



TIMBER NOTICE OF SALE

Ort SALE NAME: Q LITTLE HARVEY SORTS

AGREEMENT NO: 30-100620 - 30-100628

AUCTION: June 16, 2020 starting at 10:00 a.m.
Northeast Region Office, Colville, WA

COUNTY: Stevens

SALE LOCATION: Sale located approximately 18 miles east of Hunters, WA.

**PRODUCTS SOLD
AND SALE AREA:**

All timber except for leave trees banded with purple paint and leave trees bounded by yellow leave tree area tags, in Units 1, 2, 3, 5, 6, 7, 9, 10 and 11 bounded by white timber sale boundary tags meeting the specifications described below; on parts of Section 12 in Township 29 North, Range 36 East, Section 12 in Township 30 North, Range 39 East, Section 18 in Township 30 North, Range 37 East, Section 36 in Township 31 North, Range 39 East, Sections 17, and 29 all in Township 31 North, Range 38 East W.M., containing 717 acres, more or less.

MINIMUM BID AND ESTIMATED LOG VOLUMES:

Agreement #	Sort #	Species and Sort Specifications	Average Log Length	Estimated Volume		Tons Per MBF	Minimum Bid Delivered Prices		Total Appraised Value	Bid Deposit
				Mbf	Tons		\$/mbf	\$/Ton		
100620	01	DF/WL 7-10" dib	N/A	617	3702	6		\$67.00	\$248,034.00	\$24,803.40
100621	02	DF/WL 11" + dib	N/A	695	3475	5		\$80.00	\$278,000.00	\$27,800.00
100622	03	GF/ non-chuckable DF/WL 7-10" dib	N/A	21	130	6.2		\$52.00	\$6,760.00	\$676.00
100623	04	GF/ non-chuckable DF/WL 11"+ dib	N/A	30	159	5.3		\$60.00	\$9,540.00	\$954.00
100624	05	PP 6-10" dib	N/A	565	4238	7.5		\$40.00	\$169,520.00	\$16,952.00
100625	06	PP 11"+ dib	N/A	1007	5538	5.5		\$55.00	\$304,590.00	\$30,459.00
100626	07	WRC 5"+ dib	N/A	23	101	4.4		\$159.00	\$16,059.00	\$1,605.90
100627	08	GF/DF/WL 5-6" dib	N/A	445	2848	6.4		\$50.00	\$142,400.00	\$14,240.00
100628	09	all conifer species except WRC 2"+ utility	N/A	21	189	9		\$25.00	\$4,725.00	\$472.50

Totals: **3424 20380** **\$1,179,628.00**

CERTIFICATION: This sale is certified under the Sustainable Forestry Initiative® program Standard (cert no: PwC-SFIFM-513)

BID METHOD: Sealed Bids **UNIT OF MEASURE:** Tonnage Scale

EXPIRATION DATE: February 28, 2021 **ALLOCATION:** Export Restricted



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PAYMENT

SECURITY: To be determined by the State as described in Clause P-045.2 of the Purchaser's Contract.

BIDDING

PROCEDURES:

A separate sealed bid and envelope must be submitted for each log sort. Prospective Purchasers may bid on any or all log sorts. On the day of sale the Purchaser must bring their bid deposit up to 10% of their total bid price. Complete bidding procedures and auction information may be obtained from the Northeast Region Office in Colville WA. Phone number (509)684-7474.

TIMBER EXCISE

TAX:

Purchaser must pay the forest excise taxes associated with the log sorts delivered to them. The tax rate for this sale is 4.2 %. Taxable Stumpage = Total Delivered Value – (Harvest Cost + Estimated Haul Cost + ARRF). For more information contact the Department of Revenue, Forest Tax Section at 1-800-548-8829.

Use the following rates for estimating taxable stumpage:

Harvest Cost = \$0.00 per Ton for sorts 01, 02, 03, 04, 05, 06, 07 and 08 and \$13.00 per Ton for sort 09.

Hauling Services Payment Rate per Ton
= (Base Rate + Mileage Rate) x (Contractor's hauling bid factor)

Base Rate = \$2.35 per ton

Mileage Rate = ((\$0.16 x C miles) + (\$0.11 x A miles)) x Fuel Index Factor

ARRF = \$0.00 per MBF for sort 09 and \$26.00 per MBF for sorts 01, 02, 03, 04, 05, 06, 07 and 08.

Note: To calculate ARRF rates per ton use the tons\mbf conversion factor in the table above.

CONFIRMATION:

Each sort is subject to confirmation following auction. Sorts will not be confirmed until at least 10 days after auction. Final contract award is contingent upon the State's haul cost analysis. Actual haul route may vary and is subject to change at the State's discretion.

SPECIAL REMARKS:

The successful Purchaser(s) will be required to purchase logs from the sale area upon delivery to their location specified in the bid submitted. Logs will be delivered to the Purchaser's delivery location by the State's contract harvester. Purchaser is responsible for weighing and scaling costs. All tonnage loads will be weighed and all mbf loads will be scaled at State approved locations. The State reserves the right to determine where logs are authorized to be scaled and weighed.

Units 2, 3, 10 and 11 require forwarder equipment. Expect significant amount of short logs. Locked gates restricts access to the sale units. Contact the Northeast Region Office at (509) 684-7474 for access. There is no Unit 4 and 8.



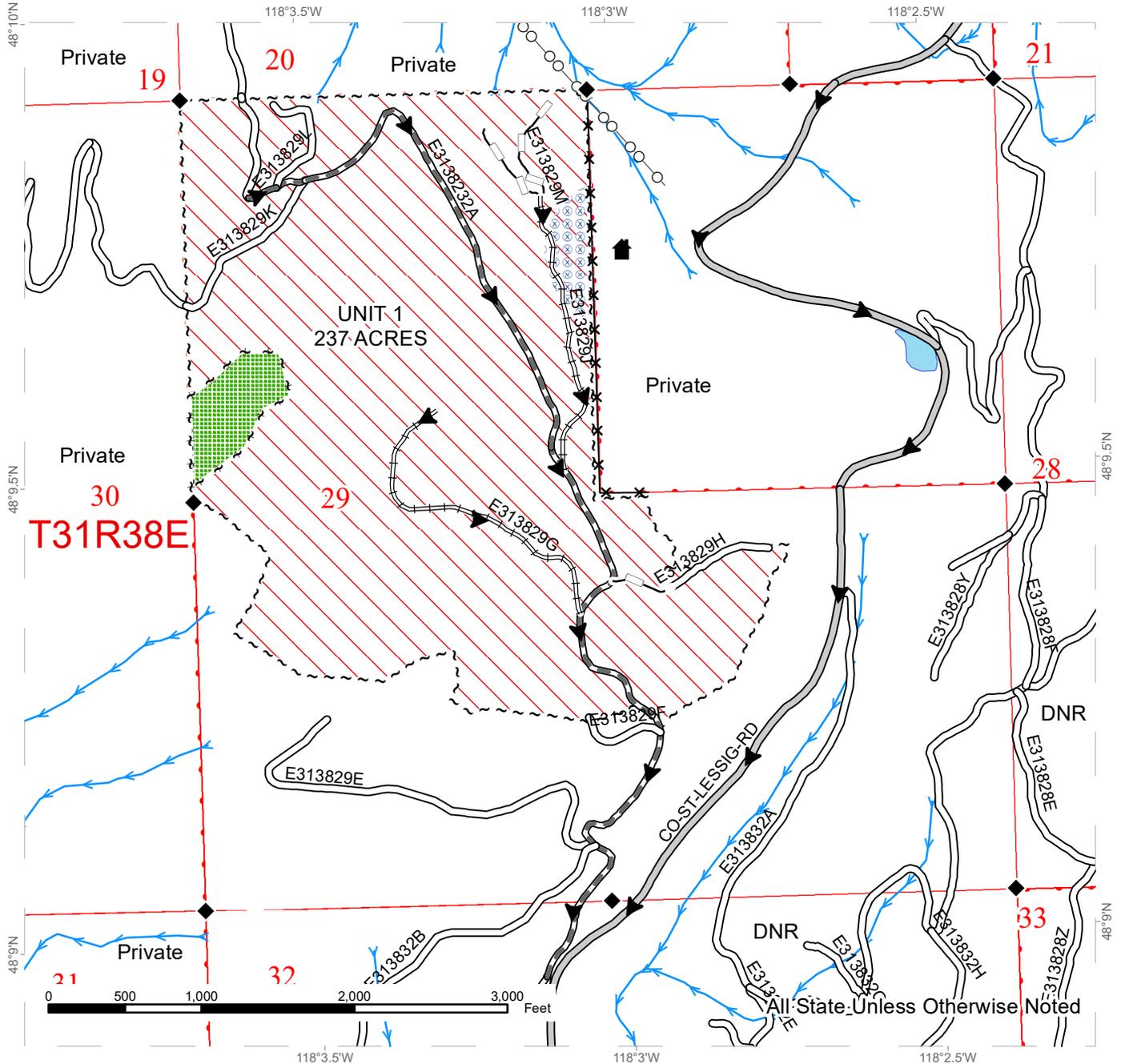
TIMBER NOTICE OF SALE

For more information regarding this log sort sale visit our web site:
<http://www.dnr.wa.gov/programs-and-services/product-sales-and-leasing/timber-sales/timber-auction-packets>. If you have questions call Chris Hosch at the Northeast Region Office at (509)675-2625 or Steve Teitzel at the Product Sales and Leasing Division Office in Olympia at (360)902-1741.

TIMBER SALE MAP

SALE NAME: Q LITTLE HARVEY SORTS
AGREEMENT #: 30-099451
TOWNSHIP(S): T29R36E, T30R37E, T30R39E, T31R38E, T31R39E, T32R41E
TRUST(S): Agricultural School (4), Charitable/Educational/Penal & Reformatory Instit. (6), Common School and Indemnity (3), Normal School (8), Scientific School (10)

REGION: Northeast Region
COUNTY(S): Stevens
ELEVATION RGE: 1520-3640



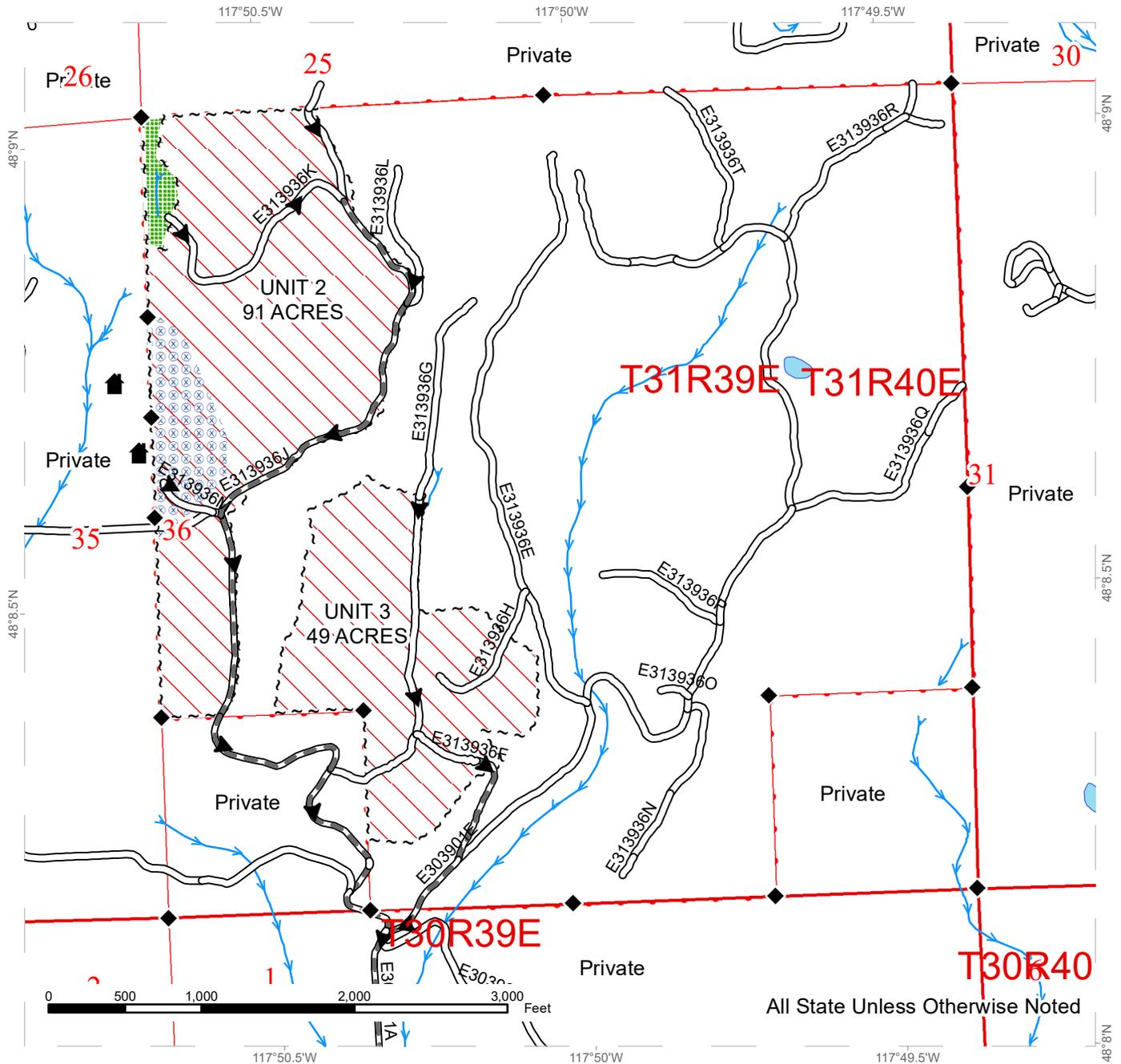
Public Land Survey Townships	County Road	Streams
DNR Managed Lands	Existing Roads	Survey Monument
Seed Tree/Shelterwood Removal	Required Pre-Haul Maintenance	Structure
Leave Tree Area	Required Reconstruction	Fence
Hazard Abatement Area	Optional Reconstruction	Power Lines
Sale Boundary Tags	Haul_Route	
Leave Tree Tags		



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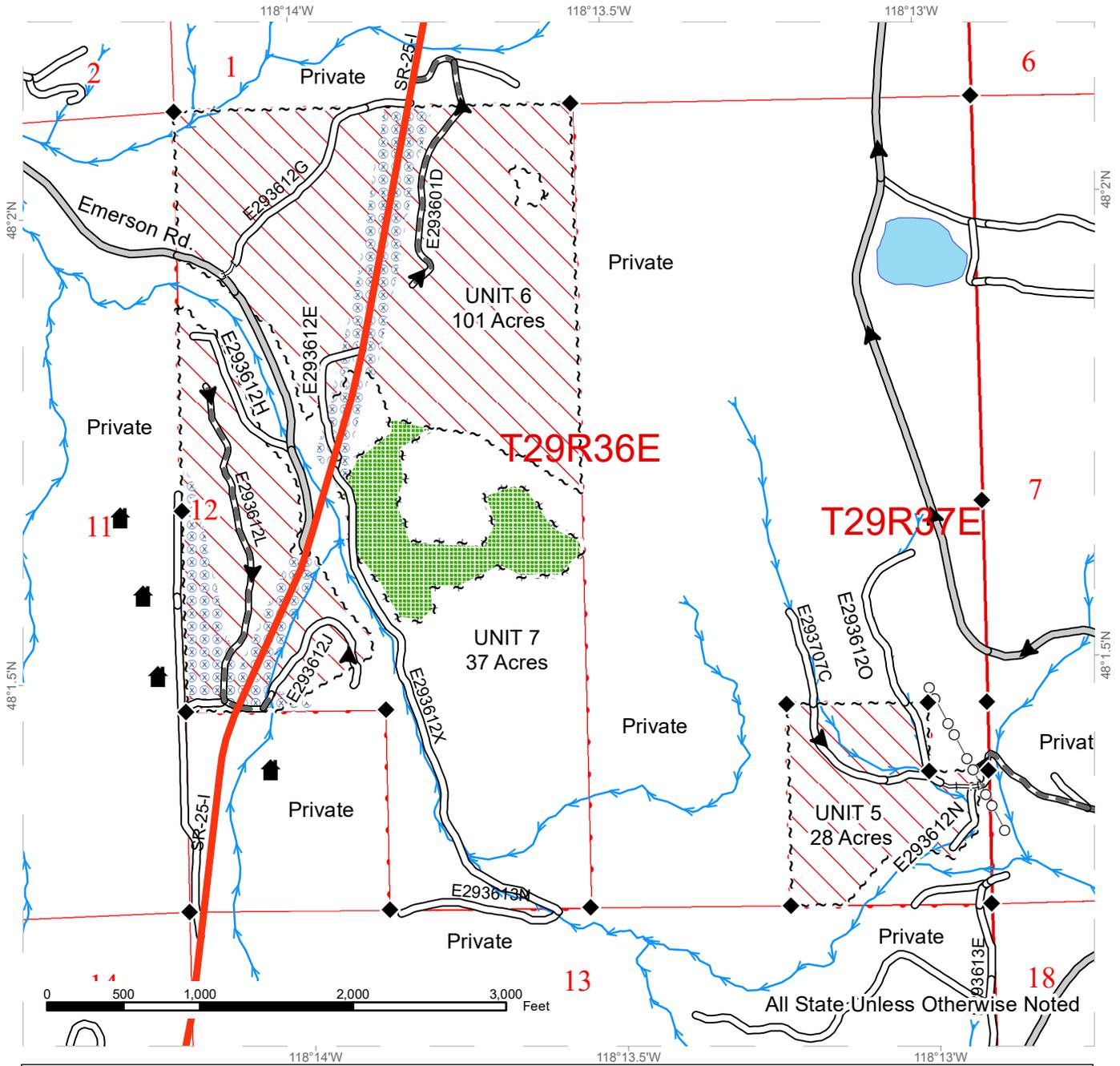


	Public Land Survey Townships		Existing Roads		Streams
	DNR Managed Lands		Required Pre-Haul Maintenance		Survey Monument
	Seed Tree/Shelterwood Removal		Haul_Route		Structure
	Leave Tree Area				
	Hazard Abatement Area				
	Sale Boundary Tags				
	Leave Tree Tags				

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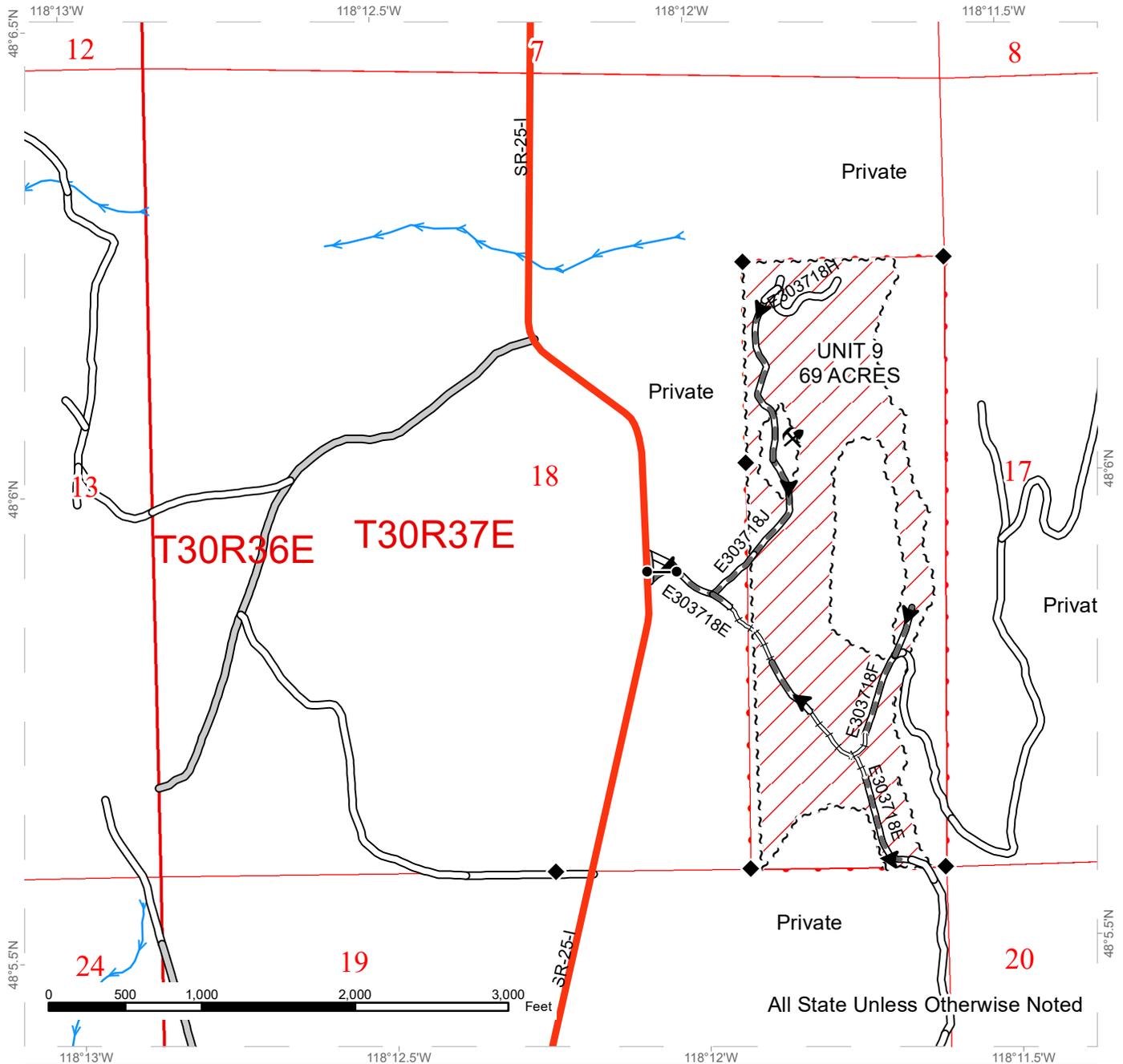
Public Land Survey Townships	County Road	Streams
DNR Managed Lands	Existing Roads	Survey Monument
Seed Tree/Shelterwood Removal	Required Pre-Haul Maintenance	Structure
Leave Tree Area	Required Reconstruction	Power Lines
Hazard Abatement Area	Haul_Route	
Sale Boundary Tags		
Leave Tree Tags		



