



**TIMBER NOTICE OF SALE**

**SALE NAME:** Q COPPER SWAN

**AGREEMENT NO:** 30-106142

**AUCTION:** July 23, 2024 starting at 10:00 a.m.,  
Northeast Region Office, Colville, WA

**COUNTY:** Ferry

**SALE LOCATION:** Sale located approximately 5 miles west of Republic, WA.

**PRODUCTS SOLD  
AND SALE AREA:**

All conifer species except for leave trees banded with orange paint and two standing snags per acre in Units 1, 2, 3, 4, 5, 6, 7, 8 and 9 bounded by white timber sale boundary tags; and all right of way timber banded with yellow paint.

All forest products above located on part(s) of Sections 4, 5, 16, 20, 27 and 33 all in Township 36 North, Range 32 East, W.M., containing 268 acres, more or less.

**CERTIFICATION:** This sale is certified under the Sustainable Forestry Initiative® program Standard (cert no: BVC-SFIFM-018227)

**ESTIMATED SALE VOLUMES AND QUALITY:**

Species	Avg Ring DBH Count	Total MBF	MBF by Grade									
			P	SM	1S	2S	3S	4S	5S	6S	UT	
Douglas fir	13.7	1,951				461	1,080		410			
Larch	13.8	379				75	236		68			
Lodgepole	10	61							32		29	
Sale Total		2,391										

**MINIMUM BID:** \$477,000.00

**BID METHOD:** Sealed Bids

**PERFORMANCE**

**SECURITY:** \$95,400.00

**SALE TYPE:** Lump Sum

**EXPIRATION DATE:** November 1, 2026

**ALLOCATION:** Export Restricted

**BID DEPOSIT:** \$47,700.00 or Bid Bond. Said deposit shall constitute an opening bid at the appraised price.

**HARVEST METHOD:** Ground based equipment, Dozer, and Rubber tired skidder. Falling and Yarding will not be permitted from March 15 to June 1 unless authorized in writing by the Contract Administrator due to spring breakup.

**ROADS:** 21.31 stations of required construction. 447.58 stations of required prehaul maintenance. Road construction will not be permitted from March 15 to June 1 unless authorized in writing by the Contract Administrator due to spring breakup. The hauling of forest products will not be permitted from March 15 to June 1 unless authorized in writing by the Contract Administrator due spring breakup.

**ACREAGE DETERMINATION**

**CRUISE METHOD:** Acreage determined using GPS methods. Acreage shown above is net harvest acres in harvest units. All species: 7.0 - 17.5 inches dbh has minimum top of 4.6 inch dib. All species 17.6 inches and greater dbh have a minimum top dib of 40% of dob at 16 feet or a 6 inch top whichever is greater.



## TIMBER NOTICE OF SALE

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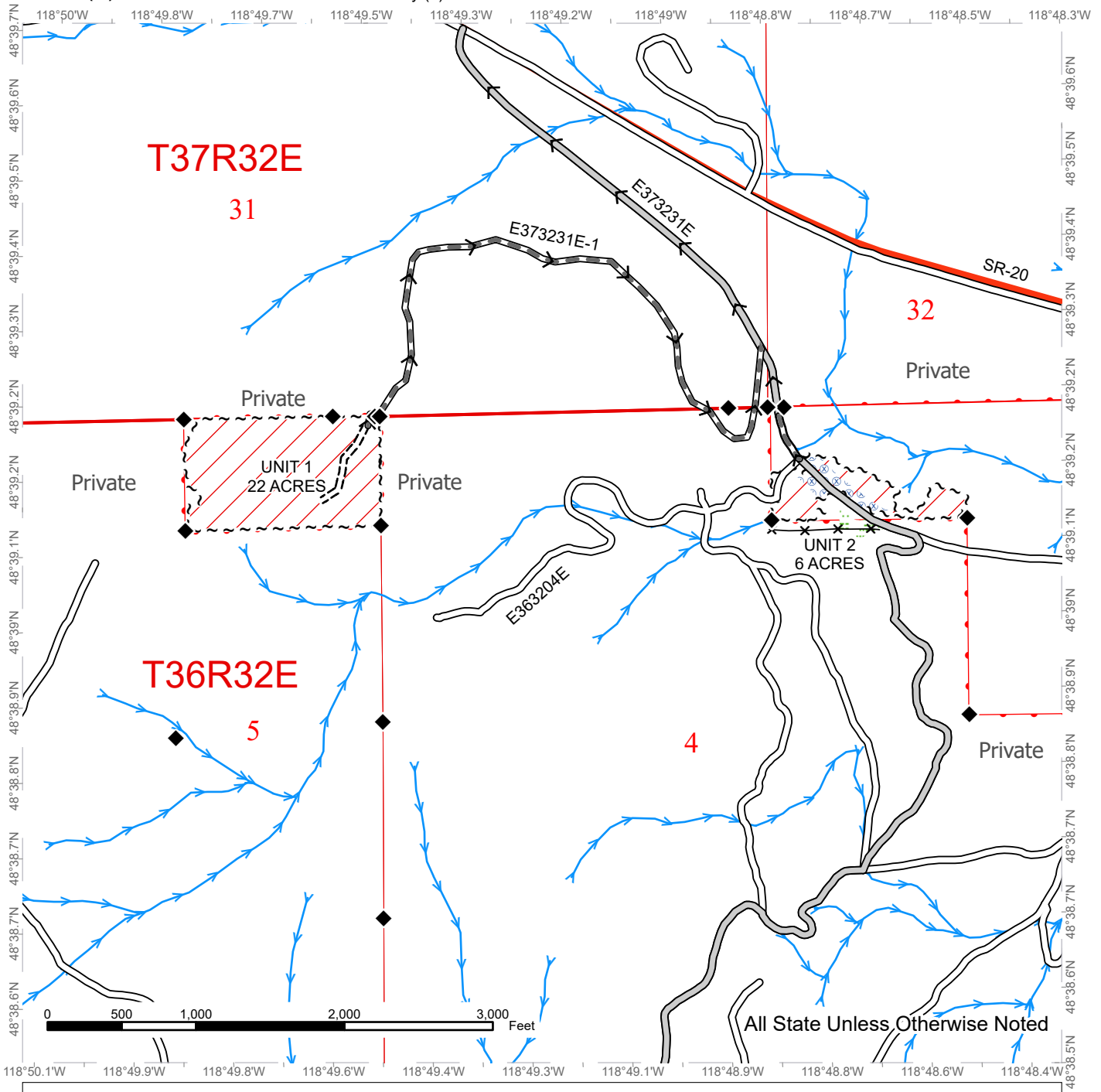
**FEES:** Within 10 days of day of sale, Purchaser shall provide payment for three road use permits in the amount of \$500.00 each and payment for one road use permit in the amount of \$250.00. \$40,647.00 is due on day of sale. \$9.00 per MBF is due upon removal. These are in addition to the bid price.

**SPECIAL REMARKS:** Locked gate restricts access to Units 3, 4, 5 and 8. Contact Northeast Region Office (509) 684-7474 for access.

# TIMBER SALE MAP

**SALE NAME:** Q COPPER SWAN  
**AGREEMENT #:** 30-106142  
**TOWNSHIP(S):** T36R32E  
**TRUST(S):** Common School and Indemnity (3)

**REGION:** Northeast Region  
**COUNTY(S):** Ferry  
**ELEVATION RGE:** 3000-3840



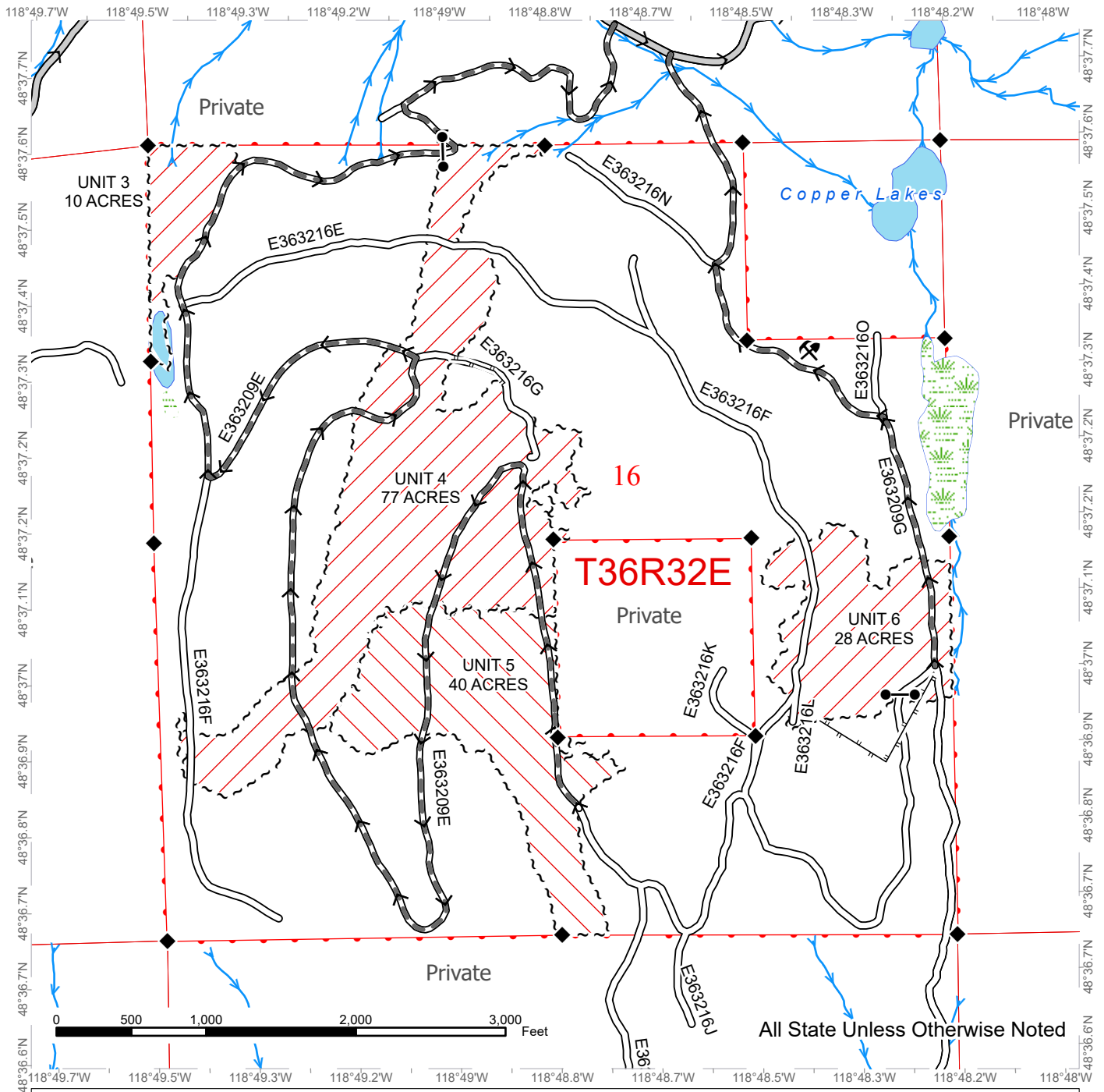
Public Land Survey Sections	County Road	Fence
DNR Managed Lands	Existing Roads	Streams
Variable Retention Harvest	Required Pre-Haul Maintenance	Survey Monument
Highway	Required Construction	Haul Route
Sale Boundary Tags	Wetland Mgt Zone	
	Hazard Abatement Area	



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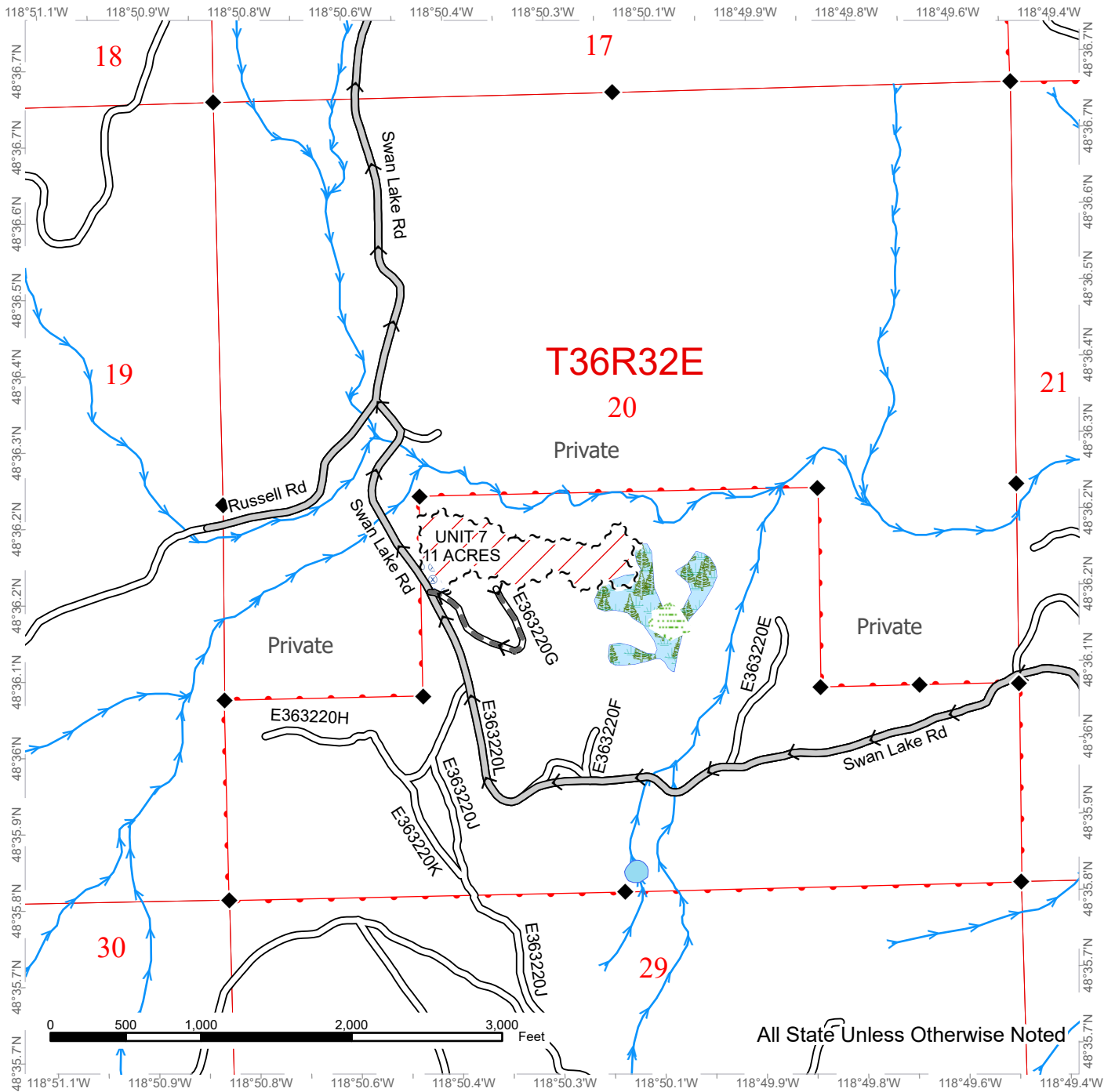
Public Land Survey Sections	County Road	Streams
DNR Managed Lands	Existing Roads	Survey Monument
Variable Retention Harvest	Required Pre-Haul Maintenance	Gates
Uneven-Aged Management	Designated Skid Trail	Rock Pit
Sale Boundary Tags	Wetland Mgt Zone	Haul Route



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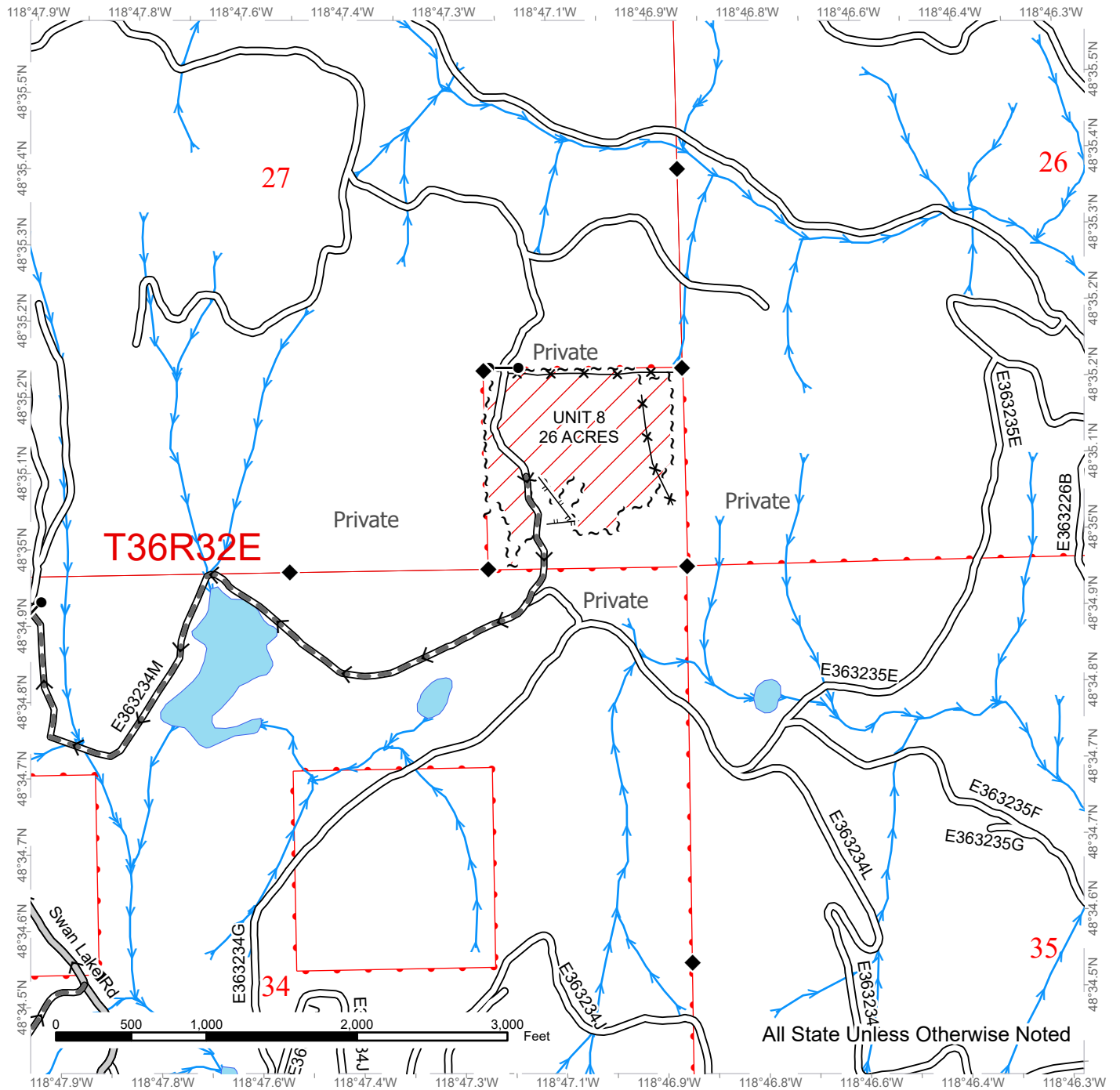


Public Land Survey Sections	County Road	Streams
DNR Managed Lands	Existing Roads	Survey Monument
Variable Retention Harvest	Required Pre-Haul Maintenance	Haul Route
Sale Boundary Tags	Forested Wetland	
	Wetland Mgt Zone	
	Hazard Abatement Area	

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All State Unless Otherwise Noted

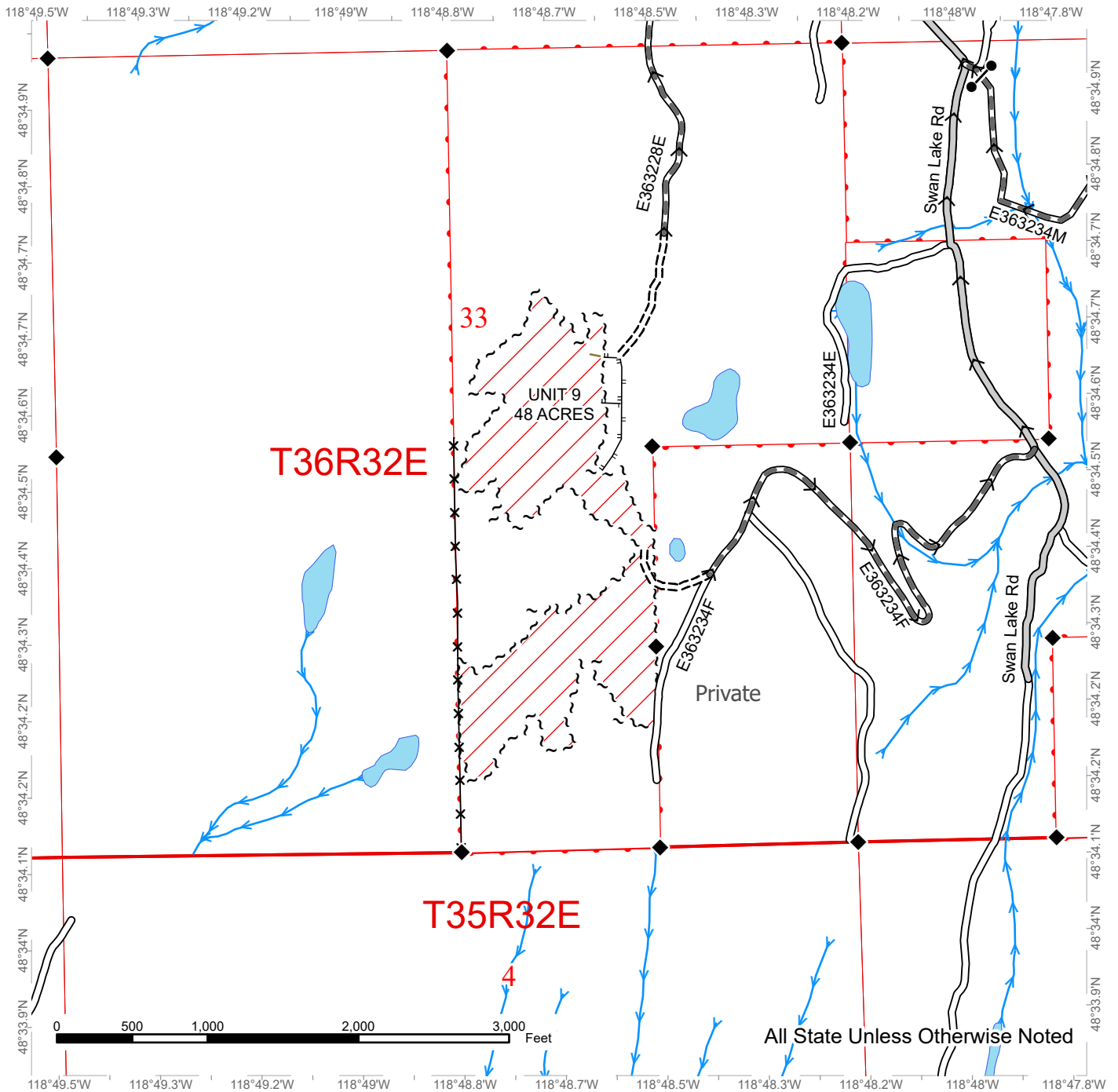
Public Land Survey Sections	County Road	Fence
DNR Managed Lands	Existing Roads	Streams
Variable Retention Harvest	Required Pre-Haul Maintenance	Survey Monument
Sale Boundary Tags	Designated Skid Trail	Gates
		Haul Route



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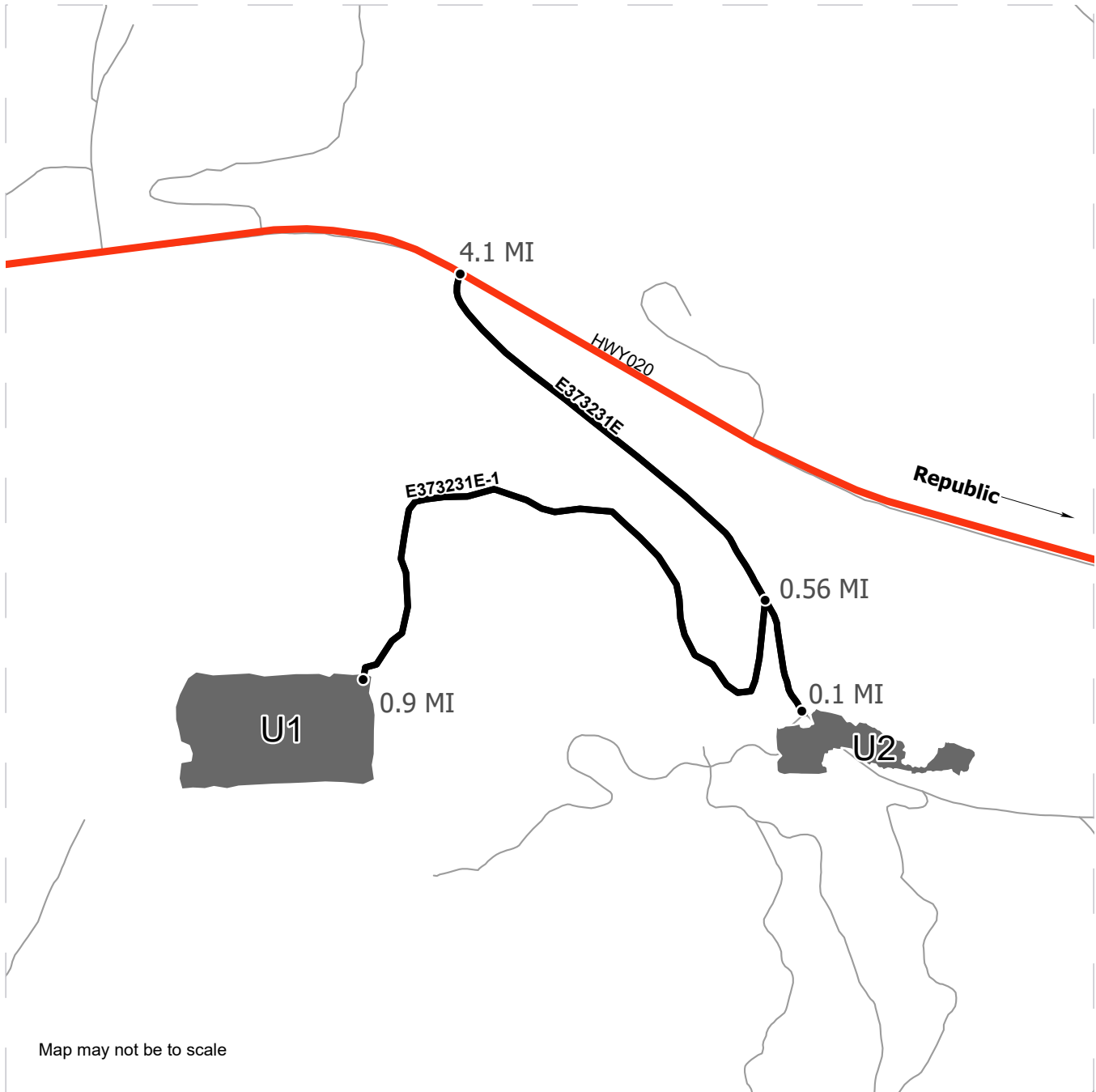
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Public Land Survey Sections	County Road	Fence
DNR Managed Lands	Existing Roads	Streams
Variable Retention Harvest	Required Pre-Haul Maintenance	Survey Monument
Sale Boundary Tags	Required Construction	Gates
	Designated Skid Trail	Haul Route





# DRIVING MAP

**SALE NAME:** Q COPPER SWAN  
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Map may not be to scale

-  Timber Sale Unit
-  Haul Route
-  Highway
-  Distance Indicator

**DRIVING DIRECTIONS:**

To access Units 1 and 2: From Republic, WA travel approximately 4.1 miles West on highway 20 until turning left on Sage road. To access U1 travel for approximately 0.5 miles before reaching the "Y" intersection. To access Unit 1 stay to the right and travel approximately 0.9 miles on the E373231E-1 road. To access Unit 2 stay to the left at the "Y" and travel for approximately 0.1 miles.

To access units 3-6: From Republic, WA travel West 2.2 miles on highway 20 until turning left onto Swan Lake road. To access Unit 6 travel south on Swan lake road for approximately 2.1 miles to the E363209G road, from there travel south 0.8 miles. To access Units 3-5 travel 0.5 miles south from the intersection of Swan Lake road and E363209E until reaching Unit 4. To access Unit 3 continue on the E363209E road for approximately 0.27 miles more. To access Unit 5 continue on the E363209E road for approximately 1.3 miles more.

To access Unit 7 travel south from the intersection of Swan Lake Road and E363209E on Swan Lake Road for approximately 3.0 miles until reaching E363220G, travel East on E363220G until reaching U7. To access Unit 8 travel beyond Unit 7 access for 2.9 miles on the Swan lake road until reaching the E363234M road. Continue traveling East on E363234M for approximately 1.1 miles to reach U8. To access Unit 9 travel north from the intersection of the Swan Lake and E263234M road for approximately 0.4 miles until reaching the E362228E road. Travel West on the E363228E road for approximately 0.9 miles until reaching U9.

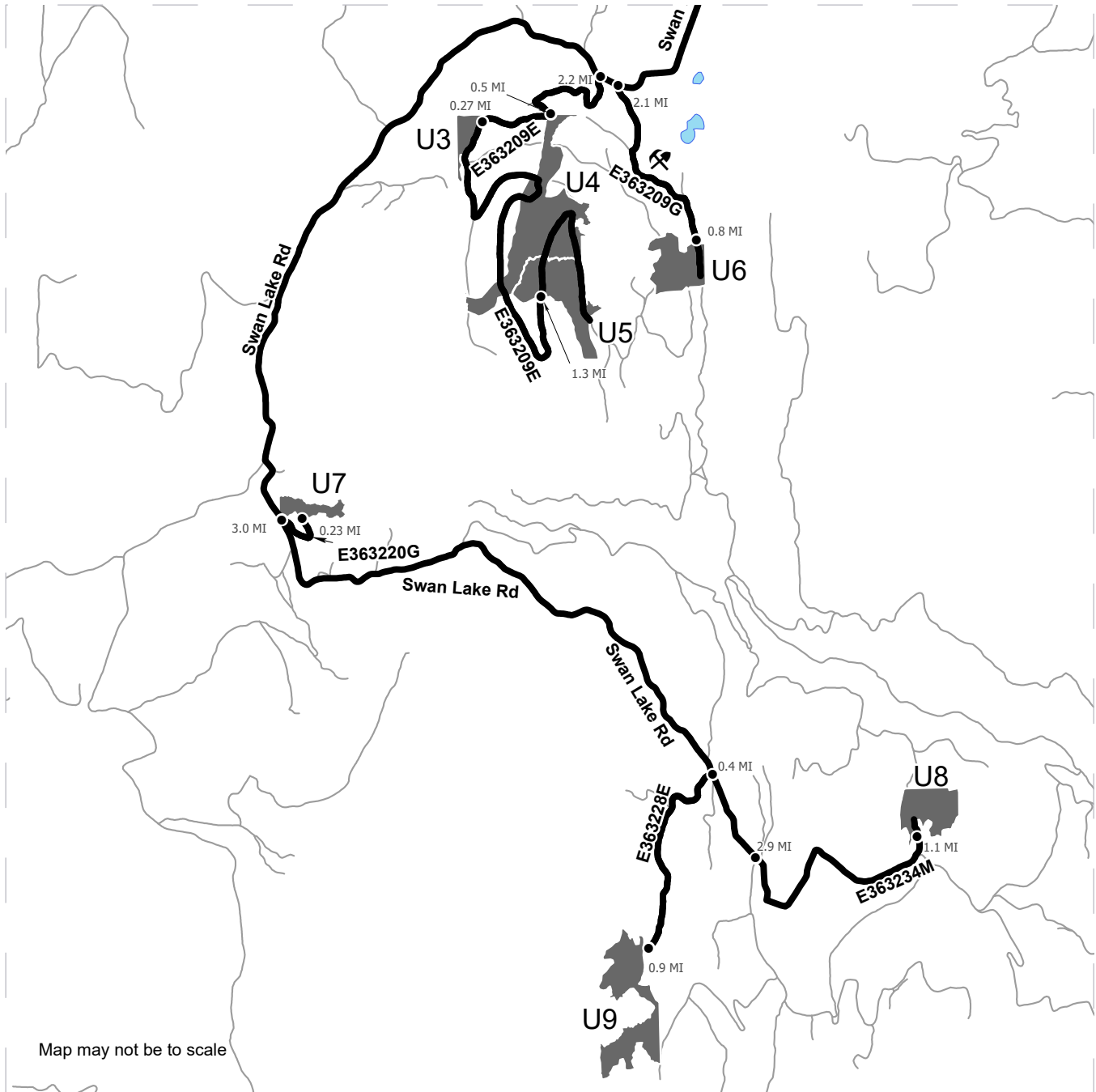




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- Timber Sale Unit
- Haul Route
- Distance Indicator
- ⚡ Rock Pit

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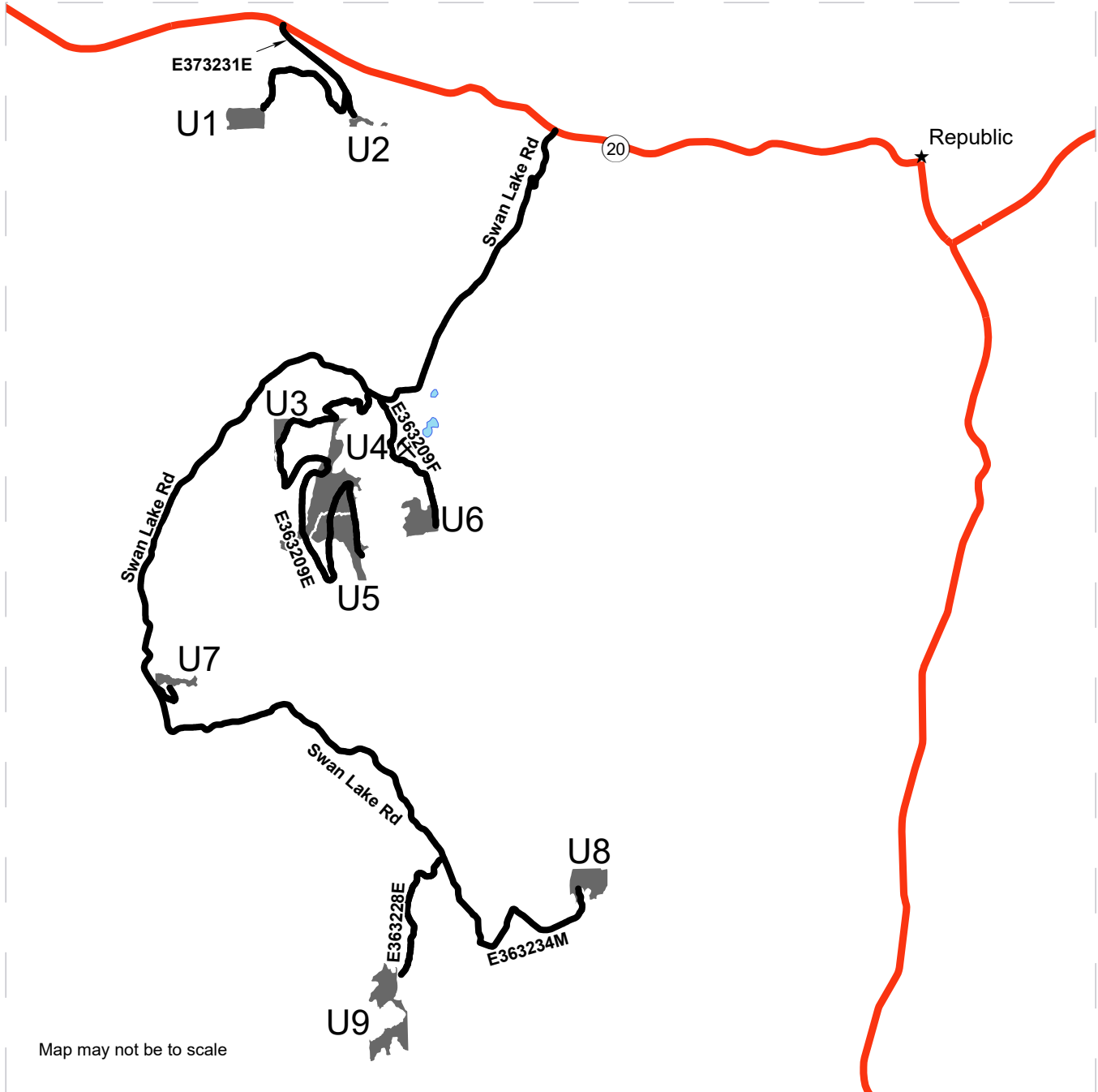
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- Timber Sale Unit
- Haul Route
- Highway
- Rock Pit

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**STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES**

**BILL OF SALE AND CONTRACT FOR  
FOREST PRODUCTS**

**Export Restricted Lump Sum AGREEMENT NO. 30-0106142**

**SALE NAME: Q COPPER SWAN**

**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 Definitions

The following definitions apply throughout this contract;

**Bill of Sale and Contract for Forest Products:** Contract between the Purchaser and the State, which sets forth the procedures and obligations of the Purchaser in exchange for the right to remove forest products from the sale area. The Bill of Sale and Contract for Forest Products may include a Road Plan for any road construction or reconstruction, where applicable.

