

Sale Name: Gaza Strip HT SSTS

CT2.2# - MINIMUM PIECE SIZE FOR SAWTIMBER (02/2009)

Purchaser is not required to pay for or remove minimum sawtimber pieces as described in AT2 if said pieces have a net scale of less than 20 board feet.

CT2.3# - RESERVE TREES (04/2004)

Notwithstanding the designations for cutting under BT2.31, BT2.32, BT2.33, or BT2.34, live or dead Rust Resistant Sugar Pine reserve trees or groups of reserve trees within such cutting units or clearings shall be left uncut. Such Reserve trees are identified by Standard Forest Service metal sugar pine blister rust evaluation sign and/or marked on the bole with a yellow or orange dot on the downhill and uphill side. and shall be protected in accordance with CT6.32#. Units with reserve trees are shown on the Sale Area Map.

CT2.35# - DESIGNATION OF TIMBER AND SUBDIVISION/PAYMENT UNIT BOUNDARIES (08/2007)

Trees are designated for cutting under BT2.35# only if designated as shown in the Timber Designation table below. The boundaries of Payment Units are designated as shown in the Boundary Designation table below. Trees used for boundary designation are not to be cut.

See Table A

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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 downpayment. 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 increased 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.

CT5.125# - SHARE COST ROAD LIABILITY INSURANCE (08/2006)

Purchaser is authorized to use cooperative roads constructed under provisions of Standard Road Right-of-Way Construction and Use Agreement dated December 5, 1995 between Sierra Pacific Industries, Cooperator, and Forest Service, and subsequent easements, supplements, and agreements thereto, available for inspection at the Forest Supervisor's Office, Sonora, California, and subject to the following liability insurance requirements.

Purchaser shall provide a satisfactory certificate of insurance covering Purchaser's and all subcontractor's operations on cost share roads referred to above.

Purchaser shall present the certificate of insurance to Forest Service prior to use of cost share roads.

Insurance shall be of the following form and limits:

Comprehensive Automobile Bodily Injury/Property Damage Liability Insurance covering all owned, leased, hired and non-owned automobiles.

<u>Minimum limits: \$250,000</u>	<u>per person bodily injury or death</u>
<u>\$500,000</u>	<u>per occurrence bodily injury or death</u>
<u>and \$500,000</u>	<u>per occurrence property damage or a combined</u>
<u>single limit of \$500,000</u>	

In addition to above, Purchaser and Purchaser's assigns shall carry the following limits of insurance for the purpose of covering fire suppression expense, property damage to timber land due to fire, and property damage to non-owned automobiles and equipment due to fire.

Comprehensive General Liability Bodily Injury/Property Damage Insurance for minimum limits of:

<u>\$250,000</u>	<u>per person bodily injury or death</u>
<u>\$500,000</u>	<u>per occurrence bodily injury or death</u>
<u>and \$500,000</u>	<u>per occurrence property damage or a combined</u>
<u>single limit of \$500,000</u>	

Such Comprehensive General Liability policy shall include an endorsement covering fire suppression expense, property damage to timber land due to fire, and property damage to non-owned automobiles and equipment due to fire. Said endorsement shall have minimum property damage limits of \$ 500,000 and be designated separately on the Certificate of Insurance.

The Certificate of Insurance shall require insurance carrier to notify Cooperator by mail ten (10) days prior to cancellation or expiration of above coverage. The Certificate of Insurance shall also name N/A as additionally insured solely as respects operations conducted by or on behalf of the Purchaser involving use of the cost shared roads referred to above.

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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.

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CT5.32# - 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 CT5.31#.

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: \$5.90 per MBF.

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		

CT5.35# - ROAD AND WATER SUPPLY USE (05/2008)

National Forest water supply locations, access, method of filling trucks, period of water availability and procedures designed to maintain water quality at each location shall be agreed in advance of use. Such use shall at no time reduce water supplies to the level that further use may be detrimental to aquatic resources or other established use. Waterholes and other improvements relating to said water supplies shall be put into condition, prior to expected seasonal periods of precipitation or runoff, to avoid resource damage.

Damage to resources at such locations caused by Purchaser's Operations, other than fire suppression activities, shall be repaired by Purchaser in a timely and agreed manner to the extent practicable to restore and prevent further resource damage.