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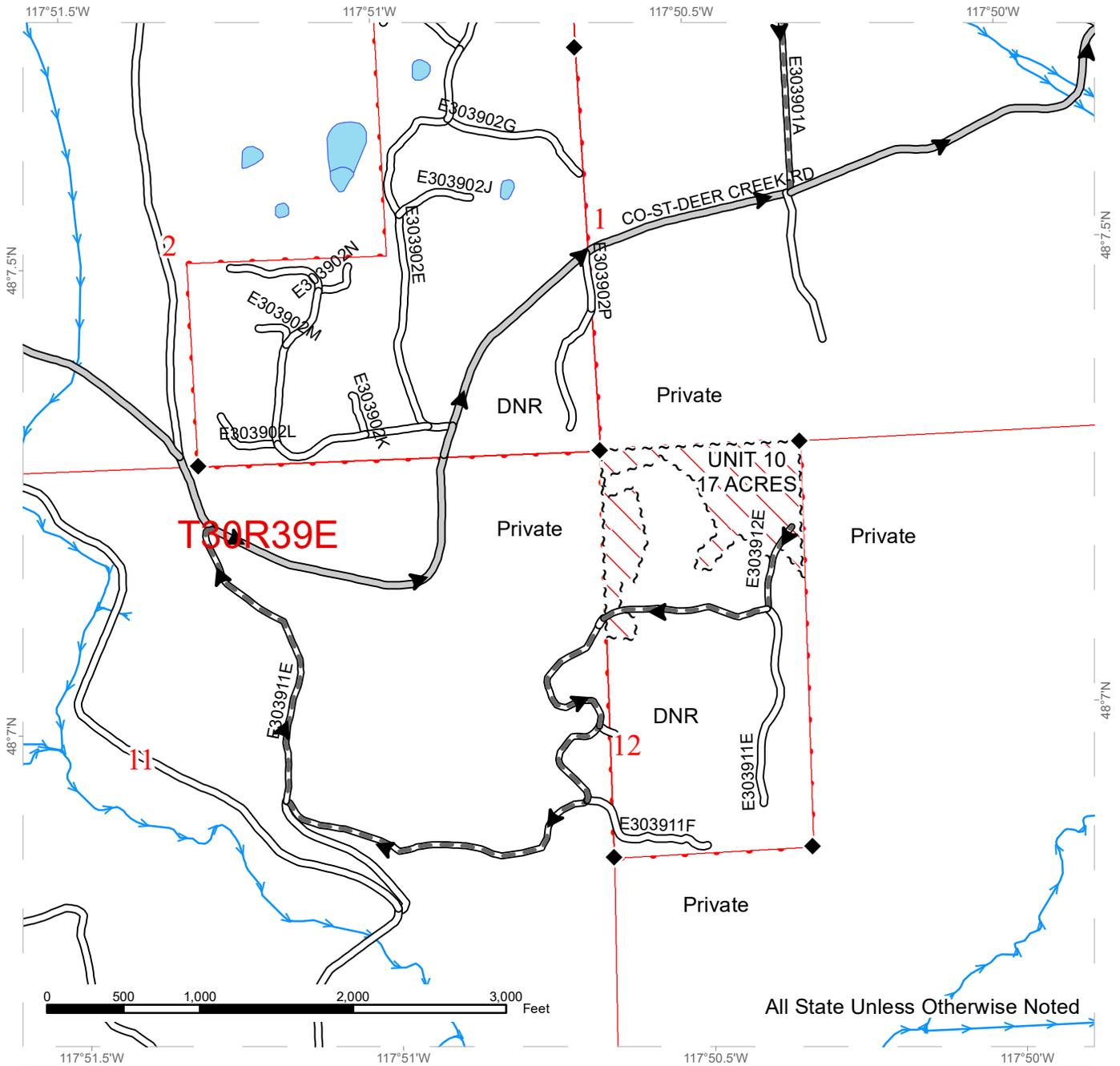


Public Land Survey Townships	County Road	Streams
DNR Managed Lands	Existing Roads	Survey Monument
Variable Retention Harvest	Required Pre-Haul Maintenance	Rock Pit
Sale Boundary Tags	Required Reconstruction	Gates (Corporate)
	Haul_Route	

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All State Unless Otherwise Noted

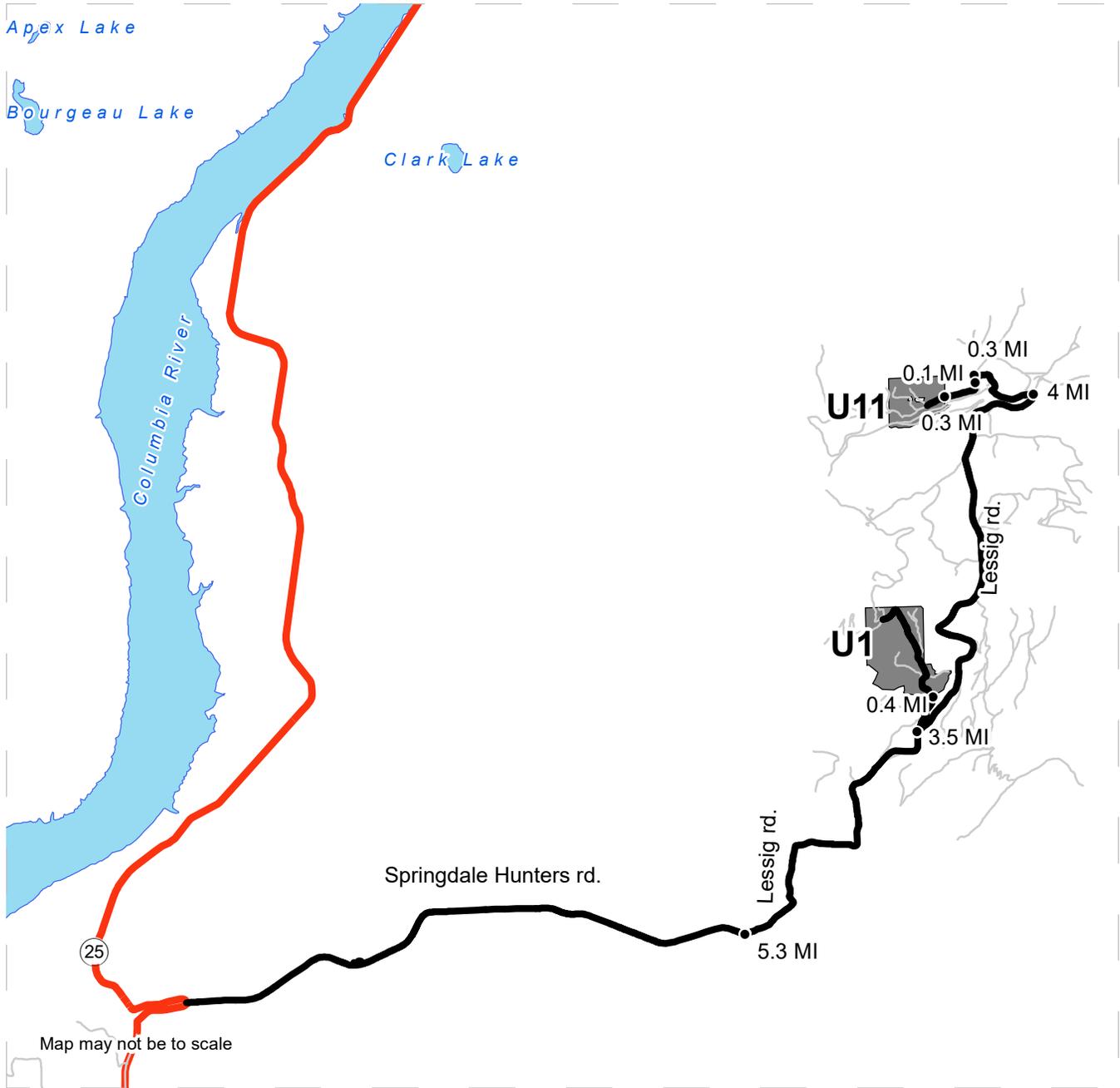
	Public Land Survey Townships		County Road		Streams
	DNR Managed Lands		Existing Roads		Survey Monument
	Seed Tree/Shelterwood Removal		Required Pre-Haul Maintenance		Haul_Route
	Sale Boundary Tags				



DRIVING MAP

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Haul Route
 Other_Roads

Driving Directions

Unit 1 and Unit 11: From the intersection of Highway 25 and Springdale-Hunters road in Hunters, WA go east on Highway 20 5.3 miles to Lessig Rd. Take a left onto Lessig Rd, travel 3.5 miles and then turn left onto the E313823A road and travel .4 miles to enter Unit 1. Continuing at the intersection of Lessig road and the E313823A road continue 4.0 miles to Harvey Creek road and take a left. Travel 0.4 miles on the Harvey Creek road and take a right onto the E313816E road. Travel 0.3 miles to the E313817M road and take a left and travel less than 0.1 miles to a wire gate and take a right onto the E313817E road. Travel 0.3 miles on the E313817E road to enter Unit 11.



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Map may not be to scale

 Haul Route
 Other_Roads

Driving Directions

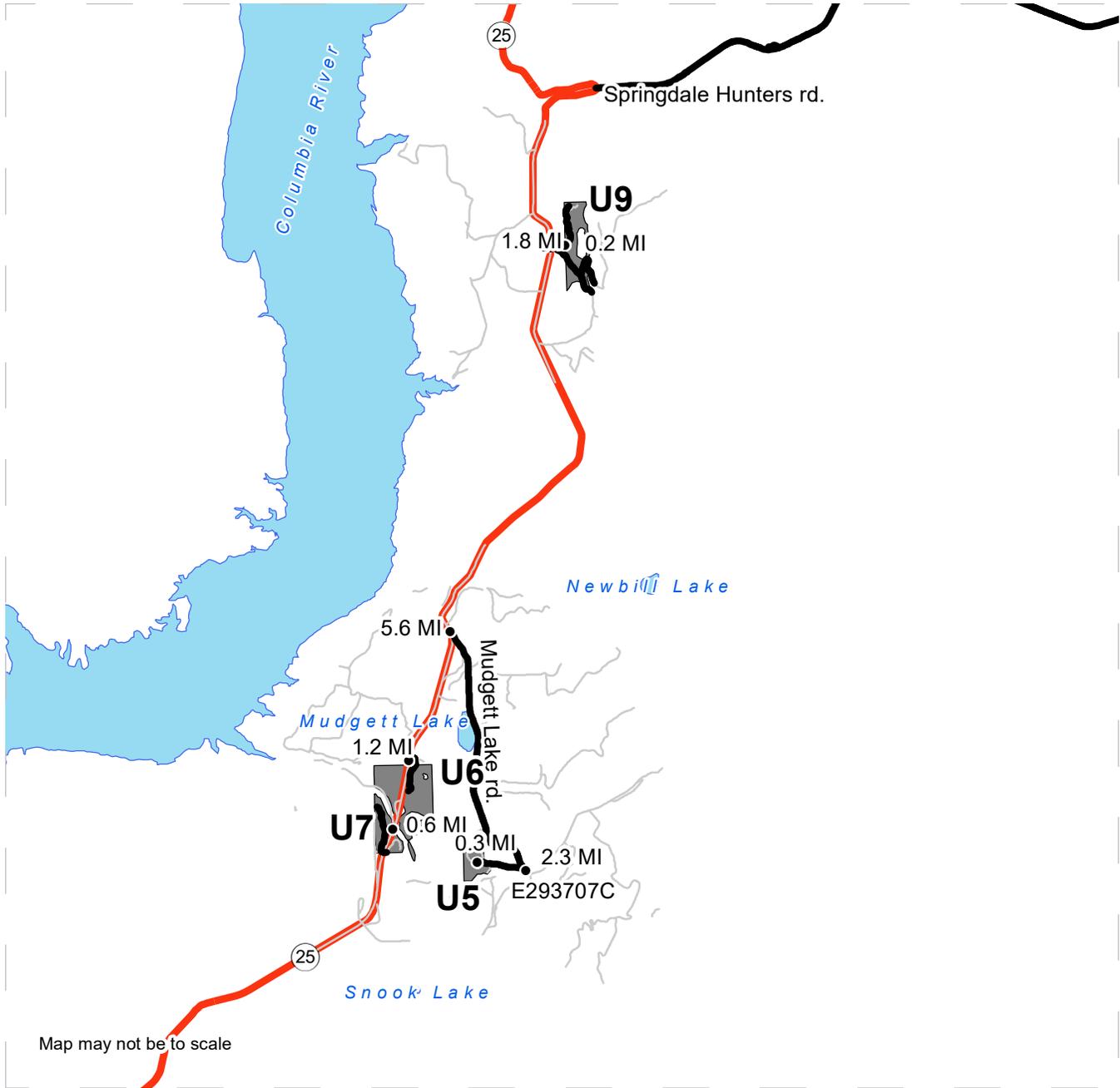
Units 2, 3 and 10: From the intersection of Highway 231 and Waitts Lake road in Valley, WA go west on Waitts lake road and travel 1.3 miles to the Long Prairie road and take a left. Take the Long Prairie road and travel 4.5 miles to the Deer Creek road and take a right. On Deer Creek road travel 3.7 miles to Misty Meadow Way road and take a right. Travel 1.2 miles on Misty Meadow Way road to enter Unit 2. Off of the Misty Meadow Way take a right onto the E303901E road and travel 0.1 miles to the E313936F road and take a left traveling 0.1 miles to enter Unit 3. From the intersection of Misty Meadow Way road and Deer Creek road travel west on the Deer Creek road 1 mile and take a left onto the E303911E road. Travel 1.2 miles on the E303911E road to enter Unit 10.



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— Haul Route
— Other_Roads

Driving Directions

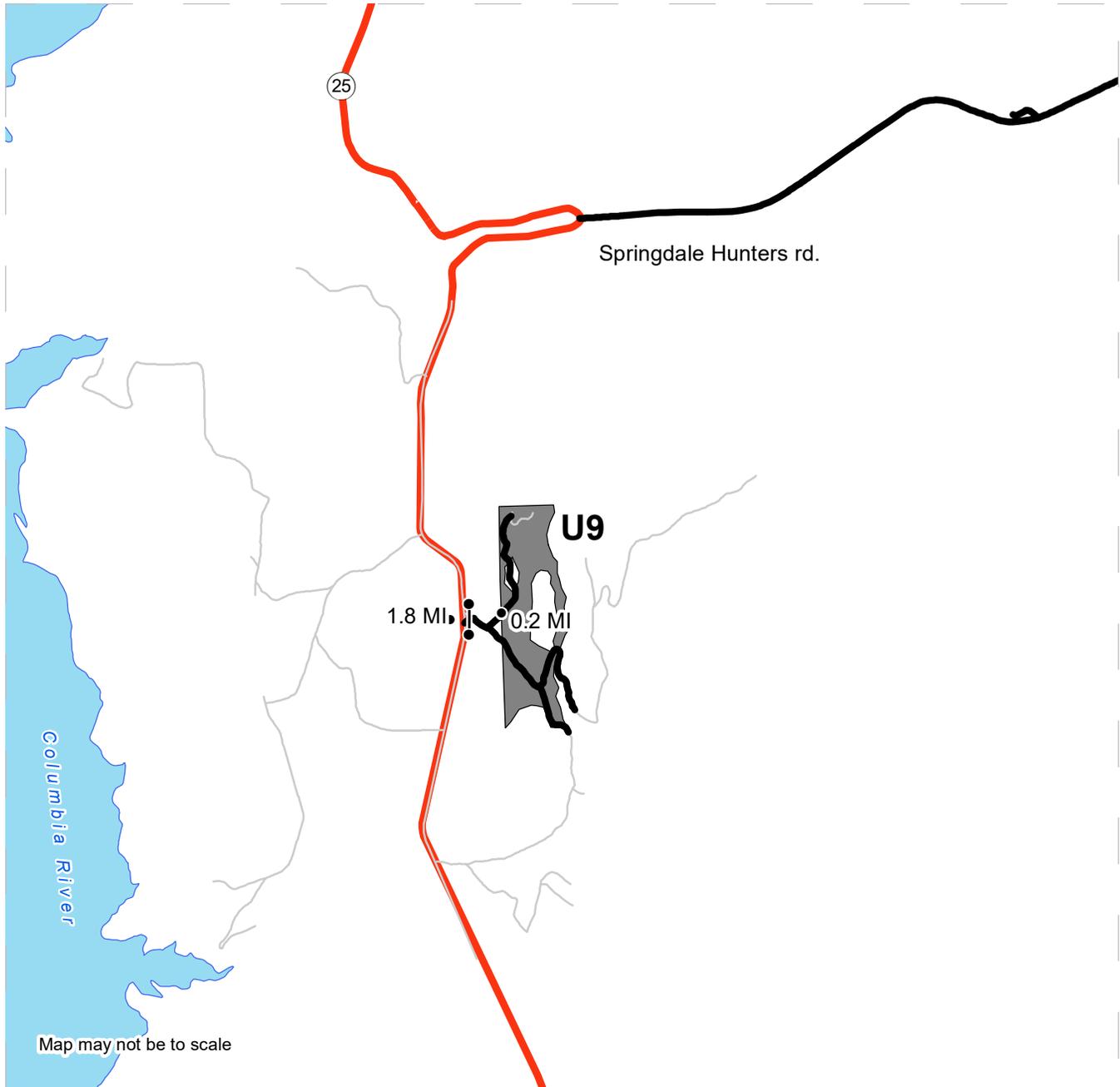
Unit 5, 6, and 7: From the intersection of Highway 25 and Springdale-Hunters road in Hunters, WA go south on Highway 25 for 5.6 miles and take a left onto Mudgett Lake road. Travel 2.3 miles on the Mudgett Lake road and take a right onto the E293707C road. Travel 0.3 miles on the E293707C road to enter Unit 5. From the intersection of Highway 25 and Mudgett Lake road continue south on Highway 25 for 1.2 miles to enter Unit 6 on both sides of Highway 25, continuing an additional 0.6 miles on State Highway 25 enter Unit 7 on either side of the highway.



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Haul Route
 Other_Roads
 Gate

Driving Directions
 Unit 9: From the intersection of Highway 25 and Springdale-Hunters road in Hunters, WA go south on Highway 25 for 1.8 miles and take a left onto the E303718E road. On the E303718E road go through the gate and travel 0.2 miles to enter unit 9.



**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES**

LOG SALE AND PURCHASE CONTRACT

AGREEMENT NO. 30-0100620

SALE NAME: Q LITTLE HARVEY SORT 01

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

Section G: General Terms

G-001.2 Definitions

The following definitions apply throughout this contract;

Contract Administrator: Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

Contractor: State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

Delivery: Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

Forest Product: Any material derived from the forest for commercial use.

Harvesting: A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered into a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

G-010.2 Products Sold and Sale Area

Purchaser was the successful bidder on June 16, 2020 and sale was confirmed on _____. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the Q LITTLE HARVEY SORTS Timber Sale described as parts of Section 12 in Township 29 North, Range 36 East, Section 12 in Township 30 North, Range 39 East, Section 18 in Township 30 North, Range 37 East, Section 36 in Township 31 North, Range 39 East, Sections 17, and 29 all in Township 31 North, Range 38 East W.M., in Stevens County.

G-022.2 Sorting Specifications

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

Agreement No.	Sort #	Description	Destination
100620	1	DF/WL 7-10" dib	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

G-024.2 Manufacturing Standards

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

Agreement No.	Sort #	Scaling Rule
100620	01	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.

G-025 Schedules

The following attached schedules are hereby incorporated by reference:

Schedule	Title
A	Sort Specifications

G-026.2 Log Delivery Destination

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

G-027.2 Log Delivery Schedule and Conditions

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 10 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates

the number of truck deliveries on any day will exceed the number listed above.

- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

G-030.2 Contract Term and Expiration Date

Purchaser agrees to accept and pay for forest products delivered through the period ending February 28, 2021.

G-050.2 Contract Term Extension

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

G-054.2 Early Contract Termination

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

G-056.2 Force Majeure

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

G-060.2 Exclusion of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING

SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

G-065 Regulatory Disclaimer

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-070.2 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

G-112.2 Title

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

G-116.2 Sustainable Forestry Initiative® (SFI) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: PwC-SFIFM-513.

G-160.2 Agents

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

G-180 Modifications

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

G-190 Contract Complete

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

G-200.2 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's address of record, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

G-210.2 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

G-240.2 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

G-252.2 Forest Excise Tax

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

G-253.2 Harvesting Cost Information

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

G-260 Venue

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

G-330.2 Contract Review

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

Section P: Payments and Securities**P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed

to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

P-028.2 Payment for Forest Products Delivered

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

\$0.00/MBF for incorrect species delivery*

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

P-036.2 Missorts and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet the sorting specifications in G-022.2 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

P-037.2 Mismanufacture and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting manufacturing standards as described in clause G-024.2 are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 8% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-039.2 Tonnage Sort Payment Reduction Requirements

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

P-040.2 Weighing and Scaling Costs

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-045.2 Guarantee of Payment

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the

amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

P-050.2 Billing and Payment Procedure for Forest Products Delivered

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

P-080 Payment Account Refund

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

Section L: Log Definitions and Accountability

L-010.2 Forest Products Conveyed

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clause G-022.2 and manufacturing standards defined by clause G-024.2 of this contract

L-014.2 Sorts Delivered to Incorrect Destination

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

L-071.2 Log and Load Reporting Service

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within 2 business day of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

L-090 Scaling Rules

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

L-110 State Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

Section D: Damages**D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.

- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

D-027.2 Failure to Accept Forest Products Sold

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

- LD = Liquidated Damages
V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.
I = Initial Deposit
C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.
A = Administrative fee = \$2,500.00
P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated

damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times \text{LD} \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

D-030.2 Inadequate Log Accountability

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Purchaser

Ken McNamee

Print Name

Northeast Region Manager

Date: _____

Date: _____

Address:

CORPORATE ACKNOWLEDGEMENT
(Required for both LLC and Inc. Entities)

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 20____, before me personally
appeared _____

_____ to me known to be the
_____ of the corporation
that executed the within and foregoing instrument and acknowledged said instrument to be the
free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned,
and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and
year first above written.

Notary Public in and for the State of

My appointment expires _____

Schedule A
Sort Specifications

Sort #1: Douglas-fir and western larch 7 inches to 10 inches in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #3. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #3.

Sort #2: Douglas-fir and western larch 11 inches and greater in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #4. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #4.

Sort #3: Grand fir 7 inches to 10 inches in diameter inside the bark. See Sort #1 description for handling procedures for Douglas-fir and western larch.

Sort #4: Grand fir 11 inches and greater in diameter inside the bark. See Sort #2 description for handling procedures for Douglas-fir and western larch.

Sort #5: Ponderosa pine 6 inches to 10 inches in diameter inside the bark.

Sort #6: Ponderosa pine 11 inches and greater in diameter inside the bark.

Sort #7: Western red cedar 5 inches and greater in diameter inside the bark.

Sort #8: All conifer species except for ponderosa pine and western red cedar 5 inches to 6 inches in diameter inside the bark.

Sort #9: All conifer species except western red cedar 2 inches and greater in diameter inside the bark utility.

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES**

LOG SALE AND PURCHASE CONTRACT

AGREEMENT NO. 30-0100621

SALE NAME: Q LITTLE HARVEY SORT 02

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

Section G: General Terms

G-001.2 Definitions

The following definitions apply throughout this contract;

Contract Administrator: Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

Contractor: State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

Delivery: Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

Forest Product: Any material derived from the forest for commercial use.

Harvesting: A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered into a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

G-010.2 Products Sold and Sale Area

Purchaser was the successful bidder on June 16, 2020 and sale was confirmed on _____. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the Q LITTLE HARVEY SORTS Timber Sale described as parts of Section 12 in Township 29 North, Range 36 East, Section 12 in Township 30 North, Range 39 East, Section 18 in Township 30 North, Range 37 East, Section 36 in Township 31 North, Range 39 East, Sections 17, and 29 all in Township 31 North, Range 38 East W.M., in Stevens County.

G-022.2 Sorting Specifications

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

Agreement No.	Sort #	Description	Destination
100621	2	DF/WL 11" + dib	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

G-024.2 Manufacturing Standards

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

Agreement No.	Sort #	Scaling Rule
100621	02	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.

G-025 Schedules

The following attached schedules are hereby incorporated by reference:

Schedule	Title
A	Sort Specifications

G-026.2 Log Delivery Destination

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

G-027.2 Log Delivery Schedule and Conditions

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 10 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates

the number of truck deliveries on any day will exceed the number listed above.

- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

G-030.2 Contract Term and Expiration Date

Purchaser agrees to accept and pay for forest products delivered through the period ending February 28, 2021.

G-050.2 Contract Term Extension

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

G-054.2 Early Contract Termination

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

G-056.2 Force Majeure

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

G-060.2 Exclusion of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING

SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

G-065 Regulatory Disclaimer

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-070.2 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

G-112.2 Title

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

G-116.2 Sustainable Forestry Initiative® (SFI) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: PwC-SFIFM-513.