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

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

**Purchaser:** The company or individual that has entered into a Bill of Sale and Contract for Forest Products with the State for the right to harvest and remove forest products from the timber sale area.

Road Construction: Includes building new and maintaining existing forest roads and associated work that may be optional or required as described in the Road Plan.

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.

Subcontractor: Individual or company employed by the Purchaser to perform a portion or all of the services required by The Bill of Sale and Contract for Forest Products. The Purchaser is responsible for independently negotiating, procuring and paying for all subcontracted services rendered.

G-011 Right to Remove Forest Products and Contract Area

Purchaser was the successful bidder on July 23, 2024 and the sale was confirmed on \_\_\_\_\_. The State, as owner, agrees to sell to Purchaser, and Purchaser agrees to purchase as much of the following forest products as can be cut and removed during the term of this contract: All conifer species except for leave trees banded with orange paint and two standing snags per acre in Units 1, 2, 3, 4, 5, 6, 7, 8 and 9 bounded by white timber sale boundary tags; and all right of way timber banded with yellow paint.

All forest products described above located on approximately 268 acres on part(s) of Sections 4, 5, 16, 20, 27, and 33 all in Township 36 North, Range 32 East W.M. in Ferry County(s) as designated on the sale area and as shown on the attached timber sale map.

All forest products described above from the bole of the tree that meet or exceed 2 inches diameter inside bark on the small end are eligible for removal. Above ground components of a tree that remain as by-products after the manufacture of logs, including but not limited to tree tops, branches, limbs, needles, leaves, stumps, are not eligible for removal under the terms of this contract.

Forest products purchased under a contract that is designated as export restricted shall not be exported until processed. Forest products purchased under a contract that is designated as exportable may be exported prior to processing.

G-020 Inspection By Purchaser

Purchaser hereby warrants to the State that they have had an opportunity to fully inspect the sale area and the forest products being sold. Purchaser further warrants to the State that they enter this contract based solely upon their own judgment of the value of the forest products, formed after their own examination and inspection of both the timber sale area and the forest products being sold. Purchaser also warrants to the State that they enter this contract without any reliance upon the volume estimates, acreage estimates, appraisals, pre-bid documentation, or any other representations by the State Department of Natural Resources.

## G-031 Contract Term

Purchaser shall complete all work required by this contract prior to November 1, 2026.

## G-040 Contract Term Adjustment - No Payment

Purchaser may request an adjustment in the contract term. A claim must be submitted in writing and received by the State within 30 days after the start of interruption or delay. The claim must also indicate the actual or anticipated length of interruption or delay. The State may grant an adjustment without charge only if the cause for contract term adjustment is beyond Purchaser's control. The cause must be one of the following and the adjustment may be granted only if operations or planned operations under this contract are actually interrupted or delayed:

- a. Road and bridge failures which deny access.
- b. Access road closures imposed by road owner.
- c. Excessive suspensions as provided in clause G-220.
- d. Regulatory actions not arising from Purchaser's failure to comply with this contract which will prevent timber harvest for a period less than 6 months.

## G-051 Contract Term Extension - Payment

Extensions of this contract term may be granted only if, in the judgment of the State, Purchaser is acting in good faith and is endeavoring to remove the forest products conveyed. The term of this contract may be extended for a reasonable time by the State if all of the following conditions are satisfied:

- a. A written request for extension of the contract term must be received prior to the expiration date of the contract.
- b. Completion of all required roads and compliance with all contract and regulatory requirements.
- c. For the first extension, not to exceed 1 year, payment of at least 25 percent of the total contract price.

For the second extension, not to exceed 1 year, payment of at least 90 percent of the total contract price.

The payments shall not include the initial deposit which shall be held according to the provisions of RCW 79.15.100.

- d. Payment of an amount based on 12 percent interest per annum on the unpaid portion of the total contract price.

All payments, except the initial deposit, will be deducted from the total contract price to determine the unpaid portion of the contract.

- e. Payment of \$285.00 per acre per annum for the acres on which an operating release has not been issued .
- f. In no event will the extension charge be less than \$200.00.
- g. Extension payments are non-refundable.

G-053 Surveys - Sensitive, Threatened, Endangered Species

Whenever the State determines that a survey for sensitive, threatened, or endangered species is prudent, or when Purchaser determines a survey is prudent and the State agrees, Purchaser shall perform such surveys at Purchaser's expense and to the standards required by the State. The survey information shall be supplied to the State.

G-060 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 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 ACREAGE contained within any sale area. Any acreage descriptions appearing in the timber notice of sale, timber sale contract, or other documents are estimates only, provided solely for administrative and identification purposes.
- d. The VOLUME, QUALITY, OR GRADE of the forest products. The State neither warrants nor limits the amount of timber to be harvested. The descriptions of the forest products to be conveyed are estimates only, made solely for administrative and identification purposes.
- e. The CORRECTNESS OF ANY SOIL OR SURFACE CONDITIONS, PRE-SALE CONSTRUCTION APPRAISALS, INVESTIGATIONS, AND ALL OTHER PRE-BID DOCUMENTS PREPARED BY OR FOR THE STATE. These documents have been prepared for the State's appraisal purposes only.
- f. THAT THE SALE AREA IS FREE FROM THREATENED OR ENDANGERED SPECIES or their habitat. The State is not responsible for any interference with forestry operations that result from the presence of any

threatened or endangered species, or the presence of their habitat, within the sale area.

- g. THAT THE FORESTRY OPERATIONS to be performed under this contract WILL BE FREE FROM REGULATORY ACTIONS by governmental agencies. The State is not responsible for actions to enforce regulatory laws, such as the Washington Forest Practices Act (chapter 76.09 RCW), taken by the Department of Natural Resources or any other agency that may affect the operability of this timber sale.
- h. Items contained in any other documents prepared for or by the State.

G-061 Inadvertent Discovery of Cultural Resources

Purchaser acknowledges that cultural resources as defined in WAC 222-16-010 may exist within the timber sale area and that the existence and location of such resources may be unknown at the time this contract is executed. Purchaser has a duty to exercise due care in its operations and in the event any human skeletal remains are discovered by the Purchaser or the State during the course of operations Purchaser shall immediately halt operations and notify local law enforcement in the most expeditious manner possible then notifying the Contract Administrator. In the event cultural resources are discovered by the Purchaser or the State during the course of operations Purchaser shall immediately halt operations and notify the Contract Administrator. Any potential resources shall not be removed or disturbed. Purchaser shall resume operations as directed in writing by the Contract Administrator.

G-064 Permits

Purchaser is responsible for obtaining any permits not already obtained by the State that relate to Purchaser's operation. Forest Practice Application / Hydraulic Project Approval permits obtained by the State shall be transferred to Purchaser. Purchaser is responsible for all permits, amendments and renewals.

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-066 Governmental Regulatory Actions

- a. Risk

Purchaser shall be responsible for any increased operational costs arising from any applicable foreign or domestic governmental regulation or order that does not cause contract performance to become commercially impracticable or that does not substantially frustrate the purpose of the contract. If impracticability or frustration results from Purchaser's failure to comply with this contract, Purchaser shall remain responsible for payment of the total contract price notwithstanding the impracticability or frustration.

b. Sale Area

When portions of the sale area become subject to a foreign or domestic governmental regulation or order that will likely prevent timber harvest for a period that will exceed the expiration date of this contract, and Purchaser has complied with this contract, the following shall apply:

- i. RCW 79.15.140 shall govern all adjustments to the contract area.

c. Adjustment of Price

The State shall adjust the total contract price by subtracting from the total contract price an amount determined in the following manner: The State shall cause the timber sale area subject to governmental regulation or order to be measured. The State shall calculate the percentage of the total sale area subject to the governmental regulation or order. The State shall reduce the total contract price by that calculated percentage. However, variations in species, value, costs, or other items pertaining to the affected sale area will be analyzed and included in the adjustment if deemed appropriate by the State. The State will further reduce the total contract price by the reasonable cost of unamortized roads Purchaser constructed but was unable to fully use for removing timber. A reduction in total contract price terminates all of the Purchaser's rights to purchase and remove the timber and all other interest in the affected sale area.

G-070 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the exclusive remedy available to Purchaser will be limited to a return of the initial deposit, unapplied payments, and credit for unamortized improvements made by Purchaser. The State shall not be liable for any damages, whether direct, incidental or consequential.

G-080 Scope of State Advice

No advice by any agent, employee, or representative of the State regarding the method or manner of performing shall constitute a representation or warranty that said method, manner or result thereof will conform to the contract or be suitable for Purchaser's purposes under the contract. Purchaser's reliance on any State advice regarding the method or manner of performance shall not relieve Purchaser of any risk or obligation under the contract. Purchaser retains the final responsibility for its operations under this contract and State shall not be liable for any injuries resulting from Purchaser's reliance on any State advice regarding the method or manner of performance.

G-091 Sale Area Adjustment

The Parties may agree to adjustments in the sale area boundary. The cumulative changes to the sale area during the term of the contract shall not exceed more than four percent of the original sale area. If the sale area is increased, the added forest products become a part of this contract. The State shall determine the volume added and shall



calculate the increase to the total contract price using the rates set forth in clause G-101, G-102, or G-103. If the sale area is reduced, the State shall determine the volume to be reduced. The State shall calculate the reduction to the total contract price using the rates set forth in clause G-101, G-102, or G-103.

G-102 Forest Products Not Designated

Any forest products not designated for removal, which must be removed in the course of operations authorized by the State, shall be approved and designated by the Contract Administrator. Added forest products shall become a part of this contract and the Scribner log scale volume, as defined by the Northwest Log Rules Eastside, shall be determined by the Contract Administrator. Added forest products shall be paid for at the following contract payment rates per MBF Scribner log scale.

The pricing schedule has not been set for the sale.

G-106 Adding Naturally Damaged Forest Products

Any forest products not designated for removal that are seriously damaged by disease, insects or wind, or that may contribute seriously to the spread of insect or disease damage may be added to this sale by the State's Contract Administrator. Additions must be in unlogged areas of the sale and added volume shall not exceed an amount equal to 10 percent of the original advertised volume. Added forest products become a part of this contract and shall be paid for at the rate set forth in clause G-101, G-102 or G-103.

G-111 Title and Risk of Loss

Title to the forest products under this contract passes to the Purchaser after they are removed from the sale area, if adequate advance payment or payment security has been provided to the State under this contract. Purchaser bears all risk of loss of, or damage to, and has an insurable interest in, the forest products described in this contract from the time the sale is confirmed under RCW 79.15.120. Breach of this contract shall have no effect on this provision.

G-116 Sustainable Forestry Initiative® (SFI®) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative 2022 Forest Management Standard under certificate number: BVC-SFIFM-018227.

Purchaser shall have at least one person regularly on-site during active operations that have completed training according to the requirements outlined within the SFI Standard. Purchaser shall designate in writing the name(s) of the individual(s) who will be on-site and provide proof of their successful completion of an approved training program prior to active operations.

G-120 Responsibility for Work

All work, equipment, and materials necessary to perform this contract shall be the responsibility of Purchaser. Any damage to improvements, except as provided in

clause G-121 or unless the State issues an operating release pursuant to clause G-280, shall be repaired promptly to the satisfaction of the State and at Purchaser's expense.

#### G-121 Exceptions

Exceptions to Purchaser's responsibility in clause G-120 shall be limited exclusively to the following. These exceptions shall not apply where road damage occurs due to Purchaser's failure to take reasonable precautions or to exercise sound forest engineering and construction practices.

The State will bear the cost to repair damages caused by a third party. In all other cases, the Purchaser shall bear responsibility for the costs as described below.

Road is defined as the road bed, including but not limited to its component parts, such as cut and fill slopes, subgrade, ditches, culverts, bridges, and cattle guards.

For the purposes of this clause, damage will be identified by the State and is defined as:

1. Failure of (a) required improvements or roads designated in clause C-050, or (b) required or optional construction completed to the point that authorization to haul has been issued;
2. Caused by a single event from forces beyond the control of Purchaser, its employees, agents, or invitees, including independent contractors; and
3. Includes, but is not limited to natural disasters such as earthquakes, volcanic eruptions, landslides, and floods.

The repair work identified by the State shall be promptly completed by Purchaser at an agreed price. The State may elect to accomplish repairs by means of State-provided resources.

For each event, Purchaser shall be solely responsible for the initial \$5,000 in repairs. For repairs in excess of \$5,000, the parties shall share equally the portion of costs between \$5,000 and \$15,000. The State shall be solely responsible for the portion of the cost of repairs that exceed \$15,000.

Nothing contained in clauses G-120 and G-121 shall be construed as relieving Purchaser of responsibility for, or damage resulting from, Purchaser's operations or negligence, nor shall Purchaser be relieved from full responsibility for making good any defective work or materials. Authorization to haul does not warrant that Purchaser built roads are free from material defect and the State may require additional work, at Purchaser's expense regardless of cost, to remedy deficiencies at any time.

#### G-140 Indemnity

To the fullest extent permitted by law, Purchaser shall indemnify, defend and hold harmless State, agencies of State and all officials, agents and employees of State, from and against all claims arising out of or resulting from the performance of the contract.

"Claim" as used in this contract means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorneys' fees, attributable for bodily injury, sickness, disease or death, or injury to or destruction of tangible property including loss of use resulting therefrom. Purchasers' obligations to indemnify, defend, and hold harmless includes any claim by Purchasers' agents, employees, representatives, or any subcontractor or its employees. Purchaser expressly agrees to indemnify, defend, and hold harmless State for any claim arising out of or incident to Purchasers' or any subcontractors' performance or failure to perform the contract. Purchasers' obligation to indemnify, defend, and hold harmless State shall not be eliminated or reduced by any actual or alleged concurrent negligence of State or its agents, agencies, employees and officials. Purchaser waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless State and its agencies, officials, agents or employees.

#### G-150 Insurance

Purchaser shall, at its cost and expense, buy and maintain insurance of the types and amounts listed below. Failure to buy and maintain the required insurance may result in a breach and/or termination of the contract at State's option. State may suspend Purchaser operations until required insurance has been secured.

All insurance and surety bonds should be issued by companies admitted to do business within the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.

The State of Washington, Department of Natural Resources region office of sale origin shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications:

1. Insurers subject to Chapter 48.18 RCW (admitted and regulated by the Insurance Commissioner): The insurer shall give the State 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation.
2. Insurers subject to Chapter 48.15 RCW (surplus lines): The State shall be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation.

Before starting work, Purchaser shall furnish State of Washington, Department of Natural Resources with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements specified in the contract. Insurance coverage shall be obtained by the Purchaser prior to operations commencing and continually maintained in full force until all contract obligations have been satisfied or an operating release has been signed by the State.

Purchaser shall include all subcontractors as insured under all required insurance policies, or shall furnish separate certificates of insurance and endorsements for each subcontractor. Subcontractor(s) must comply fully with all insurance requirements stated herein. Failure of subcontractor(s) to comply with insurance requirements does not limit Purchaser's liability or responsibility.

The State of Washington, Department of Natural Resources, its elected and appointed officials, agents and employees shall be named as an additional insured via endorsement on all general liability, excess, umbrella, and property insurance policies.

All insurance provided in compliance with this contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by State. Purchaser waives all rights against State for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this contract.

By requiring insurance herein, State does not represent that coverage and limits will be adequate to protect Purchaser and such coverage and limits shall not limit Purchaser's liability under the indemnities and reimbursements granted to State in this contract.

The limits of insurance, which may be increased as deemed necessary by State of Washington, Department of Natural Resources, shall not be less than as follows:

Commercial General Liability (CGL) Insurance. Purchaser shall maintain general liability (CGL) insurance, and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000.00 per each occurrence. If such CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit. CGL coverage shall include a Logging and Lumbering Endorsement (i.e. Logger's Broad-Form) to cover the events that include, but are not limited to, fire suppression expenses, accidental timber trespasses, and wildfire property damage with limits of not less than \$2,000,000.00 each occurrence.

CGL insurance shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability arising out of premises, operations, independent contractors, products completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another party assumed in a business contract), and contain separation of insured (cross liability) condition.

Employer's Liability "Stop Gap" Insurance. Purchaser shall buy employers liability insurance, and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000.00 each accident for bodily injury by accident or \$1,000,000.00 each employee for bodily injury by disease.

Workers' Compensation Coverage. Purchaser shall comply with all State of Washington workers' compensation statutes and regulations. Workers' compensation coverage shall be provided for all employees of Purchaser and employees of any subcontractor or sub-subcontractor. Coverage shall include bodily injury (including death) by accident or disease, which exists out of or in connection with the performance of this contract. Except as prohibited by law, Purchaser waives all rights of subrogation against State for recovery of damages to the extent they are covered by workers' compensation, employer's liability, commercial general liability, or commercial umbrella liability insurance.

If Purchaser, subcontractor or sub-subcontractor fails to comply with all State of Washington workers' compensation statutes and regulations and State incurs fines or is required by law to provide benefits to or obtain coverage for such employees, Purchaser shall indemnify State. Indemnity shall include all fines, payment of benefits to Purchaser or subcontractor employees, or their heirs or legal representatives, and the cost of effecting coverage on behalf of such employees.

Business Auto Policy (BAP). Purchaser shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000.00 per accident. Such insurance shall cover liability arising out of "Any Auto". Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later editions of CA 00 01. Purchaser waives all rights against State for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.

#### G-160 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 forest products conveyed beyond the terms of this contract.

Purchaser is required to have a person on site during all operations who is authorized to receive instructions and notices from the State. Purchaser shall inform the State in writing who is authorized to receive instructions and notices from the State, and any limits to this person's authority.

#### G-170 Assignment and Delegation

No rights or interest in this contract shall be assigned by Purchaser without prior written permission of the State. Any attempted assignment shall be void and ineffective for all purposes unless made in conformity with this paragraph. Purchaser may perform any duty through a delegate, but Purchaser is not thereby relieved of any

duty to perform or any liability. Any assignee or delegate shall be bound by the terms of the contract in the same manner as Purchaser.

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 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to Purchaser's authorized agent or sent by certified mail to Purchaser's address of record:

G-210 Violation of Contract

G-220 State Suspends Operations

All other notices required to be given under this contract shall be in writing and delivered to the authorized agent or mailed to the Party's post office address. Purchaser agrees to notify the State of any change of address.

G-210 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend those operations in violation. If the violation is capable of being remedied, Purchaser has 30 days after receipt of a suspension notice to remedy the violation. If the violation cannot be remedied (such as a violation of WAC 240-15-015) or Purchaser fails to remedy the violation within 30 days after receipt of a suspension notice, the State may terminate the rights of Purchaser under this contract and collect damages.
- b. If the contract expires pursuant to clause G-030 or G-031 without Purchaser having performed all its duties under this contract, Purchaser's right to operate is terminated and Purchaser shall not have the right to remedy the breach. This provision shall not relieve Purchaser of any payment obligations.
- c. The State has the right to remedy the breach in the absence of any indicated attempt by 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 30 days of receipt of billing.
- d. If Purchaser's violation is a result of a failure to make a payment when due, in addition to a. and b. above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due.

**G-220 State Suspends Operations**

The Contract Administrator may suspend any operation of Purchaser under this contract when the State is suffering, or there is a reasonable expectation the State will suffer environmental, monetary, or other damage if the operation is allowed to continue.

Purchaser shall be in breach of this contract if the operation continues after the suspension notice or if the operation resumes without prior approval and notice from the Contract Administrator.

Purchaser may request a modification of a suspension within 30 days of the start of suspension through the dispute resolution process in clause G-240. If this process results in a finding that the suspension exceeded the time reasonably necessary to stop or prevent damage to the State, Purchaser is entitled to request a contract term adjustment under clause G-040.

If it reasonably appears that the damage that the State is suffering, or can reasonably be expected to suffer if the operation is allowed to continue, will prevent harvest for a period that will exceed 6 months, and Purchaser has complied with this contract, the provisions of clause G-066 shall govern just as if the harvest was prevented by an applicable foreign or domestic governmental regulation or order.

**G-230 Unauthorized Activity**

Any cutting, removal, or damage of forest products by Purchaser, its employees, agents, or invitees, including independent contractors, in a manner inconsistent with the terms of this contract or State law, is unauthorized. Such activity may subject Purchaser to liability for triple the value of said forest products under RCW 79.02.320 or RCW 79.02.300 and may result in prosecution under RCW 79.02.330 or other applicable statutes.

**G-240 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 ten business days.
- c. Within ten business days of receipt of the Region Manager's decision, Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.

- d. Unless otherwise agreed, a conference will be held by the Deputy Supervisor - Uplands within 30 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-250 Compliance with All Laws

Purchaser shall comply with all applicable statutes, regulations and laws, including, but not limited to; chapter 27.53 RCW, chapter 68.50 RCW, WAC 240-15 and WAC 296-54. Failure to comply may result in forfeiture of this contract.

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-270 Equipment Left on State Land

All equipment owned or in the possession of Purchaser, its employees, agents, or invitees, including independent contractors, shall be removed from the sale area and other State land by the termination date of this contract. Equipment remaining unclaimed on State land 60 days after the expiration of the contract period is subject to disposition as provided by law. Purchaser shall pay to the State all costs of moving, storing, and disposing of such equipment. The State shall not be responsible for any damages to or loss of the equipment or damage caused by the moving, storing or disposal of the equipment.

G-280 Operating Release

An operating release is a written document, signed by the State and Purchaser, indicating that Purchaser has been relieved of certain rights or responsibilities with regard to the entire or a portion of the timber sales contract. Purchaser and State may agree to an operating release for this sale, or portion of this sale, prior to the contract expiration, when all contract requirements pertaining to the release area have been satisfactorily completed. Upon issuance of a release, Purchaser's right to cut and remove forest products on the released area will terminate.

G-310 Road Use Authorization

Purchaser is authorized to use the following State roads and roads for which the State has acquired easements and road use permits; E363209E, E363209G, E363220G, E363228E, E363234F, E363234M, E373231E, and E373231E-1. The State may authorize in writing the use of other roads subject to fees, restrictions, and prior rights.

G-320 Erosion Control

Purchaser shall deliver 450 pounds of grass seed to a location designated by the Contract Administrator. Seed provided shall meet the following specifications.

40% Mountain Brome, 30% Sherman Big Bluegrass, 30% Idaho Fescue



Seed shall be certified weed free, premixed and delivered to Highlands Fire Camp in 50 pound bags clearly labeled with the timber sale name on each bag.

G-330 Pre-work Conference

Purchaser shall arrange with the Contract Administrator to review this contract and to examine the sale area before beginning any operations. A plan of operations shall be developed and agreed upon by the Contract Administrator and Purchaser before beginning any operations. To the extent that the plan of operations is inconsistent with the contract, the terms of the contract shall prevail. State's acceptance and approval of Purchaser's plan of operations shall not be construed as any statement or warranty that the plan of operations is adequate for Purchaser's purposes or complies with applicable laws.

G-340 Preservation of Markers

Any legal land subdivision survey corners and witness objects are to be preserved. If such are destroyed or disturbed, the Purchaser shall, at the Purchaser's own expense, re-establish them through a licensed land surveyor in accordance with U.S. General Land Office standards. Corners and/or witness objects that must be disturbed or destroyed in the process of road construction or logging shall be adequately referenced and/or replaced in accordance with RCW 58.24.040(8). Such references must be approved by the Contract Administrator prior to removal of said corners and/or witness objects.

G-360 Road Use Reservation

The State shall have the right to use, without charge, all existing roads and any road constructed or reconstructed on State lands by Purchaser under this contract. The State may extend such rights to others. If the State grants such rights to others, the State shall require performance or payment, as directed by the State, for their proportionate share of maintenance based on their use.

G-370 Blocking Roads

Purchaser shall not block the E363209E, E363209G, E363220G, E363228E, E363234F, E363234M, E373231E, and E373231E-1 roads, unless authority is granted in writing by the Contract Administrator.

G-380 Road Easement and Road Use Permit Requirements

Purchaser agrees to comply with the terms and conditions of the attached:

Easement 841 with Boise Cascade Corporation dated June 7, 1971

Easement 93578 with Hancock Timberland X Inc. dated June 23, 2017

Easement 93579 with John Hancock Life Insurance Company dated June 23, 2017

Road Use Permit 106002 with Hancock Timberland X Inc. dated August 31, 2023

Road Use Permit 106048 with Anderson dated December 18, 2023

Road Use Permit 106264 with Jehn dated January 11, 2024

Road Use Permit 106264 with Sage dated January 11, 2024

## G-430 Open Fires

Purchaser shall not set, or allow to be set by Purchaser's employees, agents, invitees and independent contractors, any open fire at any time of the year without first obtaining permission, in writing, from the Contract Administrator.

## G-450 Encumbrances

This contract and Purchaser's activities are subject to the following:

DATA MISSING

## Section P: Payments and Securities

## P-011 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 Clause P-020, 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-020 Payment for Forest Products

Purchaser agrees to pay the total, lump sum contract price of \$62,166.00. The total contract price consists of a \$0.00 contract bid price plus \$62,166.00 in fees. Fees collected shall be retained by the state unless the contract is adjusted via the G-066 clause. Purchaser shall be liable for the entire purchase price, and will not be entitled to any refunds or offsets unless expressly stated in this contract.

THE PURCHASE PRICE SHALL NOT BE AFFECTED BY ANY FACTORS, INCLUDING: the amount of forest products actually present within the contract area, the actual acreage covered by the contract area, the amount or volume of forest products actually cut or removed by purchaser, whether it becomes physically impossible or uneconomic to remove the forest products, and whether the subject forest products have been lost or damaged by fire or any other cause. The only situations Purchaser may not be liable for the full purchase price are governed by clause G-066, concerning governmental regulatory actions taken during the term of the contract.

## P-045 Guarantee of Payment

Purchaser will pay for forest products prior to cutting or will guarantee payment by posting an approved payment security. The amount of cash or payment security shall be determined by the State and shall equal or exceed the value of the cutting proposed by Purchaser.

## P-050 Billing Procedure

The State will compute and forward to Purchaser statements of charges provided for in the contract. Purchaser shall deliver payment to the State on or before the date shown on the billing statement.

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.

P-090 Performance Security

Purchaser agrees to furnish, within 30 days of the confirmation date, security acceptable to the State in the amount of \$95,400.00. The Security provided shall guarantee performance of all provisions of this contract and payment of any damages caused by operations under this contract or resulting from Purchaser's noncompliance with any rule or law. Acceptable performance security may be in the form of a performance bond, irrevocable letter of credit, cash, savings or certificate of deposit account assignments, and must name the State as the obligee or beneficiary. A letter of credit must comply with Title 62A RCW, Article 5. Performance security must remain in full force over the duration of the contract length. Surety bonds issued shall conform to the issuance and rating requirements in clause G-150. The State shall retain the performance security pursuant to RCW 79.15.100. Purchaser shall not operate unless the performance security has been accepted by the State. If at any time the State decides that the security document or amount has become unsatisfactory, Purchaser agrees to suspend operations and, within 30 days of notification, to replace the security with one acceptable to the State or to supplement the amount of the existing security.

P-100 Performance Security Reduction

The State may reduce the performance security after an operating release has been issued if the State determines that adequate security exists for any remaining obligations of Purchaser.

Section H: Harvesting Operations

H-001 Operations Outside the Sale Boundaries

No operations shall occur outside the sale boundaries, as described within the contract, unless approved in writing by the State.

H-010 Cutting and Yarding Schedule

Felling and Yarding will not be permitted from March 15 to June 1 unless authorized in writing by the Contract Administrator.

H-011 Certification of Fallers and Yarder Operators

All persons engaged in the felling and yarding of timber must receive certification in writing from the Contract Administrator. Certification may be revoked when the Contract Administrator determines that non-compliance of leave tree selection criteria or cut tree selection criteria is occurring, or excessive damage to leave trees or skid trails is occurring.

Excessive damage for leave trees is defined in clause H-012.  
Excessive damage for reserve trees is defined in clause H-013.

Excessive skid trail damage is defined in clause H-015 or H-016.

When leave tree damage exceeds the limits set forth in clause H-012,  
Purchaser shall be subject to liquidated damages (clause D-040)  
When reserve tree damage exceeds the limits set forth in clause H-013,  
Purchaser shall be subject to liquidated damages (clause D-041).

#### H-013 Reserve Tree Damage Definition

Reserve trees are trees required and designated for retention within the sale boundary. Purchaser shall protect reserve trees from being cut, damaged, or removed during operations.

Reserve tree damage exists when one or more of the following criteria occur as a result of Purchaser's operation, as determined by the Contract Administrator:

- a. A reserve tree has one or more scars on its trunk exposing the cambium layer, which in total exceeds 100 square inches.
- b. A reserve tree top is broken or the live crown ratio is reduced below 30 percent.
- c. A reserve tree has more than 1/3 of the circumference of its root system injured such that the cambium layer is exposed.

If the Contract Administrator determines that a reserve tree has been cut or damaged, the Purchaser shall provide a replacement reserve tree of like condition, size, and species within the sale unit containing the damaged leave tree, as approved by the Contract Administrator. Purchaser may be required to pay liquidated damages for Excessive Reserve Tree Damage as detailed in clause D-041.

Removal of designated reserve trees from the sale area is unauthorized, and may invoke the use of the G-230 'Unauthorized Activity' clause. Purchaser is required to leave all cut or damaged reserve trees on site.

#### H-015 Skid Trail Requirements

A skid trail is defined as an area that is used for more than three passes by any equipment.