Unless otherwise agreed, Purchaser's use of roads and other water supply requirements shall conform to the following table.

See Table A

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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: _

Identified as CA-1 on Sale Area Map. Unless otherwise agreed, No Purchaser Operation is permitted within areas flagged with orange/white and/or blue/black candy striped flagging and/or "Area Controlled" sign. Any Purchaser Operation (including the removal of products) within cultural management boundaries will require compliance with Section 106 of the National Historic Preservation Act of 1996.

Identified as CA-2 on Sale Area Map. Unless otherwise agreed, No Purchaser Operation is permitted within areas flagged with orange/white and/or blue/black candy striped flagging and/or "Area Controlled" sign. These sites are a linear feature. Any Purchaser Operation (including the removal of products) within cultural management boundaries will require compliance with Section 106 of the National Historic Preservation Act of 1996.

By written agreement, in certain cultural sites, removal of timber designated within the perimeter of sites will be approved if Purchaser's equipment is capable of placing the timber outside of the site without disturbance to the site features.

Wildlife and Botanical Protection Measures: _

Special control measures for the protection of wildlife resources are a limitation of operating period as listed under Special Provision CT6.315#. The limiting operating periods for California Spotted Owl and Northern Goshawk and Bald Eagle are identified as CA-3 and CA-4 respectively on the Sale Area Map.

Cave Resource Protection Measures: N/A

CT6.314 - RELEASE OF PAYMENT UNIT (08/2006)

Except for Specified Road Payment Units, Forest Service shall not Release for Cutting more Payment Units than can be logged within 60 calendar days at Purchaser's normal rate of logging. Unless otherwise agreed in writing, upon completion of all contract requirements in a Payment Unit, additional Payment Units may be Released for Cutting.

CT6.315# - SALE OPERATIONS SCHEDULE (08/2006)

Unless otherwise agreed in writing, Purchaser's Operations shall be performed in accordance with the following schedule:

See Table A

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CT6.32# - PROTECTION OF RESERVE TREES (04/2004)

Purchaser's damage or destruction of reserve trees described in CT2.3# 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 \$ 2,636.11 for each Rust Resistant Sugar Pine reserve tree and \$ N/A for each N/A reserve tree damaged or destroyed by Purchaser's Operations, in addition to amounts payable under BT3.44 and BT3.45.

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.

CT6.331 - LOG TRUCKING (08/2006)

To promote safe operations on National Forest roads and on Specified Roads, loads shall be safely secured before trucks move from the landing or loading location.

CT6.37 - SUBSTITUTE METHODS (08/2006)

Notwithstanding other provisions herein, for minor changes such as changes in logging systems for areas smaller than 5 acres, Purchaser and Forest Service may agree in writing that use of substitute methods or equipment will achieve Forest Service objectives under this contract and may be used in lieu of those specified for Purchaser's Operations.

CT6.41# - FELLING, BUCKING, AND LIMBING (08/2007)

Unless otherwise agreed in writing, Purchaser's felling, bucking, and limbing operations shall be conducted as specified in the table below.

See Table A

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CT6.42# - GROUND BASED SKIDDING (08/2006)

Unless otherwise agreed in writing, the method of skidding Included Timber shall be as shown on the Sale Area Map, by areas, with symbols defined in the following table:

See Table A

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CT6.5 - STREAMCOURSE PROTECTION (08/2006)

Unless otherwise agreed in writing, wheel or track laying equipment shall not operate within "Buffer Strips" except as necessary for fire suppression activities. "Buffer Strips" are areas marked on the ground or are within the distances identified on the Sale Area Map measured from the apparent high water mark of streamcourses. Boundaries of Buffer Strips may be modified by agreement in writing to meet unforeseen operating conditions.

Culverts, bridges, or other suitable structures shall be required on skid roads and trails only at points where it is necessary to protect Stream courses. The type of crossing structures, method of installation and removal shall be determined by agreement. Purchaser in accordance with CT6.6 - Erosion Prevention and Control, shall remove such structures and associated fills.

Damage to Stream course or Buffer Strips caused by unauthorized Purchaser's Operations shall be repaired by Purchaser in a timely and agreed manner to the extent practical as determined by Forest Service to restore and prevent further damage to Stream courses.