G-160.2 Agents

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

G-180 Modifications

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

G-190 Contract Complete

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

G-200.2 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's address of record, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

G-210.2 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

G-240.2 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

G-252.2 Forest Excise Tax

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

G-253.2 Harvesting Cost Information

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

G-260 Venue

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

G-330.2 Contract Review

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

Section P: Payments and Securities**P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed

to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

P-028.2 Payment for Forest Products Delivered

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

\$0.00/MBF for incorrect species delivery*

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

P-036.2 Missorts and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet the sorting specifications in G-022.2 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

P-037.2 Mismanufacture and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting manufacturing standards as described in clause G-024.2 are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 8% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-039.2 Tonnage Sort Payment Reduction Requirements

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

P-040.2 Weighing and Scaling Costs

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-045.2 Guarantee of Payment

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the

amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

P-050.2 Billing and Payment Procedure for Forest Products Delivered

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

P-080 Payment Account Refund

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

Section L: Log Definitions and Accountability

L-010.2 Forest Products Conveyed

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clause G-022.2 and manufacturing standards defined by clause G-024.2 of this contract

L-014.2 Sorts Delivered to Incorrect Destination

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

L-071.2 Log and Load Reporting Service

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within 2 business day of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

L-090 Scaling Rules

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

L-110 State Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

Section D: Damages**D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.

- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

D-027.2 Failure to Accept Forest Products Sold

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V-I) + C + A - P$$

Where:

- LD = Liquidated Damages
V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.
I = Initial Deposit
C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.
A = Administrative fee = \$2,500.00
P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated

damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times \text{LD} \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

D-030.2 Inadequate Log Accountability

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Purchaser

Ken McNamee

Print Name

Northeast Region Manager

Date: _____

Date: _____

Address: _____

CORPORATE ACKNOWLEDGEMENT
(Required for both LLC and Inc. Entities)

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 20____, before me personally
appeared _____

_____ to me known to be the
_____ of the corporation
that executed the within and foregoing instrument and acknowledged said instrument to be the
free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned,
and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and
year first above written.

Notary Public in and for the State of

My appointment expires _____

Schedule A
Sort Specifications

Sort #1: Douglas-fir and western larch 7 inches to 10 inches in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #3. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #3.

Sort #2: Douglas-fir and western larch 11 inches and greater in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #4. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #4.

Sort #3: Grand fir 7 inches to 10 inches in diameter inside the bark. See Sort #1 description for handling procedures for Douglas-fir and western larch.

Sort #4: Grand fir 11 inches and greater in diameter inside the bark. See Sort #2 description for handling procedures for Douglas-fir and western larch.

Sort #5: Ponderosa pine 6 inches to 10 inches in diameter inside the bark.

Sort #6: Ponderosa pine 11 inches and greater in diameter inside the bark.

Sort #7: Western red cedar 5 inches and greater in diameter inside the bark.

Sort #8: All conifer species except for ponderosa pine and western red cedar 5 inches to 6 inches in diameter inside the bark.

Sort #9: All conifer species except western red cedar 2 inches and greater in diameter inside the bark utility.

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES**

LOG SALE AND PURCHASE CONTRACT

AGREEMENT NO. 30-0100622

SALE NAME: Q LITTLE HARVEY SORT 03

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

Section G: General Terms

G-001.2 Definitions

The following definitions apply throughout this contract;

Contract Administrator: Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

Contractor: State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

Delivery: Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

Forest Product: Any material derived from the forest for commercial use.

Harvesting: A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered into a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

G-010.2 Products Sold and Sale Area

Purchaser was the successful bidder on June 16, 2020 and sale was confirmed on _____. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the Q LITTLE HARVEY SORTS Timber Sale described as parts of Section 12 in Township 29 North, Range 36 East, Section 12 in Township 30 North, Range 39 East, Section 18 in Township 30 North, Range 37 East, Section 36 in Township 31 North, Range 39 East, Sections 17, and 29 all in Township 31 North, Range 38 East W.M., in Stevens County.

G-022.2 Sorting Specifications

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

Agreement No.	Sort #	Description	Destination
100622	3	GF/ non-chuckable DF/WL 7-10" dib	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

G-024.2 Manufacturing Standards

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

Agreement No.	Sort #	Scaling Rule
100622	03	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.

G-025 Schedules

The following attached schedules are hereby incorporated by reference:

Schedule	Title
A	Sort Specifications

G-026.2 Log Delivery Destination

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

G-027.2 Log Delivery Schedule and Conditions

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 10 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates

the number of truck deliveries on any day will exceed the number listed above.

- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

G-030.2 Contract Term and Expiration Date

Purchaser agrees to accept and pay for forest products delivered through the period ending February 28, 2021.

G-050.2 Contract Term Extension

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

G-054.2 Early Contract Termination

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

G-056.2 Force Majeure

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

G-060.2 Exclusion of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING

SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

G-065 Regulatory Disclaimer

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-070.2 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

G-112.2 Title

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

G-116.2 Sustainable Forestry Initiative® (SFI) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: PwC-SFIFM-513.

G-160.2 Agents

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

G-180 Modifications

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

G-190 Contract Complete

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

G-200.2 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's address of record, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

G-210.2 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

G-240.2 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

G-252.2 Forest Excise Tax

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

G-253.2 Harvesting Cost Information

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

G-260 Venue

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

G-330.2 Contract Review

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

Section P: Payments and Securities**P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed

to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

P-028.2 Payment for Forest Products Delivered

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

\$0.00/MBF for incorrect species delivery*

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

P-036.2 Missorts and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet the sorting specifications in G-022.2 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

P-037.2 Mismanufacture and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting manufacturing standards as described in clause G-024.2 are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 8% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-039.2 Tonnage Sort Payment Reduction Requirements

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

P-040.2 Weighing and Scaling Costs

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-045.2 Guarantee of Payment

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the

amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

P-050.2 Billing and Payment Procedure for Forest Products Delivered

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

P-080 Payment Account Refund

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

Section L: Log Definitions and Accountability

L-010.2 Forest Products Conveyed

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clause G-022.2 and manufacturing standards defined by clause G-024.2 of this contract

L-014.2 Sorts Delivered to Incorrect Destination

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

L-071.2 Log and Load Reporting Service

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within 2 business day of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

L-090 Scaling Rules

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

L-110 State Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

Section D: Damages**D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.

- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

D-027.2 Failure to Accept Forest Products Sold

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

- LD = Liquidated Damages
V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.
I = Initial Deposit
C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.
A = Administrative fee = \$2,500.00
P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated

damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times \text{LD} \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

D-030.2 Inadequate Log Accountability

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Purchaser

Ken McNamee

Print Name

Northeast Region Manager

Date: _____

Date: _____

Address:

CORPORATE ACKNOWLEDGEMENT
(Required for both LLC and Inc. Entities)

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 20____, before me personally appeared _____

_____ to me known to be the _____ of the corporation that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public in and for the State of

My appointment expires _____

Schedule A
Sort Specifications

Sort #1: Douglas-fir and western larch 7 inches to 10 inches in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #3. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #3.

Sort #2: Douglas-fir and western larch 11 inches and greater in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #4. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #4.

Sort #3: Grand fir 7 inches to 10 inches in diameter inside the bark. See Sort #1 description for handling procedures for Douglas-fir and western larch.

Sort #4: Grand fir 11 inches and greater in diameter inside the bark. See Sort #2 description for handling procedures for Douglas-fir and western larch.

Sort #5: Ponderosa pine 6 inches to 10 inches in diameter inside the bark.

Sort #6: Ponderosa pine 11 inches and greater in diameter inside the bark.

Sort #7: Western red cedar 5 inches and greater in diameter inside the bark.

Sort #8: All conifer species except for ponderosa pine and western red cedar 5 inches to 6 inches in diameter inside the bark.

Sort #9: All conifer species except western red cedar 2 inches and greater in diameter inside the bark utility.

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES**

LOG SALE AND PURCHASE CONTRACT

AGREEMENT NO. 30-0100623

SALE NAME: Q LITTLE HARVEY SORT 04

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

Section G: General Terms

G-001.2 Definitions

The following definitions apply throughout this contract;

Contract Administrator: Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

Contractor: State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

Delivery: Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

Forest Product: Any material derived from the forest for commercial use.

Harvesting: A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered into a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

G-010.2 Products Sold and Sale Area

Purchaser was the successful bidder on June 16, 2020 and sale was confirmed on _____. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the Q LITTLE HARVEY SORTS Timber Sale described as parts of Section 12 in Township 29 North, Range 36 East, Section 12 in Township 30 North, Range 39 East, Section 18 in Township 30 North, Range 37 East, Section 36 in Township 31 North, Range 39 East, Sections 17, and 29 all in Township 31 North, Range 38 East W.M., in Stevens County.

G-022.2 Sorting Specifications

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

Agreement No.	Sort #	Description	Destination
100623	4	GF/ non-chuckable DF/WL 11"+ dib	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

G-024.2 Manufacturing Standards

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

Agreement No.	Sort #	Scaling Rule
100623	04	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.

G-025 Schedules

The following attached schedules are hereby incorporated by reference:

Schedule	Title
A	Sort Specifications

G-026.2 Log Delivery Destination

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

G-027.2 Log Delivery Schedule and Conditions

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 10 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates

the number of truck deliveries on any day will exceed the number listed above.

- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

G-030.2 Contract Term and Expiration Date

Purchaser agrees to accept and pay for forest products delivered through the period ending February 28, 2021.

G-050.2 Contract Term Extension

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

G-054.2 Early Contract Termination

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

G-056.2 Force Majeure

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

G-060.2 Exclusion of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING

SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

G-065 Regulatory Disclaimer

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-070.2 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

G-112.2 Title

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

G-116.2 Sustainable Forestry Initiative® (SFI) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: PwC-SFIFM-513.

G-160.2 Agents

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

G-180 Modifications

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

G-190 Contract Complete

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

G-200.2 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's address of record, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

G-210.2 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

G-240.2 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

G-252.2 Forest Excise Tax

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

G-253.2 Harvesting Cost Information

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

G-260 Venue

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

G-330.2 Contract Review

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

Section P: Payments and Securities**P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed

to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

P-028.2 Payment for Forest Products Delivered

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

\$0.00/MBF for incorrect species delivery*

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

P-036.2 Missorts and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet the sorting specifications in G-022.2 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

P-037.2 Mismanufacture and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting manufacturing standards as described in clause G-024.2 are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 8% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-039.2 Tonnage Sort Payment Reduction Requirements

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

P-040.2 Weighing and Scaling Costs

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-045.2 Guarantee of Payment

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the

amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

P-050.2 Billing and Payment Procedure for Forest Products Delivered

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

P-080 Payment Account Refund

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

Section L: Log Definitions and Accountability

L-010.2 Forest Products Conveyed

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clause G-022.2 and manufacturing standards defined by clause G-024.2 of this contract

L-014.2 Sorts Delivered to Incorrect Destination

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

L-071.2 Log and Load Reporting Service

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within 2 business day of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

L-090 Scaling Rules

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

L-110 State Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

Section D: Damages**D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.

- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

D-027.2 Failure to Accept Forest Products Sold

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

- LD = Liquidated Damages
V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.
I = Initial Deposit
C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.
A = Administrative fee = \$2,500.00
P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated

damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times \text{LD} \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

D-030.2 Inadequate Log Accountability

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Purchaser

Ken McNamee

Print Name

Northeast Region Manager

Date: _____

Date: _____

Address: _____

CORPORATE ACKNOWLEDGEMENT
(Required for both LLC and Inc. Entities)

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 20____, before me personally
appeared _____

_____ to me known to be the
_____ of the corporation
that executed the within and foregoing instrument and acknowledged said instrument to be the
free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned,
and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and
year first above written.

Notary Public in and for the State of

My appointment expires _____

Schedule A
Sort Specifications

Sort #1: Douglas-fir and western larch 7 inches to 10 inches in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #3. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #3.

Sort #2: Douglas-fir and western larch 11 inches and greater in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #4. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #4.

Sort #3: Grand fir 7 inches to 10 inches in diameter inside the bark. See Sort #1 description for handling procedures for Douglas-fir and western larch.

Sort #4: Grand fir 11 inches and greater in diameter inside the bark. See Sort #2 description for handling procedures for Douglas-fir and western larch.

Sort #5: Ponderosa pine 6 inches to 10 inches in diameter inside the bark.

Sort #6: Ponderosa pine 11 inches and greater in diameter inside the bark.

Sort #7: Western red cedar 5 inches and greater in diameter inside the bark.

Sort #8: All conifer species except for ponderosa pine and western red cedar 5 inches to 6 inches in diameter inside the bark.

Sort #9: All conifer species except western red cedar 2 inches and greater in diameter inside the bark utility.

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES**

LOG SALE AND PURCHASE CONTRACT

AGREEMENT NO. 30-0100624

SALE NAME: Q LITTLE HARVEY SORT 05

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

Section G: General Terms

G-001.2 Definitions

The following definitions apply throughout this contract;

Contract Administrator: Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

Contractor: State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

Delivery: Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

Forest Product: Any material derived from the forest for commercial use.

Harvesting: A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered into a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

G-010.2 Products Sold and Sale Area

Purchaser was the successful bidder on June 16, 2020 and sale was confirmed on _____. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the Q LITTLE HARVEY SORTS Timber Sale described as parts of Section 12 in Township 29 North, Range 36 East, Section 12 in Township 30 North, Range 39 East, Section 18 in Township 30 North, Range 37 East, Section 36 in Township 31 North, Range 39 East, Sections 17, and 29 all in Township 31 North, Range 38 East W.M., in Stevens County.

G-022.2 Sorting Specifications

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

Agreement No.	Sort #	Description	Destination
100624	5	PP 6-10" dib	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

Unless otherwise listed in the table above, no blue stain is allowed in ponderosa pine sorts.

G-024.2 Manufacturing Standards

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

Agreement No.	Sort #	Scaling Rule
100624	05	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.

G-025 Schedules

The following attached schedules are hereby incorporated by reference:

Schedule	Title
A	Sort Specifications

G-026.2 Log Delivery Destination

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

G-027.2 Log Delivery Schedule and Conditions

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 10 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates

the number of truck deliveries on any day will exceed the number listed above.

- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

G-030.2 Contract Term and Expiration Date

Purchaser agrees to accept and pay for forest products delivered through the period ending February 28, 2021.

G-050.2 Contract Term Extension

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

G-054.2 Early Contract Termination

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

G-056.2 Force Majeure

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

G-060.2 Exclusion of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING

SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

G-065 Regulatory Disclaimer

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-070.2 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

G-112.2 Title

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

G-116.2 Sustainable Forestry Initiative® (SFI) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: PwC-SFIFM-513.

G-160.2 Agents

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

G-180 Modifications

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

G-190 Contract Complete

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

G-200.2 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's address of record, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

G-210.2 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

G-240.2 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

G-252.2 Forest Excise Tax

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

G-253.2 Harvesting Cost Information

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

G-260 Venue

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

G-330.2 Contract Review

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

Section P: Payments and Securities**P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed

to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

P-028.2 Payment for Forest Products Delivered

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

\$0.00/MBF for incorrect species delivery*

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

P-036.2 Missorts and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet the sorting specifications in G-022.2 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

P-037.2 Mismanufacture and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting manufacturing standards as described in clause G-024.2 are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 8% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-039.2 Tonnage Sort Payment Reduction Requirements

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

P-040.2 Weighing and Scaling Costs

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-045.2 Guarantee of Payment

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the

amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

P-050.2 Billing and Payment Procedure for Forest Products Delivered

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

P-080 Payment Account Refund

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

Section L: Log Definitions and Accountability

L-010.2 Forest Products Conveyed

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clause G-022.2 and manufacturing standards defined by clause G-024.2 of this contract

L-014.2 Sorts Delivered to Incorrect Destination

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

L-071.2 Log and Load Reporting Service

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within 2 business day of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

L-090 Scaling Rules

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

L-110 State Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

Section D: Damages**D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.

- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

D-027.2 Failure to Accept Forest Products Sold

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

- LD = Liquidated Damages
 V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.
 I = Initial Deposit
 C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.
 A = Administrative fee = \$2,500.00
 P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated

damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times \text{LD} \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

D-030.2 Inadequate Log Accountability

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Purchaser

Ken McNamee

Print Name

Northeast Region Manager

Date: _____

Date: _____

Address:

CORPORATE ACKNOWLEDGEMENT
(Required for both LLC and Inc. Entities)

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 20____, before me personally
appeared _____

_____ to me known to be the
_____ of the corporation
that executed the within and foregoing instrument and acknowledged said instrument to be the
free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned,
and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and
year first above written.

Notary Public in and for the State of

My appointment expires _____

Schedule A
Sort Specifications

Sort #1: Douglas-fir and western larch 7 inches to 10 inches in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #3. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #3.

Sort #2: Douglas-fir and western larch 11 inches and greater in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #4. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #4.

Sort #3: Grand fir 7 inches to 10 inches in diameter inside the bark. See Sort #1 description for handling procedures for Douglas-fir and western larch.

Sort #4: Grand fir 11 inches and greater in diameter inside the bark. See Sort #2 description for handling procedures for Douglas-fir and western larch.

Sort #5: Ponderosa pine 6 inches to 10 inches in diameter inside the bark.

Sort #6: Ponderosa pine 11 inches and greater in diameter inside the bark.

Sort #7: Western red cedar 5 inches and greater in diameter inside the bark.

Sort #8: All conifer species except for ponderosa pine and western red cedar 5 inches to 6 inches in diameter inside the bark.

Sort #9: All conifer species except western red cedar 2 inches and greater in diameter inside the bark utility.

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES**

LOG SALE AND PURCHASE CONTRACT

AGREEMENT NO. 30-0100625

SALE NAME: Q LITTLE HARVEY SORT 06

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

Section G: General Terms

G-001.2 Definitions

The following definitions apply throughout this contract;

Contract Administrator: Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

Contractor: State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

Delivery: Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

Forest Product: Any material derived from the forest for commercial use.

Harvesting: A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered into a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

G-010.2 Products Sold and Sale Area

Purchaser was the successful bidder on June 16, 2020 and sale was confirmed on _____. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the Q LITTLE HARVEY SORTS Timber Sale described as parts of Section 12 in Township 29 North, Range 36 East, Section 12 in Township 30 North, Range 39 East, Section 18 in Township 30 North, Range 37 East, Section 36 in Township 31 North, Range 39 East, Sections 17, and 29 all in Township 31 North, Range 38 East W.M., in Stevens County.

G-022.2 Sorting Specifications

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

Agreement No.	Sort #	Description	Destination
100625	6	PP 11"+ dib	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

Unless otherwise listed in the table above, no blue stain is allowed in ponderosa pine sorts.

G-024.2 Manufacturing Standards

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

Agreement No.	Sort #	Scaling Rule
100625	06	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.

G-025 Schedules

The following attached schedules are hereby incorporated by reference:

Schedule	Title
A	Sort Specifications

G-026.2 Log Delivery Destination

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

G-027.2 Log Delivery Schedule and Conditions

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 10 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates

the number of truck deliveries on any day will exceed the number listed above.

- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

G-030.2 Contract Term and Expiration Date

Purchaser agrees to accept and pay for forest products delivered through the period ending February 28, 2021.

G-050.2 Contract Term Extension

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

G-054.2 Early Contract Termination

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

G-056.2 Force Majeure

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

G-060.2 Exclusion of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING

SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

G-065 Regulatory Disclaimer

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-070.2 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

G-112.2 Title

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

G-116.2 Sustainable Forestry Initiative® (SFI) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: PwC-SFIFM-513.

G-160.2 Agents

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

G-180 Modifications

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

G-190 Contract Complete

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

G-200.2 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's address of record, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

G-210.2 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

G-240.2 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

G-252.2 Forest Excise Tax

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

G-253.2 Harvesting Cost Information

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

G-260 Venue

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

G-330.2 Contract Review

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

Section P: Payments and Securities**P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed

to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

P-028.2 Payment for Forest Products Delivered

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

\$0.00/MBF for incorrect species delivery*

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

P-036.2 Missorts and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet the sorting specifications in G-022.2 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

P-037.2 Mismanufacture and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting manufacturing standards as described in clause G-024.2 are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 8% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-039.2 Tonnage Sort Payment Reduction Requirements

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

P-040.2 Weighing and Scaling Costs

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-045.2 Guarantee of Payment

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the

amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

P-050.2 Billing and Payment Procedure for Forest Products Delivered

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

P-080 Payment Account Refund

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

Section L: Log Definitions and Accountability

L-010.2 Forest Products Conveyed

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clause G-022.2 and manufacturing standards defined by clause G-024.2 of this contract

L-014.2 Sorts Delivered to Incorrect Destination

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

L-071.2 Log and Load Reporting Service

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within 2 business day of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

L-090 Scaling Rules

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

L-110 State Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

Section D: Damages**D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.

- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

D-027.2 Failure to Accept Forest Products Sold

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V-I) + C + A - P$$

Where:

- LD = Liquidated Damages
V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.
I = Initial Deposit
C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.
A = Administrative fee = \$2,500.00
P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated

damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times \text{LD} \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

D-030.2 Inadequate Log Accountability

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Purchaser

Ken McNamee

Print Name

Northeast Region Manager

Date: _____

Date: _____

Address: _____

CORPORATE ACKNOWLEDGEMENT
(Required for both LLC and Inc. Entities)

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 20____, before me personally
appeared _____

_____ to me known to be the
_____ of the corporation
that executed the within and foregoing instrument and acknowledged said instrument to be the
free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned,
and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and
year first above written.

Notary Public in and for the State of

My appointment expires _____

Schedule A
Sort Specifications

Sort #1: Douglas-fir and western larch 7 inches to 10 inches in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #3. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #3.

Sort #2: Douglas-fir and western larch 11 inches and greater in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #4. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #4.

Sort #3: Grand fir 7 inches to 10 inches in diameter inside the bark. See Sort #1 description for handling procedures for Douglas-fir and western larch.

Sort #4: Grand fir 11 inches and greater in diameter inside the bark. See Sort #2 description for handling procedures for Douglas-fir and western larch.

Sort #5: Ponderosa pine 6 inches to 10 inches in diameter inside the bark.

Sort #6: Ponderosa pine 11 inches and greater in diameter inside the bark.

Sort #7: Western red cedar 5 inches and greater in diameter inside the bark.

Sort #8: All conifer species except for ponderosa pine and western red cedar 5 inches to 6 inches in diameter inside the bark.

Sort #9: All conifer species except western red cedar 2 inches and greater in diameter inside the bark utility.

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES**

LOG SALE AND PURCHASE CONTRACT

AGREEMENT NO. 30-0100626

SALE NAME: Q LITTLE HARVEY SORT 07

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

Section G: General Terms

G-001.2 Definitions

The following definitions apply throughout this contract;

Contract Administrator: Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

Contractor: State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

Delivery: Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

Forest Product: Any material derived from the forest for commercial use.

Harvesting: A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered into a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

G-010.2 Products Sold and Sale Area

Purchaser was the successful bidder on June 16, 2020 and sale was confirmed on _____. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the Q LITTLE HARVEY SORTS Timber Sale described as parts of Section 12 in Township 29 North, Range 36 East, Section 12 in Township 30 North, Range 39 East, Section 18 in Township 30 North, Range 37 East, Section 36 in Township 31 North, Range 39 East, Sections 17, and 29 all in Township 31 North, Range 38 East W.M., in Stevens County.

G-022.2 Sorting Specifications

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

Agreement No.	Sort #	Description	Destination
100626	7	WRC 5"+ dib	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

G-024.2 Manufacturing Standards

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

Agreement No.	Sort #	Scaling Rule
100626	07	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.

G-025 Schedules

The following attached schedules are hereby incorporated by reference:

Schedule	Title
A	Sort Specifications

G-026.2 Log Delivery Destination

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

G-027.2 Log Delivery Schedule and Conditions

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 10 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates

the number of truck deliveries on any day will exceed the number listed above.

- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

G-030.2 Contract Term and Expiration Date

Purchaser agrees to accept and pay for forest products delivered through the period ending February 28, 2021.