Purchaser shall comply with the following during the yarding operation:

- a. Skid trails will not exceed 16 feet in width, including rub trees.
- b. Skid trails shall not cover more than 20 percent of the total acreage on one unit.
- c. Skid trail location will be pre-approved by the Contract Administrator.

- d. Except for rub trees, skid trails shall be felled and yarded prior to the felling of adjacent timber.
- e. Rub trees shall be left standing until all timber tributary to the skid trail has been removed.
- f. Excessive soil damage is not permitted. Excessive soil damage is described in clause H-017.
- g. Skid trails will be water barred at the time of completion of yarding, if required by the Contract Administrator.

Purchaser shall not deviate from the requirements set forth in this clause without prior written approval from the Contract Administrator.

H-017 Preventing Excessive Soil Disturbance

Operations may be suspended when soil rutting exceeds 10 inches as measured from the natural ground line. To reduce soil damage, the Contract Administrator may require water bars to be constructed, grass seed to be placed on exposed soils, or other mitigation measures. Suspended operations shall not resume unless approval to do so has been given, in writing, by the Contract Administrator.

H-035 Fall Trees Into Sale Area

Trees shall be felled into the sale area unless otherwise approved by the Contract Administrator.

H-050 Rub Trees

Trees designated for cutting along skid trails and cable corridors shall be left standing as rub trees until all timber that is tributary to the skid trail or cable corridor has been removed.

H-051 Branding and Painting

Purchaser shall provide a State of Washington registered log brand, acceptable to the State, unless the State agrees to furnish the brand. All purchased timber shall be branded in a manner that meets the requirements of WAC 240-15-030(2)(a)(i). All timber purchased under a contract designated as export restricted shall also be painted in a manner that meets the requirements of WAC 240-15-030(2)(a)(ii).

For pulp loads purchased under a contract designated as export restricted, Purchaser shall brand at least 3 logs with legible brands at one end. Also, 10 logs shall be painted at one end with durable red paint.

## H-110 Stump Height

Trees shall be cut as close to the ground as practicable. Stump height shall not exceed 12 inches in height measured on the uphill side, or 2 inches above the root collar, whichever is higher.

## H-120 Harvesting Equipment

Forest products sold under this contract shall be harvested and removed using D6 equivalent or smaller ground skidding equipment and ground based harvesting equipment. Authority to use other equipment or to operate outside the equipment specifications detailed above must be approved in writing by the State.

## H-130 Hauling Schedule

The hauling of forest products will not be permitted from March 15 to June 1 unless authorized in writing by the Contract Administrator.

## H-140 Special Harvest Requirements

Purchaser shall accomplish the following during the harvest operations:

- a. Whole tree yarding is required in all units.
- b. Hand felling of trees and retrieval with bull line and chokers may be required in isolated areas of units.
- c. Road salts shall not be applied to roads for dust abatement or removing of ice from road surfaces.
- d. All slash shall be piled at landings or hauled back into the unit for erosion control where designated by the Contract Administrator.
- e. Slash that is piled at landings shall be separated from the road prism at completion of harvest.
- f. Appropriate warning signs shall be posted at locations designated by the Contract Administrator.
- g. If snow plowing occurs, snow berms shall be removed at locations designated by the Contract Administrator to allow surface water to drain from roads.
- h. If the standing dead trees are removed, Purchaser shall leave two standing snags per acre from the larger diameter classes when safe to do so.
- i. No operations associated with timber harvest, hauling, or road work will be permitted within 1/2 mile of an active American goshawk nest from March 1 to August 1 or later if young are still on the nest.

Permission to do otherwise must be granted in writing by the Contract Administrator.

## H-190 Completion of Settings

Operations begun on any setting of the sale area shall be completed before any operation begins on subsequent settings unless authorized in writing by the Contract Administrator.

## H-210 Log Length Hauling Restrictions

The maximum log length hauled from the sale area shall not exceed 45 feet unless otherwise approved in writing by the Contract Administrator.

## H-220 Protection of Residual or Adjacent Trees

Unless otherwise specified by this contract, the Contract Administrator shall identify damaged adjacent or leave trees that shall be paid for according to clause G-230.

## H-230 Tops and Limbs Outside the Sale Boundary

Tops and limbs outside the sale boundary as a result of Purchaser's operation shall be removed concurrently with the yarding operation unless otherwise directed by the Contract Administrator.

## H-250 Additional Falling Requirements

Within all units, all non-merchantable live stems excluding ponderosa pine greater than 2 inches in diameter or 3 feet in height not banded with orange paint, shall be felled concurrently with felling operations. Areas of young or immature timber may be excluded from this requirement by the Contract Administrator.

## H-260 Fall Leaners

Trees within the units that have been pushed over in falling or skidding operations shall be felled.

## Section C: Construction and Maintenance

## C-040 Road Plan

Road construction and associated work provisions of the Road Plan for this sale, dated 10/22/2023 are hereby made a part of this contract.

## C-050 Purchaser Road Maintenance and Repair

Purchaser shall perform work at their own expense on E363209E, E363209G, E363220G, E363228E, E363234F, E363234M, E373231E, and E373231E-1 roads. All work shall be completed to the specifications detailed in the Road Plan.

## C-080 Landing Locations Approved Prior to Construction

Landings shall be marked by Purchaser and approved by the Contract Administrator prior to construction.

## C-090 Landing Location

Landings shall be built 50 feet off the E373231E and Swan Lake road(s).

**C-130 Dust Abatement**

Purchaser shall abate dust on the E363209E, E363209G, E363220G, E363228E, E363234F, E363234M, E373231E, and E373231E-1 roads used for hauling from June 1 to November 1.

**C-140 Water Bars**

Purchaser shall, as directed by the Contract Administrator, construct water bars across haul roads, skid trails and fire trails as necessary to control soil erosion and water pollution.

**Section S: Site Preparation and Protection****S-001 Emergency Response Plan**

An Emergency Response Plan (ERP) shall be provided to the Contract Administrator containing but not limited to, valid contact numbers and procedures for medical emergencies, fire, hazardous spills, forest practice violations and any unauthorized or unlawful activity on or in the vicinity of the sale area. The Contract Administrator and the State shall be promptly notified whenever an incident occurs requiring an emergency response.

The ERP must be presented for inspection at the prework meeting and kept readily available to all personnel, including subcontractors, on site during active operations.

**S-010 Fire Hazardous Conditions**

Purchaser acknowledges that operations under this Contract may increase the risk of fire. Purchaser shall conduct all operations under this agreement following the requirements of WAC 332-24-005 and WAC 332-24-405 and further agrees to use the highest degree of care to prevent uncontrolled fires from starting.

In the event of an uncontrolled fire, Purchaser agrees to provide equipment and personnel working at the site to safely and effectively engage in first response fire suppression activity.

Purchaser's failure to effectively engage in fire-safe operations is considered a breach and may result in suspension of operations.

**S-020 Extreme Hazard Abatement**

Purchaser shall provide a written Extreme Hazard Abatement plan that meets the requirements of WAC 332-24 prior to the beginning of logging operations. The plan must be acceptable to the Contract Administrator. The plan will identify how Purchaser will accomplish abatement. Purchaser shall also provide, and keep current, a written timetable for completion of all specified work in the plan. The Contract Administrator's acceptance and approval of Purchaser's hazard abatement plan shall not be construed as any statement or warranty that the hazard abatement plan is adequate for Purchaser's purposes or complies with applicable laws.



S-030 Landing Debris Clean Up

Landing debris shall be disposed of in a manner approved in writing by the Contract Administrator.

S-035 Logging Debris Clean Up

Slash and debris created from harvest activities shall be treated in a manner approved in writing by the Contract Administrator.

S-040 Noxious Weed Control

Purchaser shall notify the Contract Administrator in advance of moving equipment onto State lands. Purchaser shall thoroughly clean all off road equipment prior to entry onto State land to remove contaminated soils and noxious weed seed. If equipment is moved from one DNR project area to another, the Contract Administrator reserves the right to require the cleaning of equipment. Equipment shall be cleaned at a location approved by the Contract Administrator.

S-060 Pump Truck or Pump Trailer

Purchaser shall provide a fully functional pump truck or pump trailer equipped to meet the specifications of WAC 332-24-005 and WAC 332-24-405 during the "closed season" or as extended by the State and shall provide trained personnel to operate this equipment on the sale area during all operating periods.

S-100 Stream Cleanout

Slash or debris which enters any stream as a result of operations under this contract and which is identified by the Contract Administrator shall be removed and deposited in a stable position. Removal of slash or debris shall be accomplished in a manner that avoids damage to the natural stream bed and bank vegetation.

S-120 Stream Protection

No timber shall be felled into, across, or yarded through any stream.

S-130 Hazardous Materials

a. Hazardous Materials and Waste - Regulatory Compliance

Purchaser is responsible for understanding and complying with all applicable local, state, and federal hazardous material/waste laws and regulations for operations conducted under this contract. Such regulations pertain to, but may not be limited to, hazardous material storage, handling and transport, personnel protection, release notification and emergency response, cleanup, and waste disposal.

Purchaser shall be responsible for restoring the site in the event of a spill or other releases of hazardous material/waste during operations conducted under this contract.

b. Hazardous Materials Spill Prevention

All operations shall be conducted in a manner that avoids the release of hazardous materials, including petroleum products, into the environment (water, air or land).

c. Hazardous Materials Spill Containment, Control and Cleanup

If safe to do so, Purchaser shall take immediate action to contain and control all hazardous material spills. Purchaser shall ensure that enough quick response spill kits capable of absorbing 10 gallons of oil, coolant, solvent or contaminated water are available on site to quickly address potential spills from any piece of equipment at all times throughout active operations. If large quantities of bulk fuel/other hazardous materials are stored on site, Purchaser must be able to effectively control a container leak and contain & recover a hazmat spill equal to the largest single on site storage container volume. (HAZWOPER reg. 29CFR 1910.120 (j) (1) (vii)).

d. Hazardous Material Release Reporting

Releases of oil or hazardous materials to the environment must be reported according to the State Department of Ecology (ECY). It is the responsibility of the Purchaser to have all emergency contact information readily available and a means of remote communication for purposes of quick notification. In the event of a spill covered in part a., the Purchaser is responsible for immediately notifying all the following:

- Department of Emergency Management at 1-800-258-5990
- National Response Center at 1-800-424-8802
- Appropriate Department of Ecology (ECY) at 1-800-645-7911
- DNR Contract Administrator

S-131 Refuse Disposal

As required by RCW 70.93, All Purchaser generated refuse shall be removed from state lands for proper disposal prior to termination of this contract. No refuse shall be burned, buried or abandoned on state forest lands. All refuse shall be transported in a manner such that it is in compliance with RCW 70.93 and all loads or loose materials shall be covered/secured such that these waste materials are properly contained during transport.

S-140 Fence Repair

Purchaser shall immediately repair all fence damage resulting from operations on this sale to an equal or better condition than existed at the time of sale.

Section D: Damages

D-013 Liquidated Damages or Failure to Perform

The following clauses provide for payments by Purchaser to the State for breaches of the terms of this contract other than failure to perform. These payments are agreed to

as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State, which will be 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.

Clause P-020 governs Purchaser's liability in the event Purchaser fails to perform any of the contract requirements other than the below liquidated damage clauses without written approval by the State. Purchaser's failure to pay for all or part of the forest products sold in this contract prior to expiration of the contract term results in substantial injury to the State. Therefore, Purchaser agrees to pay the State the full lump sum contract price in P-020 in the event of failure to perform.

D-041 Reserve Tree Excessive Damage

When Purchaser's operations exceed the damage limits set forth in clause H-013, Reserve Tree Damage Definition, and when the Contract Administrator determines that a suitable replacement for a damaged reserve tree is not possible, the damaged trees result in substantial injury to the State. The value of the damaged reserve trees at the time of the breach is not readily ascertainable. Therefore, the Purchaser agrees to pay the State as liquidated damages at the rate of \$1,000.00 per tree for all damaged reserve trees that are not replaced in the units.

SIGNATURES

This agreement may be executed in any number of counterparts (including by electronic mail in portable document format (.pdf), or by facsimile) each of which shall be deemed an original but all of which, when taken together, shall constitute one and the same Agreement binding on all parties.

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

STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Patrick Ryan  
Northeast Region Manager

\_\_\_\_\_  
Print Name

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 \_\_\_\_\_



## WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES

### FOREST EXCISE TAX ROAD SUMMARY SHEET

Region: Northeast

Timber Sale Name: Q COPPER SWAN

Application Number: 30- 106142

#### EXCISE TAX APPLICABLE ACTIVITIES

**Construction:** 2,131 linear feet  
*Road to be constructed (optional and required) but not abandoned*

**Reconstruction:** 0 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:** 44,758 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)

## Timber Sale Cruise Report Copper Swan

**Sale Name:** Q COPPER SWAN

**Sale Type:** LUMP SUM

**Region:** NORTHEAST

**District:** HIGHLANDS

**Lead Cruiser:** Jake Culp

**Other Cruisers:** Hailey Howard

**Cruise Narrative:**

Location:

Legal – Sections 4, 5, 16, 20, 27, and 33 of T36N R32E.

General – Approx. 5 miles SW of Republic, WA in Ferry County.

Access – Units 1 and 2 accessed off Sage Rd. via Hwy. 20. Units 3-9 accessed off Swan Lake Rd. via Hwy 20.

Cruise Design:

-This sale was cruised using variable radius plots, utilizing the cruise-count method. Plot locations found using a Garmin handheld GPS unit. The walk-through method was used on plots near boundaries.

-Minor species cruise intensity: We grade the first tree of all minor species encountered; then follow the set cruise design.

-Min. DBH: 8" DBH for PP and RC, 7" DBH for all other species

-Log Length and grades: 32' logs where possible, minimum of 12' lengths. Trees are graded using Eastside Scaling Rules.

-Top DIB: Trees less than 17.5" DBH have a minimum top of 4.6" DIB for all species; Trees 17.6" and greater DBH have a minimum top DOB of 40% of DOB at 16' or a 6" top, whichever is greater.

Take/Leave Prescription:

Cut all trees not marked with orange paint. Leave all ponderosa pine.

Cruise Acres determination:

Net harvest unit acreages are used for cruise acreages.

Stand composition:

Units are moderately stocked with second growth, even aged Douglas fir with minor components of western larch and lodgepole pine. Large residual trees and legacy trees are found within the sale area.

Timber quality:

Timber to be harvested is comprised of domestic quality Douglas fir (82%), western larch (16%), and lodgepole pine (2%).

Stand health/defect:

Older timber in the sale area can be rough, with branch clusters, sweep, and crooks. Other defects noted include forks, spike knots, wind and snow damage. Root rot pockets observed throughout the sale as well as red belt fungus. Mistletoe observed in DF and WL.

Aspect:

North, Northeast, East, West

Elevation:

3000'-3900'

## Harvesting methods:

100% ground based

## Slope:

Unit 1- Max 35%, Avg. 10%

Unit 2- Max 30%, Avg. 10%

Unit 3- Max 20%, Avg. 10%

Unit 4- Max 35%, Avg. 15%

Unit 5- Max 35%, Avg. 15%

Unit 6- Max 65%, Avg. 25%

Unit 7- Max 25%, Avg. 5%

Unit 8- Max 40%, Avg. 12%

Unit 9- Max 50%, Avg. 15%

## Other considerations/remarks:

Unit 6 and Unit 9 both have areas with steep pitches and rocky outcroppings.

## Trust:

This sale is 100% Trust 3.

**Timber Sale Notice Volume (MBF)**

Sp	DBH	Rings/In	Age	MBF Volume by Grade			
				All	2 Saw	3 Saw	4 Saw
DF	13.7			1,951	461	1,080	410
WL	13.8			379	75	236	68
LP	10.0			61		32	29
ALL	13.3			2,391	536	1,349	506

**Timber Sale Notice Weight (tons)**

Sp	Tons by Grade			
	All	2 Saw	3 Saw	4 Saw
DF	14,113	2,749	8,168	3,196
WL	2,398	407	1,610	381
LP	368		202	166
ALL	16,879	3,156	9,979	3,744

**Timber Sale Overall Cruise Statistics**

BA (sq ft/acre)	BA SE (%)	V-BAR (bf/sq ft)	V-BAR SE (%)	Net Vol (bf/acre)	Vol SE (%)
77.9	4.5	113.2	2.7	8,917	5.4



**Timber Sale Unit Cruise Design**

Unit	Design	Cruise Acres	FMA Acres	N Plots	N Cruise Plots	N Void Plots
COPPER SWAN U1	B1C: VR, 1 BAF (25.15) Measure/Count Plots, Sighting Ht = 4.5 ft	22.0	22.0	20	7	2
COPPER SWAN U2	B1C: VR, 1 BAF (25.15) Measure/Count Plots, Sighting Ht = 4.5 ft	6.4	6.7	8	4	0
COPPER SWAN U3	B1C: VR, 1 BAF (20) Measure/Count Plots, Sighting Ht = 4.5 ft	10.2	10.2	13	7	0
COPPER SWAN U4	B1C: VR, 1 BAF (25.15) Measure/Count Plots, Sighting Ht = 4.5 ft	76.5	77.7	56	15	3
COPPER SWAN U5	B1C: VR, 1 BAF (25.15) Measure/Count Plots, Sighting Ht = 4.5 ft	39.6	40.4	27	7	3
COPPER SWAN U6	B1C: VR, 1 BAF (25.15) Measure/Count Plots, Sighting Ht = 4.5 ft	27.6	28.0	25	9	4
COPPER SWAN U7	B1C: VR, 1 BAF (20) Measure/Count Plots, Sighting Ht = 4.5 ft	11.4	11.4	11	6	0
COPPER SWAN U8	B1C: VR, 1 BAF (20) Measure/Count Plots, Sighting Ht = 4.5 ft	26.1	26.4	26	10	4
COPPER SWAN U9	B1C: VR, 1 BAF (20) Measure/Count Plots, Sighting Ht = 4.5 ft	48.3	48.3	37	10	2
All		268.1	271.1	223	75	18

**Timber Sale Log Grade x Sort Summary**

Sp	Status	Grade	Sort	Dia	Len	BF Gross	BF Net	Defect %	Tons	MBF Net
DF	LIVE	2 SAW	Domestic	13.6	32	1,735	1,721	0.8	2,748.6	461.3
DF	LIVE	3 SAW	Domestic	7.9	32	4,056	4,029	0.7	8,167.6	1,080.2
DF	LIVE	4 SAW	Domestic	5.3	22	1,555	1,528	1.8	3,196.3	409.5
LP	LIVE	3 SAW	Domestic	6.5	32	120	120	0.0	202.1	32.2
LP	LIVE	4 SAW	Domestic	5.2	28	107	106	0.7	166.2	28.5
WL	LIVE	2 SAW	Domestic	13.5	32	280	280	0.0	407.4	74.9
WL	LIVE	3 SAW	Domestic	7.7	32	910	881	3.1	1,609.8	236.2
WL	LIVE	4 SAW	Domestic	5.2	23	253	253	0.0	381.0	67.7

**Timber Sale Log Sort x Diameter Bin Summary**

Sp	Bin	Status	Sort	Dia	Len	BF Net	Defect %	Tons	MBF Net
DF	5 - 8	LIVE	Domestic	5.9	26	3,489	1.1	7,459.8	935.5
DF	9 - 11	LIVE	Domestic	9.9	32	1,814	0.4	3,510.8	486.3
DF	12 - 14	LIVE	Domestic	12.8	32	1,288	1.1	2,141.9	345.4
DF	15 - 19	LIVE	Domestic	16.2	32	615	0.0	905.5	164.9

Sp	Bin	Status	Sort	Dia	Len	BF Net	Defect %	Tons	MBF Net
DF	20+	LIVE	Domestic	24.1	32	70	12.4	94.5	18.9
LP	5 - 8	LIVE	Domestic	5.7	30	227	0.3	368.3	60.7
WL	5 - 8	LIVE	Domestic	6.0	28	730	1.8	1,310.9	195.6
WL	9 - 11	LIVE	Domestic	10.0	32	425	3.5	712.9	113.8
WL	12 - 14	LIVE	Domestic	12.6	32	73	0.0	112.4	19.4
WL	15 - 19	LIVE	Domestic	15.3	32	186	0.0	262.1	50.0

## Cruise Unit Report COPPER SWAN U1

### Unit Sale Notice Volume (MBF): COPPER SWAN U1

Sp	DBH	Rings/In	Age	MBF Volume by Grade			
				All	2 Saw	3 Saw	4 Saw
DF	12.2			209	11	150	49
WL	21.5			49	30	16	3
ALL	12.4			258	41	166	52

### Unit Cruise Design: COPPER SWAN U1

Design	Cruise Acres	FMA Acres	N Plots	N Cruise Plots	N Void Plots
B1C: VR, 1 BAF (25.15) Measure/Count Plots, Sighting Ht = 4.5 ft	22.0	22.0	20	7	2

### Unit Cruise Summary: COPPER SWAN U1

Sp	Cruised Trees	All Trees	Trees/Plot	Ring-Count Trees
DF	20	69	3.5	0
WL	1	9	0.5	0
ALL	21	78	3.9	0

### Unit Cruise Statistics: COPPER SWAN U1

Sp	BA (sq ft/acre)	BA CV (%)	BA SE (%)	V-BAR (bf/sq ft)	V-BAR CV (%)	V-BAR SE (%)	Net Vol (bf/acre)	Vol CV (%)	Vol SE (%)
DF	86.8	68.1	15.2	109.6	23.5	5.2	9,508	72.1	16.1
WL	11.3	183.5	41.0	197.2	0.0	0.0	2,232	183.5	41.0
ALL	98.1	62.8	14.0	119.7	26.3	5.7	11,740	68.1	15.2

### Unit Summary: COPPER SWAN U1

Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
DF	LIVE	CUT	20	ALL	12.2	62	77	9,630	9,508	1.3	106.9	86.8	24.8	209.2
WL	LIVE	CUT	1	ALL	21.5	88	112	2,232	2,232	0.0	4.5	11.3	2.4	49.1
ALL	LIVE	CUT	21	ALL	12.7	63	78	11,862	11,740	1.0	111.4	98.1	27.3	258.3
ALL	ALL	ALL	21	ALL	12.7	63	78	11,862	11,740	1.0	111.4	98.1	27.3	258.3

## Cruise Unit Report COPPER SWAN U2

### Unit Sale Notice Volume (MBF): COPPER SWAN U2

Sp	DBH	Rings/In	Age	MBF Volume by Grade			
				All	2 Saw	3 Saw	4 Saw
DF	15.5			91	25	59	6
WL	13.2			12		10	2
ALL	15.2			103	25	70	8

### Unit Cruise Design: COPPER SWAN U2

Design	Cruise Acres	FMA Acres	N Plots	N Cruise Plots	N Void Plots
B1C: VR, 1 BAF (25.15) Measure/Count Plots, Sighting Ht = 4.5 ft	6.4	6.7	8	4	0

### Unit Cruise Summary: COPPER SWAN U2

Sp	Cruised Trees	All Trees	Trees/Plot	Ring-Count Trees
DF	17	34	4.3	0
WL	2	5	0.6	0
ALL	19	39	4.9	0

### Unit Cruise Statistics: COPPER SWAN U2

Sp	BA (sq ft/acre)	BA CV (%)	BA SE (%)	V-BAR (bf/sq ft)	V-BAR CV (%)	V-BAR SE (%)	Net Vol (bf/acre)	Vol CV (%)	Vol SE (%)
DF	106.9	60.0	21.2	132.3	22.8	5.5	14,141	64.2	21.9
WL	15.7	119.0	42.1	119.6	19.1	13.5	1,880	120.6	44.2
ALL	122.6	43.1	15.2	130.7	22.4	5.1	16,021	48.5	16.1

### Unit Summary: COPPER SWAN U2

Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
DF	LIVE	CUT	17	ALL	15.5	69	87	14,235	14,141	0.7	81.6	106.9	27.1	90.5
WL	LIVE	CUT	2	ALL	13.2	74	93	1,942	1,880	3.2	16.5	15.7	4.3	12.0
ALL	LIVE	CUT	19	ALL	15.1	70	88	16,177	16,021	1.0	98.1	122.6	31.5	102.5
ALL	ALL	ALL	19	ALL	15.1	70	88	16,177	16,021	1.0	98.1	122.6	31.5	102.5

## Cruise Unit Report COPPER SWAN U3

### Unit Sale Notice Volume (MBF): COPPER SWAN U3

Sp	DBH	Rings/In	Age	MBF Volume by Grade		
				All	3 Saw	4 Saw
DF	12.9			61	49	12
WL	12.4			8	6	2
ALL	12.9			69	55	14

### Unit Cruise Design: COPPER SWAN U3

Design	Cruise Acres	FMA Acres	N Plots	N Cruise Plots	N Void Plots
B1C: VR, 1 BAF (20) Measure/Count Plots, Sighting Ht = 4.5 ft	10.2	10.2	13	7	0

### Unit Cruise Summary: COPPER SWAN U3

Sp	Cruised Trees	All Trees	Trees/Plot	Ring-Count Trees
DF	16	39	3.0	0
WL	3	4	0.3	0
ALL	19	43	3.3	0

### Unit Cruise Statistics: COPPER SWAN U3

Sp	BA (sq ft/acre)	BA CV (%)	BA SE (%)	V-BAR (bf/sq ft)	V-BAR CV (%)	V-BAR SE (%)	Net Vol (bf/acre)	Vol CV (%)	Vol SE (%)
DF	60.0	49.1	13.6	100.4	22.9	5.7	6,026	54.1	14.8
WL	6.2	204.9	56.8	123.1	41.3	23.8	757	209.0	61.6
ALL	66.2	45.2	12.5	102.5	27.6	6.3	6,784	52.9	14.0

### Unit Summary: COPPER SWAN U3

Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
DF	LIVE	CUT	16	ALL	12.9	59	74	6,026	6,026	0.0	66.1	60.0	16.7	61.5
WL	LIVE	CUT	3	ALL	12.4	69	86	757	757	0.0	7.3	6.2	1.7	7.7
ALL	LIVE	CUT	19	ALL	12.9	60	75	6,784	6,784	0.0	73.4	66.2	18.5	69.2
ALL	ALL	ALL	19	ALL	12.9	60	75	6,784	6,784	0.0	73.4	66.2	18.5	69.2

## Cruise Unit Report COPPER SWAN U4

### Unit Sale Notice Volume (MBF): COPPER SWAN U4

Sp	DBH	Rings/In	Age	MBF Volume by Grade			
				All	2 Saw	3 Saw	4 Saw
DF	15.1			806	314	363	129
WL	11.1			31		22	9
ALL	14.9			837	314	386	138

### Unit Cruise Design: COPPER SWAN U4

Design	Cruise Acres	FMA Acres	N Plots	N Cruise Plots	N Void Plots
B1C: VR, 1 BAF (25.15) Measure/Count Plots, Sighting Ht = 4.5 ft	76.5	77.7	56	15	3

### Unit Cruise Summary: COPPER SWAN U4

Sp	Cruised Trees	All Trees	Trees/Plot	Ring-Count Trees
DF	44	177	3.2	0
WL	1	8	0.1	0
ALL	45	185	3.3	0

### Unit Cruise Statistics: COPPER SWAN U4

Sp	BA (sq ft/acre)	BA CV (%)	BA SE (%)	V-BAR (bf/sq ft)	V-BAR CV (%)	V-BAR SE (%)	Net Vol (bf/acre)	Vol CV (%)	Vol SE (%)
DF	79.5	71.8	9.6	132.6	39.6	6.0	10,541	82.0	11.3
WL	3.6	280.9	37.5	113.1	0.0	0.0	406	280.9	37.5
ALL	83.1	68.8	9.2	131.8	39.5	5.9	10,947	79.3	10.9

### Unit Summary: COPPER SWAN U4

Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
DF	LIVE	CUT	44	ALL	15.1	61	76	10,667	10,541	1.2	63.9	79.5	20.5	806.4
WL	LIVE	CUT	1	ALL	11.1	67	83	406	406	0.0	5.3	3.6	1.1	31.1
ALL	LIVE	CUT	45	ALL	14.8	62	77	11,074	10,947	1.1	69.2	83.1	21.5	837.5
ALL	ALL	ALL	45	ALL	14.8	62	77	11,074	10,947	1.1	69.2	83.1	21.5	837.5

## Cruise Unit Report COPPER SWAN U5

### Unit Sale Notice Volume (MBF): COPPER SWAN U5

Sp	DBH	Rings/In	Age	MBF Volume by Grade			
				All	2 Saw	3 Saw	4 Saw
DF	12.8			310	50	184	76
WL	15.1			40		34	5
ALL	13.2			350	50	218	82

### Unit Cruise Design: COPPER SWAN U5

Design	Cruise Acres	FMA Acres	N Plots	N Cruise Plots	N Void Plots
B1C: VR, 1 BAF (25.15) Measure/Count Plots, Sighting Ht = 4.5 ft	39.6	40.4	27	7	3

### Unit Cruise Summary: COPPER SWAN U5

Sp	Cruised Trees	All Trees	Trees/Plot	Ring-Count Trees
DF	13	85	3.1	0
WL	3	8	0.3	0
ALL	16	93	3.4	0

### Unit Cruise Statistics: COPPER SWAN U5

Sp	BA (sq ft/acre)	BA CV (%)	BA SE (%)	V-BAR (bf/sq ft)	V-BAR CV (%)	V-BAR SE (%)	Net Vol (bf/acre)	Vol CV (%)	Vol SE (%)
DF	79.2	71.4	13.7	98.9	35.4	9.8	7,830	79.7	16.9
WL	7.5	261.7	50.4	133.9	9.0	5.2	998	261.8	50.6
ALL	86.6	64.1	12.3	101.9	33.5	8.4	8,828	72.3	14.9

### Unit Summary: COPPER SWAN U5

Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
DF	LIVE	CUT	13	ALL	12.8	57	71	7,830	7,830	0.0	88.6	79.2	22.1	310.1
WL	LIVE	CUT	3	ALL	15.1	73	92	998	998	0.0	6.0	7.5	1.9	39.5
ALL	LIVE	CUT	16	ALL	13.0	58	73	8,828	8,828	0.0	94.6	86.6	24.0	349.6
ALL	ALL	ALL	16	ALL	13.0	58	73	8,828	8,828	0.0	94.6	86.6	24.0	349.6

## Cruise Unit Report COPPER SWAN U6

### Unit Sale Notice Volume (MBF): COPPER SWAN U6

Sp	DBH	Rings/In	Age	MBF Volume by Grade			
				All	2 Saw	3 Saw	4 Saw
DF	13.8			149	53	66	29
WL	13.0			39	16	18	5
LP	8.7			22		11	11
ALL	12.3			210	69	95	46

### Unit Cruise Design: COPPER SWAN U6

Design	Cruise Acres	FMA Acres	N Plots	N Cruise Plots	N Void Plots
B1C: VR, 1 BAF (25.15) Measure/Count Plots, Sighting Ht = 4.5 ft	27.6	28.0	25	9	4

### Unit Cruise Summary: COPPER SWAN U6

Sp	Cruised Trees	All Trees	Trees/Plot	Ring-Count Trees
DF	16	48	1.9	0
WL	4	9	0.4	0
LP	4	7	0.3	0
ALL	24	64	2.6	0

### Unit Cruise Statistics: COPPER SWAN U6

Sp	BA (sq ft/acre)	BA CV (%)	BA SE (%)	V-BAR (bf/sq ft)	V-BAR CV (%)	V-BAR SE (%)	Net Vol (bf/acre)	Vol CV (%)	Vol SE (%)
DF	48.3	105.2	21.0	111.9	42.8	10.7	5,402	113.5	23.6
WL	9.1	298.7	59.7	157.2	38.9	19.5	1,424	301.3	62.8
LP	7.0	300.9	60.2	111.4	3.2	1.6	784	301.0	60.2
ALL	64.4	97.1	19.4	118.2	40.4	8.3	7,610	105.1	21.1

### Unit Summary: COPPER SWAN U6

Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
DF	LIVE	CUT	16	ALL	13.8	52	64	5,508	5,402	1.9	46.5	48.3	13.0	149.1
LP	LIVE	CUT	4	ALL	8.7	55	68	784	784	0.0	17.1	7.0	2.4	21.6
WL	LIVE	CUT	4	ALL	13.0	59	73	1,458	1,424	2.4	9.8	9.1	2.5	39.3



Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
ALL	LIVE	CUT	24	ALL	12.7	54	66	7,750	7,610	1.8	73.4	64.4	17.9	210.0
ALL	ALL	ALL	24	ALL	12.7	54	66	7,750	7,610	1.8	73.4	64.4	17.9	210.0

## Cruise Unit Report COPPER SWAN U7

### Unit Sale Notice Volume (MBF): COPPER SWAN U7

Sp	DBH	Rings/In	Age	MBF Volume by Grade		
				All	3 Saw	4 Saw
WL	14.3			39	34	5
DF	13.3			36	27	9
LP	10.1			18	6	12
ALL	12.3			92	67	26

### Unit Cruise Design: COPPER SWAN U7

Design	Cruise Acres	FMA Acres	N Plots	N Cruise Plots	N Void Plots
B1C: VR, 1 BAF (20) Measure/Count Plots, Sighting Ht = 4.5 ft	11.4	11.4	11	6	0

### Unit Cruise Summary: COPPER SWAN U7

Sp	Cruised Trees	All Trees	Trees/Plot	Ring-Count Trees
WL	4	15	1.4	0
DF	9	18	1.6	0
LP	5	9	0.8	0
ALL	18	42	3.8	0