CT6.6# - EROSION PREVENTION AND CONTROL (05/2008)

Erosion prevention and control work, including Streamcourse protection, required by CT6.5 and BT6.6 shall be completed within 15 calendar days after 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.

Notwithstanding other provisions in this contract and unless otherwise agreed in writing, any hay, straw, or mulch used in this contract shall be State of California certified weed free.

Additional erosion control requirements of this contract are listed in the following table.

See Table A

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CT6.7# - SLASH TREATMENT (08/2006)

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

All vegetative debris associated with construction of Specified Roads such as unutilized timber, brush and grubbed stumps is Construction Slash. Measures to be taken by Purchaser for treatment of Construction Slash are set forth in the attached road construction specifications and in the attached slash treatment specifications.

Vegetative debris larger than 1 inch in diameter outside bark and 3 feet long resulting from Purchaser's Operations, other than Construction Slash, is Logging Slash. Measures to be taken by Purchaser for treatment of Logging Slash are set forth below unless otherwise agreed in writing.

Forest Service and Purchaser shall jointly develop a schedule for completion of slash treatment on the various portions of Sale Area prior to Purchaser's Operations.

Removing may be substituted for treatment of any other specified method.

By agreement in writing, certain slash may be left for fuelwood. When the specified treatment is by a combination of methods, Logging Slash not treated by one of the methods shall be treated by the other(s).

See the slash treatment specification table below.

See Table A.

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CT6.8-1# - MEASURING - OPT 1 (08/2006)

Timber quantity estimates in AT2 were made as described in the Forest Service Handbook FSH 2409.12, Timber Cruising Handbook, available for inspection in the offices of the Forest Supervisor and District Ranger. When trees are marked after date of sale advertisement, or when volume is added pursuant to BT2.13, BT2.131, BT2.132, BT2.133, BT2.134, BT2.14, BT2.37, BT2.4, CT2.134, CT2.135, CT2.371, or other authorization hereunder, each tree shall be measured using procedures in FSH 2409.12.

Tables used for volume determinations are listed in the List of Volume Tables below.

See Table A

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CT6.83 - ACCOUNTABILITY (08/2006)

Forest Service and Purchaser shall agree upon the haul route(s) prior to use. All products removed from Sale Area shall be transported over the designated route of haul.

Purchaser shall:

(a) Require truck drivers to sign form R5-2400-242, product removal permit, assure permit is attached to the load prior to removal from the Sale Area and while in transit to load destination.

(b) Assign a competent individual at the landing to record the following information for each load on the product removal permit provided by Forest Service:

1. Date and time load is punched out with a paper punch or equivalent
2. Truck ID or license number
3. Load destination

Used books of product removal permits (stub portion) shall be returned to the Forest Service at least weekly, unless otherwise agreed.

(c) Require truck drivers to stop for transportation inspections, if requested by Forest Service, when products are in transit from Sale Area to Purchaser's processing facility(s).

(d) Inform truck drivers of the designated route(s) of haul, the agreed upon location(s) for transportation inspections, the method of alerting drivers of an impending stop, and the fact that loads may be inspected at other locations where it is safe and possible to do so.

(e) Require truck drivers to assure the product removal permit is secured to each load of product (including chip vans, dump trucks or other container used for removing material) on the front lower corner of the drivers side of the load. Staple product removal permits to a log or attached piece of wood or other suitable material. Product removal permit shall remain attached to log until manufactured into products or if chips, until load has been unloaded. After logs are processed or load of chips unloaded the product removal permit shall be either destroyed or otherwise rendered unusable, unless otherwise agreed.

CT7.2# - SPECIFIED FIRE PRECAUTIONS (10/2010)

Purchaser or a designated Purchaser's Representative shall certify compliance with specific Timber Sale Contract and California Public Resources Code (CPRC) fire precautionary measures in BT7.1 Plans, CT7.2 and CT7.22#. Certification shall be provided prior to starting operations during Fire Precautionary Period and shall be updated as needed.

Listing of specific fire precautionary measures in the following 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.

Upon request of Forest Service, Purchaser shall permit and assist in periodic testing and inspection of required fire equipment.