G-050.2 Contract Term Extension

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

G-054.2 Early Contract Termination

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

G-056.2 Force Majeure

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

G-060.2 Exclusion of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING

SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

G-065 Regulatory Disclaimer

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-070.2 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

G-112.2 Title

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

G-116.2 Sustainable Forestry Initiative® (SFI) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: PwC-SFIFM-513.

G-160.2 Agents

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

G-180 Modifications

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

G-190 Contract Complete

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

G-200.2 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's address of record, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

G-210.2 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

G-240.2 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

G-252.2 Forest Excise Tax

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

G-253.2 Harvesting Cost Information

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

G-260 Venue

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

G-330.2 Contract Review

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

Section P: Payments and Securities**P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed

to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

P-028.2 Payment for Forest Products Delivered

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

\$0.00/MBF for incorrect species delivery*

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

P-036.2 Missorts and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet the sorting specifications in G-022.2 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

P-037.2 Mismanufacture and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting manufacturing standards as described in clause G-024.2 are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 8% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-039.2 Tonnage Sort Payment Reduction Requirements

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

P-040.2 Weighing and Scaling Costs

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-045.2 Guarantee of Payment

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the

amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

P-050.2 Billing and Payment Procedure for Forest Products Delivered

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

P-080 Payment Account Refund

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

Section L: Log Definitions and Accountability

L-010.2 Forest Products Conveyed

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clause G-022.2 and manufacturing standards defined by clause G-024.2 of this contract

L-014.2 Sorts Delivered to Incorrect Destination

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

L-071.2 Log and Load Reporting Service

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within 2 business day of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

L-090 Scaling Rules

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

L-110 State Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

Section D: Damages**D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.

- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

D-027.2 Failure to Accept Forest Products Sold

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V-I) + C + A - P$$

Where:

- LD = Liquidated Damages
V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.
I = Initial Deposit
C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.
A = Administrative fee = \$2,500.00
P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated

damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times \text{LD} \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

D-030.2 Inadequate Log Accountability

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Purchaser

Ken McNamee

Print Name

Northeast Region Manager

Date: _____

Date: _____

Address:

CORPORATE ACKNOWLEDGEMENT
(Required for both LLC and Inc. Entities)

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 20____, before me personally appeared _____

_____ to me known to be the _____ of the corporation that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public in and for the State of

My appointment expires _____

Schedule A
Sort Specifications

Sort #1: Douglas-fir and western larch 7 inches to 10 inches in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #3. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #3.

Sort #2: Douglas-fir and western larch 11 inches and greater in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #4. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #4.

Sort #3: Grand fir 7 inches to 10 inches in diameter inside the bark. See Sort #1 description for handling procedures for Douglas-fir and western larch.

Sort #4: Grand fir 11 inches and greater in diameter inside the bark. See Sort #2 description for handling procedures for Douglas-fir and western larch.

Sort #5: Ponderosa pine 6 inches to 10 inches in diameter inside the bark.

Sort #6: Ponderosa pine 11 inches and greater in diameter inside the bark.

Sort #7: Western red cedar 5 inches and greater in diameter inside the bark.

Sort #8: All conifer species except for ponderosa pine and western red cedar 5 inches to 6 inches in diameter inside the bark.

Sort #9: All conifer species except western red cedar 2 inches and greater in diameter inside the bark utility.

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES**

LOG SALE AND PURCHASE CONTRACT

AGREEMENT NO. 30-0100627

SALE NAME: Q LITTLE HARVEY SORT 08

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

Section G: General Terms

G-001.2 Definitions

The following definitions apply throughout this contract;

Contract Administrator: Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

Contractor: State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

Delivery: Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

Forest Product: Any material derived from the forest for commercial use.

Harvesting: A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered into a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

G-010.2 Products Sold and Sale Area

Purchaser was the successful bidder on June 16, 2020 and sale was confirmed on _____. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the Q LITTLE HARVEY SORTS Timber Sale described as parts of Section 12 in Township 29 North, Range 36 East, Section 12 in Township 30 North, Range 39 East, Section 18 in Township 30 North, Range 37 East, Section 36 in Township 31 North, Range 39 East, Sections 17, and 29 all in Township 31 North, Range 38 East W.M., in Stevens County.

G-022.2 Sorting Specifications

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

Agreement No.	Sort #	Description	Destination
100627	8	GF/DF/WL 5-6" dib	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

G-024.2 Manufacturing Standards

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

Agreement No.	Sort #	Scaling Rule
100627	08	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.

G-025 Schedules

The following attached schedules are hereby incorporated by reference:

Schedule	Title
A	Sort Specifications

G-026.2 Log Delivery Destination

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

G-027.2 Log Delivery Schedule and Conditions

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 10 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates

the number of truck deliveries on any day will exceed the number listed above.

- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

G-030.2 Contract Term and Expiration Date

Purchaser agrees to accept and pay for forest products delivered through the period ending February 28, 2021.

G-050.2 Contract Term Extension

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

G-054.2 Early Contract Termination

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

G-056.2 Force Majeure

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

G-060.2 Exclusion of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING

SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

G-065 Regulatory Disclaimer

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-070.2 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

G-112.2 Title

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

G-116.2 Sustainable Forestry Initiative® (SFI) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: PwC-SFIFM-513.

G-160.2 Agents

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

G-180 Modifications

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

G-190 Contract Complete

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

G-200.2 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's address of record, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

G-210.2 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

G-240.2 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

G-252.2 Forest Excise Tax

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

G-253.2 Harvesting Cost Information

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

G-260 Venue

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

G-330.2 Contract Review

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

Section P: Payments and Securities**P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed

to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

P-028.2 Payment for Forest Products Delivered

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

\$0.00/MBF for incorrect species delivery*

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

P-036.2 Missorts and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet the sorting specifications in G-022.2 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

P-037.2 Mismanufacture and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting manufacturing standards as described in clause G-024.2 are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 8% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-039.2 Tonnage Sort Payment Reduction Requirements

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

P-040.2 Weighing and Scaling Costs

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-045.2 Guarantee of Payment

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the

amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

P-050.2 Billing and Payment Procedure for Forest Products Delivered

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

P-080 Payment Account Refund

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

Section L: Log Definitions and Accountability

L-010.2 Forest Products Conveyed

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clause G-022.2 and manufacturing standards defined by clause G-024.2 of this contract

L-014.2 Sorts Delivered to Incorrect Destination

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

L-071.2 Log and Load Reporting Service

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within 2 business day of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

L-090 Scaling Rules

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

L-110 State Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

Section D: Damages**D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.

- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

D-027.2 Failure to Accept Forest Products Sold

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V - I) + C + A - P$$

Where:

- LD = Liquidated Damages
 V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.
 I = Initial Deposit
 C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.
 A = Administrative fee = \$2,500.00
 P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated

damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times \text{LD} \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

D-030.2 Inadequate Log Accountability

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Purchaser

Ken McNamee

Print Name

Northeast Region Manager

Date: _____

Date: _____

Address: _____

CORPORATE ACKNOWLEDGEMENT
(Required for both LLC and Inc. Entities)

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 20____, before me personally
appeared _____

_____ to me known to be the
_____ of the corporation
that executed the within and foregoing instrument and acknowledged said instrument to be the
free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned,
and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and
year first above written.

Notary Public in and for the State of

My appointment expires _____

Schedule A
Sort Specifications

Sort #1: Douglas-fir and western larch 7 inches to 10 inches in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #3. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #3.

Sort #2: Douglas-fir and western larch 11 inches and greater in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #4. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #4.

Sort #3: Grand fir 7 inches to 10 inches in diameter inside the bark. See Sort #1 description for handling procedures for Douglas-fir and western larch.

Sort #4: Grand fir 11 inches and greater in diameter inside the bark. See Sort #2 description for handling procedures for Douglas-fir and western larch.

Sort #5: Ponderosa pine 6 inches to 10 inches in diameter inside the bark.

Sort #6: Ponderosa pine 11 inches and greater in diameter inside the bark.

Sort #7: Western red cedar 5 inches and greater in diameter inside the bark.

Sort #8: All conifer species except for ponderosa pine and western red cedar 5 inches to 6 inches in diameter inside the bark.

Sort #9: All conifer species except western red cedar 2 inches and greater in diameter inside the bark utility.

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES**

LOG SALE AND PURCHASE CONTRACT

AGREEMENT NO. 30-0100628

SALE NAME: Q LITTLE HARVEY SORT 09

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

Section G: General Terms

G-001.2 Definitions

The following definitions apply throughout this contract;

Contract Administrator: Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

Contractor: State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

Delivery: Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

Forest Product: Any material derived from the forest for commercial use.

Harvesting: A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State's purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered into a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

G-010.2 Products Sold and Sale Area

Purchaser was the successful bidder on June 16, 2020 and sale was confirmed on _____. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the Q LITTLE HARVEY SORTS Timber Sale described as parts of Section 12 in Township 29 North, Range 36 East, Section 12 in Township 30 North, Range 39 East, Section 18 in Township 30 North, Range 37 East, Section 36 in Township 31 North, Range 39 East, Sections 17, and 29 all in Township 31 North, Range 38 East W.M., in Stevens County.

G-022.2 Sorting Specifications

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

Agreement No.	Sort #	Description	Destination
100628	9	all conifer species except WRC 2"+ utility	

HQ: Surface characteristics for high quality (HQ) log sorts will have sound tight knots not to exceed 1.5 inches in diameter, may include logs with not more than two larger knots up to 2.5 inches in diameter. Logs will have a growth ring count of 6 or more rings per inch in the outer third of the top end of the log.

G-024.2 Manufacturing Standards

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

Agreement No.	Sort #	Scaling Rule
100628	09	ES

Average Log Length	Preferred Log Lengths
N/A	

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.

G-025 Schedules

The following attached schedules are hereby incorporated by reference:

Schedule	Title
A	Sort Specifications

G-026.2 Log Delivery Destination

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

G-027.2 Log Delivery Schedule and Conditions

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to 10 truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates

the number of truck deliveries on any day will exceed the number listed above.

- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

G-030.2 Contract Term and Expiration Date

Purchaser agrees to accept and pay for forest products delivered through the period ending February 28, 2021.

G-050.2 Contract Term Extension

Contract extensions and any other conditions subject to the extension as agreed to by the Purchaser and State, must be formalized in writing, signed by Purchaser and State.

G-054.2 Early Contract Termination

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

G-056.2 Force Majeure

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

G-060.2 Exclusion of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or sold. For example, THE FOLLOWING

SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. The MERCHANTABILITY of the forest products. The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. The CONDITION of the forest products. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

G-065 Regulatory Disclaimer

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-070.2 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

G-112.2 Title

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

G-116.2 Sustainable Forestry Initiative® (SFI) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: PwC-SFIFM-513.

G-160.2 Agents

The State's rights and duties will be exercised by the Region Manager at Colville, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

G-180 Modifications

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

G-190 Contract Complete

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

G-200.2 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's address of record, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

G-210.2 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

G-240.2 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

G-252.2 Forest Excise Tax

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

G-253.2 Harvesting Cost Information

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

G-260 Venue

This contract shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this contract, venue shall be proper only in Thurston County Superior Court.

G-330.2 Contract Review

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

Section P: Payments and Securities**P-010 Initial Deposit**

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed

to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

P-028.2 Payment for Forest Products Delivered

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/Ton

\$0.00/MBF for incorrect species delivery*

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

*When two or more log sorts from this project are delivered to the same destination, the species contained in them are not eligible for the species price reduction.

P-036.2 Missorts and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet the sorting specifications in G-022.2 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

P-037.2 Mismanufacture and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting manufacturing standards as described in clause G-024.2 are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 8% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-039.2 Tonnage Sort Payment Reduction Requirements

Purchaser must provide a plan in writing, acceptable to the State, to acquire third party Scribner mbf scaling information in order to be eligible for a payment reduction for a tonnage sort according to clauses P-036.2 or P-037.2. Logs delivered and accepted by the Purchaser prior to the State's acceptance of Purchaser's written payment reduction plan are not eligible for payment reduction.

Failure of Purchaser to provide sample scale data in a timely, accurate and legible basis will void an approved sample scale plan.

An approved payment reduction plan can be voided at the sole discretion of the State.

For the purpose of tonnage sort payment reduction requests, preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified in clause G-024.2:

Species Type	Preferred Lengths
Conifer Sorts	16', 20', 24', 26', 32', 40'
Hardwood Sorts	18', 20', 26', 28', 30', 36', 38', 40'

P-040.2 Weighing and Scaling Costs

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-045.2 Guarantee of Payment

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the

amount or replace the security with one acceptable to the state within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

P-050.2 Billing and Payment Procedure for Forest Products Delivered

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

P-080 Payment Account Refund

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

Section L: Log Definitions and Accountability

L-010.2 Forest Products Conveyed

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clause G-022.2 and manufacturing standards defined by clause G-024.2 of this contract

L-014.2 Sorts Delivered to Incorrect Destination

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

L-071.2 Log and Load Reporting Service

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within 2 business day of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

L-090 Scaling Rules

Determination of volume of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Eastside log scaling and grading rules, Region 6 taper rules, and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

L-110 State Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or en-route to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

Section D: Damages**D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.

- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

D-027.2 Failure to Accept Forest Products Sold

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V-I) + C + A - P$$

Where:

- LD = Liquidated Damages
V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.
I = Initial Deposit
C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.
A = Administrative fee = \$2,500.00
P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated

damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times \text{LD} \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

D-030.2 Inadequate Log Accountability

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Purchaser

Ken McNamee

Print Name

Northeast Region Manager

Date: _____

Date: _____

Address: _____

CORPORATE ACKNOWLEDGEMENT
(Required for both LLC and Inc. Entities)

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 20____, before me personally appeared _____

_____ to me known to be the _____ of the corporation that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public in and for the State of

My appointment expires _____

Schedule A
Sort Specifications

Sort #1: Douglas-fir and western larch 7 inches to 10 inches in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #3. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #3.

Sort #2: Douglas-fir and western larch 11 inches and greater in diameter inside the bark. If Purchaser designates peeler lengths, then chuckability standards apply to the logs. Non-chuckable logs will be delivered to the Purchaser of Sort #4. If the Purchaser designates sawlog lengths, then all Douglas-fir and western larch sawlogs will be delivered to the Purchaser of this sort and none will be delivered to the Purchaser of Sort #4.

Sort #3: Grand fir 7 inches to 10 inches in diameter inside the bark. See Sort #1 description for handling procedures for Douglas-fir and western larch.

Sort #4: Grand fir 11 inches and greater in diameter inside the bark. See Sort #2 description for handling procedures for Douglas-fir and western larch.

Sort #5: Ponderosa pine 6 inches to 10 inches in diameter inside the bark.

Sort #6: Ponderosa pine 11 inches and greater in diameter inside the bark.

Sort #7: Western red cedar 5 inches and greater in diameter inside the bark.

Sort #8: All conifer species except for ponderosa pine and western red cedar 5 inches to 6 inches in diameter inside the bark.

Sort #9: All conifer species except western red cedar 2 inches and greater in diameter inside the bark utility.



WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES

FOREST EXCISE TAX ROAD SUMMARY SHEET

Region: Northeast

Timber Sale Name: Q LITTLE HARVEY SORTS

Application Number: 30- 099451

EXCISE TAX APPLICABLE ACTIVITIES

Construction: 0 linear feet
Road to be constructed (optional and required) but not abandoned

Reconstruction: 7,430 linear feet
Road to be reconstructed (optional and required) but not abandoned

Abandonment: 0 linear feet
Abandonment of existing roads not reconstructed under the contract

Decommission: 0 linear feet
Road to be made undriveable but not officially abandoned.

Pre-Haul Maintenance: 44,745 linear feet
Existing road to receive maintenance work (optional and required) prior to haul

EXCISE TAX EXEMPT ACTIVITIES

Temporary Construction: 0 linear feet
Roads to be constructed (optional and required) and then abandoned

0 linear feet

Temporary Reconstruction:
Roads to be reconstructed (optional and required) and then abandoned

All parties must make their own assessment of the taxable or non-taxable status of any work performed under the timber sale contract. The Department of Revenue bears responsibility for determining forest road excise taxes. The Department of Natural Resources developed this form to help estimate the impact of forest excise taxes. However, the information provided may not precisely calculate the actual amount of taxes due. The Department of Revenue is available for consultation by calling 1.800.548.8829.
(Revised 9/18)

PRE-CRUISE NARRATIVE

Sale Name: Little Harvey	Region: Northeast
Agreement #: 30-099451	District: North Columbia
Contact Forester: Chris Hosch Phone / Location: 675-2625	County(s): Stevens, Choose a county
Alternate Contact: Jerry Richart Phone / Location: (509)640-8487	Other information: Click here to enter text.

Type of Sale: Log Sort (Contract harvest)	
Harvest System: Select harvest system Ground based	100%
Harvest System: Select harvest system Click here to enter text. Enter % of sale acres	Click here to enter percent sale acres.
Harvest System: Select harvest system Click here to enter text.	Click here to enter percent sale acres.

UNIT ACREAGES AND METHOD OF DETERMINATION:

Unit # Harvest R/W or RMZ WMZ	Legal Description (Enter only one legal for each unit) Sec/Twp/Rng	Grant or Trust	Gross Proposal Acres	Deductions from Gross Acres (No harvest acres)				Net Harvest Acres	Acreage Determination (List method and error of closure if applicable)
				RMZ/WMZ Acres	Leave Tree Acres	Existing Road Acres	Other Acres (describe)		
1	T. 31, R. 38, Sec. 29	03	253.09		7.79	7.0		238.3	GPS (Garmin)
2	T. 31, R. 39, Sec. 36	03	95.53		2.48	2.31		90.7	GPS (Garmin)
3	T. 31, R. 39, Sec. 36	03	51.39			1.49		49.91	GPS (Garmin)
5	T. 29, R. 36, Sec. 12	03	28.36					28.36	GPS (Garmin)
6	T. 29, R. 36, Sec. 12	03	128.9		18.63	9.13		101.14	GPS (Garmin)
7	T. 29, R. 36, Sec. 12	03	42.9			6.12		36.78	GPS (Garmin)
9	T. 30, R. 37, Sec. 18	03	74.28			2.56		71.72	GPS

									(Garmin)
10	T. 30, R.39, Sec. 12	10	17.20					17.20	GPS (Garmin)
11	T. 32, R. 41, Sec. 16	03	123.79		26.93	3.58		93.27	GPS (Garmin)
TOTAL ACRES			822.63		55.74	32.19		728.86	

HARVEST PLAN AND SPECIAL CONDITIONS:

Unit #	Harvest Prescription: (Leave, take, paint color, tags, flagging etc.)	Special Management areas:	Other conditions (# leave trees, etc.)
1	Leave all trees banded with purple paint.		Approximately 6 TPA > 10" DBH to be left.
2	Leave all trees banded with purple paint.		Approximately 6 TPA > 10" to be left.
3	Leave all trees banded with purple paint.		Approximately 6 TPA > 10" to be left.
5	Leave all trees banded with purple paint.		Approximately 6 TPA > 10" to be left.
6	Leave all trees banded with purple paint.		Approximately 6 TPA > 10" to be left.
7	Leave all trees banded with purple paint.		Approximately 6 TPA > 10" to be left.
9	Leave all trees banded with purple paint.		Approximately 6-15 TPA > 10" to be left.
10	Leave all trees banded with purple paint.		Approximately 6 TPA > 10" to be left.
11	Leave all trees banded with purple paint.		Approximately 6 TPA > 10" to be left.

OTHER PRE-CRUISE INFORMATION:

Unit #	Primary,secondary Species / Estimated Volume (MBF)	Access information (Gates, locks, etc.)	Photos, traverse maps required
1	1,190	Access off of Lessig County Road	
2	300	Access off of Misty Meadow Way Easement	

3	150	Access off of Misty Meadow Way Easement	
5	200	Access off of Mudgett Lake County Road onto easement road.	
6	300	Access off of State Hwy 25 South and Emerson County Road	
7	150	Access off of State Hwy 25 South	
9	350	Access off of State Hwy 25 South/Gate has Master 786 lock	
10	50	Access off of Deer Creek Road	
11	370	Access off of Harvey Creek Road	
TOTAL MBF	3,060		

REMARKS:

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Prepared By: Chris Hosch Date: 10/31/2019	Title: NC Silviculture Unit Forester	CC:
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Cruise Narrative

Sale Name: Little Harvey Sorts	Region: Northeast
Agreement Number: 30-099451	District: North Columbia
Lead Cruiser: Dylan Worlock	Completion Date: 2/26/2020
Other Cruisers on sale: Michael Rung	Legal: Section 29, T 31 N, R 38 E WM.; Section 36, T 31 N, R 39 E, WM; Section 12, T 29 N, R 36 E, WM; Section 18, T 30 N, R 37 E, WM; Section 12, T 30 N, R 39 E, WM; Section 17, T 31 N, R 38 E WM.

Unit Acreage Specifications:							
Unit #	Gross Acres	Net Acres	Total Deletions	RMZ/WMZ Acres	Leave Tree Acres	Existing Roads	Other
1	251.6	236.8	14.8		7.8	7.0	
2	96.0	91.2	4.8		2.5	2.3	
3	51.4	48.5	2.9		1.4	1.5	
5	28.3	28.3	0.0				
6	128.9	101.2	27.7		18.6	9.1	
7	42.9	36.8	6.1			6.1	
9	71.9	69.3	2.6			2.6	
10	17.2	17.2	0.0				
11	118.5	88.0	30.5		26.9	3.6	
Total	806.7	717.3	58.9	0.0	57.2	32.2	0.0

*Units 4 and 8 were pulled from the sale.

Cruise Sample Design:

This timber sale was cruised using the variable plot sampling method. The double basal area system was employed; a small BAF to determine Basal Area (count trees) and a large BAF to determine the Volume-Basal Area Ratio (cruise trees). Each plot was a full plot. Plot locations were created using a computer generated grid, and found using a hand held GPS unit.