### Unit Cruise Statistics: COPPER SWAN U7

Sp	BA (sq ft/acre)	BA CV (%)	BA SE (%)	V-BAR (bf/sq ft)	V-BAR CV (%)	V-BAR SE (%)	Net Vol (bf/acre)	Vol CV (%)	Vol SE (%)
WL	27.3	94.3	28.4	124.8	17.4	8.7	3,404	95.9	29.7
DF	32.7	116.8	35.2	95.8	23.3	7.8	3,134	119.1	36.1
LP	16.4	106.8	32.2	95.8	14.9	6.7	1,568	107.8	32.9
ALL	76.4	46.6	14.0	106.2	21.5	5.1	8,107	51.3	14.9

### Unit Summary: COPPER SWAN U7

Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
DF	LIVE	CUT	9	ALL	13.3	61	75	3,201	3,134	2.1	33.9	32.7	9.0	35.7
LP	LIVE	CUT	5	ALL	10.1	64	79	1,568	1,568	0.0	29.4	16.4	5.1	17.9
WL	LIVE	CUT	4	ALL	14.3	73	92	3,404	3,404	0.0	24.5	27.3	7.2	38.8

Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
ALL	LIVE	CUT	18	ALL	12.6	65	81	8,173	8,107	0.8	87.8	76.4	21.3	92.4
ALL	ALL	ALL	18	ALL	12.6	65	81	8,173	8,107	0.8	87.8	76.4	21.3	92.4

## Cruise Unit Report COPPER SWAN U8

### Unit Sale Notice Volume (MBF): COPPER SWAN U8

Sp	DBH	Rings/In	Age	MBF Volume by Grade			
				All	2 Saw	3 Saw	4 Saw
DF	10.6			109	9	67	32
WL	12.3			61	12	33	16
LP	10.1			10		7	3
ALL	11.1			179	20	107	51

### Unit Cruise Design: COPPER SWAN U8

Design	Cruise Acres	FMA Acres	N Plots	N Cruise Plots	N Void Plots
B1C: VR, 1 BAF (20) Measure/Count Plots, Sighting Ht = 4.5 ft	26.1	26.4	26	10	4

### Unit Cruise Summary: COPPER SWAN U8

Sp	Cruised Trees	All Trees	Trees/Plot	Ring-Count Trees
DF	15	57	2.2	0
WL	13	25	1.0	0
LP	4	5	0.2	0
ALL	32	87	3.3	0

### Unit Cruise Statistics: COPPER SWAN U8

Sp	BA (sq ft/acre)	BA CV (%)	BA SE (%)	V-BAR (bf/sq ft)	V-BAR CV (%)	V-BAR SE (%)	Net Vol (bf/acre)	Vol CV (%)	Vol SE (%)
DF	43.8	100.8	19.8	94.8	54.9	14.2	4,157	114.7	24.3
WL	19.2	191.7	37.6	120.6	21.9	6.1	2,318	193.0	38.1
LP	3.8	255.6	50.1	96.0	43.9	22.0	369	259.3	54.7
ALL	66.9	76.0	14.9	102.3	41.6	7.3	6,845	86.7	16.6

### Unit Summary: COPPER SWAN U8

Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
DF	LIVE	CUT	15	ALL	10.6	48	59	4,157	4,157	0.0	71.5	43.8	13.5	108.5
LP	LIVE	CUT	4	ALL	10.1	57	71	377	369	2.0	6.9	3.8	1.2	9.6
WL	LIVE	CUT	13	ALL	12.3	67	84	2,364	2,318	1.9	23.3	19.2	5.5	60.5

Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
ALL	LIVE	CUT	32	ALL	11.0	53	66	6,898	6,845	0.8	101.7	66.9	20.2	178.7
ALL	ALL	ALL	32	ALL	11.0	53	66	6,898	6,845	0.8	101.7	66.9	20.2	178.7

## Cruise Unit Report COPPER SWAN U9

### Unit Sale Notice Volume (MBF): COPPER SWAN U9

Sp	DBH	Rings/In	Age	MBF Volume by Grade			
				All	2 Saw	3 Saw	4 Saw
DF	11.5			180		114	66
WL	11.7			101	18	63	20
LP	12.0			12		9	3
ALL	11.6			292	18	185	90

### Unit Cruise Design: COPPER SWAN U9

Design	Cruise Acres	FMA Acres	N Plots	N Cruise Plots	N Void Plots
B1C: VR, 1 BAF (20) Measure/Count Plots, Sighting Ht = 4.5 ft	48.3	48.3	37	10	2

### Unit Cruise Summary: COPPER SWAN U9

Sp	Cruised Trees	All Trees	Trees/Plot	Ring-Count Trees
DF	22	83	2.2	0
WL	16	32	0.9	0
LP	1	3	0.1	0
ALL	39	118	3.2	0

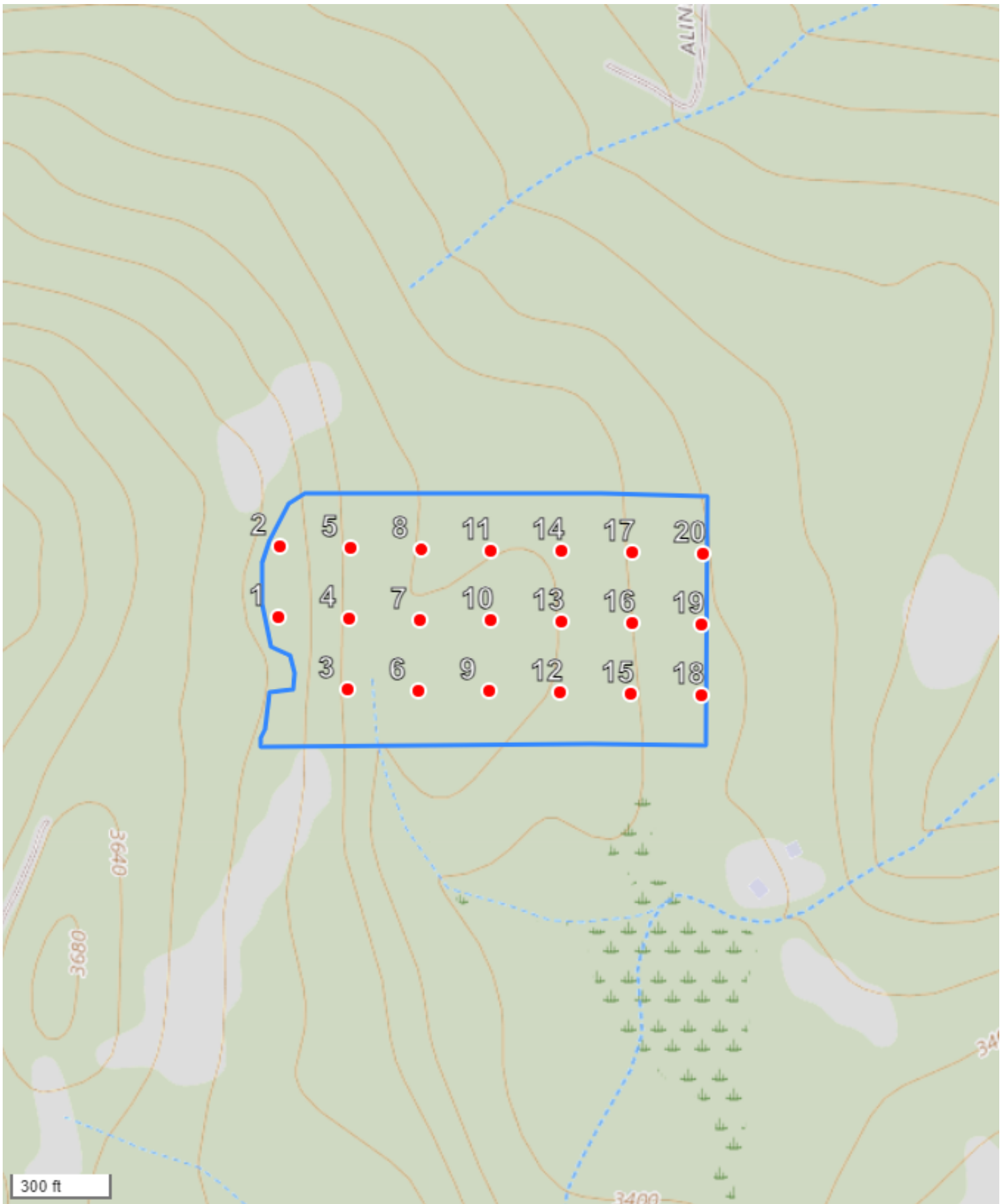
### Unit Cruise Statistics: COPPER SWAN U9

Sp	BA (sq ft/acre)	BA CV (%)	BA SE (%)	V-BAR (bf/sq ft)	V-BAR CV (%)	V-BAR SE (%)	Net Vol (bf/acre)	Vol CV (%)	Vol SE (%)
DF	44.9	76.8	12.6	83.1	24.9	5.3	3,728	80.7	13.7
WL	17.3	170.5	28.0	120.6	33.5	8.4	2,085	173.8	29.3
LP	1.6	608.3	100.0	147.7	0.0	0.0	240	608.3	100.0
ALL	63.8	47.8	7.9	94.9	37.7	6.0	6,053	60.9	9.9

### Unit Summary: COPPER SWAN U9

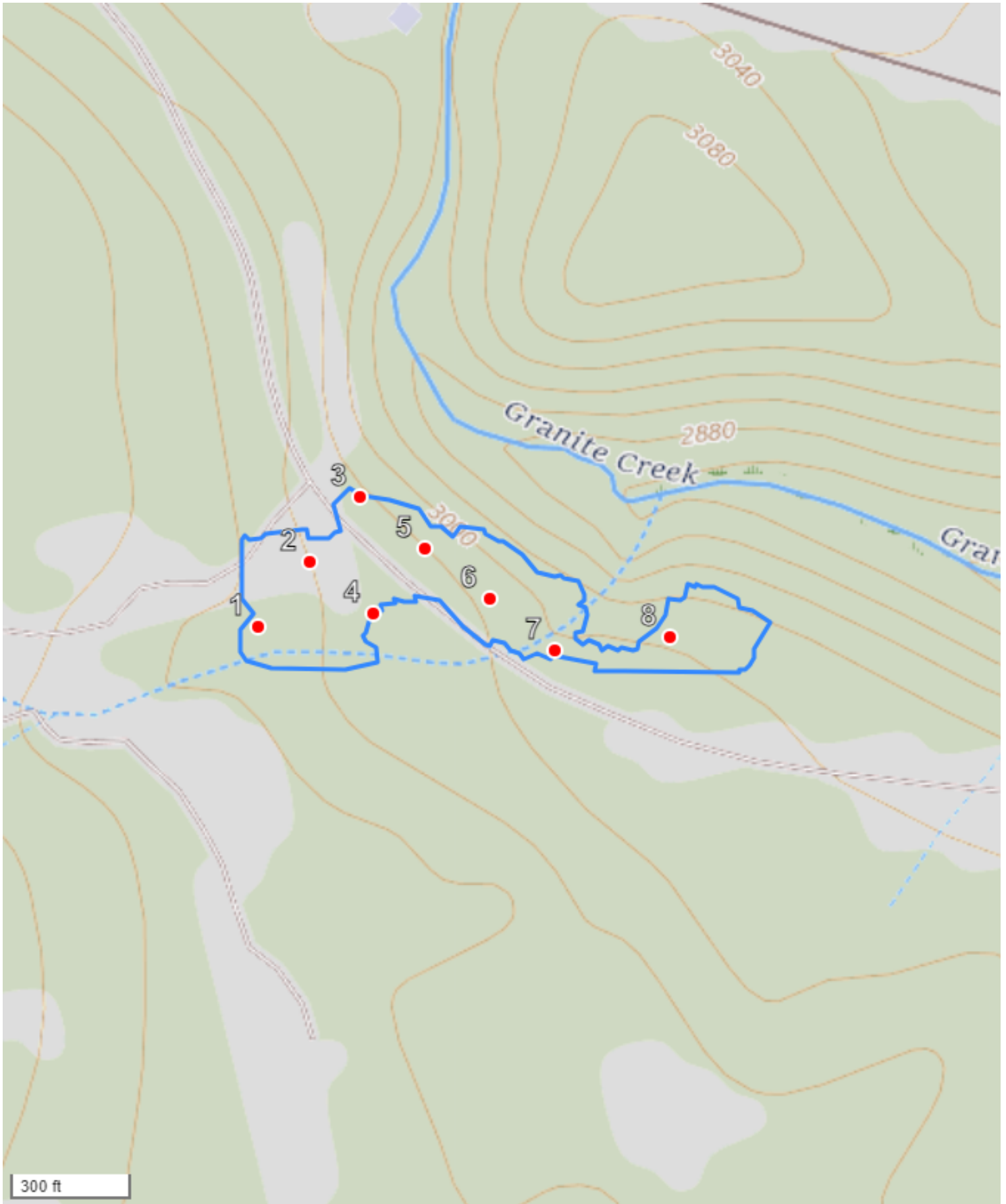
Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
DF	LIVE	CUT	22	ALL	11.5	54	66	3,766	3,728	1.0	62.2	44.9	13.2	180.1
LP	LIVE	CUT	1	ALL	12.0	65	82	240	240	0.0	2.1	1.6	0.5	11.6
WL	LIVE	CUT	16	ALL	11.7	65	82	2,192	2,085	4.9	23.2	17.3	5.1	100.7

Sp	Status	Rx	N	D	DBH	BL	THT	BF Gross	BF Net	Defect %	TPA	BA	RD	MBF Net
ALL	LIVE	CUT	39	ALL	11.6	57	71	6,197	6,053	2.3	87.5	63.8	18.8	292.4
ALL	ALL	ALL	39	ALL	11.6	57	71	6,197	6,053	2.3	87.5	63.8	18.8	292.4

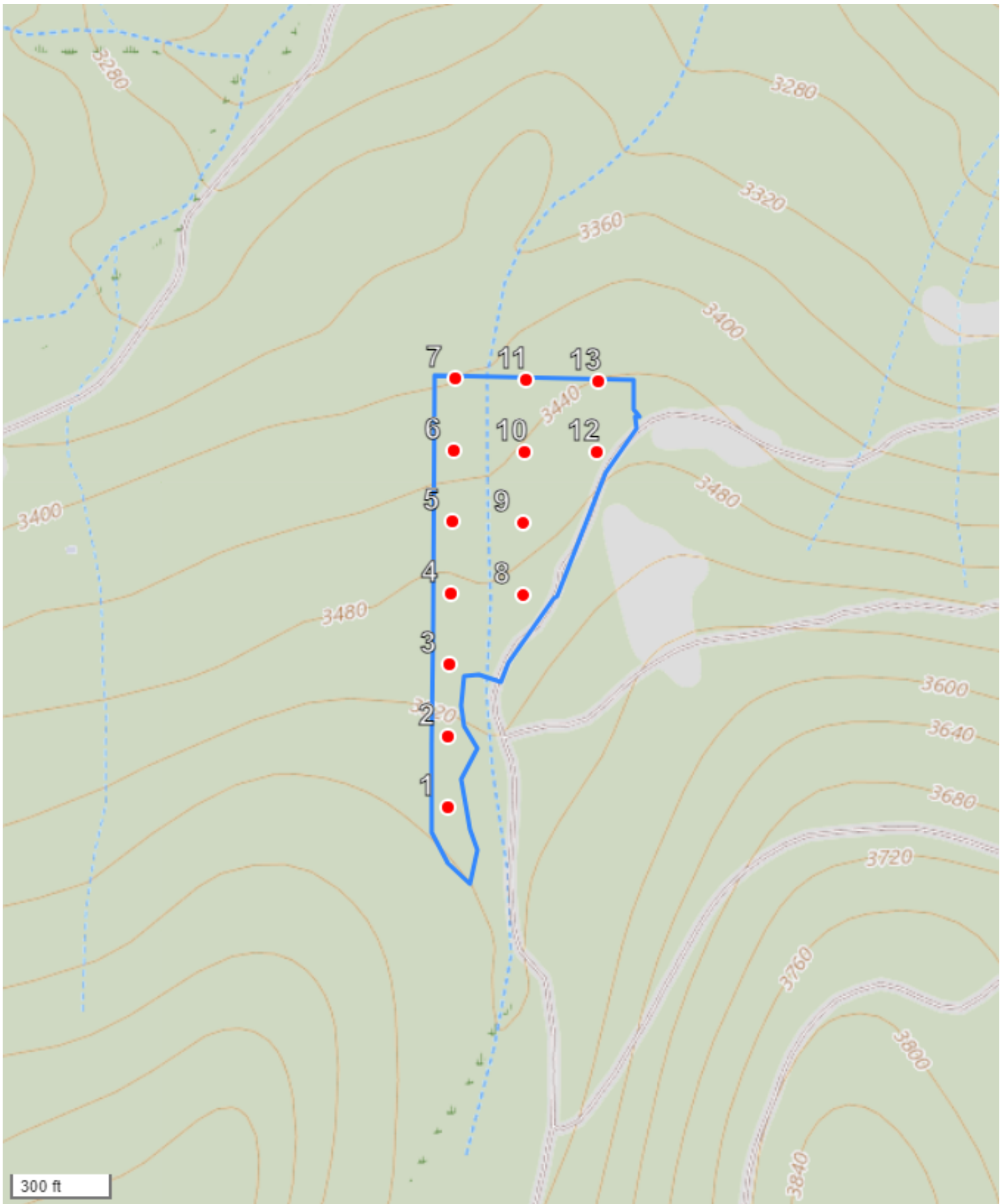


FMA Name: COPPER SWAN U1	N Plots: 20	Plot Spacing: 208.4 ft
Grid Name: COPPER SWAN U1 - 1	Acres Treated: 21.99	Main Azimuth: 1 deg

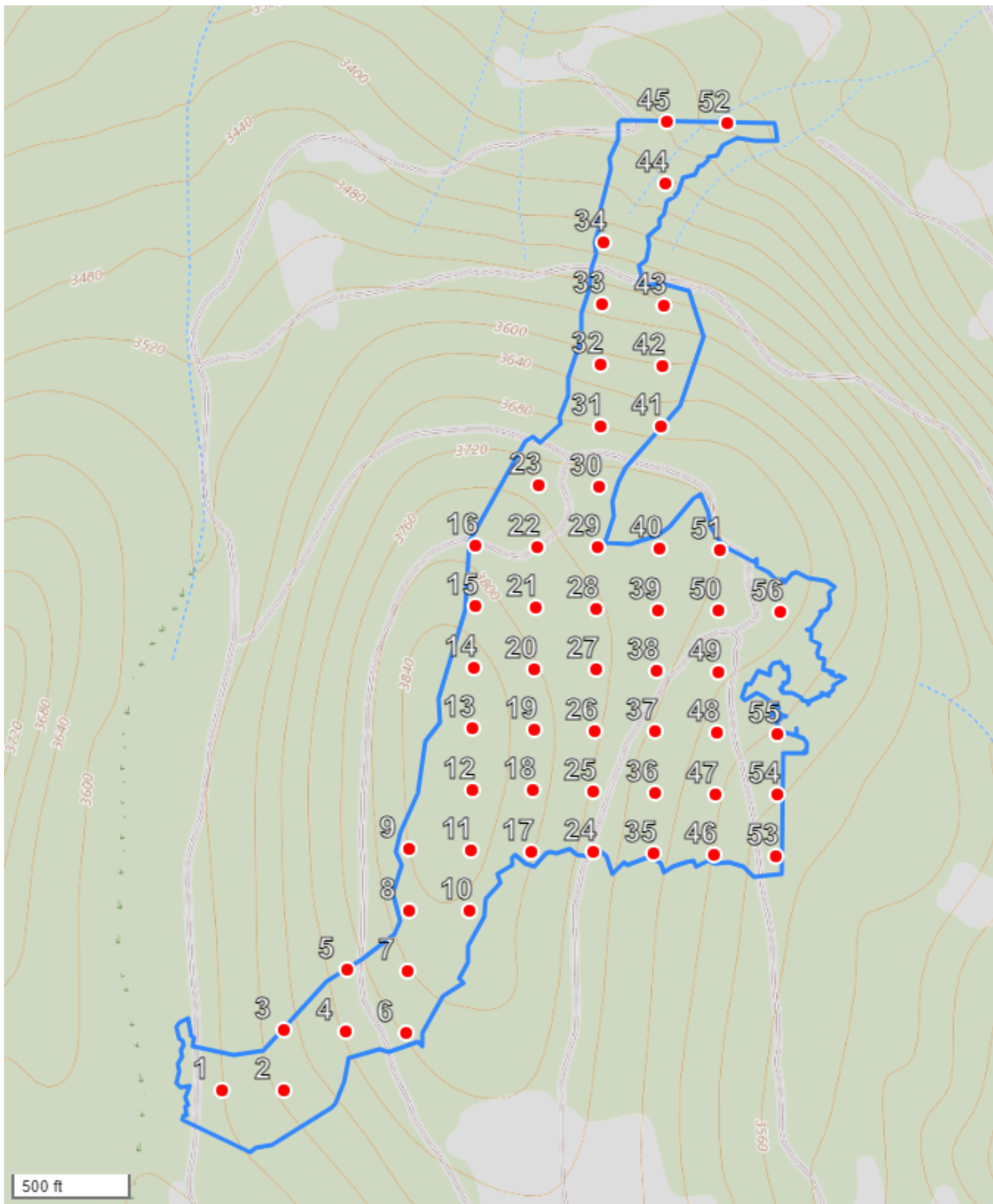




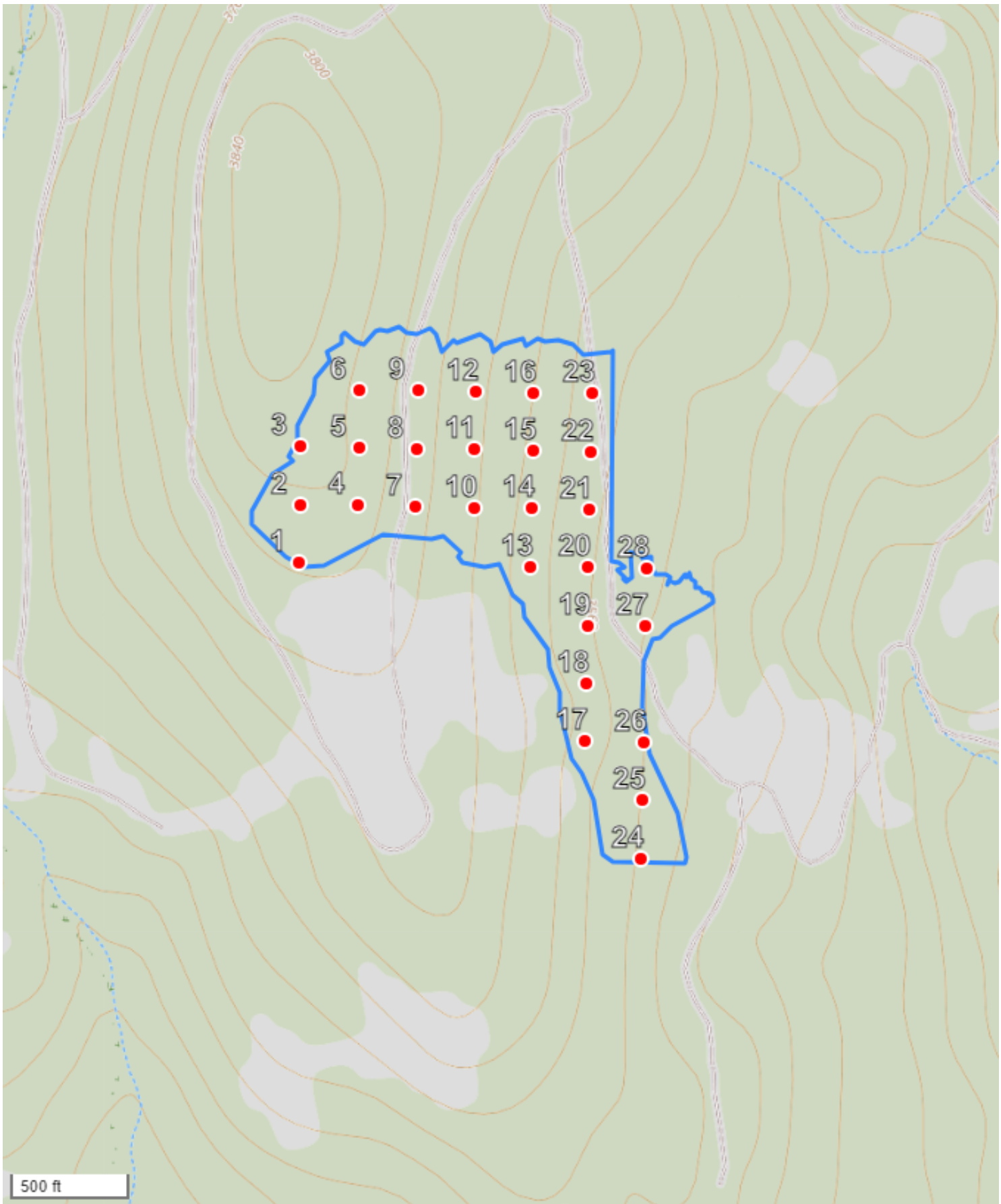
FMA Name: COPPER SWAN U2	N Plots: 8	Plot Spacing: 204.1 ft
Grid Name: COPPER SWAN U2 - 1	Acres Treated: 6.4	Main Azimuth: 38.3 deg



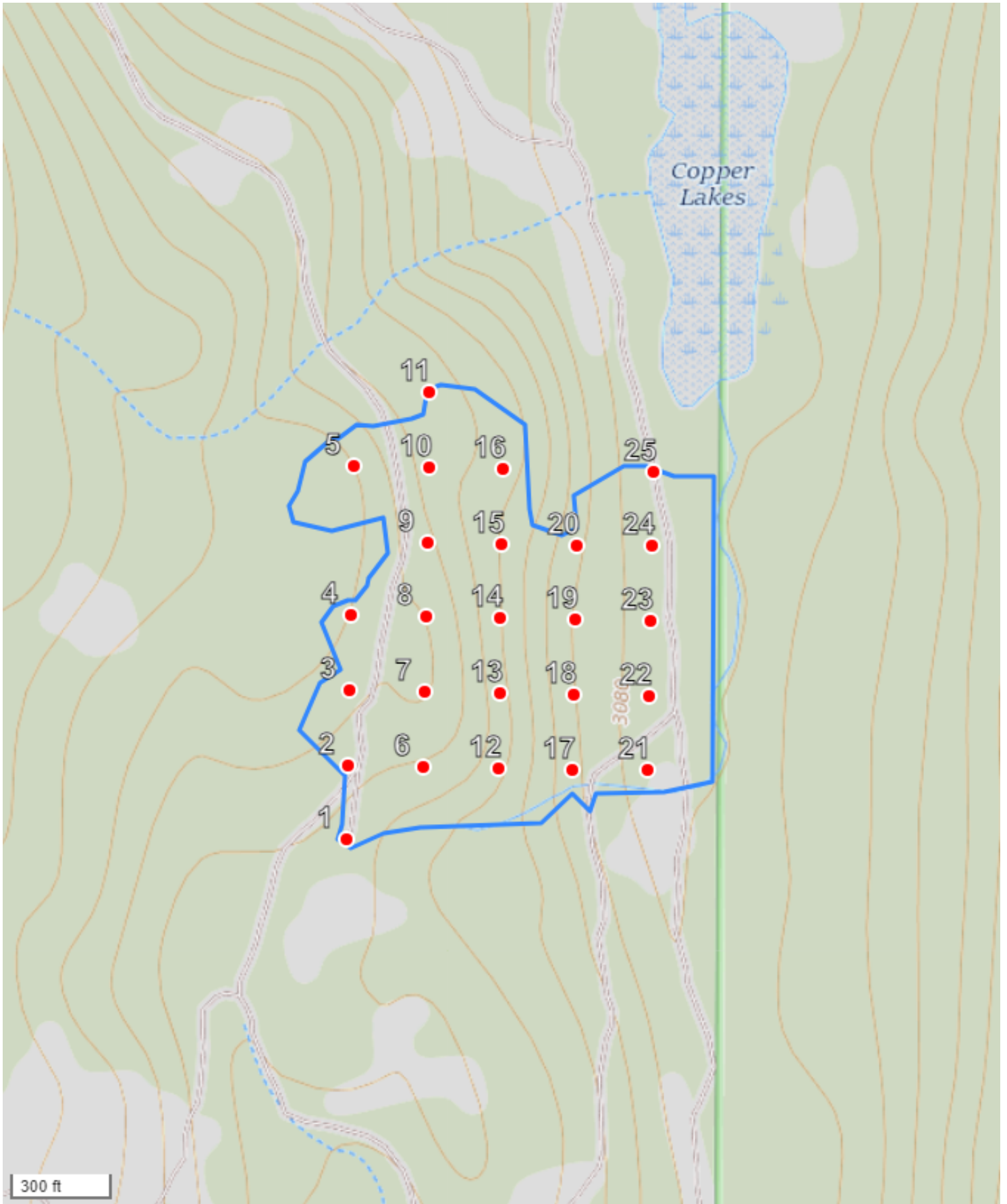
FMA Name: COPPER SWAN U3	N Plots: 13	Plot Spacing: 211 ft
Grid Name: COPPER SWAN U3 - 1	Acres Treated: 10.2	Main Azimuth: 1 deg



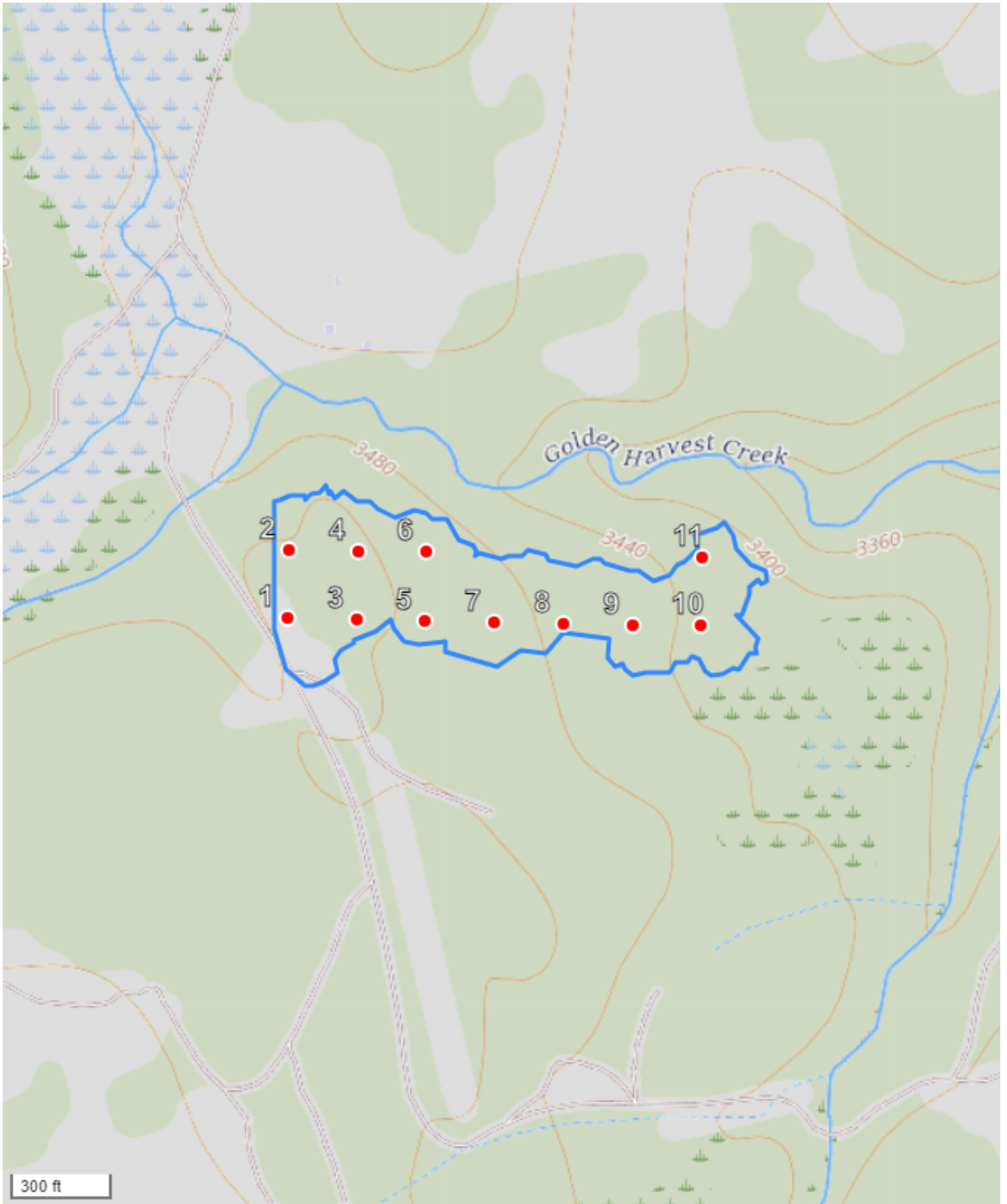
FMA Name: COPPER SWAN U4	N Plots: 56	Plot Spacing: 254.8 ft
Grid Name: COPPER SWAN U4 - 1	Acres Treated: 76.5	Main Azimuth: 1 deg



