the bucket.

The bucket shall be located at the landing to which the helicopter is yarding logs and be ready for immediate use with a maximum hooking and getaway time of five minutes. An alternate location may be designated by Forest Service when specific Sale Area conditions indicate the need.

Purchaser shall develop or provide a water source from which the required bucket can be hover-filled at least three times without resupply. If a natural water source is used, it must be within five minutes, round trip, by helicopter from the Sale Area. If an artificial source is provided, it shall be located on the Sale Area at the same location as the bucket, unless otherwise agreed in writing.

At least once a month, the water bucket will be checked by making at least one hookup and drop to assure that it is in operating condition.

CT8.4 - PERFORMANCE BY OTHER THAN PURCHASER *(04/2004)*

This provision adds subparagraph (b) (iii) to BT8.4 as follows:

(iii) Specifically assumes in writing the obligations of Purchaser as listed in Small Business Certification executed by Purchaser and attached to and made a part of this contract.

CT8.66# (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 **NONE** 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 Subsection, 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 Subsection, Forest Service will not be liable for any Claim submitted by Purchaser relating to the termination.

CT8.73 - REQUIREMENT FOR SMALL BUSINESS PROCESSING *(04/2004)*

To meet the requirements of the small business timber sale set-aside program, Purchaser shall not sell, trade, exchange, or otherwise convey for processing more than 30 percent (50 percent in Alaska) of the advertised sawtimber volume of this sale to a concern that is not a small business within the meaning of the small business size regulations found in 13 CFR 121.507.

Purchaser shall, at the time of execution of this contract, complete the "Small Business Certification" (SBA form 723) and submit it to Contracting Officer. The completed certification together with its provisions pertaining to the disposition, manufacturing, and record keeping requirements of Included Timber by Purchaser and other small business concerns is hereby made a part of this contract.

Upon request of Contracting Officer or an officer of the Small Business Administration, Purchaser shall furnish all records sufficient to verify eligibility and compliance with the requirements of this program. Such records may include employee payroll records, disposition of Included Timber records, and other documents as necessary.

Failure to provide records upon request, filing false information, or making false statements relating to SBA size status or failing to comply with the disposition and manufacturing requirements of Included Timber shall be considered a breach of this Subsection and may result in termination of this contract pursuant to BT9.31.