Unit #	Small BAF (count)	Big BAF (cruise)	Sighting height	Grid size (plot spacing in feet)	% Cruise to count target	% Cruise to count Actual	Total number of Plots
1	20	80.28	D4H	295' x 295'	25%	28%	121
2	20	80.28	D4H	295' x 295'	25%	31%	44
3	20	80.28	D4H	295' x 295'	25%	40%	23
5	20	40	D4H	295' x 295'	50%	50%	16
6	20	62.5	D4H	295' x 295'	32%	39%	62
7	20	62.5	D4H	295' x 295'	32%	37%	19
9	20	71.11	D4H	295' x 295'	28%	30%	36
10	20	40	D4H	270' x 270'	50%	63%	10
11	20	71.11	D4H	295' x 295'	28%	33%	46
Total						34%	377

Cruise Specifications:

Minor species cruise intensity:	We grade the first tree of all minor species encountered; then cruise as appropriate.
Minimum top dib:	<p>Ponderosa pine and western red cedar: Trees less than 17.5" DBH have a minimum top of 5.6" dib. Trees 17.6" and greater DBH have a minimum top dib of 40% of DOB at 16' or a 6" top whichever is greater.</p> <p>All other species: Trees less than 17.5" DBH have a minimum top of 4.6" dib. Trees 17.6" and greater DBH have a minimum top dib of 40% of DOB at 16' or a 6" top whichever is greater.</p>
Minimum dbh:	Ponderosa pine and western red cedar: 8.0 inches DBH All other species: 7.0 inches DBH
Log lengths:	Saw logs: 32 feet where possible, minimum of 12 feet
Take / Leave tree description:	Harvest all green conifers that meet the minimum cruise specifications and are not banded with purple paint; Units are bounded with pink ribbon and white "Timber Sale" tags with orange flashers. Leave Tree Areas are bounded by yellow "Leave Tree Area" tags and lime glow ribbon.
Commercial species observed in sale area, but not in cruise:	A white pine - leave tree was seen in the sale area.
Utility wood:	Comprised of non-board foot volume and volume below the minimum top diameter of 5" or 40% of DOB at 16' to a minimum of a 2.6" top.
Status codes used:	N/A
Sort codes used	D – saw log, U – utility log
Species table used:	NE2INCH
Grade table used:	EASTGRAD
Other tables used (cruise adjustment):	

Field Observations:

Location:	<p>This sale is spread throughout southern Stevens county.</p> <p>Unit 1 is accessed via Lessig Rd. approximately 5 miles due east of Cedonia, Wa.</p> <p>Units 2 and 3 are accessed through the Misty Meadow Way easement via Deer Creek Rd. about 5.5 miles west-southwest of Valley, Wa.</p> <p>Units 5, 6, and 7 are located about 3 miles south of Fruitland, Wa on HWY 25. Unit 5 is accessed via easement off of Mudgett Lake Rd.</p> <p>Unit 9 is located off HWY 25, approx. 1.5 miles north of Fruitland, Wa.</p> <p>Unit 10 is located off Deer Creek Rd. approx. 6.5 miles southwest of Valley, Wa.</p> <p>Unit 11 is accessed via Harvey Creek Rd. approximately 5.5 miles east-northeast of Cedonia, Wa.</p>
Aspect:	North, east, south, west
Elevation:	1500' to 3600'
Slope:	<p>Unit 1 – 0% to 70%, Average 15%</p> <p>Unit 2 – 0% to 45%, Average 10%</p> <p>Unit 3 – 0% to 45%, Average 9%</p> <p>Unit 5 – 0% to 35%, Average 5%</p> <p>Unit 6 – 0% to 45%, Average 11%</p> <p>Unit 7 – 0% to 45%, Average 10%</p> <p>Unit 9 – 0% to 55%, Average 8%</p> <p>Unit 10 – 0% to 20%, Average 8%</p> <p>Unit 11 – 0% to 40%, Average 8%</p>
Harvest Methods:	100% ground-based
Stand Composition:	<p>The stands are second growth ponderosa pine, and Douglas-fir. Other species in the sale include smaller amounts of western larch, grand fir, western red-cedar, and white pine.</p> <p>There are larger residual trees including legacy trees within the sale area.</p>
Stand Health:	Defect (2.7%) in the sale varies throughout. Defect types found include broken tops, forked tops, spike knots, root rot, mistletoe, etc.
Timber Quality:	The timber is a mix of domestic quality Douglas-fir (47%), and ponderosa pine (46%). The rest of the volume is made up of small amounts of western larch (4%), grand fir (2%), and western red cedar (1%).
Non-board Foot Volume:	21 mbf consists of utility volume.
Remarks/considerations:	<p>Total net volume for the sale amounts to 3.4 mmbf. The sale averages 4.7 net mbf/acre.</p> <p>This sale exists primarily on gentle terrain.</p> <p>Average DBH within the sale is 14.3", and average bole length is 58"</p>

Trust and Counties:

Entire sale is within Stevens County.

Volume Breakdown (MBF):

Unit #	Trust 03	Trust 04	Trust 06	Trust 08	Trust 10	Combined
1	1243	0	0	0	0	1243
2	403	0	0	0	0	403
3	174	0	0	0	0	174
5	0	0	114	0	0	114
6	0	0	509	0	0	509
7	0	0	145	0	0	145
9	0	243	0	148	0	391
10	0	0	0	0	123	123
11	321	0	0	0	0	321
Total	2141	243	768	148	123	3423
% of Total	62.55%	7.10%	22.44%	4.32%	3.59%	100.00%

*Due to rounding procedures in the SuperAce cruise program, a 1 mbf discrepancy exists between totaled volume in the "type" report (3,423 mbf) and the "project" report (3,424 mbf).

Prepared by: Dylan Worlock

Title: Forest Check Cruiser 1

CC: Timber Sales Document Center & File #30-099451

TC		PSPCSTGR		Species, Sort Grade - Board Foot Volumes (Project)																	
<div style="border: 1px solid black; padding: 5px;"> T29N R36E S12 Ty00U5 THRU T31N R39E S36 Ty00U3 </div>				Project: LILHARV										Page 1							
				Acres 717.30										Date 2/26/2020 Time 7:39:49AM							
Spp	S T	So rt	Gr ad	% Net BdFt	Bd. Ft. per Acre			Total Net MBF	Percent of Net Board Foot Volume								Average Log				Logs Per /Acre
					Def%	Gross	Net		Log Scale Dia.				Log Length				Ln Ft	Dia In	Bd Ft	CF/ Lf	
									4-5	6-11	12-16	17+	12-20	21-30	31-35	36-99					
PP	D	4		52	1.1	1,164	1,150	825			71	29		3	2	95	31	14	286	1.81	4.0
PP	D	5		48	2.4	1,064	1,039	745		100				19	15	67	23	7	58	0.59	18.0
PP Totals				46	1.7	2,227	2,189	1,570		47	38	15		10	8	82	25	9	99	0.87	22.1
DF	D	2		27	1.7	640	629	451			83	17			100	32	14	267	1.73	2.4	
DF	D	3		50	2.2	1,157	1,132	812		100				1	99	32	8	106	0.77	10.7	
DF	D	4		21	6.2	510	478	343	77	23			21	33	47	25	5	31	0.31	15.2	
DF	U	UT		2		24	24	17	100				54	27	19	18	3	11	0.19	2.3	
DF Totals				47	2.9	2,331	2,263	1,623	17	55	23	5		5	8	87	28	7	74	0.62	30.5
GF	D	3		66	13.8	76	66	47		100					100	32	10	130	0.99	.5	
GF	D	4		32	13.5	37	32	23	73	27			37		63	25	6	31	0.29	1.0	
GF	U	UT		2	.0	1	1	1	100				100			12	5	10	0.24	.1	
GF Totals				2	13.5	114	99	71	25	75			13		87	26	7	59	0.55	1.7	
RC	D	3		100	8.9	34	31	23		46	37	17		4	96	32	10	142	1.17	.2	
RC Totals				1	8.9	34	31	23		46	37	17		4	96	32	10	142	1.17	.2	
WL	D	2		37	3.9	74	71	51		100					100	32	13	227	1.72	.3	
WL	D	3		49	3.9	99	95	68		100					100	32	8	90	0.70	1.1	
WL	D	4		12	5.0	22	21	15	97	3			52	48		20	5	19	0.23	1.1	
WL	U	UT		2		4	4	3	100				100			14	3	6	0.11	.6	
WL Totals				4	3.9	199	191	137	13	50	37		8	5	87	24	7	62	0.63	3.1	
Totals					2.7	4,906	4,773	3,424	9	52	30	9		8	8	85	26	8	83	0.71	57.6

TC PSTATS		PROJECT STATISTICS							PAGE	1	
		PROJECT LILHARV							DATE	2/26/2020	
TWP	RGE	SC	TRACT	TYPE		ACRES	PLOTS	TREES	CuFt	BdFt	
29N	36E	12	LITTL HRVY	00U1	THR	717.30	377	767	S	E	
31N	39E	36	LITTL HRVY	0U11							
			PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES				
TOTAL			377	767	2.0						
CRUISE			185	261	1.4	25,182	1.0				
DBH COUNT											
REFOREST											
COUNT			127	226	1.8						
BLANKS			65								
100 %											
STAND SUMMARY											
SAMPLE TREES		TREES /ACRE	AVG DBH	BOLE LEN	REL DEN	BASAL AREA	GROSS BF/AC	NET BF/AC	GROSS CF/AC	NET CF/AC	
P PINE	140	13.4	15.8	48	4.6	18.3	2,227	2,189	473	473	
DOUG FIR	93	18.8	13.2	65	4.9	17.9	2,331	2,263	522	522	
W LARCH	15	1.5	13.8	64	0.4	1.5	199	191	47	47	
WR CEDAR	6	.3	15.5	40	0.1	.3	34	31	8	8	
GR FIR	7	1.2	12.1	66	0.3	.9	114	99	24	24	
TOTAL	261	35.1	14.3	58	10.3	38.9	4,906	4,773	1,074	1,073	
CONFIDENCE LIMITS OF THE SAMPLE											
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR											
CL	68.1	COEFF	SAMPLE TREES - BF				# OF TREES REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15		
P PINE		85.9	7.3	298	322	345					
DOUG FIR		85.6	9.0	200	219	239					
W LARCH		61.0	17.6	255	310	365					
WR CEDAR		91.4	40.7	138	233	328					
GR FIR		36.7	16.3	107	128	149					
TOTAL		87.8	5.5	262	278	293	308	77	34		
CL	68.1	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15		
P PINE		74.8	6.4	62	66	70					
DOUG FIR		74.5	7.8	45	49	52					
W LARCH		49.3	14.2	63	73	83					
WR CEDAR		89.0	39.6	37	61	86					
GR FIR		35.3	15.7	27	32	37					
TOTAL		75.5	4.7	56	59	62	228	57	25		
CL	68.1	COEFF	TREES/ACRE				# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15		
P PINE		136.1	7.0	12	13	14					
DOUG FIR		151.4	7.8	17	19	20					
W LARCH		444.1	22.9	1	1	2					
WR CEDAR		1594.0	82.0	0	0	0					
GR FIR		718.7	37.0	1	1	2					
TOTAL		74.6	3.8	34	35	36	222	56	25		
CL	68.1	COEFF	BASAL AREA/ACRE				# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15		
P PINE		106.7	5.5	17	18	19					
DOUG FIR		136.5	7.0	17	18	19					
W LARCH		377.2	19.4	1	2	2					
WR CEDAR		1439.7	74.1	0	0	1					
GR FIR		707.6	36.4	1	1	1					
TOTAL		49.4	2.5	38	39	40	98	24	11		

PROJECT STATISTICSPROJECT **LILHARV**DATE **2/26/2020**

TWP	RGE	SC	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt
29N 31N	36E 39E	12 36	LITTL HRVY LITTL HRVY	00U5 00U3	THR THR	717.30	377	767	S E
CL	68.1	COEFF	NET BF/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15
P PINE		112.9	5.8	2,062	2,189	2,316			
DOUG FIR		136.0	7.0	2,105	2,263	2,422			
W LARCH		397.4	20.4	152	191	230			
WR CEDAR		1434.0	73.8	8	31	55			
GR FIR		729.4	37.5	62	99	136			
TOTAL		54.2	2.8	4,640	4,773	4,906	117	29	13
CL	68.1	COEFF	NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15
P PINE		107.9	5.6	447	473	499			
DOUG FIR		135.5	7.0	485	522	558			
W LARCH		390.6	20.1	37	47	56			
WR CEDAR		1377.3	70.9	2	8	14			
GR FIR		723.9	37.3	15	24	33			
TOTAL		52.2	2.7	1,045	1,073	1,102	109	27	12
CL	68.1	COEFF	TONS/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15
P PINE		107.9	5.6	11	11	12			
DOUG FIR		135.5	7.0	14	15	16			
W LARCH		390.6	20.1	1	1	1			
WR CEDAR		1377.3	70.9	0	0	0			
GR FIR		724.1	37.3	0	1	1			
TOTAL		56.1	2.9	27	28	29	126	31	14
CL	68.1	COEFF	V BAR/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15
P PINE				113	120	127			
DOUG FIR				118	127	136			
W LARCH		313.1	16.1	99	124	150			
WR CEDAR		1406.8	72.4	25	94	163			
GR FIR		348.4	17.9	67	108	148			
TOTAL		54.2	2.8	119	123	126	117	29	13

T31N R38E S29 T00U1										T31N R38E S29 T00U1				
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	CuFt	BdFt					
31N	38E	29	LITTL HRVY	00U1	236.80	121	72	S	E					

Spp	S T	So rt	Gr ad	% Net BdFt	Bd. Ft. per Acre			Total Net MBF	Percent Net Board Foot Volume								Average Log				Logs Per /Acre			
									Log Scale Dia.				Log Length				Ln	Dia	Bd	CF/				
									4-5	6-11	12-16	17+	12-20	21-30	31-35	36-99	Ft	In	Ft	Lf				
DF	D	2		19	3.3	890	860	204	100				100				32	13	235	1.59	3.7			
DF	D	3		55	2.8	2,585	2,514	595	100				1 99				32	9	108	0.78	23.3			
DF	D	4		26	7.8	1,229	1,133	268	83	17					15	30	55		27	5	33	0.30	34.5	
DF	Totals			86	4.2	4,704	4,507	1,067	21	60	19					4	8	88		29	7	73	0.59	61.5
WL	D	2		27	8.1	107	98	23	100				100				32	14	230	1.77	.4			
WL	D	3		53	5.8	200	189	45	100				100				32	9	97	0.78	1.9			
WL	D	4		16	5.8	59	56	13	96	4					45	55			22	5	21	0.24	2.6	
WL	U	UT		4		11	11	3	100				100				15	3	10	0.11	1.1			
WL	Totals			7	6.2	378	354	84	18	54	28	10	9	81					24	6	58	0.59	6.1	
GF	D	3		65	14.5	200	171	40	100				100				32	11	137	1.04	1.2			
GF	D	4		33	14.9	101	86	20	70	30					30	70			28	6	37	0.29	2.3	
GF	U	UT		2	.0	4	4	1	100				100				12	5	10	0.24	.4			
GF	Totals			5	14.5	305	261	62	25	75					11	89			27	7	65	0.56	4.0	
PP	D	5		100	2.3	130	128	30	100				15 85				26	9	98	0.98	1.3			
PP	Totals			2	2.3	130	128	30	100				15 85				26	9	98	0.98	1.3			
Type Totals					4.9	5,518	5,250	1,243	20	61	18	5	8	87					28	7	72	0.59	73.0	

T31N R39E S36 T00U2										T31N R39E S36 T00U2				
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	CuFt	BdFt					
31N	39E	36	LITTL HRVY	00U2	91.20	44	53	S	E					

Spp	So	Gr	%	Bd. Ft. per Acre			Total	Percent Net Board Foot Volume								Average Log				Logs Per /Acre					
								Net	Def%	Gross	Net	Net MBF	Log Scale Dia.				Log Length				Ln	Dia	Bd	CF/Lf	
													4-5	6-11	12-16	17+	12-20	21-30	31-35						36-99
PP	D	4	80	.9	2,234	2,213	202			50	50			2		98			31	15	331	1.98	6.7		
PP	D	5	20		538	538	49		100					13	20	67			22	7	62	0.62	8.7		
PP	Totals		62	.7	2,772	2,751	251		20	40	41			5	4	92			26	11	178	1.32	15.4		
DF	D	2	62	.6	1,005	998	91			47	53					100			32	16	367	2.22	2.7		
DF	D	3	28	2.0	448	439	40		100							100			32	9	138	0.98	3.2		
DF	D	4	8		132	132	12	38	62					62	38				21	6	28	0.45	4.7		
DF	U	UT	2		19	19	2	100						100					14	3	10	0.16	1.9		
DF	Totals		36	.9	1,604	1,589	145	4	33	30	33			6	3	91			25	9	127	1.09	12.5		
GF	D	4	100		12	12	1	100						100					12	5	10	0.29	1.2		
GF	Totals		0		12	12	1	100						100					12	5	10	0.29	1.2		
WL	D	3	92		64	64	6		100							100			32	10	120	0.86	.5		
WL	D	4	8		5	5	0	100						100					18	5	20	0.24	.3		
WL	Totals		2		69	69	6	8	92					8		92			27	8	87	0.72	.8		
Type Totals				.8	4,457	4,422	403	2	25	35	37			6	4	91			25	10	148	1.19	29.9		

T31N R39E S36 T00U3										T31N R39E S36 T00U3				
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	CuFt	BdFt					
31N	39E	36	LITTL HRVY	00U3	48.50	23	10	S	E					

Spp	S T	So rt	Gr ad	% Net BdFt	Bd. Ft. per Acre			Total Net MBF	Percent Net Board Foot Volume								Average Log				Logs Per /Acre	
									Log Scale Dia.				Log Length				Ln	Dia	Bd	CF/		
									4-5	6-11	12-16	17+	12-20	21-30	31-35	36-99	Ft	In	Ft	Lf		
PP		D	4	79	.9	2,027	2,010	97			50	50			100			32	16	360	2.00	5.6
PP		D	5	21		525	525	25		100				12	47	41		23	8	80	0.76	6.6
PP	Totals			71	.7	2,552	2,535	123		21	39	40		2	10	88		27	12	208	1.44	12.2
WL		D	2	38		211	211	10			100				100			32	12	180	1.60	1.2
WL		D	3	56		298	298	14		100					100			32	7	68	0.53	4.4
WL		D	4	6		32	32	2	100				100					12	5	10	0.20	3.2
WL		U	UT															12	3		0.09	3.2
WL	Totals			15		541	541	26	6	55	39			6		94		21	6	45	0.57	12.0
DF		D	2	95		488	488	24			33	67			100			32	16	400	2.36	1.2
DF		D	4	5		24	24	1		100				100				16	9	40	0.68	.6
DF	Totals			14		512	512	25		5	31	64		5		95		27	14	280	2.03	1.8
Type Totals					.5	3,606	3,588	174	1	24	38	37		3	7	90		24	9	138	1.13	26.0

T29N R36E S12 T00U6										T29N R36E S12 T00U6				
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	CuFt	BdFt					
29N	36E	12	LITTL HRVY	00U6	101.20	62	52	S	E					

Spp	T	So	Gr	rt	ad	%	Bd. Ft. per Acre			Total	Percent Net Board Foot Volume								Average Log				Logs Per /Acre						
											Net	BdFt	Def%	Gross	Net	Net MBF	Log Scale Dia.				Log Length				Ln	Dia	Bd	CF/Lf	
																	4-5	6-11	12-16	17+	12-20	21-30		31-35					36-99
PP		D		4		52	1.3	2,321	2,291	232			75	25		1	3	96		31	14	297	1.79	7.7					
PP		D		5		48	2.9	2,164	2,101	213			100			16	19	65		24	7	56	0.55	37.6					
PP	Totals					87	2.1	4,485	4,393	445		48	39	13		8	11	81		25	8	97	0.81	45.3					
DF		D		2		33		210	210	21			100					100		32	13	253	1.58	.8					
DF		D		3		38	1.5	248	244	25			100					100		32	8	84	0.64	2.9					
DF		D		4		14		85	85	9	29	71			53	47			16	6	20	0.44	4.3						
DF		U	UT			15		95	95	10	100				26	39	35		24	3	18	0.24	5.4						
DF	Totals					13	.6	639	635	64	19	48	33		11	12	77		24	5	47	0.51	13.5						
Type Totals							1.9	5,124	5,028	509	2	48	39	11	8	11	81		25	8	86	0.75	58.8						

T29N R36E S12 T00U7										T29N R36E S12 T00U7				
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	CuFt	BdFt					
29N	36E	12	LITTL HRVY	00U7	36.80	19	13	S	E					

Spp	So T	Gr ad	% Net BdFt	Bd. Ft. per Acre Def% Gross Net			Total Net MBF	Percent Net Board Foot Volume								Average Log				Logs Per /Acre
								Log Scale Dia.				Log Length				Ln	Dia	Bd	CF/	
								4-5	6-11	12-16	17+	12-20	21-30	31-35	36-99	Ft	In	Ft	Lf	
PP	D	4	39	.8	1,124	1,115	41	100				9	91			27	14	218	1.59	5.1
PP	D	5	61		1,678	1,678	62	100				20	31	49		21	7	42	0.48	40.1
PP	Totals		71	.3	2,802	2,793	103	60	40		16	19	66		22	8	62	0.64	45.2	
DF	D	3	78		905	905	33	100				100				32	9	110	0.76	8.2
DF	D	4	22		247	247	9	100				100				26	6	30	0.32	8.2
DF	U	UT														12	3		0.12	8.2
DF	Totals		29		1,152	1,152	42	100				21	79			23	6	47	0.48	24.7
Type Totals				.2	3,954	3,945	145	72	28		11	20	69		22	7	56	0.58	69.9	

T30N R37E S18 T00U9										T30N R37E S18 T00U9				
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	CuFt	BdFt					
30N	37E	18	LITTL HRVY	00U9	69.30	36	27	S	E					

Spp	S	So	Gr	%	Bd. Ft. per Acre			Total	Percent Net Board Foot Volume								Average Log				Logs Per /Acre
									Log Scale Dia.		Log Length				Ln Dia		Bd CF/Lf				
					T	rt	ad		Net BdFt	Def%	Gross	Net	Net MBF	4-5	6-11	12-16	17+	12-20	21-30	31-35	
PP		D	4	33		1,114	1,114	77	100				20	80			27	14	221	1.70	5.0
PP		D	5	67	2.1	2,249	2,203	153	100				28	9	63		23	8	56	0.59	39.2
PP	Totals			59	1.4	3,363	3,317	230	66	34		25	6	69		23	8	75	0.73	44.2	
DF		D	2	48		1,138	1,138	79	83		17		100				32	14	273	1.82	4.2
DF		D	3	37		859	859	60	100				8				31	8	92	0.66	9.3
DF		D	4	15		335	335	23	96	4		28	61	11		23	5	26	0.30	13.1	
DF	Totals			41		2,332	2,332	162	14	37	41	8	4	12	84		28	7	88	0.72	26.6
Type Totals					.8	5,695	5,649	391	6	54	36	3	17	8	75		25	8	80	0.73	70.8

T30N R39E S12 T0U10										T30N R39E S12 T0U10				
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	CuFt	BdFt					
30N	39E	12	LITTL HRVY	0U10	17.20	10	17	S	E					

Spp	So	Gr	%	Bd. Ft. per Acre			Total	Percent Net Board Foot Volume								Average Log				Logs Per /Acre					
								Net BdFt	Def%	Gross	Net	Net MBF	Log Scale Dia.				Log Length				Ln Ft	Dia In	Bd Ft	CF/Lf	
													4-5	6-11	12-16	17+	12-20	21-30	31-35						36-99
PP	D	4	67	5.0	3,008	2,857	49		65	35				100	32	15	306	1.86	9.3						
PP	D	5	33	2.3	1,390	1,358	23	100					21	2	77	22	7	55	0.59	24.6					
PP	Totals		59	4.2	4,397	4,215	72		32	44	24		7	1	92	25	9	124	1.04	33.9					
RC	D	3	100	8.9	1,438	1,311	23		46	37	17			4	96	32	10	142	1.17	9.2					
RC	Totals		18	8.9	1,438	1,311	23		46	37	17			4	96	32	10	142	1.17	9.2					
WL	D	2	85		1,012	1,012	17		100					100	32	14	265	1.75	3.8						
WL	D	3	15		172	172	3		100					100	32	7	90	0.53	1.9						
WL	Totals		17		1,184	1,184	20		15	85				100	32	12	207	1.34	5.7						
GF	D	3	83	9.1	424	385	7		100					100	32	9	100	0.76	3.9						
GF	D	4	17		77	77	1	100					100		20	5	20	0.29	3.9						
GF	Totals		6	7.7	501	462	8	17	83				17		26	7	60	0.58	7.7						
Type Totals				4.6	7,521	7,172	123	1	35	47	17		5	1	94	27	9	127	1.04	56.5					

T31N R38E S17 T0U11										T31N R38E S17 T0U11				
Twp	Rge	Sec	Tract	Type	Acres	Plots	Sample Trees	CuFt	BdFt					
31N	38E	17	LITTL HRVY	0U11	88.00	46	22	S	E					