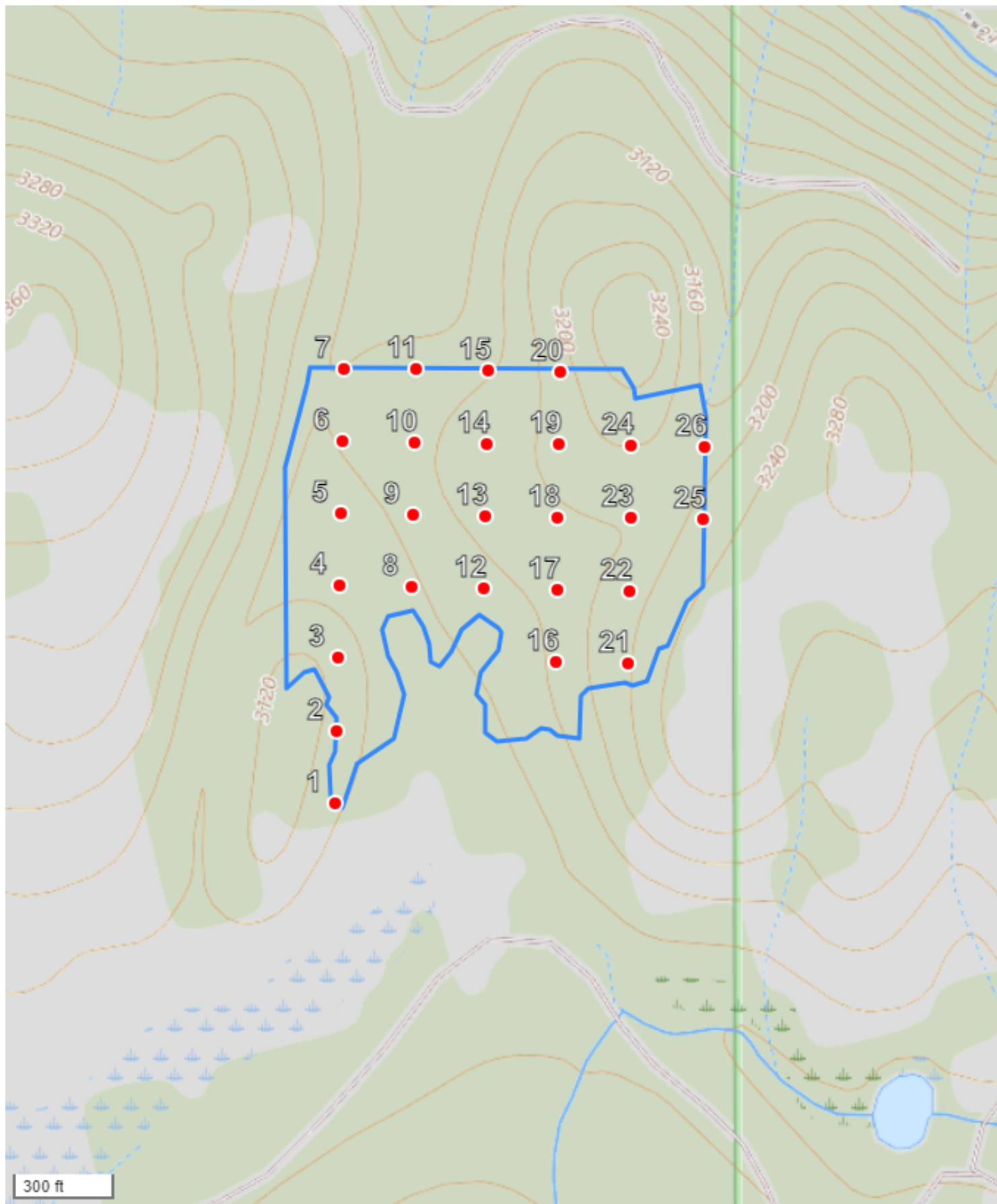
FMA Name: COPPER SWAN U5	N Plots: 28	Plot Spacing: 242 ft
Grid Name: COPPER SWAN U5 - 1	Acres Treated: 39.6	Main Azimuth: 1 deg



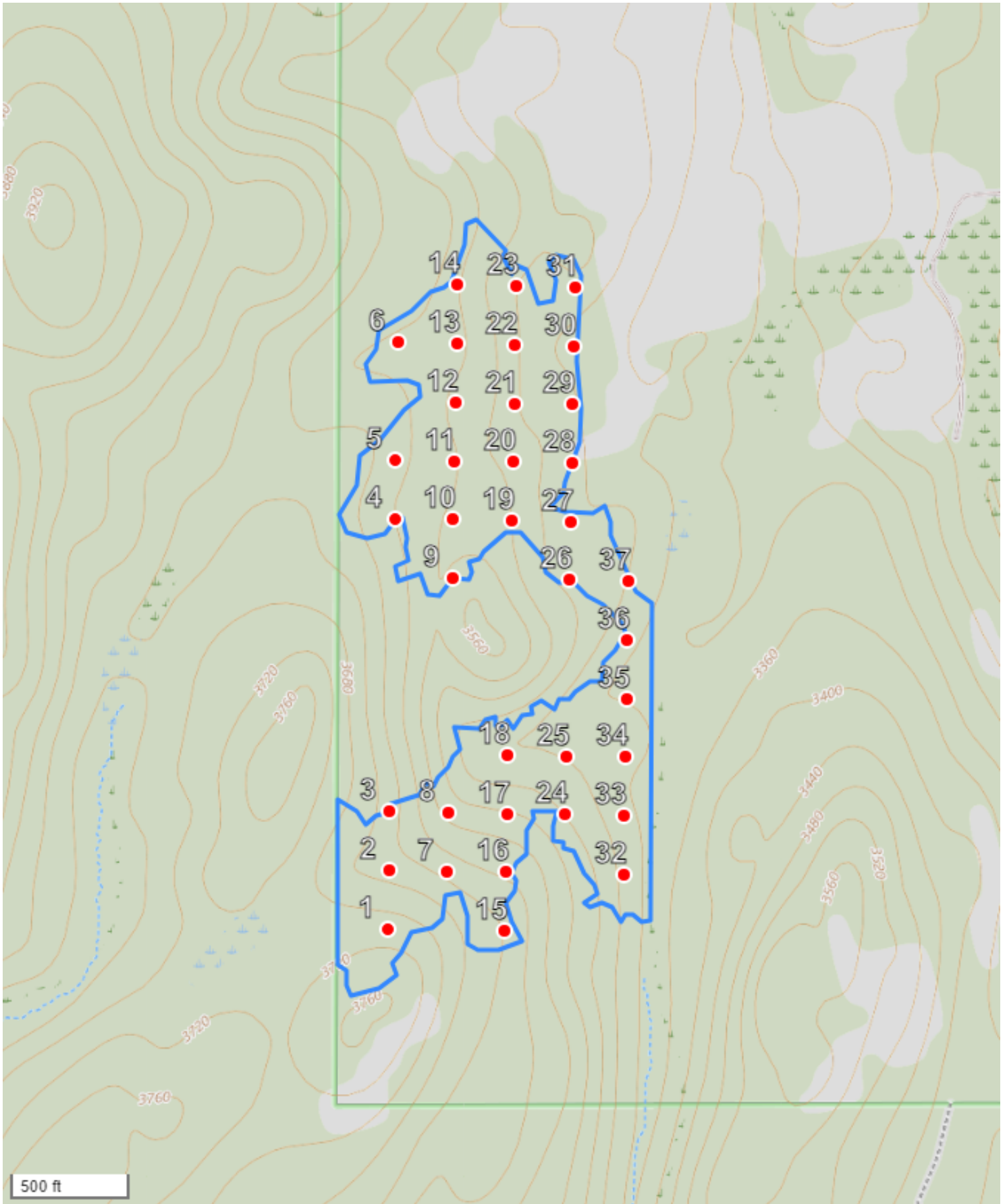
FMA Name: COPPER SWAN U6	N Plots: 25	Plot Spacing: 220.5 ft
Grid Name: COPPER SWAN U6 - 1	Acres Treated: 27.6	Main Azimuth: 1 deg



FMA Name: COPPER SWAN U7	N Plots: 11	Plot Spacing: 203.2 ft
Grid Name: COPPER SWAN U7 - 1	Acres Treated: 11.4	Main Azimuth: 1 deg



FMA Name: COPPER SWAN U8	N Plots: 26	Plot Spacing: 214.1 ft
Grid Name: COPPER SWAN U8 - 1	Acres Treated: 26.1	Main Azimuth: 1 deg



FMA Name: COPPER SWAN U9	N Plots: 37	Plot Spacing: 244.8 ft
Grid Name: COPPER SWAN U9 - 1	Acres Treated: 48.3	Main Azimuth: 1 deg



## PRE-CRUISE NARRATIVE

Sale Name: Q Copper Swan	Region: Northeast
Agreement #: 30-106142	District: Highlands
Contact Forester: John Lassila Phone / Location: 509-640-8917	County(s): Okanogan
Alternate Contact: Matt Smith Phone / Location: 509-995-7968	Other information: <a href="#">Click here to enter text.</a>

Type of Sale: Lump Sum	
Harvest System: Ground based Track and wheel tired skidder w/buncher	100% of sale acres is ground based
Harvest System: <a href="#">Click here to enter text.</a>	<a href="#">Click here to enter percent sale acres.</a>
Harvest System: <a href="#">Select harvest system Click here to enter text.</a>	<a href="#">Click here to enter percent sale acres.</a>

### 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 Determinati on  (List method and error of closure if applicable)
				RMZ/ WMZ Acres	Leave Tree Acres	Existing Road Acres	Other Acres (describe)		
1	T36 R32E S04		22	0	0	0		22	GPS (Garmin)
2	T36 R32E S05		7	0	0	.3		6	GPS (Garmin)
3	T36 R32E S16		10	0	0	0		10	GPS (Garmin)
4	T36 R32E S16		79	0	0	1.2		78	GPS (Garmin)
5	T36R32E S16		41	0	0	.8		40	GPS (Garmin)
6	T36 R32E S16		28	0	0	.4		28	GPS (Garmin)
7	T36 R32 S20		11		0	0		11	GPS (Garmin)

8	T36 R32 S27		26			.3		26	GPS (Garmin)
9	T 36 R32 S33		48			0		48	GPS (Garmin)
ROW			1					1	
TOTAL ACRES			273			3		270	GPS (Garmin)

### HARVEST PLAN AND SPECIAL CONDITIONS:

Unit #	Harvest Prescription: (Leave, take, paint color, tags, flagging etc.)	Special Management areas:	Other conditions (# leave trees, etc.)
1	Boundaries marked with white "Timber Sale Boundary" tags, orange flashers, and pink flagging. Leave trees painted in orange, remove all trees unmarked while leaving 2 of the largest snags per acre.		Minimum of 6 leave trees will be left per acre
2	Boundaries marked with white "Timber Sale Boundary" tags, orange flashers, and pink flagging. Leave trees painted in orange, remove all trees unmarked while leaving 2 of the largest snags per acre.		Minimum of 6 leave trees will be left per acre.
3	Boundaries marked with white "Timber Sale Boundary" tags, orange flashers, and pink flagging. Leave trees painted in orange, remove all trees unmarked while leaving 2 of the largest snag per acre.		Minimum of 6 leave trees will be left per acre.
4	Boundaries marked with white "Timber Sale Boundary" tags, orange flashers, and pink flagging, leave trees painted in orange, remove all trees unmarked while leaving 2 of the largest snags per acre.		Minimum of 6 leave trees will be left per acre.
5	Boundaries marked with white "Timber Sale Boundary" tags, orange flashers, and pink flagging. Leave trees painted in orange, remove all trees unmarked while leaving 2 of the largest snag per acre.		Minimum of 21 leave trees will be left per acre
6	Boundaries marked with white "Timber Sale Boundary" tags, orange flashers, and pink flagging. Leave trees painted in orange, remove all trees unmarked while leaving 2 of the largest snag per acre.		Minimum of 6 leave trees will be left per acre.

7	Boundaries marked with white "Timber Sale Boundary" tags, orange flashers, and pink flagging. Leave trees painted in orange, remove all trees unmarked while leaving 2 of the largest snag per acre.		Minimum of 6 leave trees will be left per acre.
8	Boundaries marked with white "Timber Sale Boundary" tags, orange flashers, and pink flagging. Leave trees painted in orange, remove all trees unmarked while leaving 2 of the largest snags per acre.		Minimum of 6 leave trees will be left per acre.
9	Boundaries marked with white "Timber Sale Boundary" tags, orange flashers, and pink flagging. Leave trees painted in orange, remove all trees unmarked while leaving 2 of the largest snags per acre.		Minimum of 6 leave trees will be left per acre.
ROW	Remove scattered trees found throughout proposal area with yellow paint.		
Jehn ROW	Cruise all trees dotted with yellow paint along E373231E-1 to Unit 1.		Take trees banded with yellow paint. Ownership boundary marked with yellow ribbon between land owned by Jehn and Sage.
Sage ROW	Cruise all trees dotted with yellow paint along E373231E-1 to Unit1.		Take trees banded with yellow paint. Ownership boundary marked with yellow ribbon between land owned by Jehn and Sage.
Anderson ROW	Cruise all trees dotted with yellow paint along E363234M to Unit 8.		Take trees banded with yellow paint.

**OTHER PRE-CRUISE INFORMATION:**

Unit #	Primary,secondary Species / Estimated Volume (MBF)	Access information (Gates, locks, etc.)	Photos, traverse maps required
1	DF/WL 301 MBF	Accessed from the E373231E-1 off of E373231E road.	region provided maps
2	DF- 42 MBF	Accessed from E373231E road.	region provided maps
3	DF – 98 MBF	Accessed from the E363209E road off of Swan Lake road. Locked gate- use DNR Best key.	region provided maps
4	DF/PP- 711 MBF	Accessed from the E363209E road off of Swan Lake road. Locked gate- use DNR Best key.	region provided maps

5	DF/PP- 413 MBF	Accessed from the E363209E road off of Swan Lake road. Locked gate- use DNR Best key.	region provided maps
6	DF/ES/LP 169 MBF	Accessed from the E363209G off of Swan Lake road.	region provided maps
7	DF/WL 88 MBF	Accessed from the E363220G road off of Swan Lake road.	region provided maps
8	DF 192 MBF	Accessed from the E363234M road off of Swan Lake road. Private gate with combination lock.	region provided maps
9	DF/WL 209 MBF	Accessed from the E363228E and E363234F roads, both of which are off of the Swan Lake road.	region provided maps

**REMARKS:**

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<b>Prepared By:</b> John Lassila	<b>Title:</b> Forester	<b>CC:</b>
<b>Date:</b> 12/1/2023		



# Forest Practices Application/Notification Notice of Decision

FPA/N No: 3026861

Effective Date: 2/2/24

Expiration Date: 2/2/27

Shut Down Zone: 678 E

EARR Tax Credit:  Eligible  Non-eligible

Reference: Q Copper Swan

4,5,16,20,27,33-36-32

### Decision

- Notification Accepted** Operations shall not begin before the effective date.
- Approved** This Forest Practices Application is subject to the conditions listed below.
- Disapproved** This Forest Practices Application is disapproved for the reasons listed below.
- Withdrawn** Applicant has withdrawn the Forest Practices Application/Notification (FPA/N).
- Closed** All forest practices obligations are met.

### FPA/N Classification

Class II  Class III  Class IVG  Class IVS

### Number of Years Granted on Multi-Year Request

4 years  5 years

### Conditions on Approval/Reasons for Disapproval

Approved with no conditions.

Issued By: Kyle Buckmiller

Region: Northeast

Title: Forest Practices Forester

Date: 02/02/2024

Copies to:  Landowner, Timber Owner and Operator

Issued in person:  LO  TO  OP By: Ragene Christensen

Date: 02/02/2024

**Appeal Information**

You have thirty (30) days to **file** (i.e., **actually deliver**) an appeal in writing of this Decision and any related State Environmental Policy Act (SEPA) determinations to the Pollution Control Hearings Board, the Attorney General's Office, and the Department of Natural Resources' region office. See [RCW 76.09.205](#). The appeal period starts when the applicant receives this decision, which usually happens electronically on the date indicated below.

**You must file your appeal at all three addresses below:**

<b>Pollution Control Hearings Board</b>	<b>Office of the Attorney General Natural Resources Division</b>	<b>Department Of Natural Resources Northeast Region</b>
<u>Physical Address</u> 1111 Israel Road, SW Suite 301 Tumwater, WA 98501  <u>Mailing address</u> Post Office Box 40903 Olympia, WA 98504-0903	<u>Physical Address</u> 1125 Washington Street, SE Olympia, WA 98504  <u>Mailing Address</u> Post Office Box 40100 Olympia, WA 98504-0100	DNR Northeast Region 221 S. Silke Road Colville, WA 99114

Information regarding the Pollution Control Hearings Board can be found at: <http://www.eluho.wa.gov/>

**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 <https://www.dnr.wa.gov/programs-and-services/forest-practices/review-applications-fpars/forest-practices-forms-and>. Notify DNR of new Operators within 48 hours.

**Continuing Forestland 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 forestland 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 and 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 forestland obligation, the seller must pay the buyer's costs related to continuing forestland obligations, including all legal costs and reasonable attorneys' fees incurred by the buyer in enforcing the continuing forestland obligation against the seller.

Failure by the seller to send the required notice to 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 forestland obligation prior to sale.

**DNR Declaration of Mailing**

I, \_\_\_\_\_, caused the Notice of Decision for FPA/N No. 3026861 to be placed in the United States mail at Colville, WA, postage paid. I declare under penalty of perjury of the laws of the State of Washington, that the foregoing is true and correct.

Colville, Washington

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(City & State where signed)

\_\_\_\_\_  
(Signature)



THIS AGREEMENT, made and entered into as of the 7<sup>th</sup> day of June, 1971, by and between BOISE CASCADE CORPORATION, a Delaware corporation, herein called "Boise Cascade," and STATE OF WASHINGTON, acting by and through the Department of Natural Resources, herein called "State,"

WITNESSETH:

I

A. Boise Cascade hereby grants and conveys to State, its successors and assigns, a permanent nonexclusive easement upon, over and along rights of way 40 feet in width, over and across the lands in Ferry County, Washington, specified on the attached "Exhibit A", being 20 feet on each side of the centerlines of the roads located approximately as shown in red on the attached "Exhibit A".

Subject as to said lands to all matters of public record.

B. State hereby grants and conveys to Boise Cascade, its successors and assigns, a permanent nonexclusive easement upon, over and along rights of way 40 feet in width over and across the lands in Ferry County, Washington, specified on the attached "Exhibit B", being 20 feet on each side of the centerlines of the existing road located approximately as shown in green on the attached "Exhibit B".

Subject as to said lands to all matters of public record.

II

The parties hereto hereby agree that the rights hereinabove granted by one party to the other shall be subject to the following terms and conditions:

1. The easements are conveyed for the purposes of construction, reconstruction, use and maintenance of a road or roads for the purpose of providing access to and from lands now owned or hereafter acquired by the parties hereto.

2. Each party hereto reserves for itself, its successors and assigns, the right at all times and for any purpose to go upon, cross and recross at any place on grade or otherwise said rights of way on lands owned by it and use the roads on said rights of way in a manner that will not unreasonably interfere with the rights granted to the other party hereunder.

3. Each party hereto may grant to third parties, except as hereinafter limited, upon such terms as it chooses, any or all of the rights reserved by it herein; provided however, that the use by such parties shall be subject to the terms and conditons of this agreement and shall not unreasonably interfere with the rights granted to the other party hereunder.

The rights herein granted do not include any right of use of said road by the public.



4. Each party hereto may permit its respective contractors, licensees, purchasers of timber or other valuable materials, and their agents, hereinafter individually referred to as "Permittee" and collectively referred to as "Permittees" to exercise the rights granted to it herein; provided, that when a party hereto or one of its Permittees plans to use any portion of said roads for the purpose of hauling timber and other valuable materials, such party shall notify the other thereof at least fifteen (15) days prior to the commencement of use, of said rights, advising of the portion of road to be used, the approximate dates when such use will begin and end, and the approximate volumes of forest products or valuable materials to be hauled and forthwith upon the completion of such use notify the other party thereof.

5. The cost of road maintenance shall be allocated on the basis of respective uses of said roads. When any party uses a road, that party shall perform or cause to be performed, or contribute or cause to be contributed, that share of maintenance occasioned by such use as hereinafter provided. During periods when a road is being used solely by one party, such party shall maintain that portion of said road so used to the standards existing at the time use is commenced. During periods when more than one party is using the same roads, or any portion thereof, the parties hereto shall meet and establish necessary maintenance provisions. Such provisions shall include, but shall not be limited to:

- (a) The appointment of a maintainer, which may be one of the parties hereto or any third party, who will perform or cause to be performed at a reasonable and agreed upon rate, the maintenance of the road or the portion thereof being used; and
- (b) a method of payment by which each party using said road or a portion thereof, shall pay its pro rata share of the cost incurred by said maintainer in maintaining said road or portion thereof.

6. Each party using any portion of a road shall repair or cause to be repaired at its sole cost and expense that damage to said road occasioned by it which is in excess of that which it would cause through normal and prudent usage of said road. Should inordinate damage to a road occur which is not caused by an authorized user of said road, the parties hereto shall meet to agree upon the cost of replacement, the party to undertake the replacement, and the shares of replacement cost to be borne by each user of said road.

7. Unless the parties hereto agree in writing to share the costs of improvements in advance of such improvements being made, such improvements shall be solely for the account of the improver.

8. Each party hereto reserves to itself all timber now on or hereafter growing within the rights of way on its said lands; provided, that any trees that become necessary to cut and/or remove to satisfy the purpose of the rights granted herein may be removed upon obtaining the acknowledgement of the respective grantor and payment of the appraised value thereof. Said trees shall be removed via the right of way herein granted.

9. Each party hereto shall require each of its Permittees, before using any of said roads on the lands of the other party hereto, to:

- (a) Obtain and during the term of such use, maintain a policy of liability insurance in a form generally acceptable in the trade and customary in the area of said rights of way, insuring said Permittee against liability arising out of its operations, including use of vehicles. Minimum amounts of insurance shall be:
- (1) For log haulers, One Hundred Thousand Dollars (\$100,000.00) for injury to one person, Three Hundred Thousand Dollars (\$300,000.00) for any one occurrence, and One Hundred Thousand Dollars (\$100,000.00) property damage for any one occurrence;
  - (2) For fern cutters, bough cutters, shake cutters, or other miscellaneous users operating pickup trucks, light trucks (under one (1) ton) or passenger cars for the purpose of transporting miscellaneous forest products, Twenty-five Thousand Dollars (\$25,000.00) for injury to one person, Fifty Thousand Dollars (\$50,000.00) for any one occurrence, and Five Thousand Dollars (\$5,000.00) property damage for any one occurrence, or
  - (3) Such other limits as the parties hereto may agree upon in writing from time to time.
- (b) Deliver to each party hereto a certificate from the insurer of said Permittee certifying that coverage is not less than the above named amounts is in force and that, in the event of cancellation or modification of such coverage, the insurer will give each party hereto ten (10) days written notice prior to any cancellation or modification.

10. Each party hereto may repair damage to the road system caused by an "Act of God", provided, no party shall be under a duty to repair or be under an obligation to share in the costs of repair of the road system by virtue of this agreement, when the damage was caused by an "Act of God", except that when said damage occurs during periods when the parties have joint and immediate need for the use of the road to carry on timber or valuable material removal operations, the parties agree to seek an equitable plan to finance the cost of replacement. For the purposes of the agreement, an "Act of God" shall be defined as an act, event, happening, or occurrence due to natural causes or disaster, causing damage which could not be prevented by any reasonable degree of care or diligence on the part of any human agency.

11. Any notice, request or other communication to be given or made hereunder shall be in writing and shall be deemed properly given or made if delivered personally or mailed to:

State of Washington  
 Department of Natural Resources  
 P. O. Box 168  
 Olympia, Washington 98501

or to Boise Cascade at:

Boise Cascade Corporation  
 Attention:  
 Land and Logging Manager  
 Kettle Falls, Washington 99141

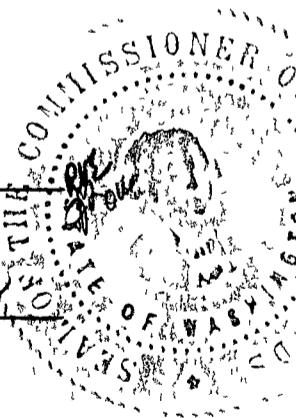
or at such other address for either party as may from time to time be designated by written notice from such party.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the day and year first above written.

BOISE CASCADE CORPORATION

By [Signature]  
 VICE PRESIDENT Title

Attest: [Signature]  
 ASSISTANT SECRETARY



STATE OF WASHINGTON  
 DEPARTMENT OF NATURAL RESOURCES

[Signature]  
 BERT L. COLE  
 Commissioner of Public Lands

Approved as to  
 26 day of May 76  
 SL  
 By [Signature]  
 Assistant Attorney General

APPROVED  
 R/W AGENT

[Signature] DATE 6-7-71

STATE of Idaho )  
COUNTY OF ) ss  
)

On this 22nd day of April, 1971, before me personally appeared J. E. Clute, to be known to be the Vice President of the Boise Cascade Corporation, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the official seal of Boise Cascade Corporation.

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

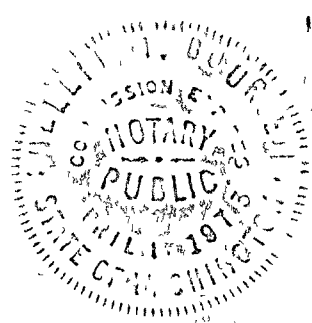


Sigra Trest  
Notary Public in and for the State of  
residing at Boise, Idaho

STATE OF WASHINGTON )  
COUNTY OF Thurston ) ss

On this 8th day of June, 1971, before me personally appeared BERT L. COLE, to me known to be the Commissioner of Public Lands, and exofficio administrator of the Department of Natural Resources of the State of Washington, the department that executed the within and foregoing instrument on behalf of the State of Washington, and acknowledged said instrument to be the free and voluntary act and deed of the State of Washington for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the official seal of the Commissioner of Public Lands for the State of Washington.

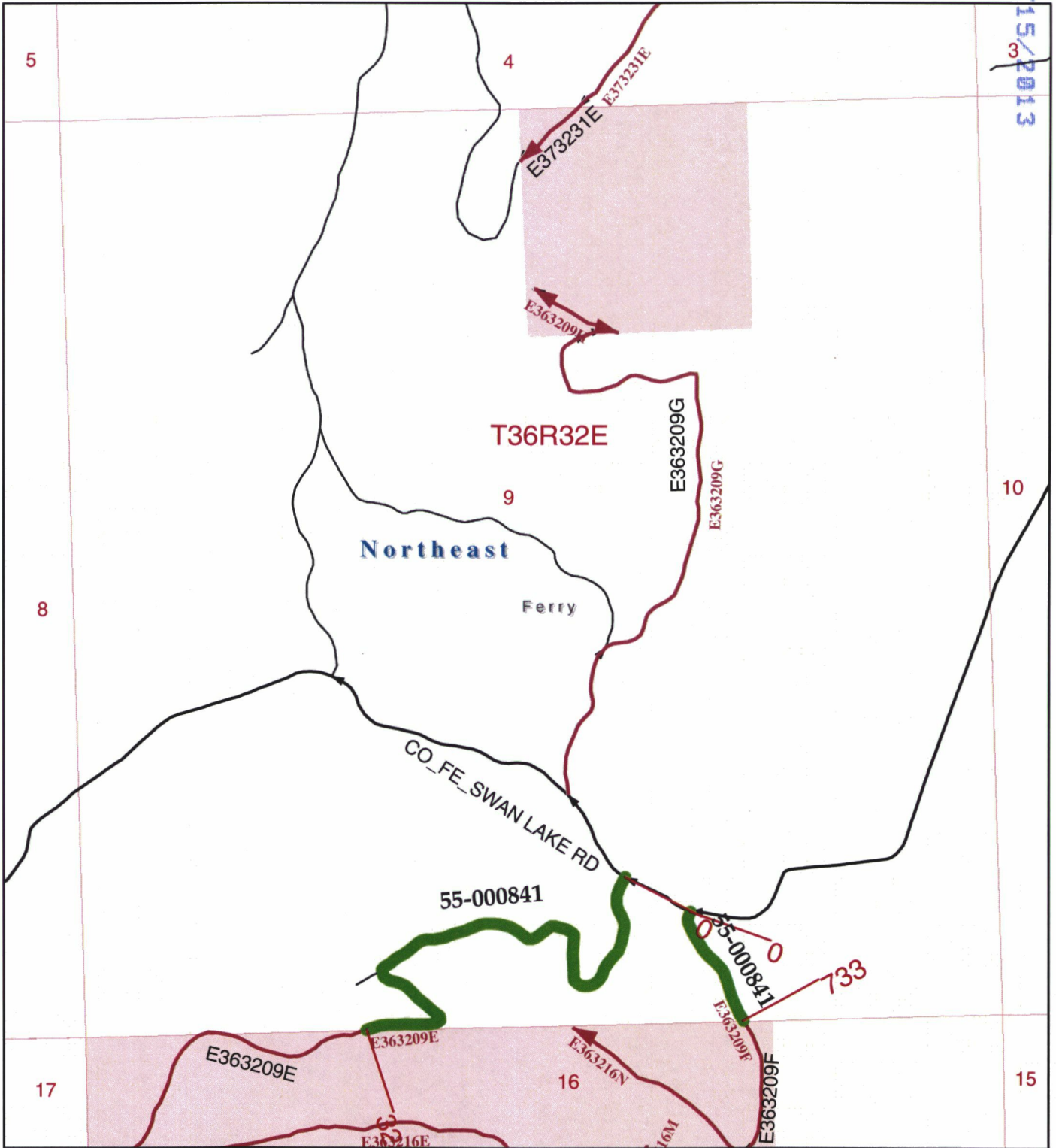
IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year set forth above.



Indexed ✓  
Recorded ✓  
Compared ✓  
Filed Out ✓✓

John M. Bourgeois  
Notary Public in and for the (State) of Washington,  
residing at Olympia

STATE OF WASH COUNTY OF PERRY, SS.  
FILED OR RECORDED  
VOL 18 OF Misc. 353 REQUEST OF State of Wash. Dept  
Natural Resources ON June 24(2:30PM), 19 71  
BY Adeline M. Schreiber  
COUNTY AUDITOR  
MAIL TO: Filer, Box 168, Olympia, Wn. 98501 DEPUTY  
Attn: Wayne L. Johnson




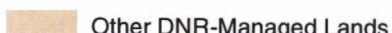


**Legend**

**Right of Way Easements Road by USGS**

- |   |  |
|---|--|
|  1: Acquired by DNR  |  1: Primary Highway/All-Weather/Hard Surface   |
|  2: Granted to Other |  2: Secondary Highway/All-Weather/Hard Surface |
|  9: Unknown          |  3: Light-Duty Road/All-Weather/Improved       |
|   |  4: Unimproved Road/Fair or Dry Weather        |
|   |  9: Freeway Ramps or Unknown                    |

**DNR Managed Lands**

- |  |
|--|
|  Granted Trust Lands      |
|  Forest Board Trust Lands |
|  NAP / NRCA               |
|  Other DNR-Managed Lands  |



When recorded return to  
Department of Natural Resources  
Northeast Region  
Attn Rights of Way  
225 S Silke Road  
Colville, WA 99114



WASHINGTON STATE DEPARTMENT OF  
**NATURAL RESOURCES**  
HILARY S. FRANZ | COMMISSIONER OF PUBLIC LANDS

## EASEMENT

**Grantor(s):** Hancock Timberland X, Inc.

**Grantee(s):** Washington State Department of Natural Resources

**Legal Description:** See Exhibit A

**Assessor's Property Tax Parcel or Account Number:** See Exhibit A

**Cross Reference:** Stevens County AFN 448827 DNR Agreement No. 50-093582, 55-002605

**DNR Easement No. 55-093578**

This Easement is between HANCOCK TIMBERLAND X, INC., a Delaware corporation, herein called "Grantor" and the STATE OF WASHINGTON, acting by and through the Department of Natural Resources, herein called "State" dated as of June 23, 2017  
\_\_\_\_\_ "Effective Date"

**Consideration.** In exchange for a reciprocal grant under agreement number 50-093582 and covenants herein contained, and other good and valuable consideration, the mutual receipt and sufficiency of which is hereby acknowledged, the parties agree to the following terms and conditions.