The following definitions shall apply to CT7.2# and CT7.22#:

Active Landing: A location the Purchaser is skidding logs into, or performing other operations such as delimiting, log manufacturing, and chipping logs. Except for EV and E days, loading logs or stockpiled chips only on a cleared landing does not constitute an Active Landing.

All Terrain Tank Truck or Equivalent: An all terrain fire vehicle or trailer that is capable of traversing same terrain as the Hot Saw Technology or masticator and meets all Item L - Tank Truck specifications. A towed sled is not equivalent.

Approved Motorized Carriage: A cable yarding system employing a motorized carriage with two fire extinguishers, with a minimum rating of 5 BC, mounted on opposite sides of the carriage, with an emergency motor shut-off, and an approved exhaust system.

Cable Yarding Systems: A yarding system that takes logs from the stump area to a landing using an overhead system of winch-driven cables to which logs are attached with chokers or grapples.

Compressed Air Foam System (CAFS): A fire suppression system where compressed air is added to water and a foaming agent (See CT7.2# Item M. for requirements).

Fire Patrolperson: A named individual that is required to patrol the operating areas of the contract area and report any fire starts (See Item E. for requirements).

Hot Saw: A harvesting system that employs a high-speed (>1100 rpm) rotating felling head (i.e., full rotation lateral tilt head).

Immediate Vicinity: Purchaser's required fire suppression equipment is capable of containing a 20 by 20-foot fire within five minutes of detection.

Mechanical Operations: The process of felling, skidding, chipping, shredding, piling, log processing and/or yarding which requires the use of motorized power which includes, chainsaws, chippers, motorized carriages, masticators, stroke delimiters, skidders etc.

Shutdown Threshold: Unless a Variance is provided, specific equipment or activities are suspended from operating past this point.

Variance: A Forest Service approved action that may provide the Purchaser with an opportunity to continue to operate when conditions reach "Shutdown Threshold" on a PAL Ev afternoon.

Specific equipment requirements and fire precautionary measures are shown in the following table and in CT7.22#:

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See the following table.

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CT7.22# - EMERGENCY PRECAUTIONS (10/2010)

Purchaser's Operations shall conform to the limitations or requirements in the Project Activity Level (PAL) table below. Unless otherwise agreed in writing, Project Activity Levels applicable to this project shall be for the Fire Danger Rating Area(s), or fire weather station(s) stated in the Sale Area Map legend.

The Forest Service, in its sole discretion, may change the predicted activity level if the current fire suppression situation, weather and vegetation conditions warrant an adjustment of the PAL activity level. If practicable, Forest Service will determine the following day's activity level by 6:00 PM. Purchaser shall obtain the predicted Project Activity Level from the appropriate Ranger District Office before starting work each day.

Forest Service may change the Project Activity Level Table to other values upon revision of the National Fire Danger Rating System. When sent to Purchaser, the revised Project Activity Levels will supersede the levels in the Project Activity Level Table below.

PROJECT ACTIVITY LEVEL (PAL) - CT7.22# - EMERGENCY PRECAUTIONS**PROJECT ACTIVITY LEVEL TABLE**

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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.

CT8.74 - SSTS PROCESSING REQUIREMENTS AND RECORDS (04/2004)

To meet the requirements of the Special Salvage Timber Sale (SSTS) Program, established in conjunction with the Small Business Administration, and as found in 13 CFR 121.508, Purchaser agrees:

(a) If any part of Included Timber is to be resold, that, as an eligible logger, it will accomplish a significant portion of the logging operation, exclusive of hauling, with its own employees. "Significant portion" means that Purchaser uses its own employees to accomplish two or more of the following logging elements: (i) felling and bucking, (ii) skidding/yarding, and (iii) loading. Purchaser further agrees to subcontract such SSTS logging elements not accomplished with its own employees only to concerns eligible for preferential award of an SSTS.

(b) If Included Timber is not to be resold for manufacture into lumber and timbers, Purchaser will manufacture a significant portion of the logs with its own employees. "Manufacture of logs" means, at a minimum, a breakdown of a log into the rough cut of the finished product. Purchaser further agrees to accomplish the logging of SSTS timber, exclusive of hauling, with its own employees or to subcontract such logging only to concerns eligible for preferential award of an SSTS.

(c) 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, subcontracting 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 BT9.3.