Spp	S	So	Gr	%	Bd. Ft. per Acre			Total	Percent Net Board Foot Volume								Average Log				Logs Per /Acre			
									Net	BdFt	Def%	Gross	Net	Net MBF	Log Scale Dia.				Log Length				Ln	Dia
					4-5	6-11	12-16								17+	12-20	21-30	31-35	36-99	Ft		In		
PP	D	4		51	.9	1,202	1,192	105			90	10		7	93		32	13	234	1.63	5.1			
PP	D	5		49	3.0	1,144	1,110	98		100				7	10	83	29	8	87	0.70	12.7			
PP	Totals			63	1.9	2,346	2,302	203		48	46	5		3	8	88	30	9	129	0.98	17.8			
DF	D	2		27		373	373	33		100					100		32	13	225	1.37	1.7			
DF	D	3		50		668	668	59		100					100		32	8	95	0.72	7.0			
DF	D	4		17		234	234	21	51	49			49		51		23	6	32	0.42	7.2			
DF	U	UT		6		68	68	6	100				86	14			16	3	10	0.16	6.8			
DF	Totals			37		1,343	1,343	118	14	58	28		13	1	86		24	6	59	0.58	22.7			
Type Totals					1.2	3,689	3,644	321	5	52	40	3	7	6	88		27	8	90	0.78	40.5			

Species Summary - Trees, Logs, Tons, CCF, MBF

T29N R36E S12 Ty00U5	28.3
T29N R36E S12 Ty00U6	101.2
T31N R39E S36 Ty00U	48.5

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Acres 717.30

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Species	Total	Total	Total	Net Cubic Ft/		CF/	Total CCF		Total MBF	
	Trees	Logs	Tons	Tree	Log	LF	Gross	Net	Gross	Net
DOUG FIR	13,472	21,912	10,672	27.78	17.08	0.63	3,744	3,743	1,672	1,623
P PINE	9,637	15,825	8,138	35.19	21.43	0.87	3,391	3,392	1,598	1,570
W LARCH	1,058	2,207	807	31.79	15.23	0.63	336	336	142	137
GR FIR	831	1,201	488	20.45	14.15	0.56	170	170	82	71
WR CEDAR	185	159	139	31.94	37.24	1.16	59	59	25	23
Totals	25,182	41,302	20,243	30.58	18.64	0.72	7,701	7,700	3,519	3,424

Wood Type Species	Total	Total	Total	Net Cubic Ft/		CF/	Total CCF		Total MBF	
	Trees	Logs	Tons	Tree	Log	LF	Gross	Net	Gross	Net
C	25,182	41,302	20,243	30.58	18.64	0.72	7,701	7,700	3,519	3,424
Totals	25,182	41,302	20,243	30.58	18.64	0.72	7,701	7,700	3,519	3,424

Log Stock Table - MBF

T29N R36E S12 Ty00U5
 THRU
 T31N R39E S36 Ty00U3

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Acres 717.30

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Spp	S T	So rt	Gr de	Log Len	Gross MBF	Def %	Net MBF	% Spc	Net Volume by Scaling Diameter in Inches												
									2-4	5-6	7-10	11-12	13-14	15-16	17-18	19-20	21-23	24-29	30-39	40+	
DF		U	UT	24	1		1	.1	1												
DF		U	UT	28	4		4	.2	4												
DF		U	UT	32	3		3	.2	3												
DF		Totals			1,672	2.9	1,623	47.4	17	412	573	257	213	74	31	47					
GF		D	3	32	55	13.8	47	66.4			17	30									
GF		D	4	12	1		1	1.6		1											
GF		D	4	20	7		7	10.4		3	4										
GF		D	4	32	18	20.0	14	20.1		14											
GF		U	UT	12	1		1	1.5		1											
GF		Totals			82	13.5	71	2.1		20	21	30									
RC		D	3	28	1	11.1	1	3.8			1										
RC		D	3	32	24	8.8	22	96.2			10		5	3	4						
RC		Totals			25	8.9	23	.7			10		5	3	4						
WL		D	2	32	53	3.9	51	37.2				25		26							
WL		D	3	32	71	3.9	68	49.7			44	23									
WL		D	4	12	2		2	1.1		2											
WL		D	4	16	0		0	.4		0											
WL		D	4	18	6		6	4.4		6											
WL		D	4	24	5		5	3.5		5											
WL		D	4	30	3	25.0	2	1.8		2											
WL		U	UT	14	2		2	1.4		2											
WL		U	UT	16	1		1	.5		1											
WL		Totals			142	3.9	137	4.0	3	15	44	49		26							
Total		All Species			3,519	2.7	3,424	100.0	20	605	1056	638	458	329	177	129	12				

Project Log Stock Table - TONS(SED)

T29N R36E S12 Ty00U5
 THRU
 T31N R39E S36 Ty00U3

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Acres 717.30

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Spp	S T	So rt	Gr de	Log Len	SED	TONS	Tons by Scaling Diameter in Inches										
							2-4	5-6	7-10	11-12	13-14	15-16	17-18	19-20	21-23	24-29	30-39
DF		U	UT	16	3.0	14	14										
DF		U	UT	20	3.0	9	9										
DF		U	UT	24	3.0	11	11										
DF		U	UT	28	3.0	54	54										
DF		U	UT	32	3.0	16	16										
Graded						10672	153	2929	3813	1657	1256	450	152	262			
DF		Totals			6.9	10,672	153	2929	3813	1657	1256	450	152	262			
GF		D	3	32	9.4	328			132	195							
GF		D	4	12	5.0	11		11									
GF		D	4	20	5.4	61		32	30								
GF		D	4	32	5.0	79		79									
GF		U	UT	12	5.0	9		9									
Graded						488		131	162	195							
GF		Totals			6.9	488		131	162	195							
RC		D	3	28	8.0	6		6									
RC		D	3	32	9.9	133		61		24	24	23					
Graded						139		67		24	24	23					
RC		Totals			9.8	139		67		24	24	23					
WL		D	2	32	13.5	295			156		139						
WL		D	3	32	7.5	407		246	161								
WL		D	4	12	5.0	9		9									
WL		D	4	16	6.0	4		4									
WL		D	4	18	5.0	31		31									
WL		D	4	24	5.0	28		28									
WL		D	4	30	5.0	17		17									
WL		U	UT	12	3.0	4		4									
WL		U	UT	14	3.0	6		6									
WL		U	UT	16	3.0	4		4									
Graded						807	15	90	246	317	139						
WL		Totals			7.4	807	15	90	246	317	139						
Total		All Species				20,243	168	4184	6575	3785	2418	1643	793	631	45		

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
31N	38E	29	LITTL HRVY	00U1	236.80	121	260	S	E	
				TREES	ESTIMATED	PERCENT				
				PER PLOT	TOTAL	SAMPLE				
				PLOTS	TREES	PER PLOT	TREES	TREES		
TOTAL		121	260	2.1						
CRUISE		55	72	1.3	11,292		.6			
DBH COUNT										
REFOREST										
COUNT		39	80	2.1						
BLANKS		27								
100 %										
STAND SUMMARY										
	SAMPLE	TREES	AVG	BOLE	REL	BASAL	GROSS	NET	GROSS	NET
	TREES	/ACRE	DBH	LEN	DEN	AREA	BF/AC	BF/AC	CF/AC	CF/AC
DOUG FIR	56	41.0	12.8	66	10.2	36.4	4,704	4,507	1,043	1,043
W LARCH	10	3.3	12.8	60	0.8	3.0	378	354	88	88
GR FIR	4	2.8	12.4	70	0.7	2.3	305	261	62	62
P PINE	2	.7	19.3	59	0.3	1.3	130	128	33	33
TOTAL	72	47.7	12.9	66	12.0	43.0	5,518	5,250	1,227	1,226
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
DOUG FIR	64.1	8.6		161	176	191				
W LARCH	69.9	24.7		183	243	303				
GR FIR	51.4	29.4		92	130	168				
P PINE	3.6	3.4		188	195	202				
TOTAL	65.3	7.8		168	182	197	170	43	19	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
DOUG FIR	59.5	8.0		37	41	44				
W LARCH	59.4	21.0		48	61	73				
GR FIR	52.2	29.8		22	32	41				
P PINE	18.1	17.0		43	52	60				
TOTAL	60.4	7.2		40	43	46	146	36	16	
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
DOUG FIR	83.3	7.6		38	41	44				
W LARCH	303.7	27.6		2	3	4				
GR FIR	465.8	42.3		2	3	4				
P PINE	377.9	34.3		0	1	1				
TOTAL	64.3	5.8		45	48	50	165	41	18	
CL:	68.1 %	COEFF	BASAL AREA/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
DOUG FIR	76.5	6.9		34	36	39				
W LARCH	255.4	23.2		2	3	4				
GR FIR	449.0	40.8		1	2	3				
P PINE	377.4	34.3		1	1	2				
TOTAL	54.0	4.9		41	43	45	116	29	13	
CL:	68.1 %	COEFF	NET BF/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
DOUG FIR	76.5	7.0		4,194	4,507	4,820				
W LARCH	259.2	23.5		271	354	438				
GR FIR	446.6	40.6		155	261	367				
P PINE	378.2	34.3		84	128	171				
TOTAL	55.2	5.0		4,987	5,250	5,513	122	30	14	

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
31N	38E	29	LITTL HRVY	00U1	236.80	121	260	S	E	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
DOUG FIR		76.5	6.9	970	1,043	1,115				
W LARCH		262.6	23.9	67	88	109				
GR FIR		446.7	40.6	37	62	87				
P PINE		377.4	34.3	22	33	45				
TOTAL		54.3	4.9	1,165	1,226	1,286	118	29	13	
CL:	68.1 %	COEFF		TONS/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
DOUG FIR		76.5	6.9	28	30	32				
W LARCH		262.6	23.9	2	2	3				
GR FIR		446.8	40.6	1	2	2				
P PINE		377.4	34.3	1	1	1				
TOTAL		56.1	5.1	33	34	36	126	31	14	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
DOUG FIR				115	124	133				
W LARCH		192.4	17.5	91	119	147				
GR FIR		158.6	14.4	67	113	159				
P PINE		169.2	15.4	63	96	130				
TOTAL		402.3	36.5	116	122	128	6,463	1,616	718	

TC TSTATS				STATISTICS				PAGE	1		
				PROJECT	LILHARV			DATE	2/26/2020		
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt		
31N	39E	36	LITTL HRVY	00U2	91.20	44	87	S	E		
		PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES					
TOTAL		44	87	2.0							
CRUISE		21	27	1.3	1,292	2.1					
DBH COUNT											
REFOREST											
COUNT		15	27	1.8							
BLANKS		8									
100 %											
STAND SUMMARY											
	SAMPLE TREES	TREES /ACRE	AVG DBH	BOLE LEN	REL DEN	BASAL AREA	GROSS BF/AC	NET BF/AC	GROSS CF/AC	NET CF/AC	
P PINE	17	7.0	20.4	62	3.5	15.9	2,772	2,751	528	528	
DOUG FIR	8	5.6	18.8	63	2.5	10.9	1,604	1,589	341	341	
GR FIR	1	1.2	8.2	38	0.2	.5	12	12	4	4	
W LARCH	1	.3	17.7	85	0.1	.5	69	69	16	16	
TOTAL	27	14.2	18.9	61	6.4	27.7	4,457	4,422	890	890	
CONFIDENCE LIMITS OF THE SAMPLE											
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR											
CL:	68.1 %	COEFF	SAMPLE TREES - BF				# OF TREES REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15		
P PINE	43.2	11.2		594	669	743					
DOUG FIR	72.5	27.3		325	448	570					
GR FIR											
W LARCH											
TOTAL	58.4	11.7		494	560	625	142	36	16		
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15		
P PINE	36.3	9.4		114	126	138					
DOUG FIR	65.7	24.8		69	92	114					
GR FIR											
W LARCH											
TOTAL	51.4	10.3		97	108	119	110	27	12		
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15		
P PINE	133.0	20.0		6	7	8					
DOUG FIR	132.1	19.9		5	6	7					
GR FIR	663.3	99.9		0	1	2					
W LARCH	663.3	99.9		0	0	1					
TOTAL	77.1	11.6		13	14	16	238	59	26		
CL:	68.1 %	COEFF	BASAL AREA/ACRE				# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15		
P PINE	96.2	14.5		14	16	18					
DOUG FIR	121.6	18.3		9	11	13					
GR FIR	663.3	99.9		0	0	1					
W LARCH	663.3	99.9		0	0	1					
TOTAL	47.2	7.1		26	28	30	89	22	10		
CL:	68.1 %	COEFF	NET BF/ACRE				# OF PLOTS REQ.		INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15		
P PINE	100.7	15.2		2,334	2,751	3,169					
DOUG FIR	123.0	18.5		1,294	1,589	1,883					
GR FIR	663.3	99.9		0	12	25					
W LARCH	663.3	99.9		0	69	138					
TOTAL	56.5	8.5		4,045	4,422	4,798	128	32	14		

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
31N	39E	36	LITTL HRVY	00U2	91.20	44	87	S	E	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE		98.7	14.9	450	528	607				
DOUG FIR		121.5	18.3	279	341	404				
GR FIR		663.3	99.9	0	4	9				
W LARCH		663.3	99.9	0	16	32				
TOTAL		52.5	7.9	819	890	960	110	28	12	
CL:	68.1 %	COEFF		TONS/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE		98.7	14.9	11	13	15				
DOUG FIR		121.5	18.3	8	10	12				
GR FIR		663.3	99.9	0	0	0				
W LARCH		663.3	99.9	0	0	1				
TOTAL		52.1	7.8	21	23	25	108	27	12	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				147	173	199				
DOUG FIR				119	146	173				
GR FIR		663.3	99.9	0	27	55				
W LARCH		663.3	99.9	0	152	304				
TOTAL		242.9	36.6	146	159	173	2,356	589	262	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
31N	39E	36	LITTL HRVY	00U3	48.50	23	25	S	E	
				TREES	ESTIMATED	PERCENT				
				PER PLOT	TOTAL	SAMPLE				
				PLOTS	TREES	TREES	TREES			
TOTAL		23	25	1.1						
CRUISE		8	10	1.3	439		2.3			
DBH COUNT										
REFOREST										
COUNT		8	11	1.4						
BLANKS		7								
100 %										
STAND SUMMARY										
	SAMPLE	TREES	AVG	BOLE	REL	BASAL	GROSS	NET	GROSS	NET
	TREES	/ACRE	DBH	LEN	DEN	AREA	BF/AC	BF/AC	CF/AC	CF/AC
P PINE	7	4.1	25.1	83	2.8	13.9	2,552	2,535	470	470
W LARCH	2	4.4	14.8	69	1.4	5.2	541	541	145	145
DOUG FIR	1	.6	28.0	84	0.5	2.6	512	512	99	99
TOTAL	10	9.1	21.0	77	4.7	21.7	3,606	3,588	714	714
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF				# OF TREES REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE		33.5	13.6	569	659	748				
W LARCH		83.2	77.9	38	170	302				
DOUG FIR										
TOTAL		50.2	16.7	482	579	676	111	28	12	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE		25.4	10.3	108	121	133				
W LARCH		76.1	71.3	13	44	76				
DOUG FIR										
TOTAL		41.9	13.9	94	109	125	78	19	9	
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE		113.6	24.2	3	4	5				
W LARCH		180.3	38.4	3	4	6				
DOUG FIR		264.0	56.2	0	1	1				
TOTAL		72.7	15.5	8	9	10	221	55	25	
CL:	68.1 %	COEFF	BASAL AREA/ACRE				# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE		109.9	23.4	11	14	17				
W LARCH		172.1	36.7	3	5	7				
DOUG FIR		264.0	56.2	1	3	4				
TOTAL		61.5	13.1	19	22	25	158	39	18	
CL:	68.1 %	COEFF	NET BF/ACRE				# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE		107.0	22.8	1,957	2,535	3,112				
W LARCH		173.2	36.9	342	541	741				
DOUG FIR		264.0	56.2	224	512	801				
TOTAL		71.1	15.1	3,045	3,588	4,132	211	53	23	
CL:	68.1 %	COEFF	NET CUFT FT/ACRE				# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE		108.6	23.1	362	470	579				
W LARCH		172.5	36.7	92	145	198				
DOUG FIR		264.0	56.2	43	99	154				
TOTAL		64.9	13.8	616	714	813	176	44	20	

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
31N	39E	36	LITTL HRVY	00U3	48.50	23	25	S	E	
CL:	68.1 %	COEFF		TONS/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.	S.E.%	LOW	AVG	HIGH	5	10	15	
CL:	68.1 %	COEFF		TONS/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE		108.6	23.1	9	11	14				
W LARCH		172.5	36.7	2	3	5				
DOUG FIR		264.0	56.2	1	3	4				
TOTAL		66.3	14.1	15	18	20	184	46	20	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				141	182	224				
W LARCH		57.3	12.2	65	104	142				
DOUG FIR		127.5	27.2	86	196	307				
TOTAL		288.5	61.4	140	165	190	3,474	868	386	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
29N	36E	12	LITTL HRVY	00U5	28.30	16	42	S	E	
				TREES	ESTIMATED	PERCENT				
				PER PLOT	TOTAL	SAMPLE				
				PLOTS	TREES	TREES	TREES			
TOTAL		16	42	2.6						
CRUISE		14	21	1.5	1,622		1.3			
DBH COUNT										
REFOREST										
COUNT		1	1	1.0						
BLANKS		1								
100 %										
STAND SUMMARY										
	SAMPLE	TREES	AVG	BOLE	REL	BASAL	GROSS	NET	GROSS	NET
	TREES	/ACRE	DBH	LEN	DEN	AREA	BF/AC	BF/AC	CF/AC	CF/AC
P PINE	21	57.3	13.0	38	14.6	52.5	4,173	4,022	1,083	1,083
TOTAL	21	57.3	13.0	38	14.6	52.5	4,173	4,022	1,083	1,083
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	101.5	23.3		105	137	168				
TOTAL	101.5	23.3		105	137	168	433	108	48	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	80.7	18.5		28	35	41				
TOTAL	80.7	18.5		28	35	41	274	68	30	
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				57	57	57				
TOTAL				57	57	57				
CL:	68.1 %	COEFF	BASAL AREA/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				53	53	53				
TOTAL				53	53	53				
CL:	68.1 %	COEFF	NET BF/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				4,022	4,022	4,022				
TOTAL				4,022	4,022	4,022				
CL:	68.1 %	COEFF	NET CUFT FT/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				1,083	1,083	1,083				
TOTAL				1,083	1,083	1,083				
CL:	68.1 %	COEFF	TONS/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				26	26	26				
TOTAL				26	26	26				
CL:	68.1 %	COEFF	V-BAR/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				77	77	77				
TOTAL	158.1	40.8		77	77	77	1,065	266	118	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
29N	36E	12	LITTL HRVY	00U6	101.20	62	133	S	E	
				TREES	ESTIMATED	PERCENT				
				PER PLOT	TOTAL	SAMPLE				
				PLOTS	TREES	TREES	TREES			
TOTAL		62	133	2.1						
CRUISE		33	52	1.6	3,907		1.3			
DBH COUNT										
REFOREST										
COUNT		22	34	1.5						
BLANKS		7								
100 %										
STAND SUMMARY										
	SAMPLE	TREES	AVG	BOLE	REL	BASAL	GROSS	NET	GROSS	NET
	TREES	/ACRE	DBH	LEN	DEN	AREA	BF/AC	BF/AC	CF/AC	CF/AC
P PINE	45	30.3	15.0	45	9.6	37.1	4,485	4,393	928	928
DOUG FIR	7	8.3	11.3	53	1.7	5.8	639	635	162	162
TOTAL	52	38.6	14.3	47	11.4	42.9	5,124	5,028	1,090	1,090
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	91.3	13.6		253	292	332				
DOUG FIR	114.9	46.8		81	153	224				
TOTAL	94.9	13.1		238	274	310	360	90	40	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	83.8	12.5		51	59	66				
DOUG FIR	95.6	38.9		21	35	48				
TOTAL	86.2	11.9		49	55	62	297	74	33	
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	66.7	8.5		28	30	33				
DOUG FIR	242.3	30.7		6	8	11				
TOTAL	63.5	8.1		35	39	42	161	40	18	
CL:	68.1 %	COEFF	BASAL AREA/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	60.1	7.6		34	37	40				
DOUG FIR	219.5	27.9		4	6	7				
TOTAL	52.6	6.7		40	43	46	111	28	12	
CL:	68.1 %	COEFF	NET BF/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	72.2	9.2		3,990	4,393	4,796				
DOUG FIR	242.7	30.8		439	635	830				
TOTAL	66.1	8.4		4,606	5,028	5,449	174	44	19	
CL:	68.1 %	COEFF	NET CUFT FT/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	67.3	8.5		849	928	1,008				
DOUG FIR	226.7	28.8		115	162	208				
TOTAL	60.8	7.7		1,006	1,090	1,174	147	37	16	
CL:	68.1 %	COEFF	TONS/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	67.3	8.5		20	22	24				
DOUG FIR	226.7	28.8		3	5	6				
TOTAL	61.7	7.8		25	27	29	152	38	17	
CL:	68.1 %	COEFF	V-BAR/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
29N	36E	12	LITTL HRVY	00U6	101.20	62	133	S	E	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				108	118	129				
DOUG FIR		148.2	18.8	76	109	143				
TOTAL		291.3	37.0	107	117	127	3,389	847	377	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
29N	36E	12	LITTL HRVY	00U7	36.80	19	35	S	E	
				TREES	ESTIMATED	PERCENT				
				PER PLOT	TOTAL	SAMPLE				
				PLOTS	TREES	TREES	TREES			
TOTAL		19	35	1.8						
CRUISE		10	13	1.3	1,469		.9			
DBH COUNT										
REFOREST										
COUNT		5	9	1.8						
BLANKS		4								
100 %										
STAND SUMMARY										
	SAMPLE	TREES	AVG	BOLE	REL	BASAL	GROSS	NET	GROSS	NET
	TREES	/ACRE	DBH	LEN	DEN	AREA	BF/AC	BF/AC	CF/AC	CF/AC
P PINE	12	31.7	12.8	37	7.9	28.4	2,802	2,793	624	625
DOUG FIR	1	8.2	13.7	83	2.3	8.4	1,152	1,152	279	279
TOTAL	13	39.9	13.0	47	10.2	36.8	3,954	3,945	903	904
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	103.4	31.1		132	192	251				
DOUG FIR										
TOTAL	101.4	29.2		133	188	243	444	111	49	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	98.1	29.5		29	40	52				
DOUG FIR										
TOTAL	95.2	27.4		29	40	51	391	98	43	
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	93.8	22.1		25	32	39				
DOUG FIR	182.5	43.0		5	8	12				
TOTAL	70.9	16.7		33	40	47	212	53	24	
CL:	68.1 %	COEFF	BASAL AREA/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	63.4	14.9		24	28	33				
DOUG FIR	182.5	43.0		5	8	12				
TOTAL	45.3	10.7		33	37	41	87	22	10	
CL:	68.1 %	COEFF	NET BF/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	65.4	15.4		2,363	2,793	3,224				
DOUG FIR	182.5	43.0		656	1,152	1,647				
TOTAL	50.4	11.9		3,477	3,945	4,413	107	27	12	
CL:	68.1 %	COEFF	NET CUFT FT/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	62.0	14.6		534	625	716				
DOUG FIR	182.5	43.0		159	279	399				
TOTAL	49.9	11.8		798	904	1,011	105	26	12	
CL:	68.1 %	COEFF	TONS/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	62.0	14.6		13	15	17				
DOUG FIR	182.5	43.0		5	8	11				
TOTAL	54.5	12.8		20	23	26	125	31	14	
CL:	68.1 %	COEFF	V-BAR/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
29N	36E	12	LITTL HRVY	00U7	36.80	19	35	S	E	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				83	98	113				
DOUG FIR				78	137	196				
TOTAL		309.2	72.9	94	107	120	4,035	1,009	448	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	LILHARV		DATE	2/26/2020		
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
30N	37E	18	LITTL HRVY	00U9	69.30	36	91	S	E	
				TREES	ESTIMATED	PERCENT				
				PER PLOT	TOTAL	SAMPLE				
				PLOTS	TREES	TREES	TREES			
TOTAL		36	91	2.5						
CRUISE		19	27	1.4	2,837		1.0			
DBH COUNT										
REFOREST										
COUNT		13	27	2.1						
BLANKS		4								
100 %										
STAND SUMMARY										
	SAMPLE	TREES	AVG	BOLE	REL	BASAL	GROSS	NET	GROSS	NET
	TREES	/ACRE	DBH	LEN	DEN	AREA	BF/AC	BF/AC	CF/AC	CF/AC
P PINE	14	24.6	15.6	50	8.3	32.8	3,363	3,317	750	751
DOUG FIR	13	16.3	14.1	62	4.7	17.8	2,332	2,332	528	528
TOTAL	27	40.9	15.0	55	13.0	50.6	5,695	5,649	1,279	1,279
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	68.7	19.0		160	198	236				
DOUG FIR	69.2	20.8		228	288	348				
TOTAL	71.3	14.3		205	240	274	212	53	24	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	61.6	17.1		36	44	51				
DOUG FIR	58.8	17.7		52	63	74				
TOTAL	62.3	12.4		46	53	59	161	40	18	
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	75.7	12.6		22	25	28				
DOUG FIR	128.6	21.4		13	16	20				
TOTAL	29.1	4.8		39	41	43	34	8	4	
CL:	68.1 %	COEFF	BASAL AREA/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	68.7	11.4		29	33	37				
DOUG FIR	122.6	20.4		14	18	21				
TOTAL	14.9	2.5		49	51	52	9	2	1	
CL:	68.1 %	COEFF	NET BF/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	69.0	11.5		2,935	3,317	3,698				
DOUG FIR	126.2	21.0		1,842	2,332	2,822				
TOTAL	23.2	3.9		5,431	5,649	5,867	21	5	2	
CL:	68.1 %	COEFF	NET CUFT FT/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	68.7	11.4		665	751	837				
DOUG FIR	124.8	20.8		419	528	638				
TOTAL	21.3	3.5		1,234	1,279	1,325	18	5	2	
CL:	68.1 %	COEFF	TONS/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	68.7	11.4		16	18	20				
DOUG FIR	124.8	20.8		12	15	18				
TOTAL	26.7	4.4		32	33	35	28	7	3	
CL:	68.1 %	COEFF	V-BAR/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	