In addition to the conveyance of easements, State shall pay ONE HUNDRED TWENTY-TWO THOUSAND FOUR HUNDRED FOURTEEN AND 39/00 DOLLARS (\$122,414 39) in U.S. currency to Grantor prior to or concurrent with executing this Easement

**Conveyances.** Grantor hereby grants and conveys, to State, its successors and assigns,

permanent, non-exclusive easements over parcels of land in Ferry and Stevens Counties legally described as set forth in Exhibit A, said easement to be sixty (60) feet in width running thirty (30) feet on each side of the center line of a roads located approximately as shown on Exhibit B (hereafter individually or collectively referred to as “Easement Area” or “Road”)

**Release of Easement.** For valuable consideration, receipt of which is hereby acknowledged, State hereby relinquishes and quitclaims all rights and interest in and to that easement dated June 24, 1995, between TERESA HIHN MOORE, as Grantor, and STATE OF WASHINGTON, acting by and through the Department of Natural Resources, as Grantee, filed in the Office of the Commissioner of Public Lands under File No. 55-002605

State also relinquishes and quitclaims all rights and interest in and to a portion of that easement dated June 2, 1976, between BOISE CASCADE CORPORATION as Grantor, and STATE OF WASHINGTON, acting by and through the Department of Natural Resources, as Grantee, recorded in the records of the Stevens County Auditor’s office on June 18, 1976, under Auditor’s File No 448827, as said easement affects Section 21, Township 30 North, Range 38 East only, as shown on the attached Exhibit C as “Relinquishment”

**Purpose.** This Easement is conveyed to provide ingress and egress to and from lands owned or hereafter acquired by State for resource management and administrative activities, including, but not limited to:

- Hauling timber products, valuable materials such as sand, gravel, stone and minerals, special forest products such as tree boughs and brush,
- Performing management activities associated with forestlands, such as reforestation, routine ongoing inventory, and stocking control,
- Constructing, deconstructing, developing, operating, leasing, and managing communication, grazing and agricultural sites, and
- Leasing for resource activities consistent with county zoning and other terms and conditions included in this easement

Authorized use shall include the right to travel, maintain, repair, construct or reconstruct the Road subject to the restrictions set forth hereafter. No rights of public access are granted under this Easement

**Property Burdened** This Easement shall burden real property owned by Grantor legally described as set forth in Exhibit A (hereafter Burdened Parcels)

**Nature of Estate.** This Easement shall be deemed appurtenant to real property located in Ferry and Stevens Counties legally described as set forth in Exhibit D (hereafter Benefited Parcels), *Provided*, however, that State may add after acquired property as a Benefited Parcel, subject to agreement between the parties pertaining to re-allocation of easement costs and obligations associated with such after acquired property, such agreement to be executed and recorded as an amendment to this Easement adding such after acquired property as a Benefited parcel listed on Exhibit D

**Reservations.** Grantor reserves to itself all of its rights incident to fee ownership of the Easement Areas and the profits (including timber, valuable materials and other natural resources) thereon and the right of use for any purpose including but not limited to (i) the right to remove profits from the Easement Area on its land, (ii) the right at all times to cross and re-cross the Easement Areas on its lands at any place on grade or otherwise, and, (iii) the right to use, maintain, patrol, reconstruct or repair the Easement Areas on its lands so long as the exercise of any of these reserved rights does not unreasonably interfere with the rights granted herein. Grantor may grant to third parties any and all rights reserved

Timber located on the Easement Area may be removed by State where reasonably necessary to use the Easement Area, but Grantor shall be entitled to the market value of the timber removed.

**Compliance with Laws.** For all activities conducted pursuant to this Easement, State shall, at its own expense, comply with all applicable laws.

**Permittees.** State may permit its respective employees, agents, contractors, subcontractors, licensees, lessees, purchasers of timber or other profits and their agents, herein individually referred to as "Permittee" and collectively referred to as "Permittees", to exercise the rights granted to State herein. Acts or omissions of the Permittees operating under this Easement shall be deemed an act or omission of State. Restrictions or requirements placed on State herein shall apply equally to State's Permittees

**Maintenance.** Maintenance is defined as work normally necessary to preserve and keep the Road in its present condition or as hereafter improved. At a minimum, the Road will be maintained to meet applicable forest practices standards set forth in Chapter 222-24 WAC as now written or hereafter amended

When a Road is being used solely by State, State shall be solely responsible for maintaining that portion of the Road so used to the standards existing at the time sole use is commenced. During periods when State, Grantor and/or other parties with an easement or license jointly use the Road, or any portion thereof, the cost of maintenance and resurfacing shall be allocated among such users on the basis of their respective use including that of their Permittees

During periods of joint maintenance, the users shall meet at times to be set by mutual agreement and establish necessary maintenance provisions. Such provisions shall include, but not be limited to the following:

- The appointment of a maintainer, which may be one of the parties or a third party, to assume the responsibility for performing all recurrent maintenance,



- The extent of resurfacing necessary to keep the Road to the standard originally constructed or thereafter improved, to reduce environmental impacts, and
- A method of payment by which each party using the Road or a portion thereof shall pay its pro rata share of the cost of maintenance and resurfacing.

**Repairs.** Each party shall repair, or cause to be repaired at its sole cost, that damage to the Road occasioned by it which is in excess of that which it would cause through normal and prudent usage. Damage caused by an unauthorized user shall be repaired at the expense of State if State is the sole user of the Road, Grantor if the Grantor is the sole user of the Road, or shared based upon the acres of ownership tributary to the damaged area if there is joint use of the Road.

**Improvements.** State will not make improvements to the Easement Area without prior written consent of Grantor, which shall not be unreasonably withheld. Unless the parties agree in writing to share the cost of improvements, improvements shall be at the sole expense of the improver. Any improvements to the Easement Area shall become the property of Grantor unless otherwise agreed in writing.

**Prior Right.** This Easement is subject to all matters of public record.

**Operational Restrictions.** Site-specific operational requirements are listed in Exhibit E. Non-compliance with these requirements shall constitute a breach of this Easement and may result in Grantor requiring State to suspend operations until the breach is remedied.

**Construction/Operation Plan(s). Pre-Construction.** Thirty (30) days prior to any construction or reconstruction of a Road or a portion thereof by State on lands of the Grantor, State will submit a written plan of work to Grantor outlining the work to be performed for approval by the Grantor, which approval shall not be unreasonably withheld. All construction and reconstruction shall comply with applicable state and local laws. In the event of an emergency that requires immediate action to protect person or property, State may take reasonable corrective action without prior notice to Grantor, but in such case will notify Grantor within 24 hours.

**Notice of Operation.** When State or one of its Permittees plans to use any Road or a portion thereof for the purpose of hauling timber or other profits, State shall notify Grantor thereof at least five (5) days prior to the commencement of such use, advising of the portion of Road to be used, the approximate dates when such use will begin and end, and of the approximate volumes of timber, forest products, or other profits to be hauled and promptly upon the completion of such use notify Grantor.

**Waste.** State shall not cause nor permit any filling activity to occur in or on any portion of the Easement Area, except by prior written approval of Grantor. State shall not deposit refuse,

garbage, or other waste matter or use, store, generate, process, transport, handle, release, or dispose of any hazardous substance, or other pollutants in or on the any portion of the Easement Area, *Provided*, however, vehicle and equipment traffic and the transportation of fuel and chemicals to be used on State's property is specifically permitted. The term hazardous substance means any substance or material as those terms are now or are hereafter defined or regulated under any federal, state, or local law including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 USC 9601 *et seq* ), or the Washington Model Toxic Control Act (MTCA RCW 70 105D.010 ) State shall immediately notify Grantor if State becomes aware of any release or threatened release of hazardous substance on the Easement Area or adjoining property. If a release of hazardous substance occurs in, on, under, or above the Easement Area arising out of any action of State or its Permittees, State shall, at its sole expense, promptly take all actions necessary or advisable to clean up, contain, and remove the hazardous substance in accordance with applicable laws

**Survey Markers.** State shall not destroy any land survey corner monuments and reference points (including but not limited to corner markers, witness objects, or line markers) without prior written approval from Grantor, which shall not be unreasonably withheld. Monuments or reference points that must necessarily be disturbed or destroyed during road construction or maintenance activities must be adequately referenced and replaced, at State's cost, under the direction of a State of Washington Professional Land Surveyor, in accordance with all applicable laws of State of Washington in force at the time of construction and all Department of Natural Resources regulations pertaining to preservation of such monuments and reference points promulgated under RCW 58.24

**Insurance.** State of Washington, including all its agencies and departments, is self-insured for all exposures to tort liability, general liability, property damage liability and vehicle liability, as provided in statute, but only as respects the negligence of State

State shall require its Permittees to obtain while operating on the Easement Area, the following liability insurance policy, insuring State against liability rising out of its operations, including the use of vehicles. The limits of insurance, which may be increased by mutual agreement of both parties, as deemed necessary, shall not be less than as follows

- (a) Commercial General Liability (CGL) insurance with a limit of not less than \$1,000,000 per each occurrence or Personal Liability insurance, as applicable, under a personal liability policy, commercial liability insurance policy, or package property and liability insurance policy. If such CGL insurance contains aggregate limits, the general aggregate limits shall be at least twice the "each occurrence" limit, and the products-completed operations aggregate limit shall be at least twice the "each occurrence" limit.

- (b) Employer's liability insurance, and if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease
- (c) Business Auto Policy (BAP) insurance, and if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 per accident, with such insurance covering liability arising out of "Any Auto".
- (d) State shall require its permittees to comply with all State of Washington workers' compensation statutes and regulations. State waives all rights of subrogation for recovery of damages to the extent they are covered by workers' compensation, employers' liability, commercial general liability, or commercial umbrella liability insurance.

All insurance shall be purchased on an occurrence basis and shall be issued by companies admitted to do business within the State of Washington and have a rating of A- or better in the most recently published edition of Best's Reports. Any request for an exception to State's Permittees' obligation to provide and maintain insurance shall be reviewed and approved by Grantor, in the reasonable discretion of the Grantor. If an insurer is not admitted to do business in the State of Washington, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.

Grantor, Hancock Natural Resource Group, Inc., and Hancock Forest Management Inc. shall be added as additional insureds on State's Permittees' general liability, excess, and umbrella insurance policies required by this Easement. Grantor shall be provided written notice before cancellation or non-renewal of any insurance referred to herein.

State shall furnish, upon request, a certificate of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements specified herein.

Permittees of State must comply with all insurance requirements stated herein.

Before using any of the rights granted herein, State shall require its Permittees to provide certificates of insurance to State and shall require Permittee's sub-contractors to be insured under the Permittee's policy or have in its possession separate certificates of insurance and endorsements for each. Failure of Permittees to comply with State's insurance requirements does not limit State's liability or responsibility.

State shall furnish upon request certificates of insurance and additional insured endorsements, if applicable, for any or all Permittees.

All self-insurance maintained by State in compliance with this Easement shall be primary. State waives all rights against Grantor for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this Easement.

By requiring insurance herein, State does not represent that coverage and limits will be adequate to protect State, and such coverage and limits shall not limit State's liability under the indemnities and reimbursements granted to State in this Easement.

**Indemnity.** To the extent permitted by law, State agrees to indemnify, defend, and hold harmless Grantor from and against any and all claims arising from or related to State's breach of any provision of this Easement or State's activities or the activities of State's Permittees pursuant to this Easement. A "claim" as used in this section means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorneys' fees, attributable to bodily injury, sickness, disease or death, or injury to or destruction of tangible property including the resulting loss of use. Notwithstanding the foregoing, State's duty to indemnify, defend, and hold Grantor harmless does not extend to (1) activities for which Grantor and/or its Permittee is solely negligent or (2) Grantor's and/or its Permittee's proportionate share of any concurrent negligence. State waives its immunity under Title 51 RCW only to the extent necessary to indemnify, defend, and hold harmless Grantor. This indemnification shall survive the expiration or termination of this Easement.

**Notice.** All notices under this Easement shall be in writing and signed by a party or its counsel. Notices may be (i) delivered personally, (ii) transmitted by facsimile, (iii) delivered by a recognized national overnight delivery service, or (iv) mailed by certified United States mail, postage prepaid and return receipt requested. Notices to any party shall be directed to the address set forth below in this section, or to such other or additional address as any party may specify by notice to the other party. Any notice delivered in accordance with this section shall be deemed given (a) in the case of personal delivery, on the day of delivery, (b) in the case of any notice transmitted by facsimile, on the date on which the transmitting party receives confirmation of receipt by facsimile transmission, telephone, or otherwise, (c) in the case of any notice delivered by a recognized national overnight delivery service, on the day of delivery to the service, or (d) in the case of any notice mailed by certified U S mail, upon receipt of the return receipt.

To State

DEPARTMENT OF NATURAL  
RESOURCES  
Northeast Region  
225 Silke Road  
Colville, WA 99114-9369

To Grantor

HANCOCK TIMBERLAND X, INC  
c/o Hancock Forest Management  
616 Highway 395 S  
Colville, WA 99114

**Integrated agreement; modifications.** This Easement constitutes the entire agreement and understanding of the parties with respect to the subject matter of the Easement and supersedes all prior negotiations and representations. This Easement shall not be modified except by written approval of both parties. The parties agree to execute any additional documents reasonably necessary to effectuate the provisions and purposes of this Easement.

**Severability.** If any provision of this Easement is held to be invalid or unenforceable, it shall not affect the validity of any other provision herein, and to this end the provisions of this Easement are declared to be severable. If any such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this Easement.

**Waiver.** Failure of either party to insist upon the strict performance of any of the terms and conditions of this Easement, or failure to exercise any rights or remedies provided in this Easement or by law, or to notify the other party in the event of breach, shall not release the other party of any of its obligations under this Easement, nor shall any purported oral modification or rescission of this Easement by either party operate as a waiver of any of the terms hereof. Any waiver by either party of any breach, default, or violation of any term, warranty, representation, agreement, covenant, right, condition, or provision of this Easement shall not constitute waiver of any subsequent breach, default, or violation of the same or other term, warranty, representation, agreement, covenant, right, condition, or provision.

State acknowledges that the Easement is situated in a forest zone and may be subject to conditions resulting from commercial forest operations on adjacent lands. Such operations include management and harvesting of timber, disposal of slash (including, without limitation, slash burning and other controlled burning), reforestation, application of chemicals, road construction and maintenance, transportation of forest products, and other accepted and customary forest management activities conducted in accordance with federal and state laws. Said forest management activities ordinarily and necessarily produce noise, dust, smoke, appearance and other conditions which may conflict with State's use of the Easement Area.

**Successors and Assigns.** This Easement shall be binding upon and shall inure to the benefit of the parties, their successors, and assigns.

**Construction.** The terms of this Easement shall be given their ordinary meaning unless defined herein and shall not be presumptively construed against either party.

**Exhibits.** All exhibits referenced in this Easement are incorporated as part of the Easement.

**Headings.** The headings in this Easement are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Easement nor the meaning of any of its provisions.

**Counterparts.** This Easement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart Execution of this Easement at different times and places by the parties shall not affect its validity so long as all the parties execute a counterpart of this Easement.

IN WITNESS WHEREOF, the parties hereto have executed this instrument, in duplicate to become effective as of the day and year first above written.

HANCOCK TIMBERLAND X., INC.

BY: Hancock Natural Resource Group, Inc.,  
Its Advisor

Dated: June 8, 2017.

*David Kimbrough*  
By: David Kimbrough  
Title: Vice President  
Address: 13950 Ballantyne Corp. Pl. Suite 150  
Charlotte, NC 28277  
Phone: 704-540-4100

STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES

Dated: June 23, 2017.

*Angus W. Brodie*  
ANGUS BRODIE  
Deputy Supervisor for Uplands  
1111 Washington Street SE  
MS 47000  
Olympia WA 98504-7000



Approved as to Form only  
September 2, 2014, by Mike  
Rollinger, Assistant Attorney  
General for the State of Washington

REPRESENTATIVE ACKNOWLEDGEMENT

STATE OF NORTH CAROLINA )
) ss.
County of Mecklenburg )

On this 8th day of June, 2017, before me, the undersigned, a Notary Public in and for the state of North Carolina, duly commissioned and sworn, personally appeared David Kimbrough, known to be the Vice President of Hancock Natural Resource Group, Inc., the company that executed the foregoing instrument, and acknowledged the instrument to be the free and voluntary act and deed of that corporation for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the instrument on behalf of the corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Ann Hardin
Print Name: Ann Hardin
NOTARY PUBLIC for the State of North Carolina
My Commission Expires: 3-27-2022



STATE ACKNOWLEDGEMENT

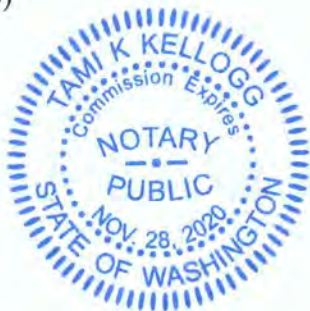
State of Washington

County of Thurston

I certify that I know or have satisfactory evidence that ANGUS BRODIE is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Deputy Supervisor for Uplands of the Department of Natural Resources of the State of Washington to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 4/23/17

(Seal or stamp)



Tami K. Kellogg  
(Signature)

Tami K. Kellogg  
(Print Name)

Notary Public in and for the State of Washington,  
residing at Hoguanam.  
My appointment expires 11/28/2020.

**EXHIBIT A  
Burdened Parcels**

**Ferry  
County**

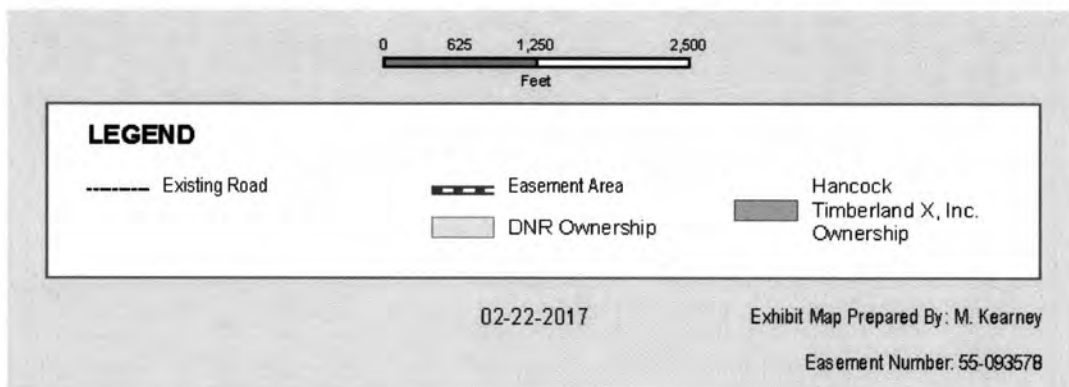
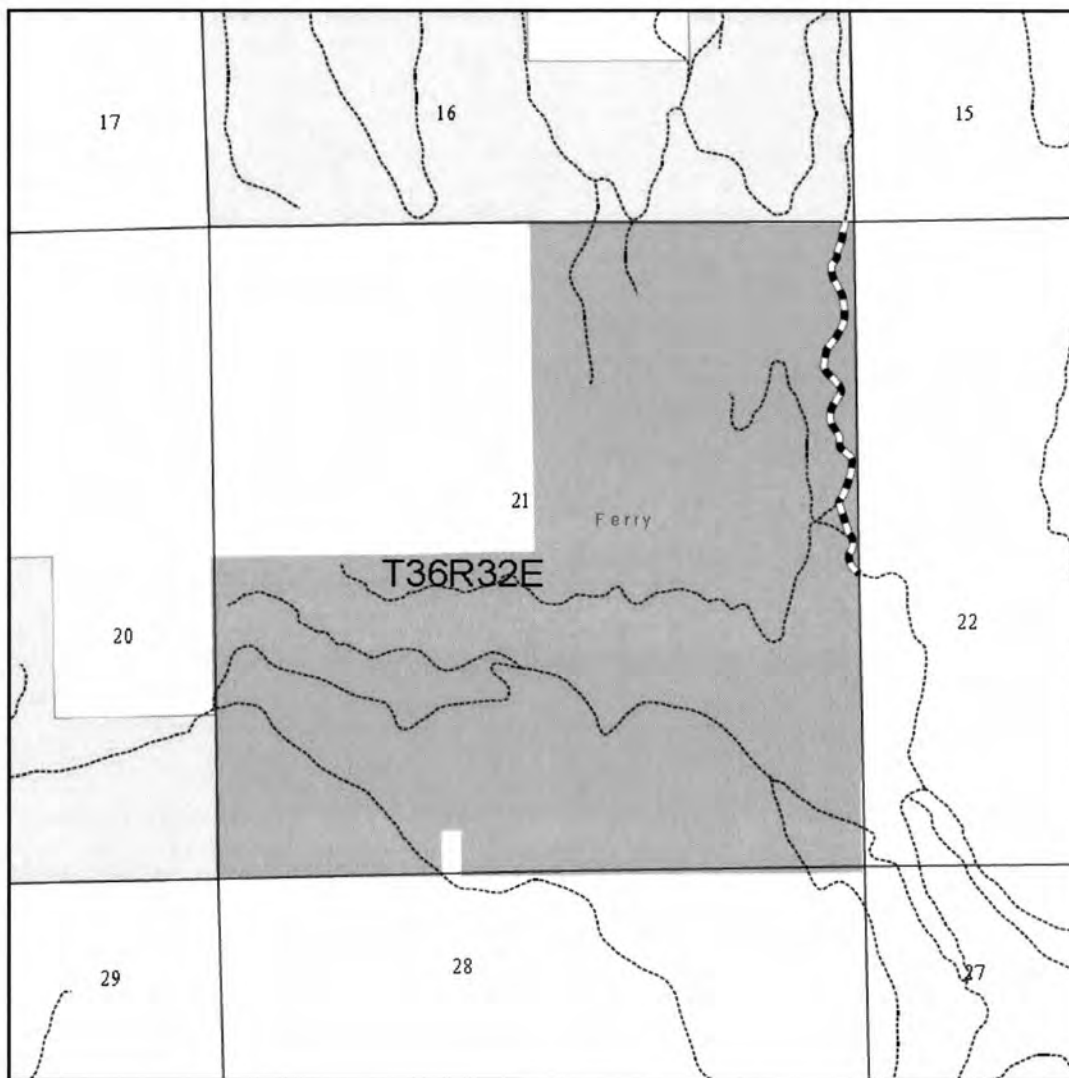
Township	Range	Section	Legal Description	Parcel No
36N	32E	21	THE EAST HALF OF THE NORTHEAST QUARTER, AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER	PTN 23621110001006
36N	32E	33	THE EAST HALF OF THE SOUTHEAST QUARTER	23633410001006
36N	32E	34	THE NORTHWEST OF THE SOUTHWEST QUARTER	PTN 23634310001006
37N	32E	10	THE NORTH HALF OF THE NORTHEAST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER, THE SOUTH HALF OF THE NORTHWEST QUARTER, AND THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER	PTN 23710110001006
39N	34E	15	THE NORTH HALF OF THE SOUTH HALF, AND THE SOUTHEAST QUARTER OF NORTHWEST QUARTER	PTN 43915210001006

**Stevens  
County**

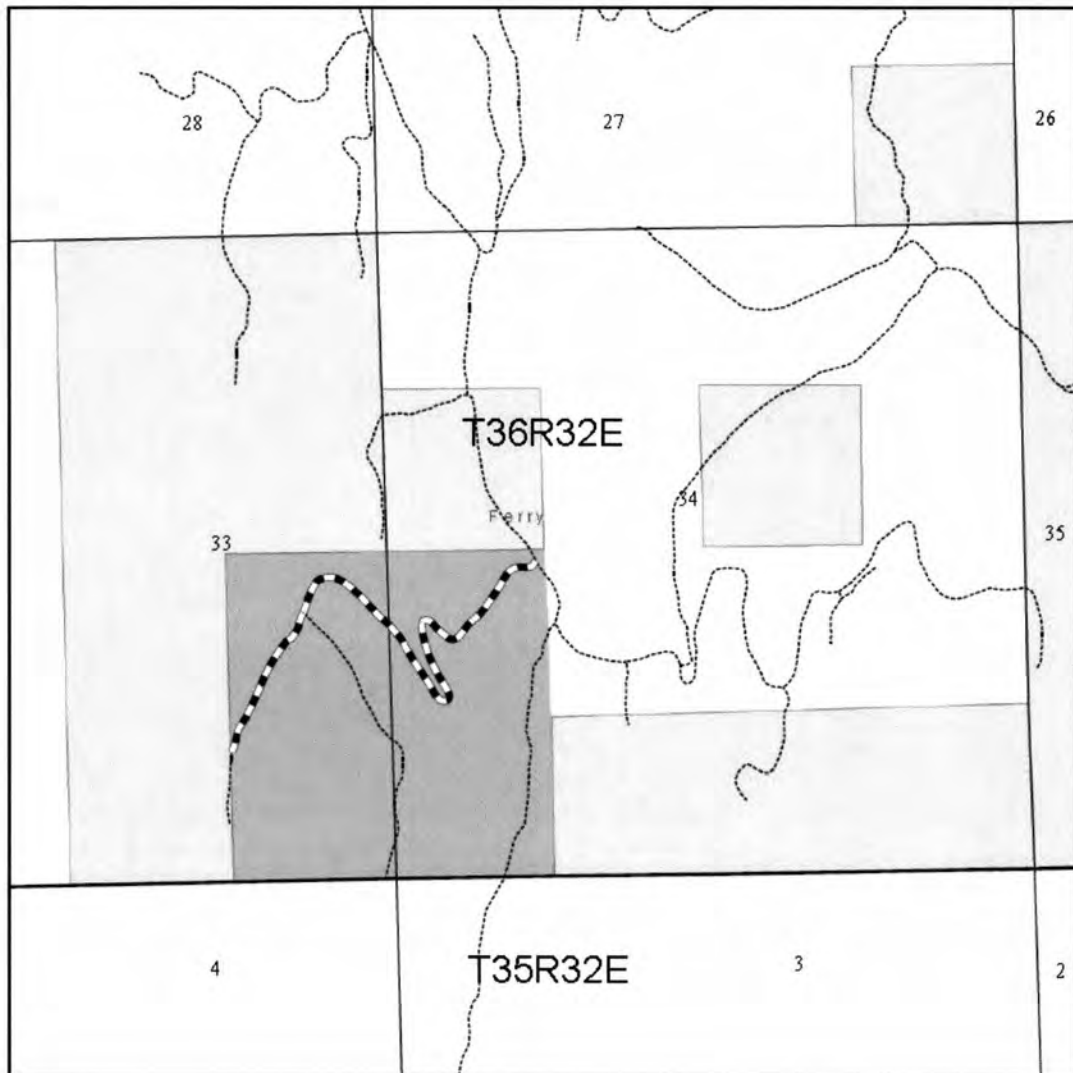
Township	Range	Section	Legal Description	Parcel No
30N	38E	21	THE NORTH HALF OF THE NORTHWEST QUARTER, AND THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER	PTN 1777300
40N	38E	24	THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER	PTN 2023300
29N	39E	15	THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER, AND THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER	2049200
			THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER	2049300
			THE EAST HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER	2049800
37N	39E	23	THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER	2334600
37N	39E	24	THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, THE SOUTH HALF OF THE NORTHWEST QUARTER, THE EAST HALF OF THE SOUTHWEST QUARTER	PTN 2334900

37N	39E	25	THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER, THE SOUTH HALF OF THE NORTHWEST QUARTER, AND THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER	2335000
38N	39E	23	THE WEST HALF OF THE SOUTHWEST QUARTER	PTN 2359400
38N	39E	30	GOVERNMENT LOTS 1, 2, 7, 8, AND 10	PTN 2366300
			GOVERNMENT LOT 11	PTN 2366400
			GOVERNMENT LOTS 5 AND 6	2366600
38N	40E	21	THE NORTHEAST QUARTER	5034700
			THE NORTHWEST QUARTER	5034800
			THE SOUTHEAST QUARTER	5035000

### EXHIBIT B-1 Easement Area



### EXHIBIT B-2 Easement Area



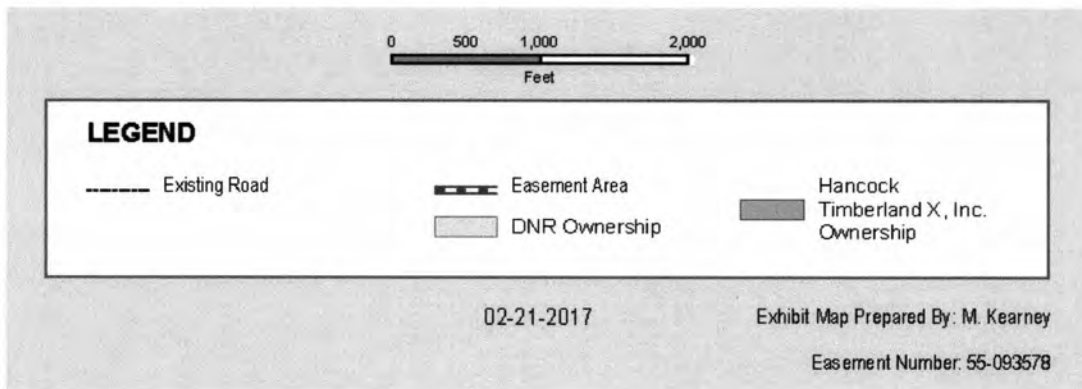
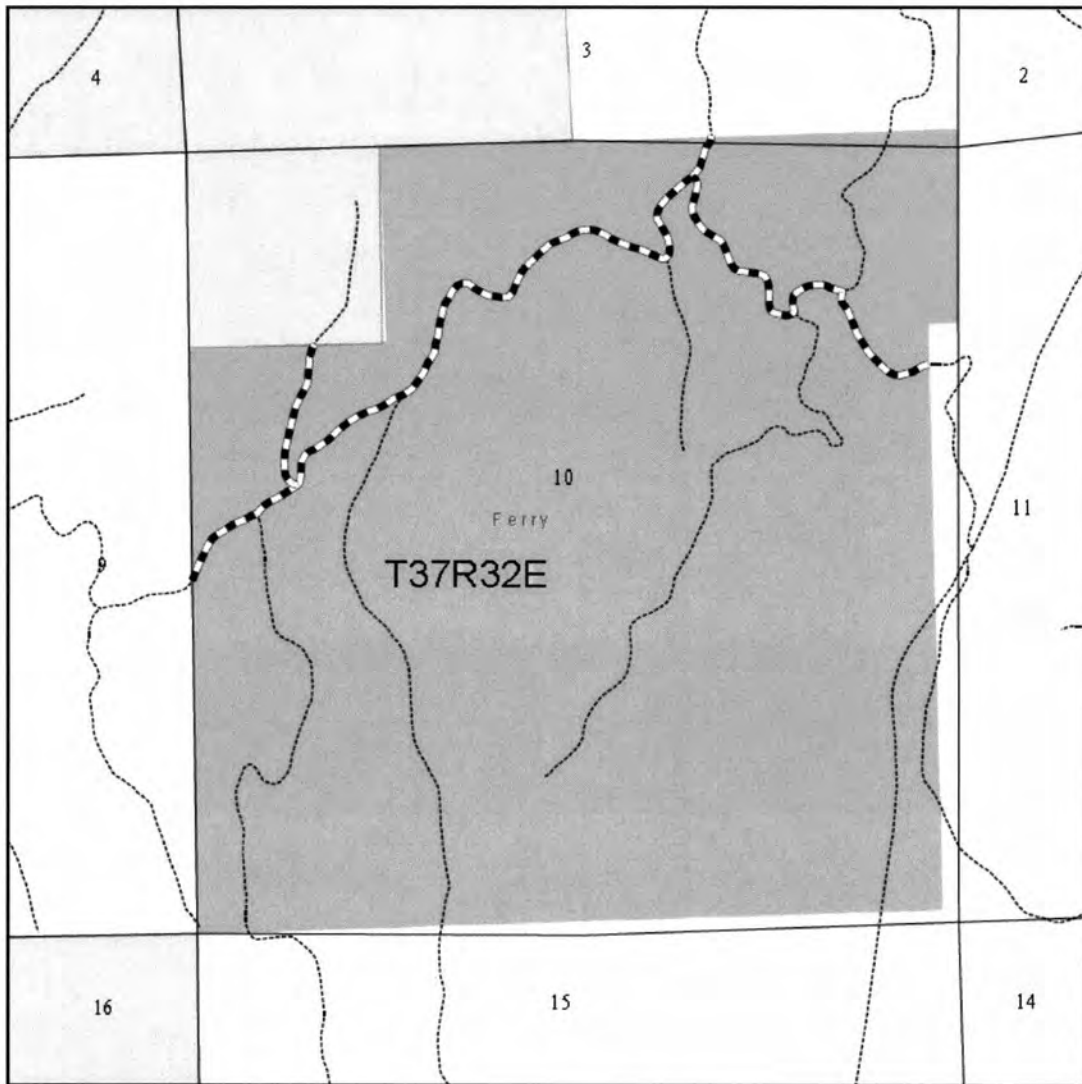
LEGEND		
Existing Road	Easement Area	Hancock Timberland X, Inc. Ownership
	DNR Ownership	

02-22-2017

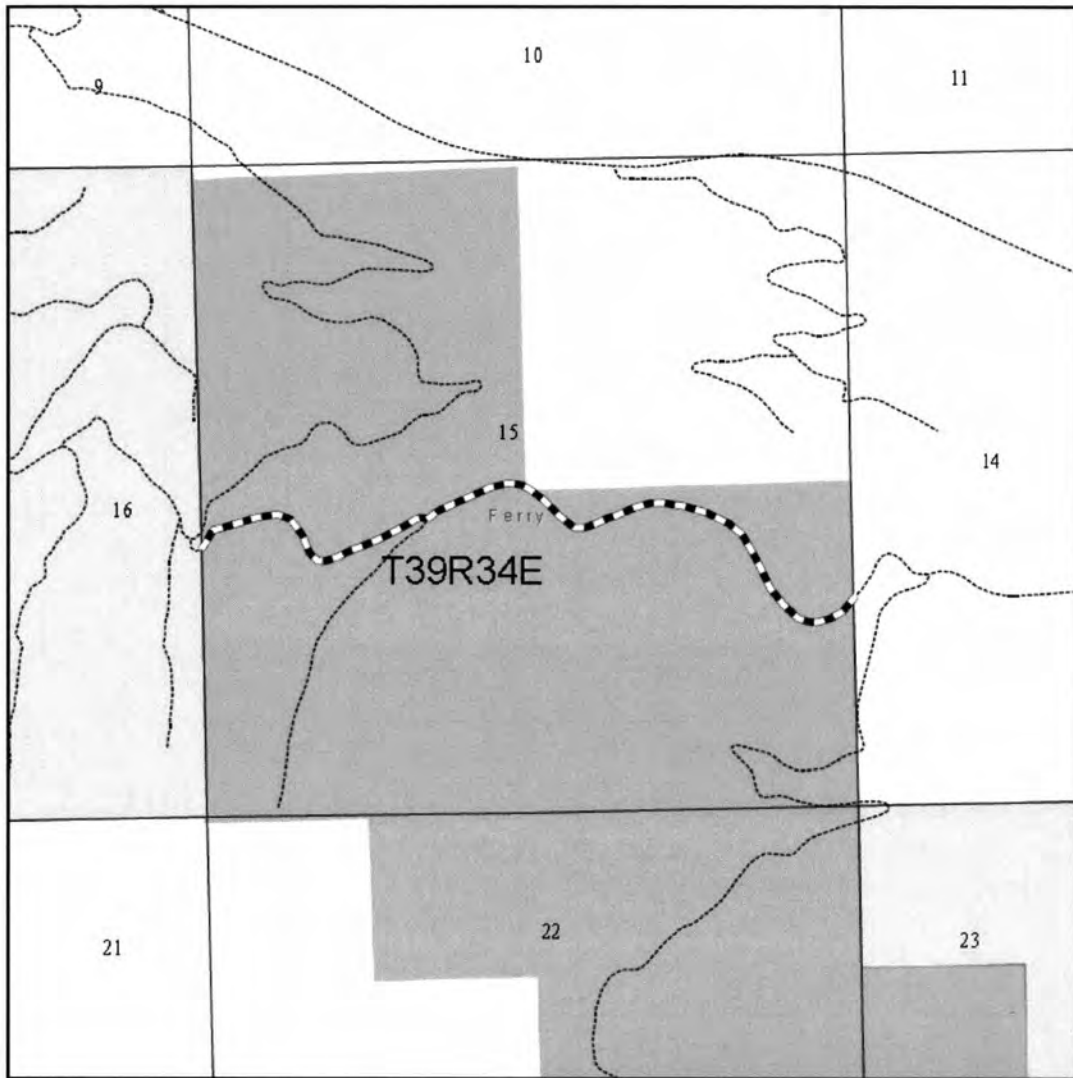
Exhibit Map Prepared By: M. Kearney

Easement Number: 55-093578

### EXHIBIT B-3 Easement Area



### EXHIBIT B-4 Easement Area



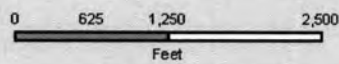
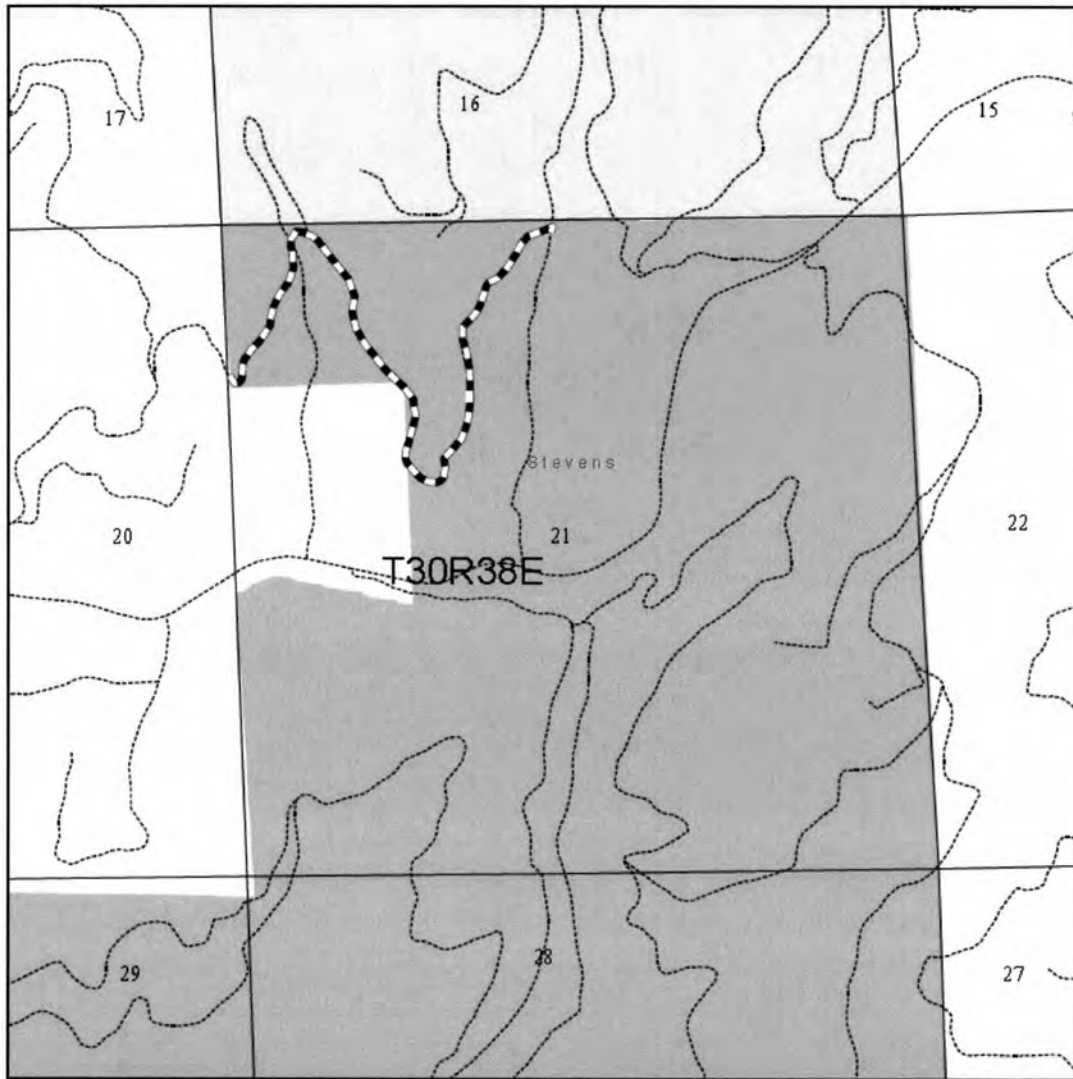
0 625 1,250 2,500  
Feet

LEGEND		
Existing Road	Easement Area	Hancock Timberland X, Inc. Ownership
DNR Ownership		

02-22-2017  
Exhibit Map Prepared By: M. Kearney  
Easement Number: 55-093578



### EXHIBIT B-5 Easement Area



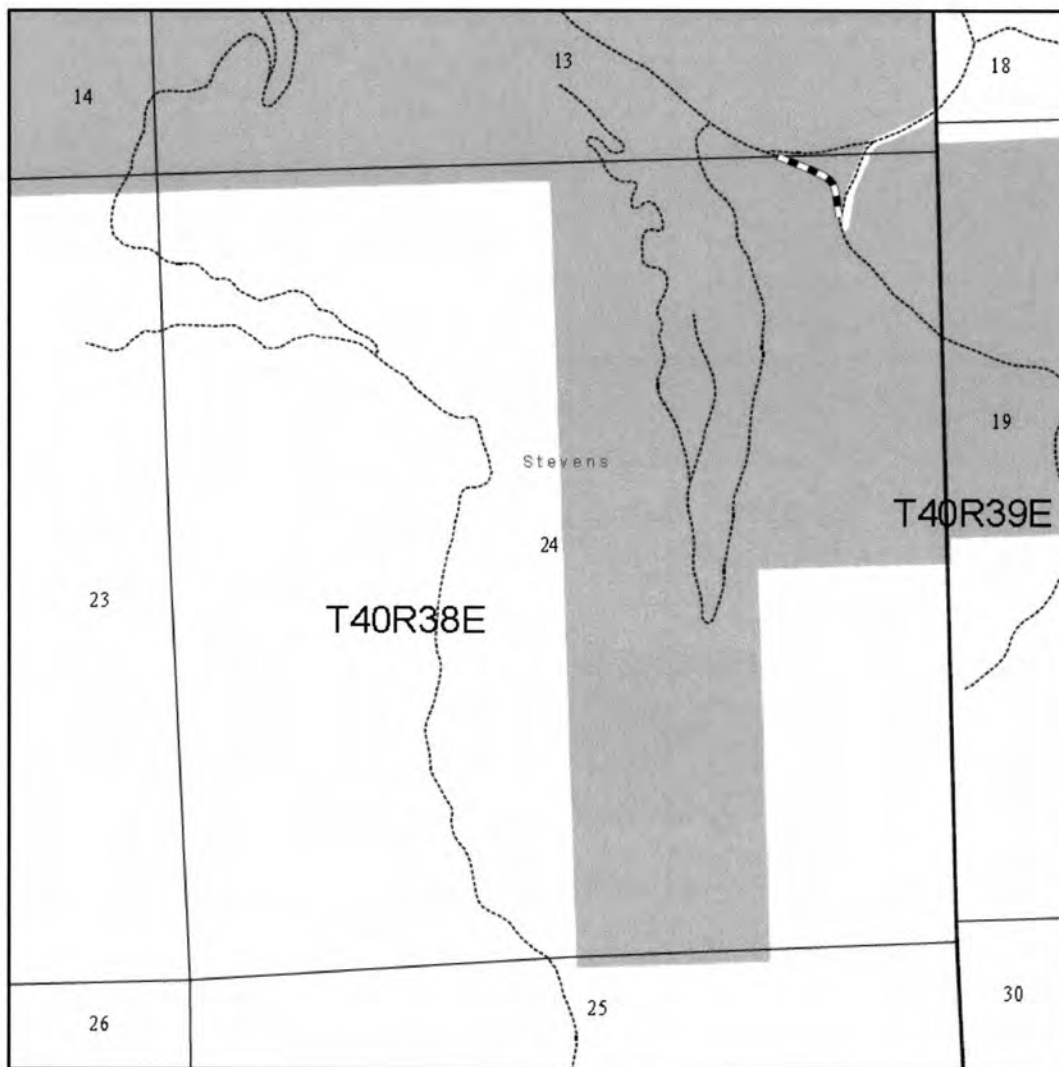
LEGEND		
Existing Road	Easement Area	Hancock Timberland X, Inc. Ownership
	DNR Ownership	

02-22-2017

Exhibit Map Prepared By: M. Kearney

Easement Number: 55-093578

### EXHIBIT B-6 Easement Area



#### LEGEND

----- Existing Road

----- Easement Area

□ DNR Ownership

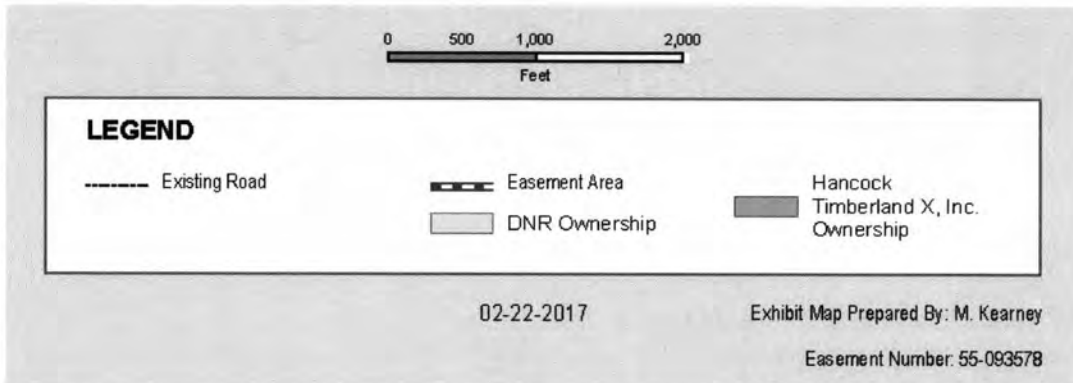
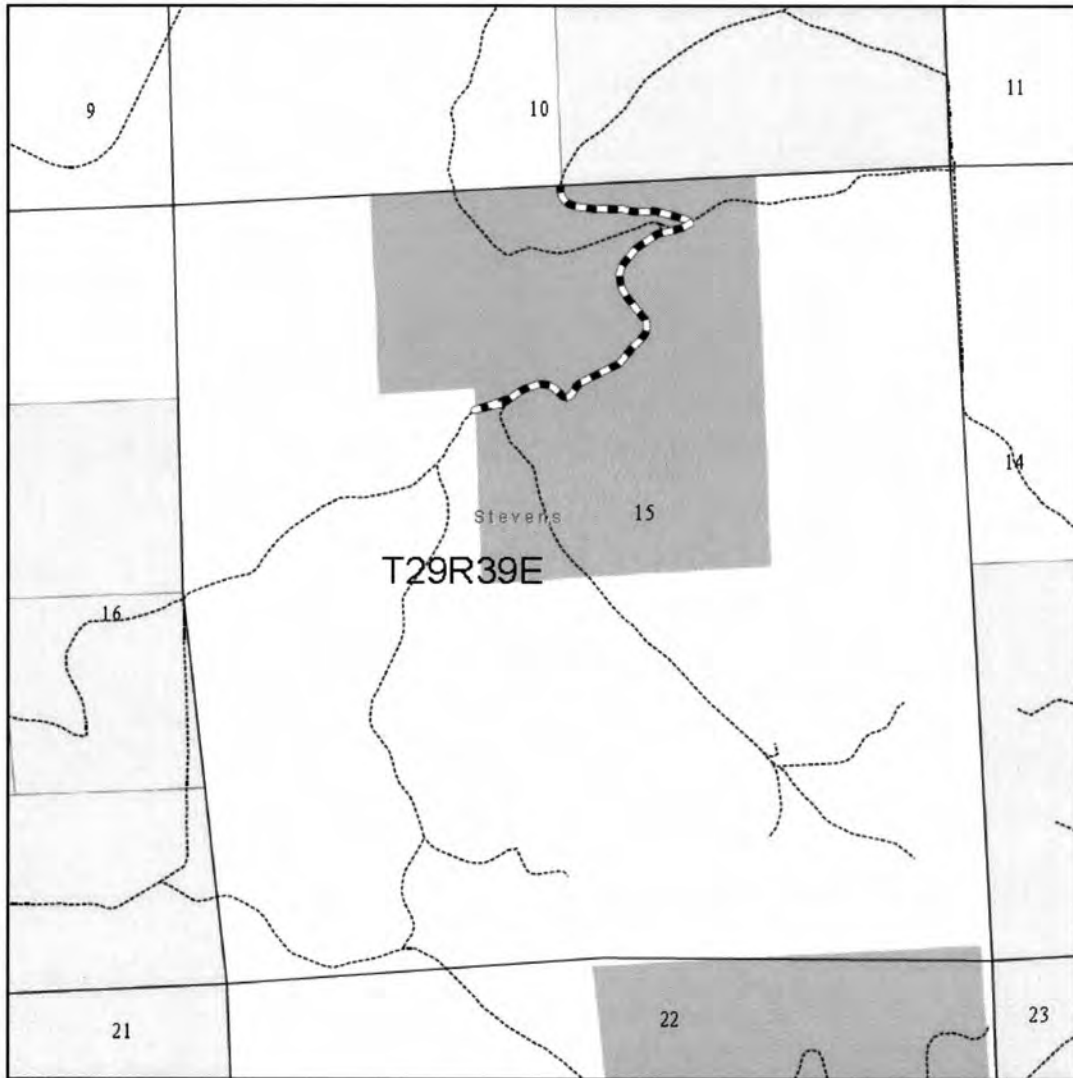
□ Hancock  
Timberland X, Inc.  
Ownership

02-22-2017

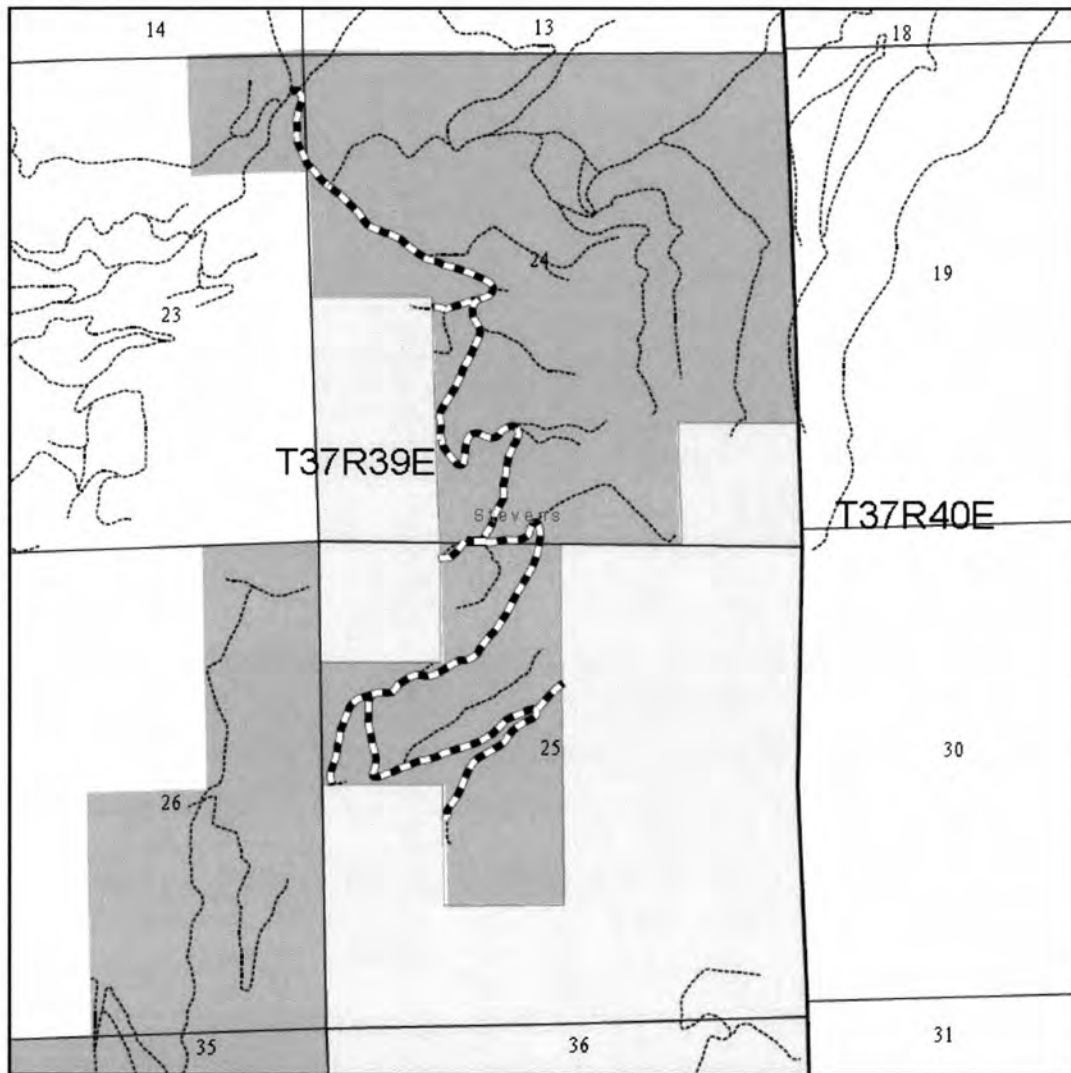
Exhibit Map Prepared By: M. Kearney

Easement Number: 55-093578

### EXHIBIT B-7 Easement Area



### EXHIBIT B-8 Easement Area



0 800 1,600 3,200  
Feet

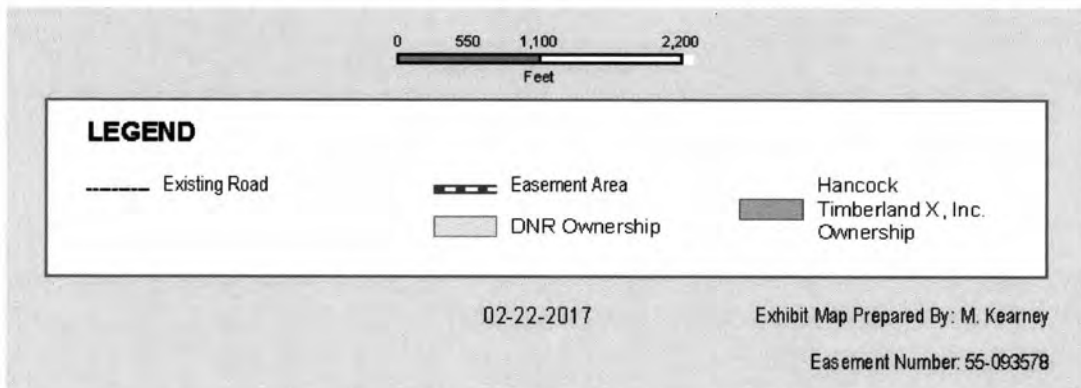
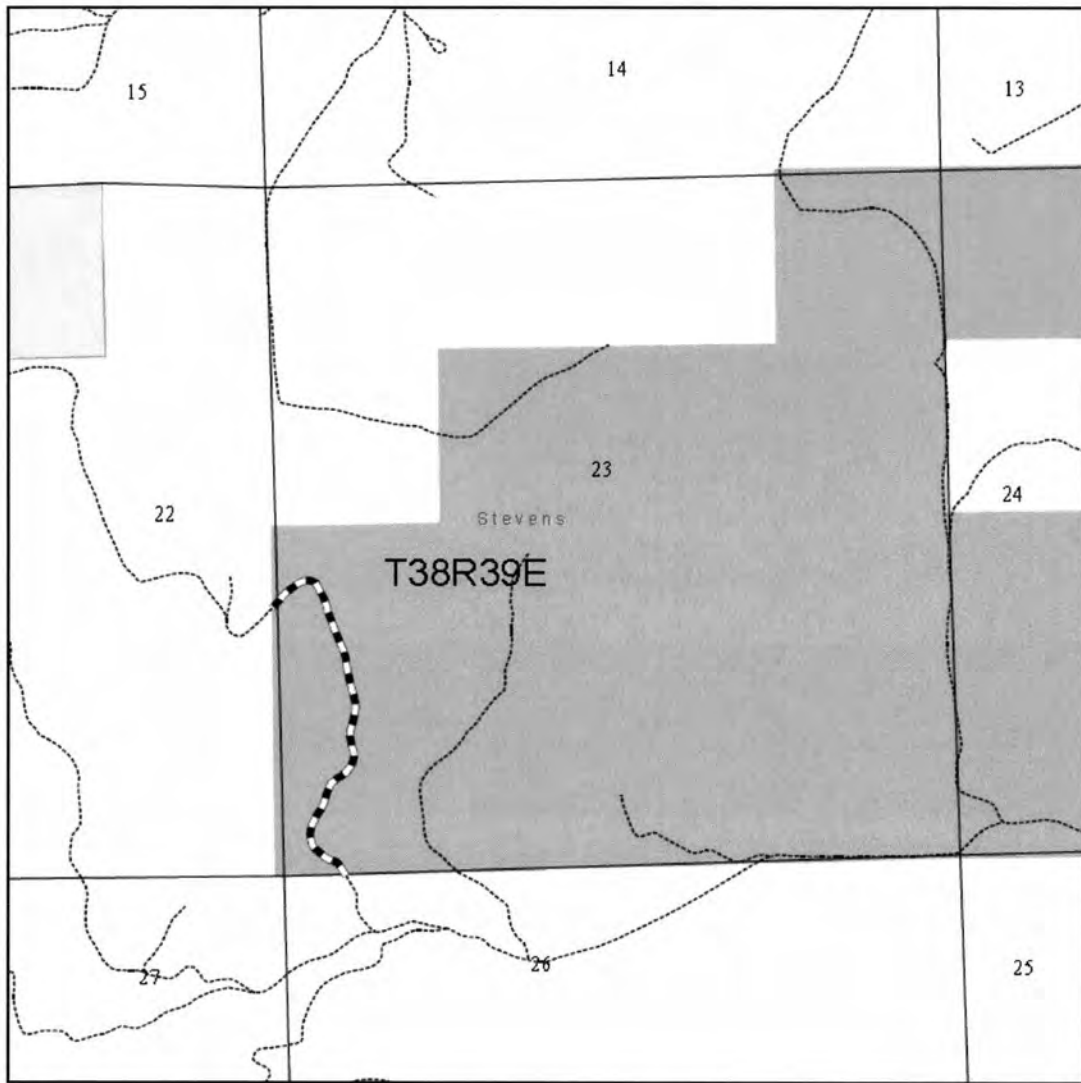
LEGEND		
Existing Road	Easement Area	Hancock Timberland X, Inc. Ownership
	DNR Ownership	

02-21-2017

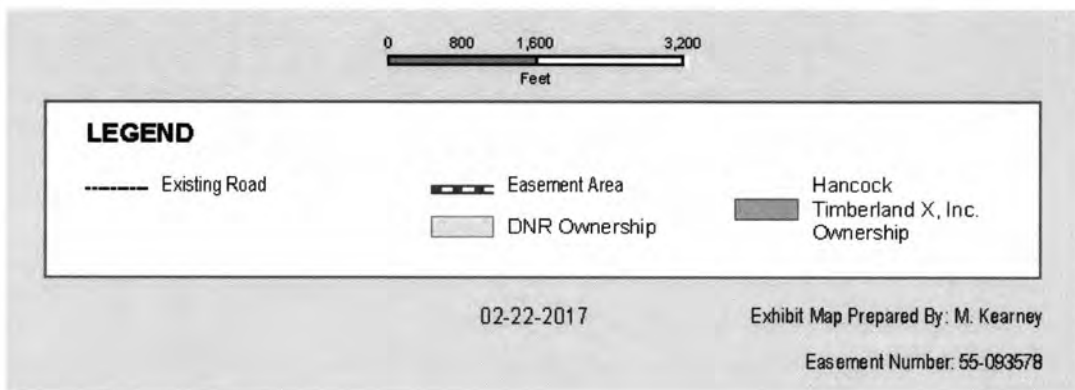
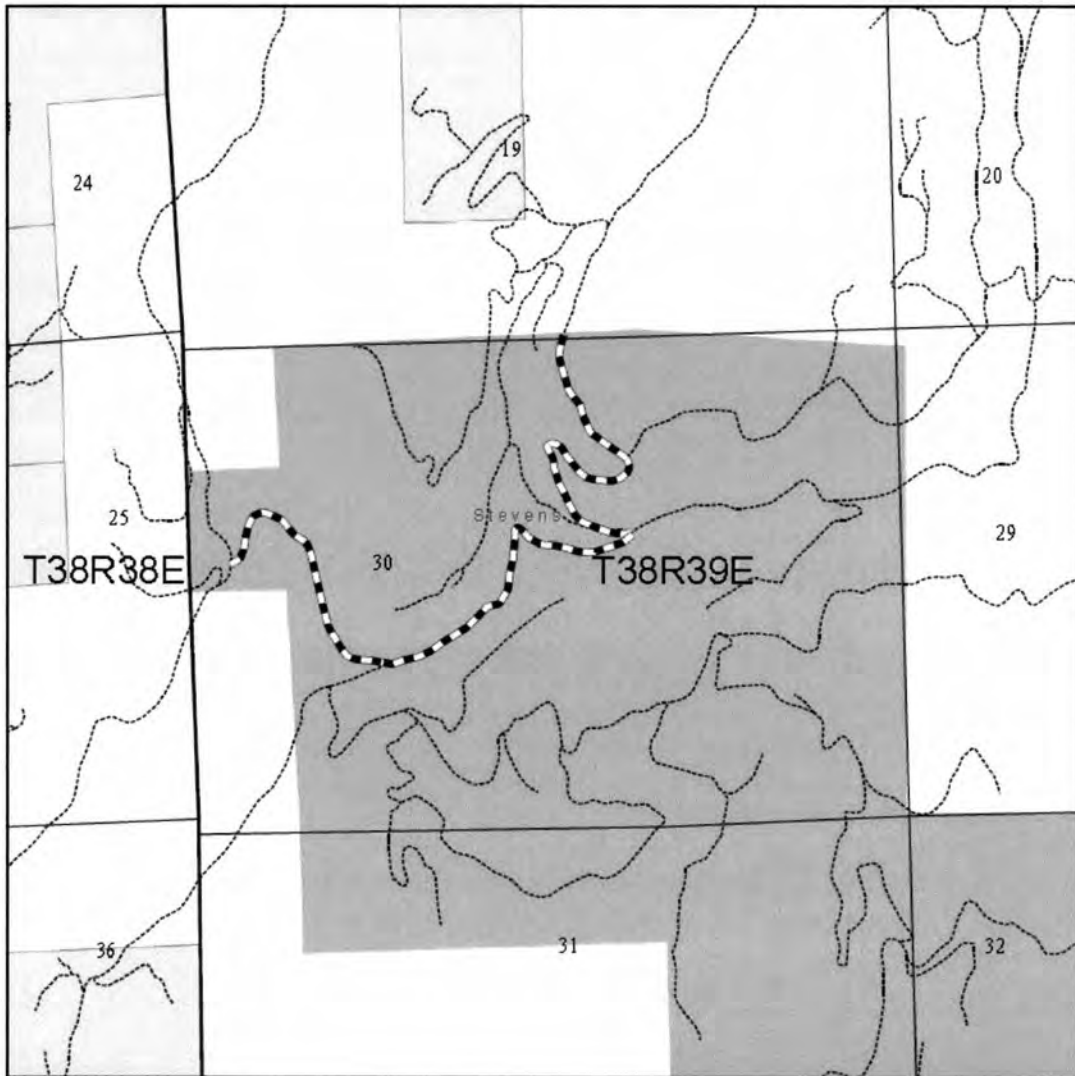
Exhibit Map Prepared By: M. Kearney

Easement Number: 55-093578

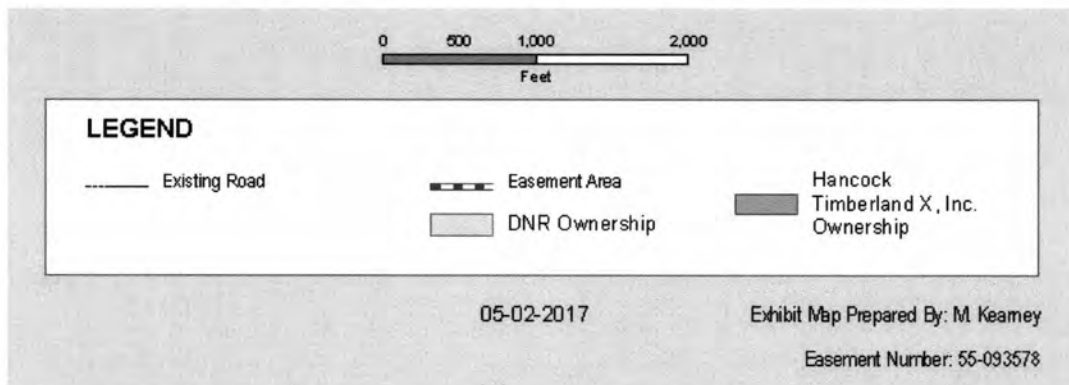
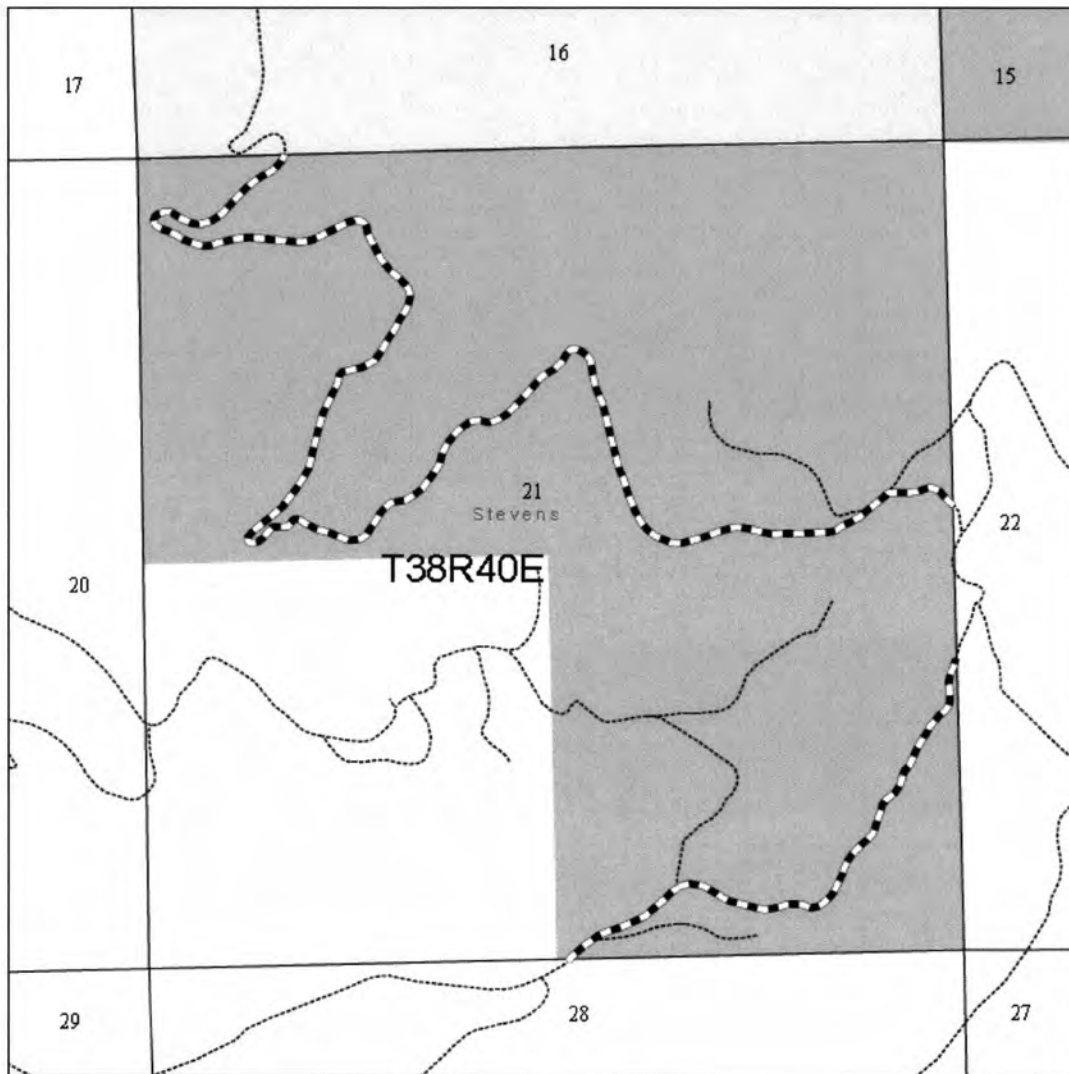
### EXHIBIT B-9 Easement Area