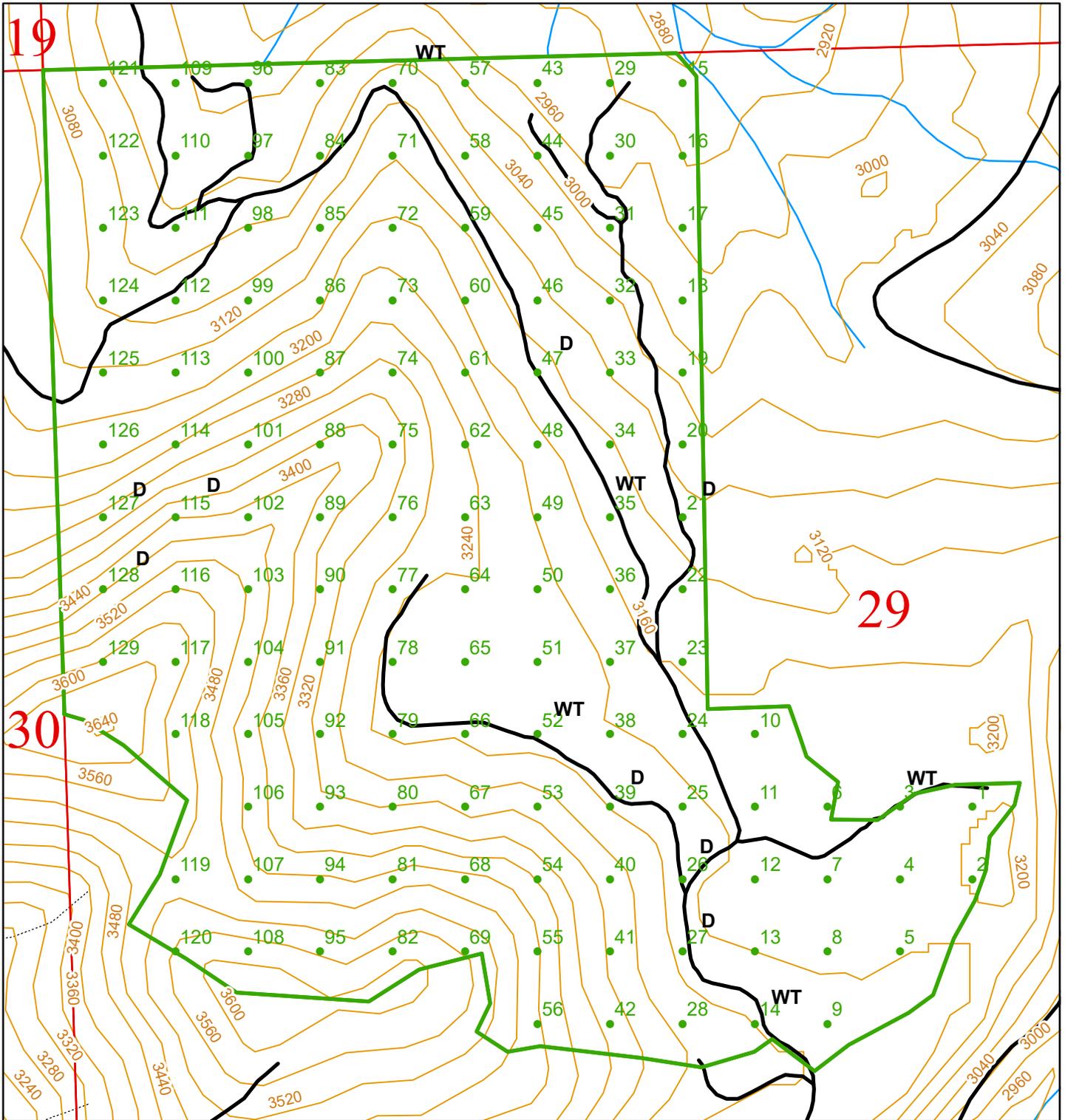
TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
30N	37E	18	LITTL HRVY	00U9	69.30	36	91	S	E	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				90	101	113				
DOUG FIR		33.0	5.5	104	131	159				
TOTAL		323.3	53.8	107	112	116	4,174	1,043	464	

TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
30N	39E	12	LITTL HRVY	0U10	17.20	10	27	S	E	
		PLOTS	TREES	TREES PER PLOT	ESTIMATED TOTAL TREES	PERCENT SAMPLE TREES				
TOTAL		10	27	2.7						
CRUISE		8	17	2.1	618	2.8				
DBH COUNT										
REFOREST										
COUNT		2	3	1.5						
BLANKS										
100 %										
STAND SUMMARY										
	SAMPLE TREES	TREES /ACRE	AVG DBH	BOLE LEN	REL DEN	BASAL AREA	GROSS BF/AC	NET BF/AC	GROSS CF/AC	NET CF/AC
P PINE	7	19.4	16.8	49	7.3	30.0	4,397	4,215	868	869
WR CEDAR	6	10.7	15.5	40	3.6	14.0	1,438	1,311	343	343
W LARCH	2	1.9	24.0	100	1.2	6.0	1,184	1,184	246	246
GR FIR	2	3.9	13.8	70	1.1	4.0	501	462	115	115
TOTAL	17	35.9	16.6	52	13.3	54.0	7,521	7,172	1,573	1,573
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	66.5	27.1		297	407	517				
WR CEDAR	91.4	40.7		138	233	328				
W LARCH										
GR FIR										
TOTAL	61.1	16.3		320	382	444	160	40	18	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	62.4	25.4		62	83	104				
WR CEDAR	89.0	39.6		37	61	86				
W LARCH										
GR FIR										
TOTAL	54.6	14.6		72	84	97	128	32	14	
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	56.7	18.9		16	19	23				
WR CEDAR	252.7	84.1		2	11	20				
W LARCH	225.0	74.9		0	2	3				
GR FIR	316.2	105.2			4	8				
TOTAL	56.0	18.6		29	36	43	139	35	15	
CL:	68.1 %	COEFF	BASAL AREA/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	47.1	15.7		25	30	35				
WR CEDAR	223.9	74.5		4	14	24				
W LARCH	225.0	74.9		2	6	10				
GR FIR	316.2	105.2			4	8				
TOTAL	39.2	13.1		47	54	61	68	17	8	
CL:	68.1 %	COEFF	NET BF/ACRE				# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	62.5	20.8		3,338	4,215	5,092				
WR CEDAR	222.8	74.1		339	1,311	2,282				
W LARCH	225.0	74.9		298	1,184	2,071				
GR FIR	316.2	105.2			462	948				
TOTAL	37.8	12.6		6,270	7,172	8,073	63	16	7	

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
30N	39E	12	LITTL HRVY	0U10	17.20	10	27	S	E	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
CL:	68.1 %	COEFF		NET CUFT FT/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE		60.4	20.1	694	869	1,044				
WR CEDAR		212.0	70.5	101	343	585				
W LARCH		225.0	74.9	62	246	430				
GR FIR		316.2	105.2		115	237				
TOTAL		39.3	13.1	1,368	1,573	1,779	68	17	8	
CL:	68.1 %	COEFF		TONS/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE		60.5	20.1	17	21	25				
WR CEDAR		212.0	70.5	2	8	14				
W LARCH		225.0	74.9	1	6	10				
GR FIR		316.2	105.2		3	7				
TOTAL		37.2	12.4	33	38	43	61	15	7	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.		INF. POP.	
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				111	140	170				
WR CEDAR		217.6	72.4	24	94	163				
W LARCH		195.6	65.1	50	197	345				
GR FIR		316.2	105.2		116	237				
TOTAL		152.0	50.6	116	133	150	1,023	256	114	

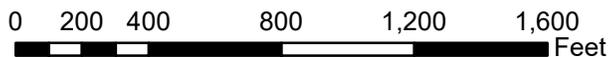
TC TSTATS				STATISTICS				PAGE	1	
				PROJECT	LILHARV		DATE	2/26/2020		
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
31N	38E	17	LITTL HRVY	0U11	88.00	46	67	S	E	
				TREES	ESTIMATED	PERCENT				
				PER PLOT	TOTAL	SAMPLE				
				PLOTS	TREES	TREES	TREES			
TOTAL		46	67	1.5						
CRUISE		17	22	1.3	1,706		1.3			
DBH COUNT										
REFOREST										
COUNT		22	34	1.5						
BLANKS		7								
100 %										
STAND SUMMARY										
	SAMPLE	TREES	AVG	BOLE	REL	BASAL	GROSS	NET	GROSS	NET
	TREES	/ACRE	DBH	LEN	DEN	AREA	BF/AC	BF/AC	CF/AC	CF/AC
P PINE	15	8.5	19.9	70	4.1	18.3	2,346	2,302	519	519
DOUG FIR	7	10.9	13.5	60	3.0	10.9	1,343	1,343	321	321
TOTAL	22	19.4	16.6	64	7.2	29.1	3,689	3,644	840	840
CONFIDENCE LIMITS OF THE SAMPLE										
68.1 TIMES OUT OF 100 THE VOLUME WILL BE WITHIN THE SAMPLE ERROR										
CL:	68.1 %	COEFF	SAMPLE TREES - BF				# OF TREES REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	46.0	12.8		285	326	368				
DOUG FIR	79.3	32.3		117	173	229				
TOTAL	58.4	13.0		239	275	311	143	36	16	
CL:	68.1 %	COEFF	SAMPLE TREES - CF				# OF TREES REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	37.0	10.3		65	73	80				
DOUG FIR	66.1	26.9		29	39	50				
TOTAL	49.8	11.1		55	62	68	104	26	12	
CL:	68.1 %	COEFF	TREES/ACRE				# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	71.9	10.6		8	8	9				
DOUG FIR	150.4	22.2		8	11	13				
TOTAL	69.2	10.2		17	19	21	191	48	21	
CL:	68.1 %	COEFF	BASAL AREA/ACRE				# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	72.4	10.7		16	18	20				
DOUG FIR	143.6	21.2		9	11	13				
TOTAL	40.2	5.9		27	29	31	64	16	7	
CL:	68.1 %	COEFF	NET BF/ACRE				# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	74.2	10.9		2,050	2,302	2,553				
DOUG FIR	143.1	21.1		1,060	1,343	1,626				
TOTAL	38.9	5.7		3,435	3,644	3,853	61	15	7	
CL:	68.1 %	COEFF	NET CUFT FT/ACRE				# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	72.4	10.7		464	519	574				
DOUG FIR	143.0	21.1		253	321	389				
TOTAL	39.7	5.9		791	840	889	63	16	7	
CL:	68.1 %	COEFF	TONS/ACRE				# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE	72.4	10.7		11	12	14				
DOUG FIR	143.0	21.1		7	9	11				
TOTAL	43.4	6.4		20	22	23	75	19	8	
CL:	68.1 %	COEFF	V-BAR/ACRE				# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.%	S.E.%	LOW	AVG	HIGH	5	10	15	

TC TSTATS				STATISTICS				PAGE	2	
				PROJECT	LILHARV			DATE	2/26/2020	
TWP	RGE	SECT	TRACT	TYPE	ACRES	PLOTS	TREES	CuFt	BdFt	
31N	38E	17	LITTL HRVY	0U11	88.00	46	67	S	E	
CL:	68.1 %	COEFF		V-BAR/ACRE			# OF PLOTS REQ.	INF. POP.		
SD:	1.0	VAR.	S.E.%	LOW	AVG	HIGH	5	10	15	
P PINE				112	126	140				
DOUG FIR				97	124	150				
TOTAL		313.7	46.2	118	125	132	3,929	982	437	



FMA POLYGON AND SAMPLE POINT INFORMATION

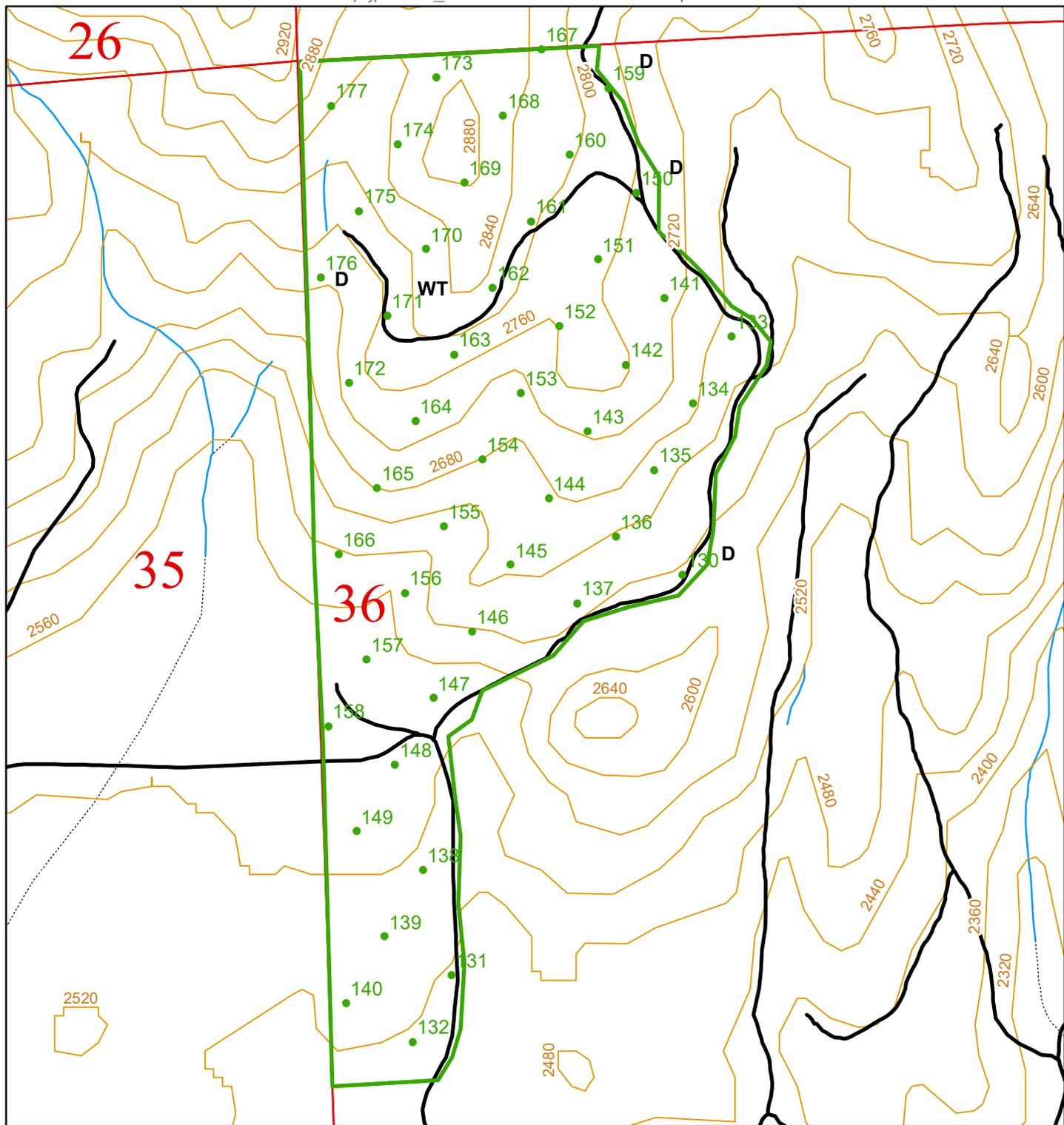
FMA_NM:	LITTLE HARVEY U1	Township:	T31R38E
FMA_ID:	263402	DNR Region:	NORTHEAST
Acres:	252	Total Sample Points:	129
County:	STEVENS	Spacing Between Points:	Width: 295 Height: 295
D: Deleted Plot		Point Rotation Degrees:	0
WT: Walkthrough Plot			



Scale 1:6,900

Legend

- Sample Points
- FMA polys
- Public Land Survey Sections
- Contours 40-foot



FMA POLYGON AND SAMPLE POINT INFORMATION

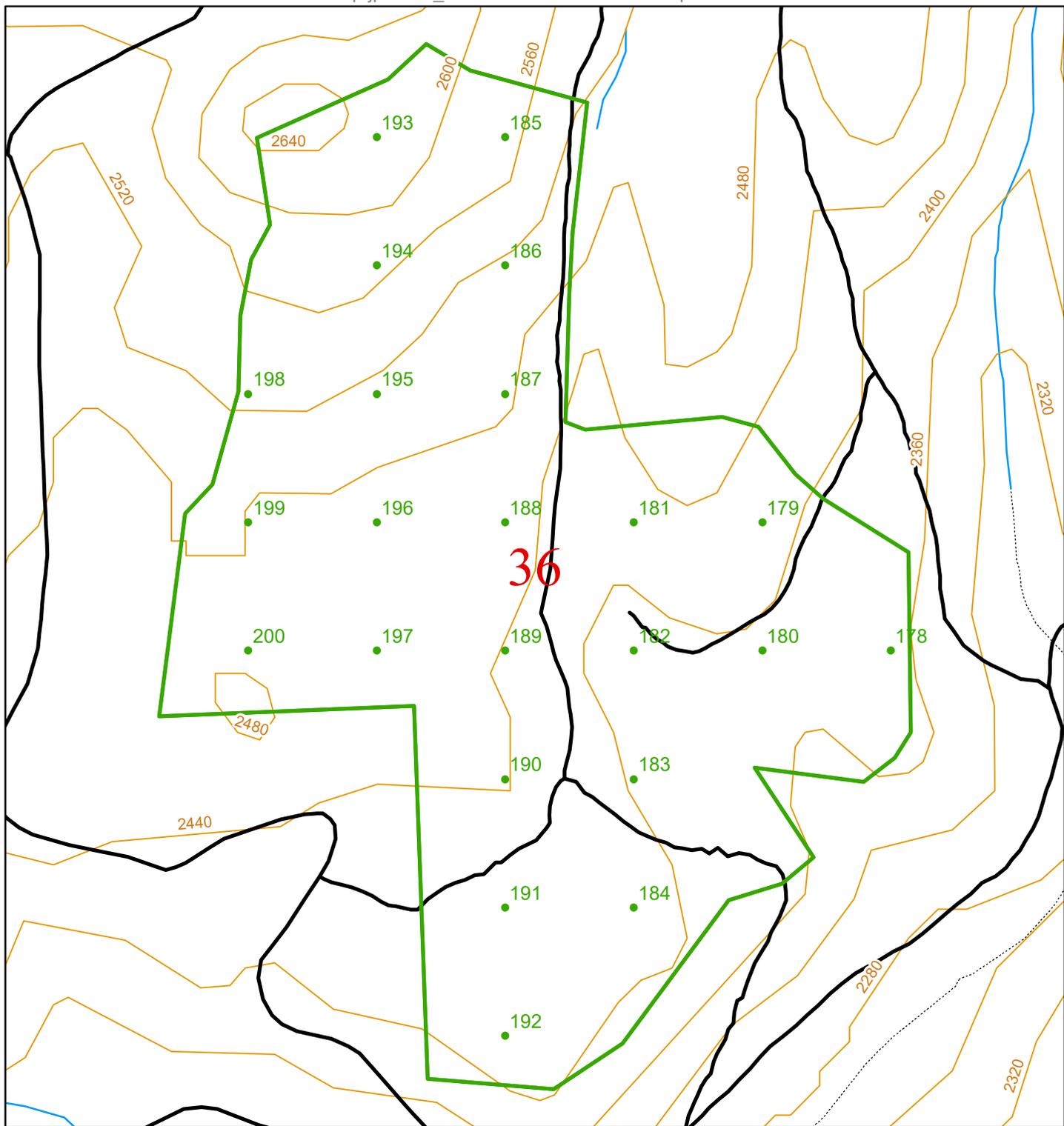
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FMA_ID:	289581	DNR Region:	NORTHEAST
Acres:	96	Total Sample Points:	48
County:	STEVENS	Spacing Between Points:	Width: 295 Height: 295
D: Deleted Plot		Point Rotation Degrees:	30
WT: Walkthrough Plot			



Scale 1:6,500

Legend

- Sample Points
- FMA polys
- Public Land Survey Sections
- Contours 40-foot



FMA POLYGON AND SAMPLE POINT INFORMATION

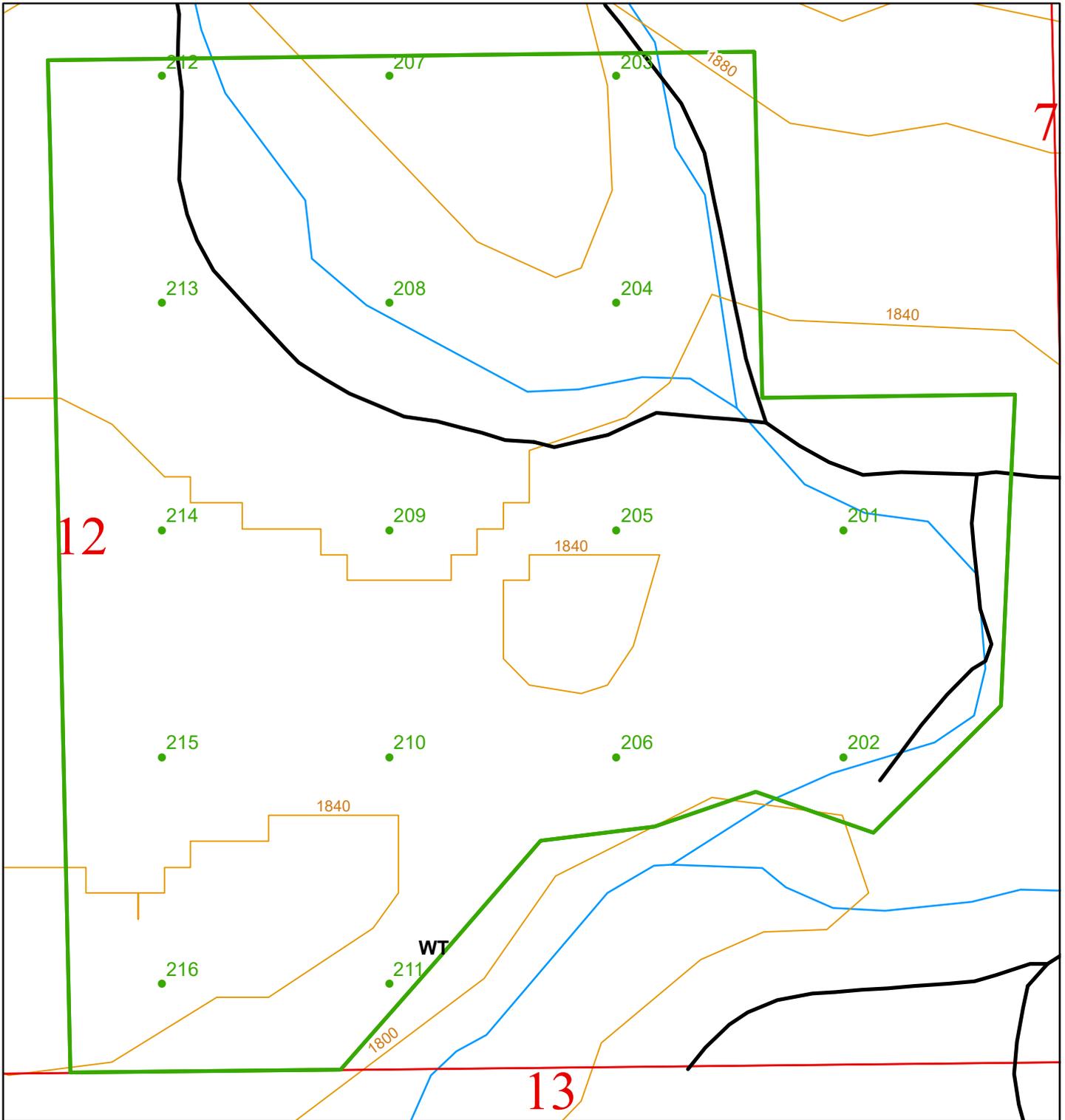
FMA_NM:	LITTLE HARVEY U3	Township:	T31R39E
FMA_ID:	289582	DNR Region:	NORTHEAST
Acres:	51	Total Sample Points:	23
County:	STEVENS	Spacing Between Points:	Width: 295 Height: 295
D:Deleted Plot		Point Rotation Degrees:	0
WT: Walkthrough Plot			



Scale 1:3,900

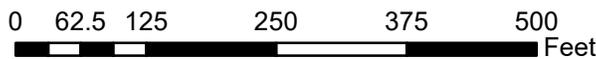
Legend

- Sample Points
- FMA polys
- Public Land Survey Sections
- Contours 40-foot



FMA POLYGON AND SAMPLE POINT INFORMATION

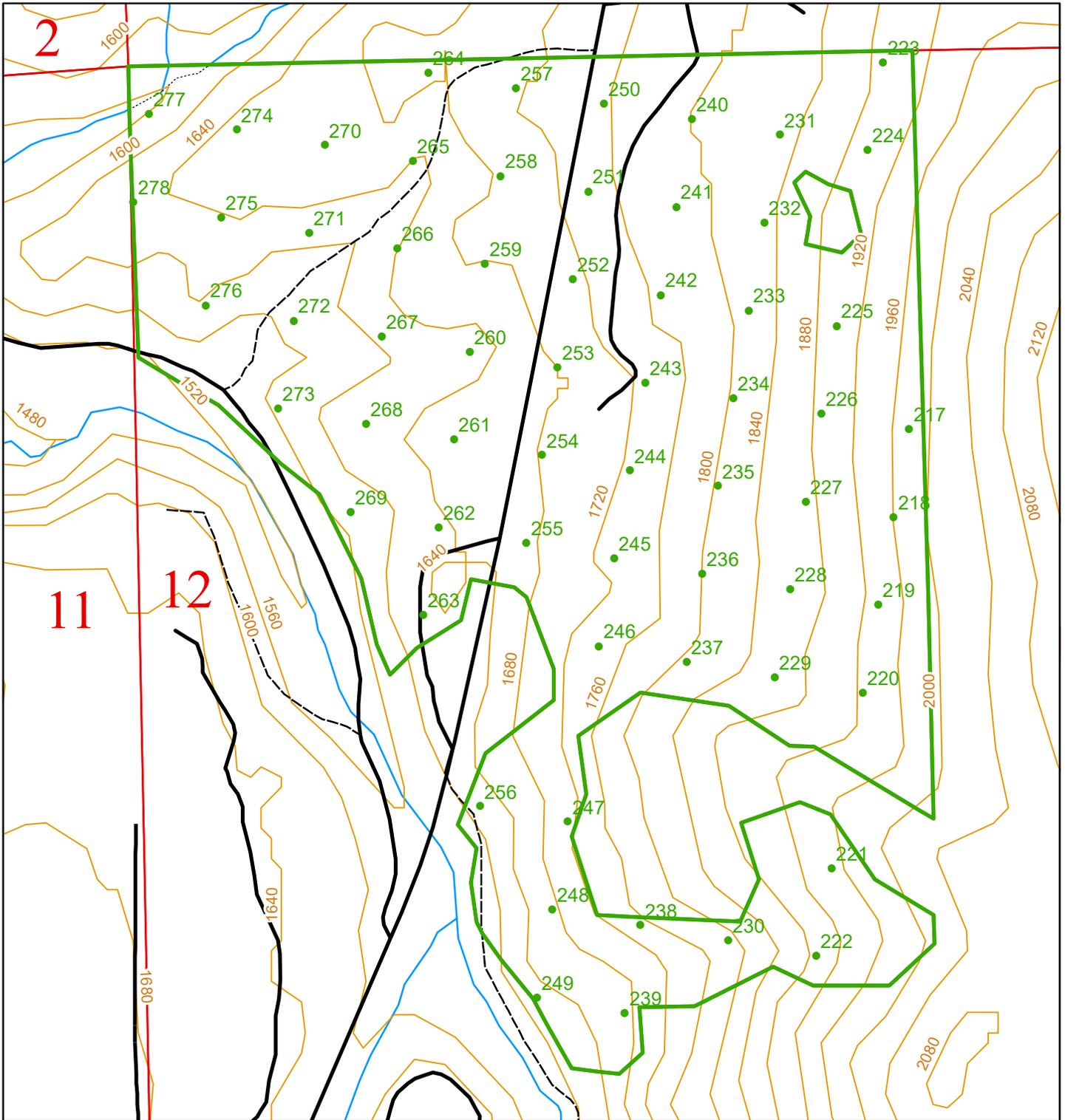
FMA_NM:	LITTLE HARVEY U5	Township:	T29R36E
FMA_ID:	289584	DNR Region:	NORTHEAST
Acres:	28	Total Sample Points:	16
County:	STEVENS	Spacing Between Points:	Width: 295 Height: 295
D:Deleted Plot		Point Rotation Degrees:	0
WT: Walkthrough Plot			



Scale 1:2,200

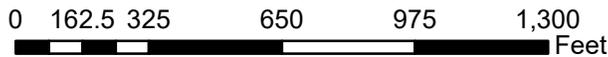
Legend

- Sample Points
- FMA polys
- Public Land Survey Sections
- Contours 40-foot



FMA POLYGON AND SAMPLE POINT INFORMATION

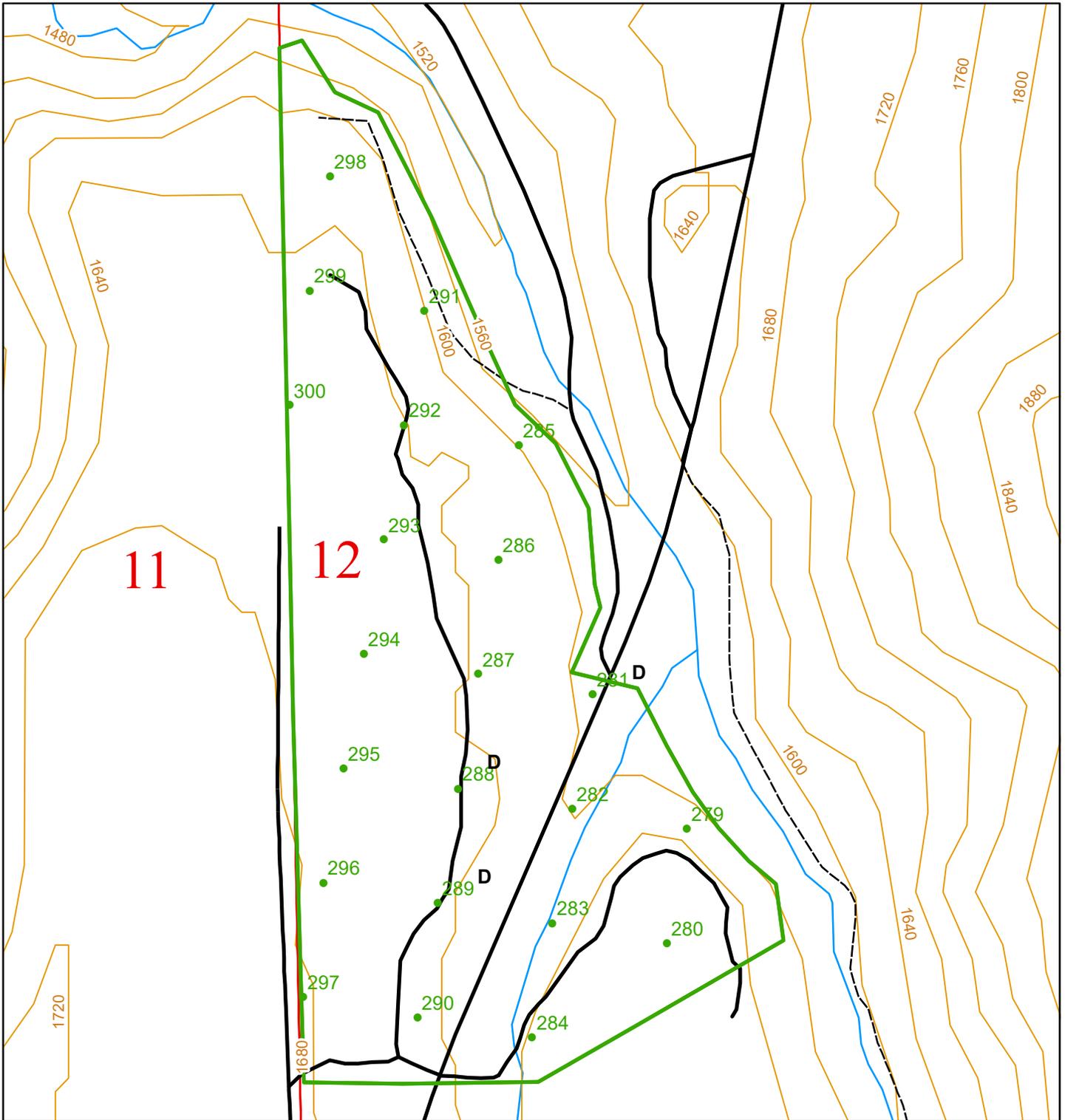
FMA_NM:	LITTLE HARVEY U6	Township:	T29R36E
FMA_ID:	73491	DNR Region:	NORTHEAST
Acres:	129	Total Sample Points:	62
County:	STEVENS	Spacing Between Points:	Width: 295 Height: 295
D: Deleted Plot		Point Rotation Degrees:	10
WT: Walkthrough Plot			



Scale 1:5,600

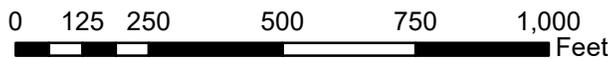
Legend

- Sample Points
- FMA polys
- Public Land Survey Sections
- Contours 40-foot



FMA POLYGON AND SAMPLE POINT INFORMATION

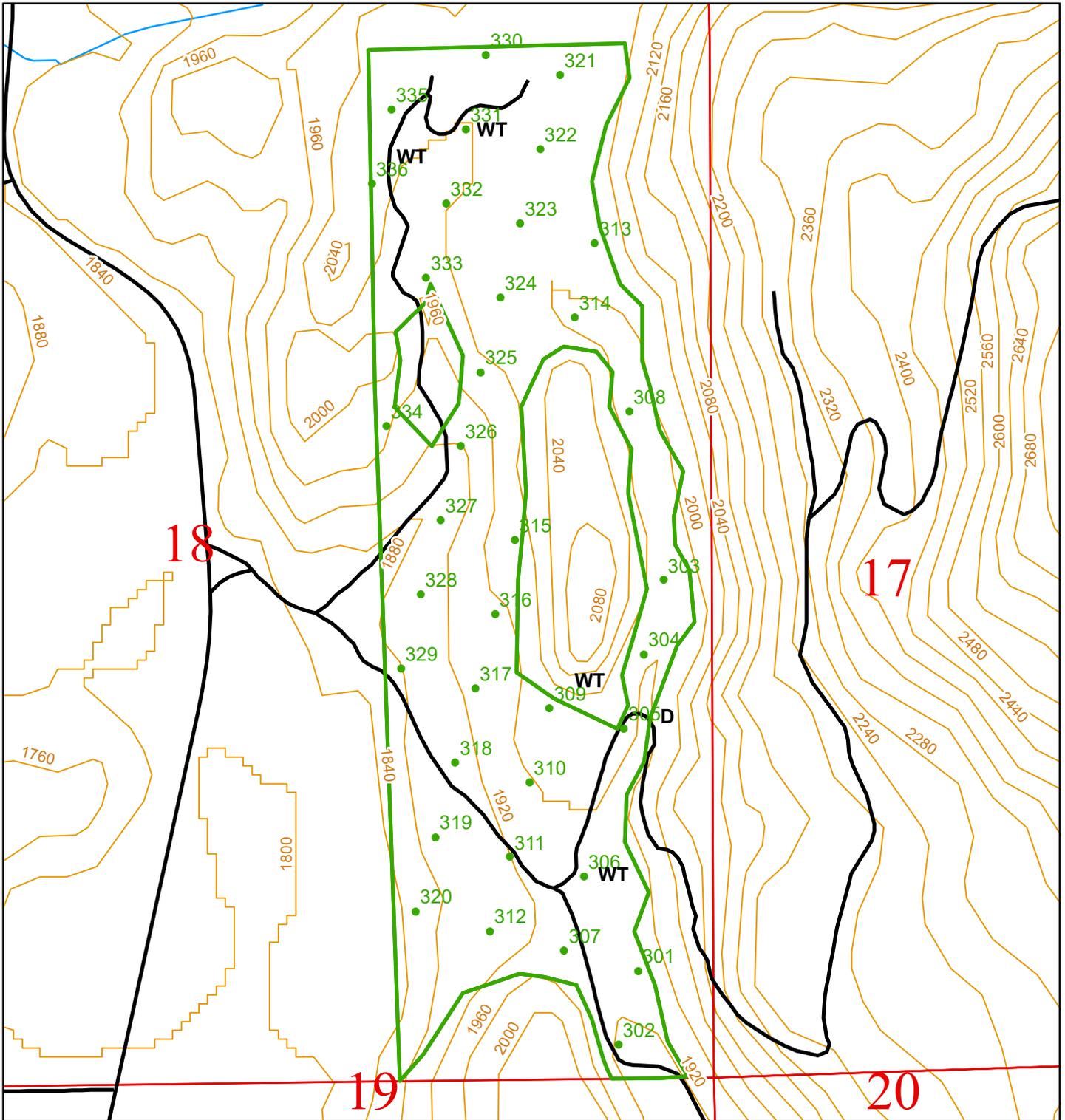
FMA_NM:	LITTLE HARVEY U7	Township:	T29R36E
FMA_ID:	79429	DNR Region:	NORTHEAST
Acres:	43	Total Sample Points:	22
County:	STEVENS	Spacing Between Points:	Width: 295 Height: 295
D:Deleted Plot		Point Rotation Degrees:	10
WT: Walkthrough Plot			



Scale 1:4,300

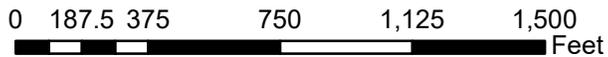
Legend

- Sample Points
- FMA polys
- Public Land Survey Sections
- Contours 40-foot



FMA POLYGON AND SAMPLE POINT INFORMATION

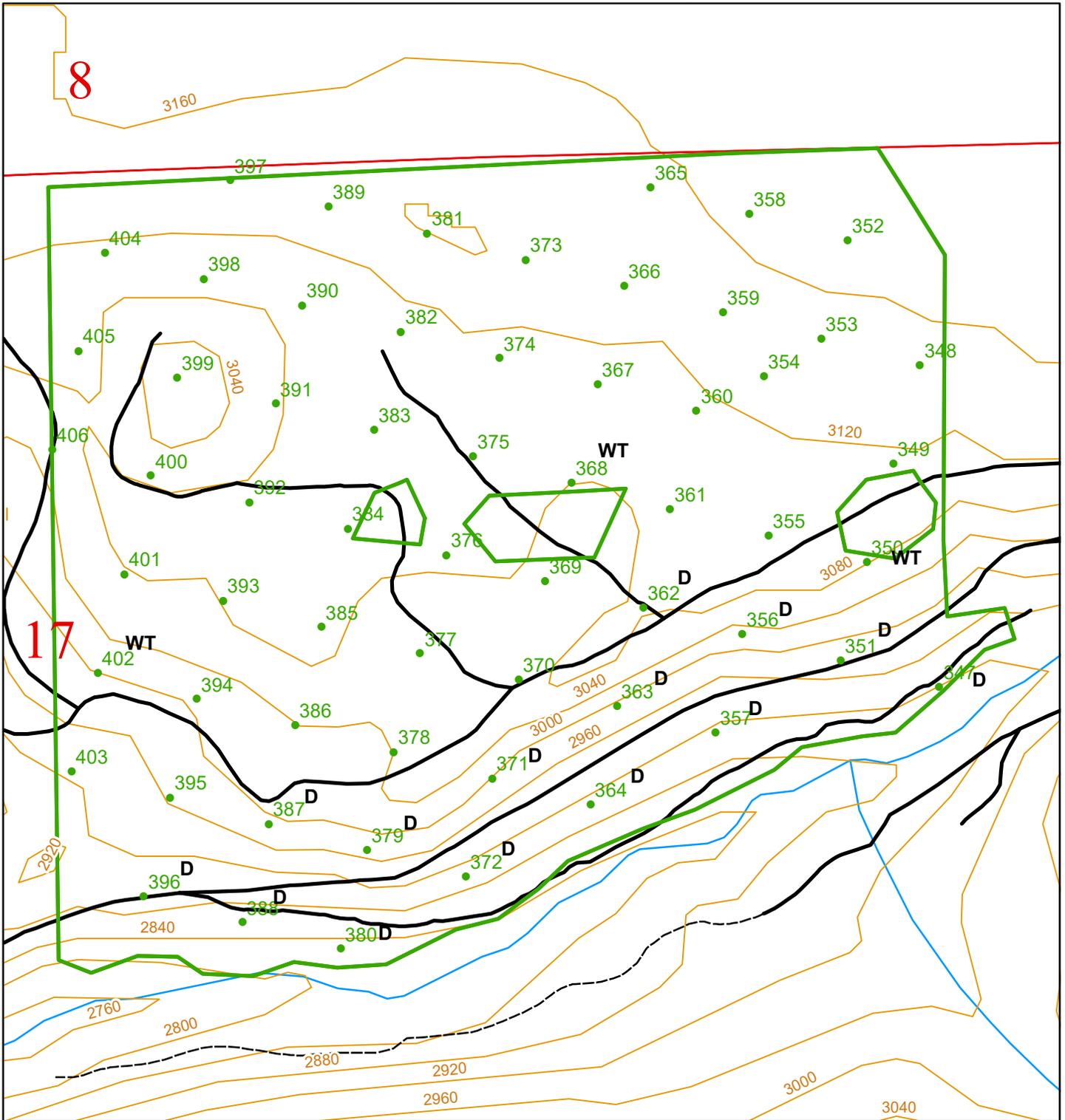
FMA_NM:	LITTLE HARVEY U9	Township:	T30R37E
FMA_ID:	313356	DNR Region:	NORTHEAST
Acres:	72	Total Sample Points:	36
County:	STEVENS	Spacing Between Points:	Width: 295 Height: 295
D:Deleted Plot		Point Rotation Degrees:	15
WT: Walkthrough Plot			



Scale 1:6,500

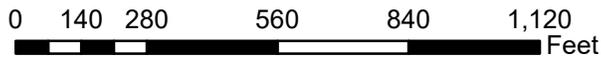
Legend

- Sample Points
- FMA polys
- Public Land Survey Sections
- Contours 40-foot



FMA POLYGON AND SAMPLE POINT INFORMATION

FMA_NM:	LITTLE HARVEY U11	Township:	T31R38E
FMA_ID:	313359	DNR Region:	NORTHEAST
Acres:	118	Total Sample Points:	60
County:	STEVENS	Spacing Between Points:	Width: 295 Height: 295
D: Deleted Plot		Point Rotation Degrees:	15
WT: Walkthrough Plot			



Scale 1:4,900

Legend

- Sample Points
- FMA polys
- Public Land Survey Sections
- Contours 40-foot

Appeal Information

You have thirty (30) days to appeal this Decision and any related State Environmental Policy Act determinations to the Pollution Control Hearings Board in writing at the following addresses:

Physical address: 1111 Israel Rd. SW, Ste 301, Tumwater, WA 98501

Mailing address: P.O. BOX 40903, OLYMPIA, WA 98504-0903

Information regarding the Pollution Control Hearings Board can be found at: <http://www.eluho.wa.gov/>

At the same time you file an appeal with the Pollution Control Hearings Board, also send a copy of the appeal to the Department of Natural Resources' region office and the Office of the Attorney General at the following addresses:

Office of the Attorney General
Natural Resources Division
1125 Washington Street SE
PO Box 40100
Olympia, WA 98504-0100

And

Department Of Natural Resources
Northeast Region
225 South Silke Rd
Colville, WA 99114

Other Applicable Laws

Operating as described in this application/notification does not ensure compliance with the Endangered Species Act, or other federal, state, or local laws.

Transfer of Forest Practices Application/Notification (WAC 222-20-010)

Use the "Notice of Transfer of Approved Forest Practices Application/Notification" form. This form is available at region offices and on the Forest Practices website: <http://www.dnr.wa.gov/businesspermits/forestpractices>. Notify DNR of new Operators within 48 hours.

Continuing Forest Land Obligations (RCW 76.09.060, RCW 76.09.070, RCW 76.09.390, and WAC 222-20-055)

Obligations include reforestation, road maintenance and abandonment plans, conversions of forest land to non-forestry use and/or harvest strategies on perennial non-fish habitat (Type Np) waters in Eastern Washington.

Before the sale or transfer of land or perpetual timber rights subject to continuing forest land obligations, the seller must notify the buyer of such an obligation on a form titled "Notice of Continuing Forest Land Obligation". The seller and buyer must both sign the "Notice of Continuing Forest Land Obligation" form and send it to the DNR Region Office for retention. This form is available at DNR region offices.

If the seller fails to notify the buyer about the continuing forest land obligation, the seller must pay the buyer's costs related to continuing forest land obligations, including all legal costs and reasonable attorneys' fees incurred by the buyer in enforcing the continuing forest land obligation against the seller.

Failure by the seller to send the required notice to the DNR at the time of sale will be prima facie evidence in an action by the buyer against the seller for costs related to the continuing forest land obligation prior to sale.

DNR affidavit of mailing:

On this day <u>11-22-2019</u> , I placed in the United States mail at <u>Colville</u> , WA,
(date) (post office location)
postage paid, a true and accurate copy of this document. Notice of Decision FPA # <u>3023873</u>
<u>SHARI BUTTERFIELD</u> (Printed name) <u>[Signature]</u> (Signature)