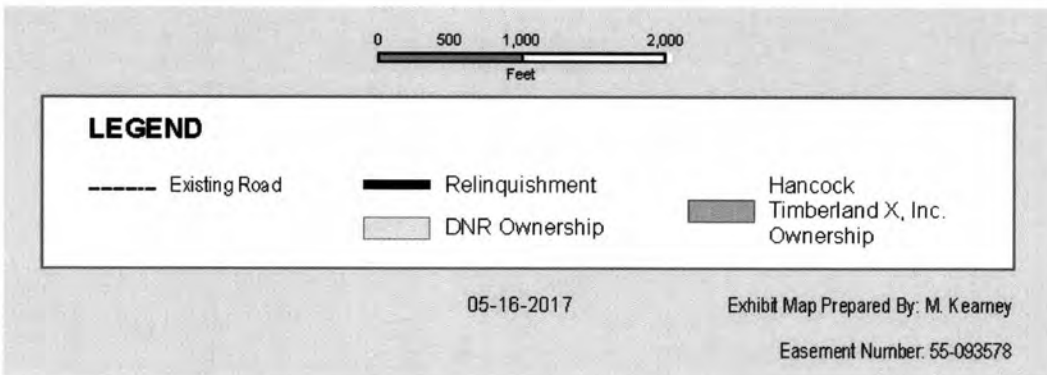
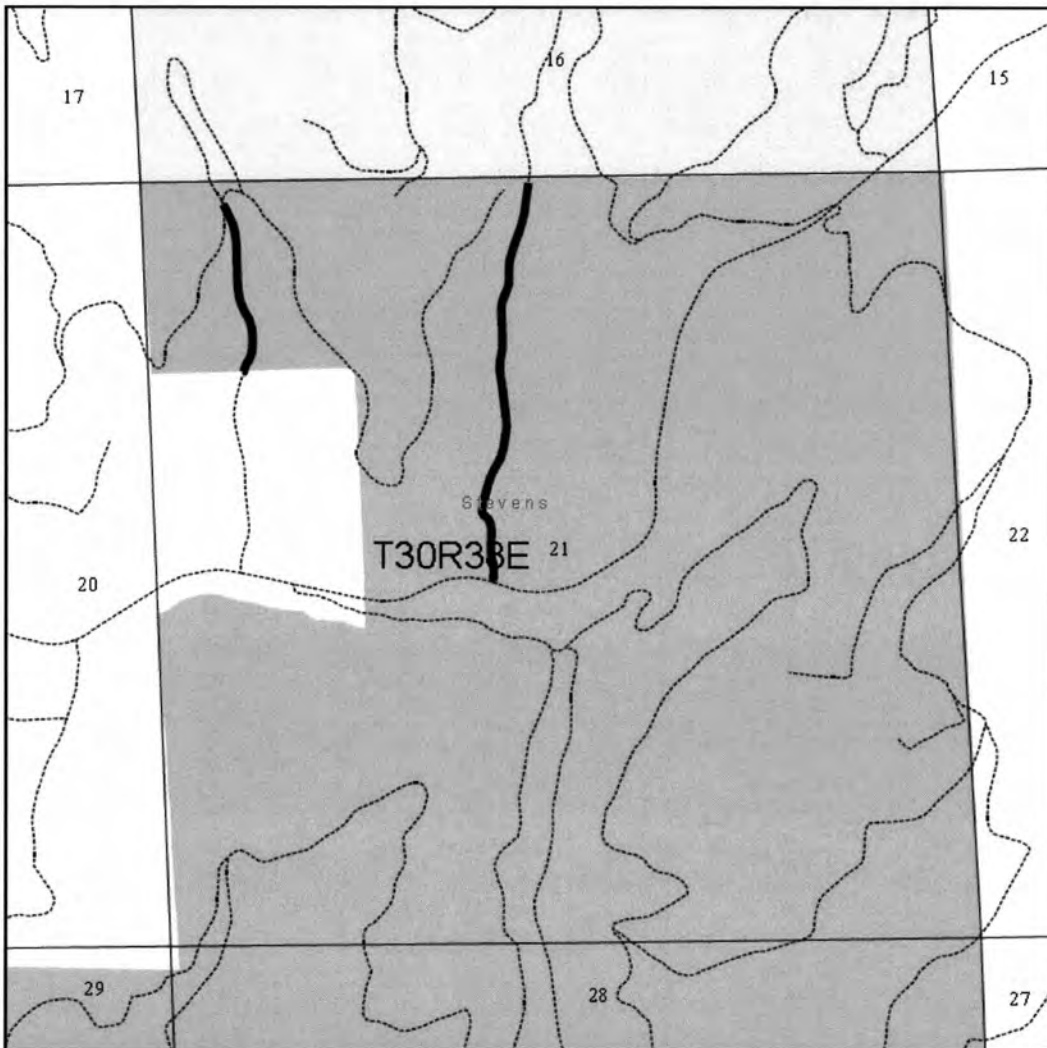
### EXHIBIT B-10 Easement Area



### EXHIBIT B-11 Easement Area



### EXHIBIT C Release of Easement





**EXHIBIT D**  
**Benefited Parcels**

**Ferry  
County**

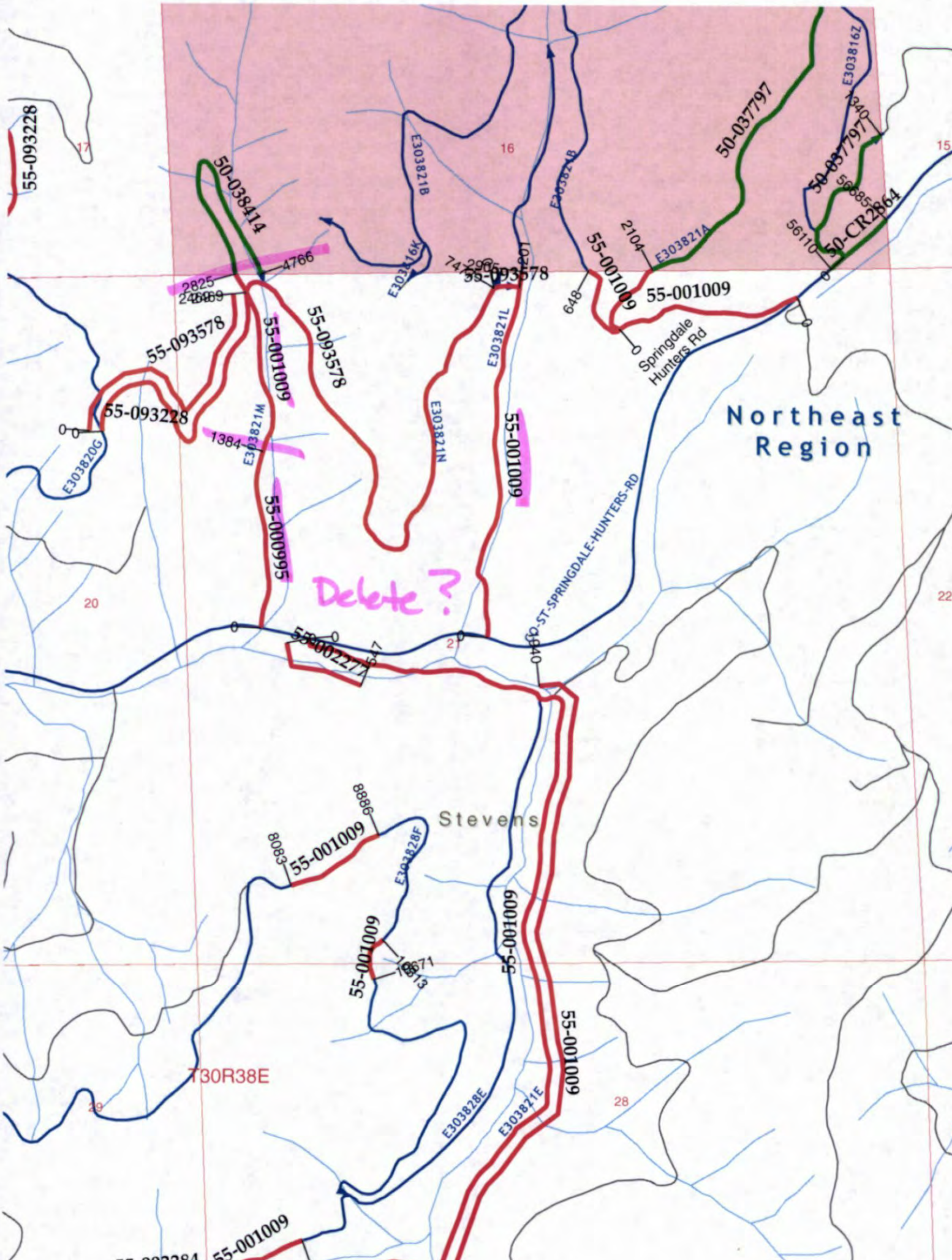
Township	Range	Section	Legal Description
36N	32E	27	THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER
36N	32E	33	THE WEST HALF OF THE SOUTHEAST QUARTER
36N	32E	35	THE EAST HALF OF THE NORTHWEST QUARTER, THE WEST HALF OF THE NORTHEAST QUARTER, AND THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER
36N	32E	36	THE WEST HALF OF THE NORTHWEST QUARTER, GOVERNMENT LOT 4, AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER
37N	32E	3	GOVERNMENT LOTS 3-4, THE SOUTH HALF OF THE NORTHWEST QUARTER, AND THE SOUTHWEST QUARTER
37N	32E	4	GOVERNMENT LOT 1, THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER, AND THE EAST HALF OF THE SOUTHEAST QUARTER
37N	32E	10	THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER
39N	34E	16	THE EAST HALF, AND THE EAST HALF OF THE SOUTHWEST QUARTER

**Stevens  
County**

Township	Range	Section	Legal Description
30N	38E	16	THE EAST HALF OF THE SOUTHWEST QUARTER; AND THE WEST HALF OF THE SOUTHEAST QUARTER
40N	38E	16	ALL
29N	39E	16	THE SOUTH HALF, AND THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER
29N	39E	21	GOVERNMENT LOTS 1-4
37N	39E	24	THE WEST HALF OF THE SOUTHWEST QUARTER, AND THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER
37N	39E	25	THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, THE SOUTH HALF OF THE SOUTHWEST QUARTER, THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER, AND THE EAST HALF
38N	39E	16	THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER, AND THE SOUTHEAST QUARTER
38N	39E	19	GOVERNMENT LOTS 7 AND 10
38N	39E	21	THE NORTHEAST QUARTER, AND THE NORTH HALF OF THE SOUTHEAST QUARTER
38N	39E	22	THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER
38N	40E	16	ALL

**EXHIBIT E**  
**OPERATIONAL REQUIREMENTS**

1. Roads may not be used when continued use will result in excessive damage due to weather or other conditions
2. During snow removal operations, retain approximately two-inches of snow on roadbeds to prevent removal of gravel surfacing and/or damage to road subgrades. Install drainage outlets in plow berms at regular intervals to provide for drainage
3. Gates must be kept closed at all times unless hauling of timber is underway
4. All methods of chemical weed control on Grantor land [shall be approved in writing by Grantor prior to beginning such activities] Aerial spraying is not permitted on Grantor land without prior approval by Grantor



55-093228

50-038414

55-093578

55-093228

55-001009

55-000995

Delete?

6001009

55-001009

55-001009

55-001009

Northeast Region

Stevens

Springdale Hunters Rd

ST-SPRINGDALE-HUNTERS-RD

730R38E

E303828E

E303821E

E303821N

E303821L

E303821B

E303816K

E303821B

E303821A

E303816Z

50-037797

50-037797

50-CR2864

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74296

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1021

E303820G

E303821M

1384

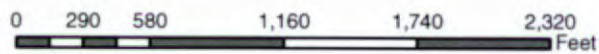
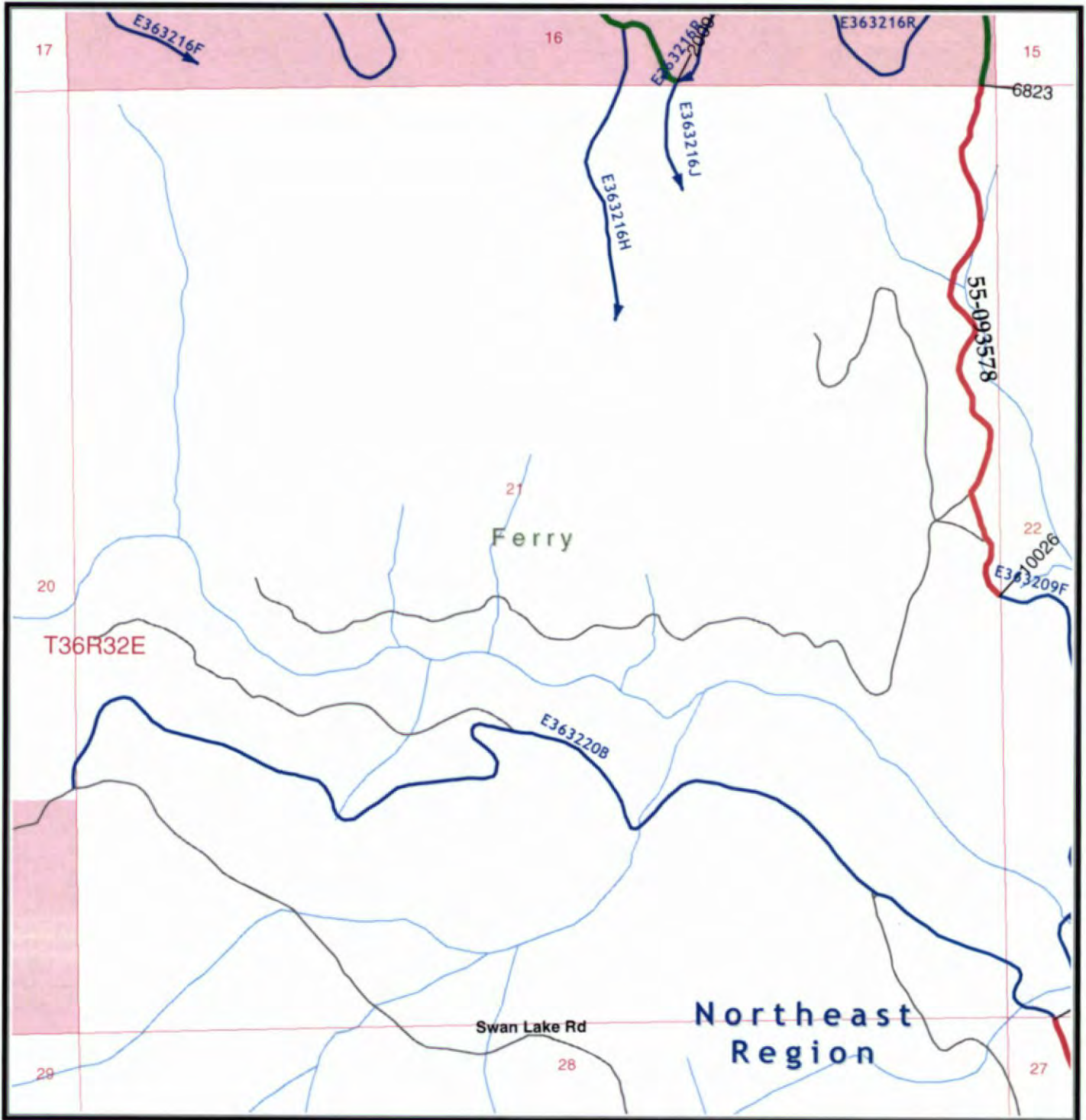
20

22

29

28

2



**REGIS Right of Way Events Grant Codes**

- 1: Acquired by DNR
- 2: Granted to Other
- 3: Merged in Title

**DNR Routes**

- ➔ Route Direction

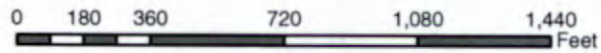
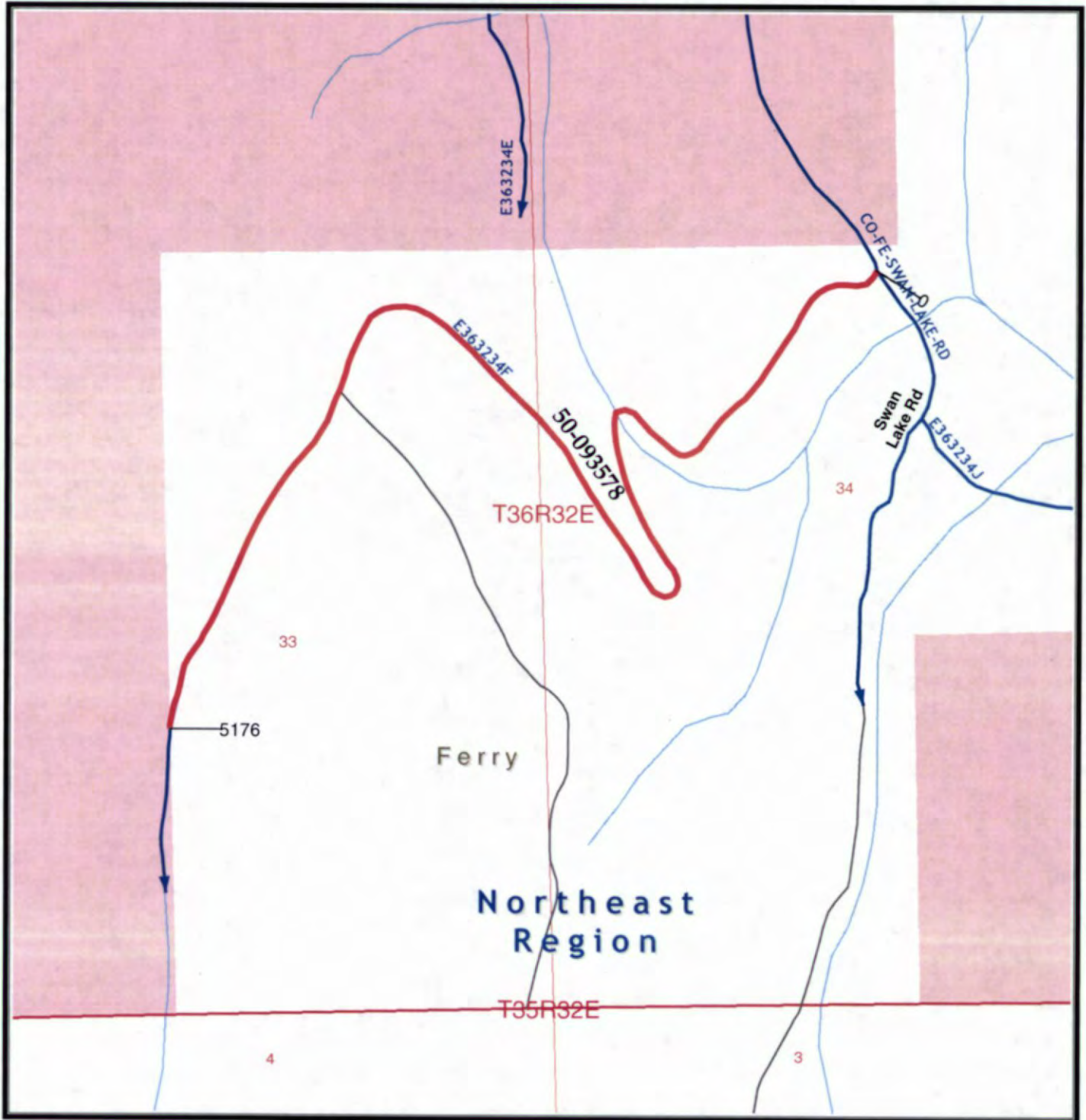
**Roads by USGS Class**

- 1: Primary Highway/All-Weather/Hard Surface
- 2: Secondary Highway/All-Weather/Hard Surface
- 3: Light-Duty Road/All-Weather/Improved
- 4: Unimproved Road/Fair or Dry Weather
- - - 5: 4 wheel drive

**DNR-Managed Lands**

- Granted Trust Lands
- Forest Board Trust Lands
- NAP / NRCA
- Other DNR-Managed Lands





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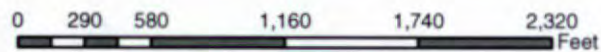
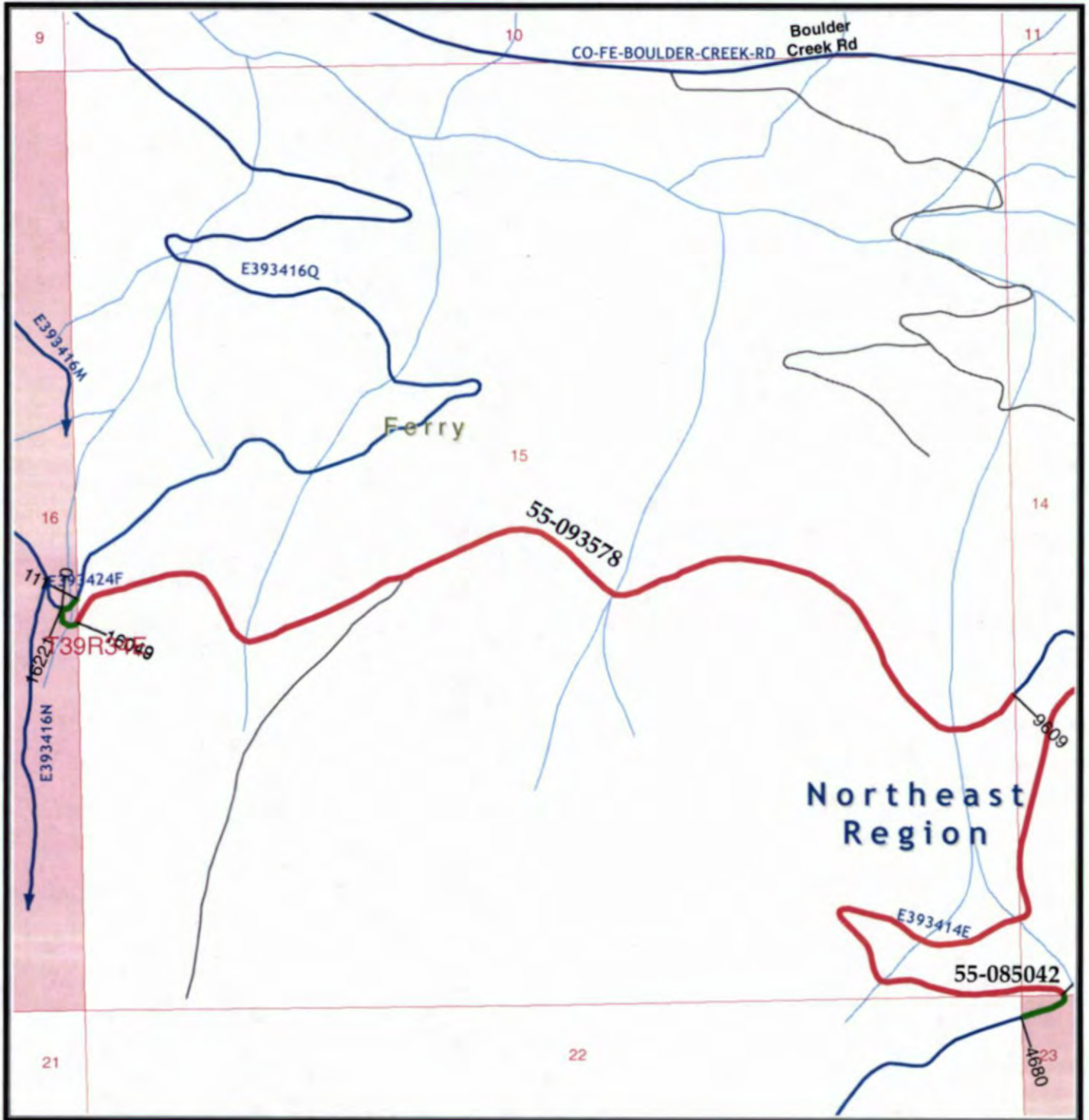
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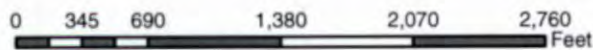
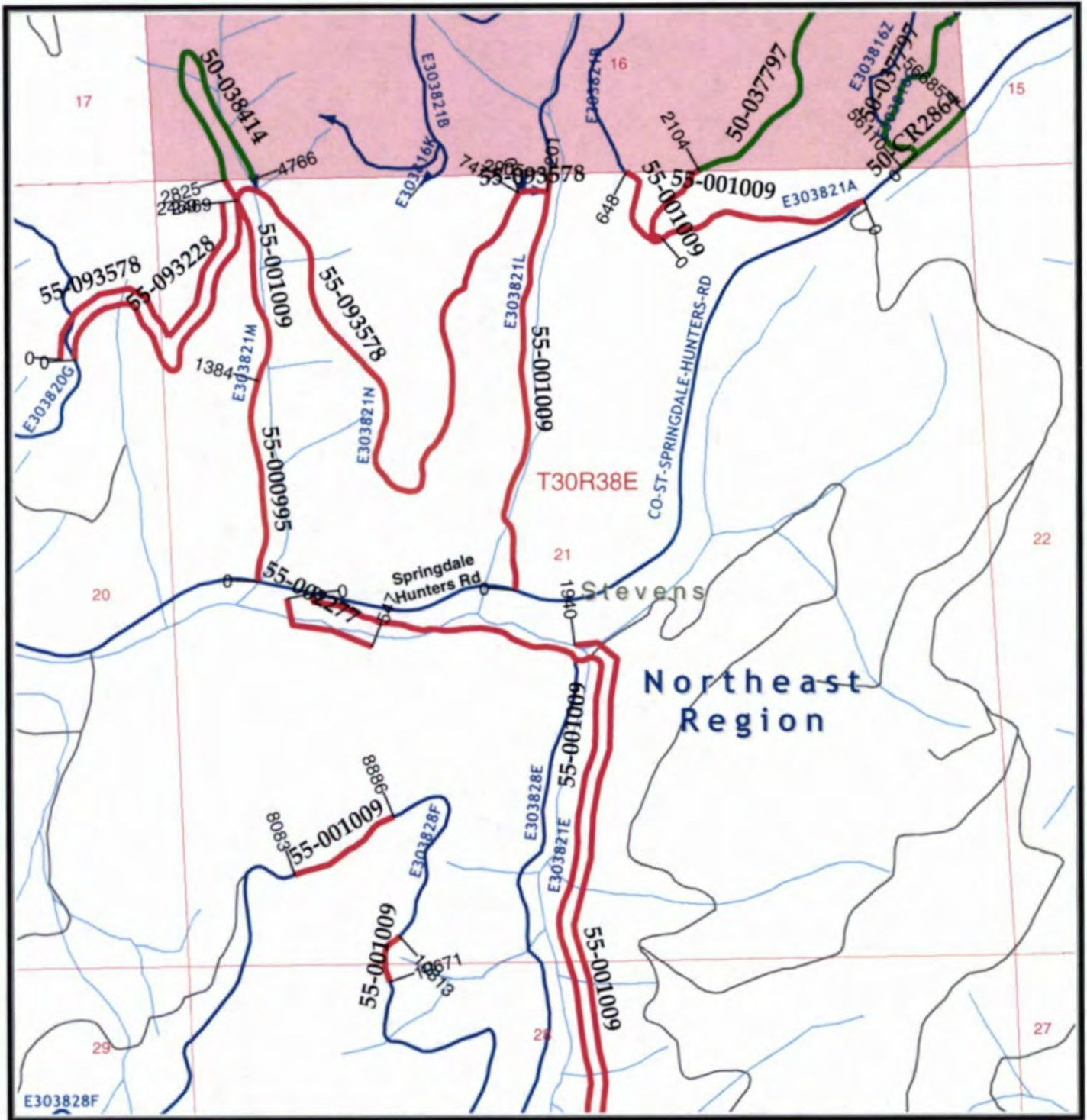
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- Route Direction

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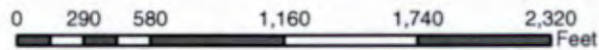
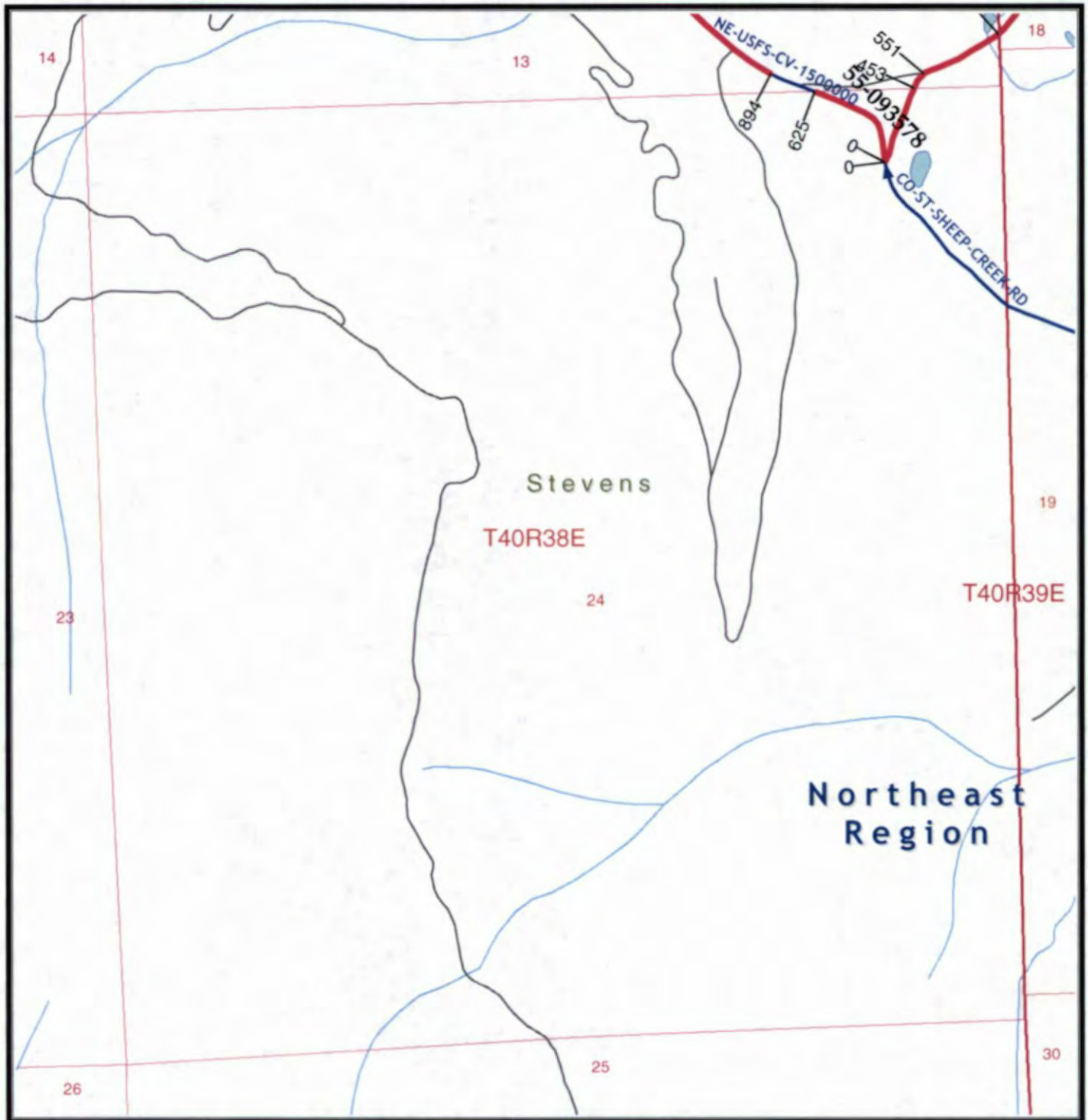
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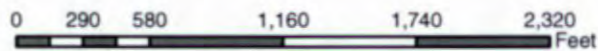
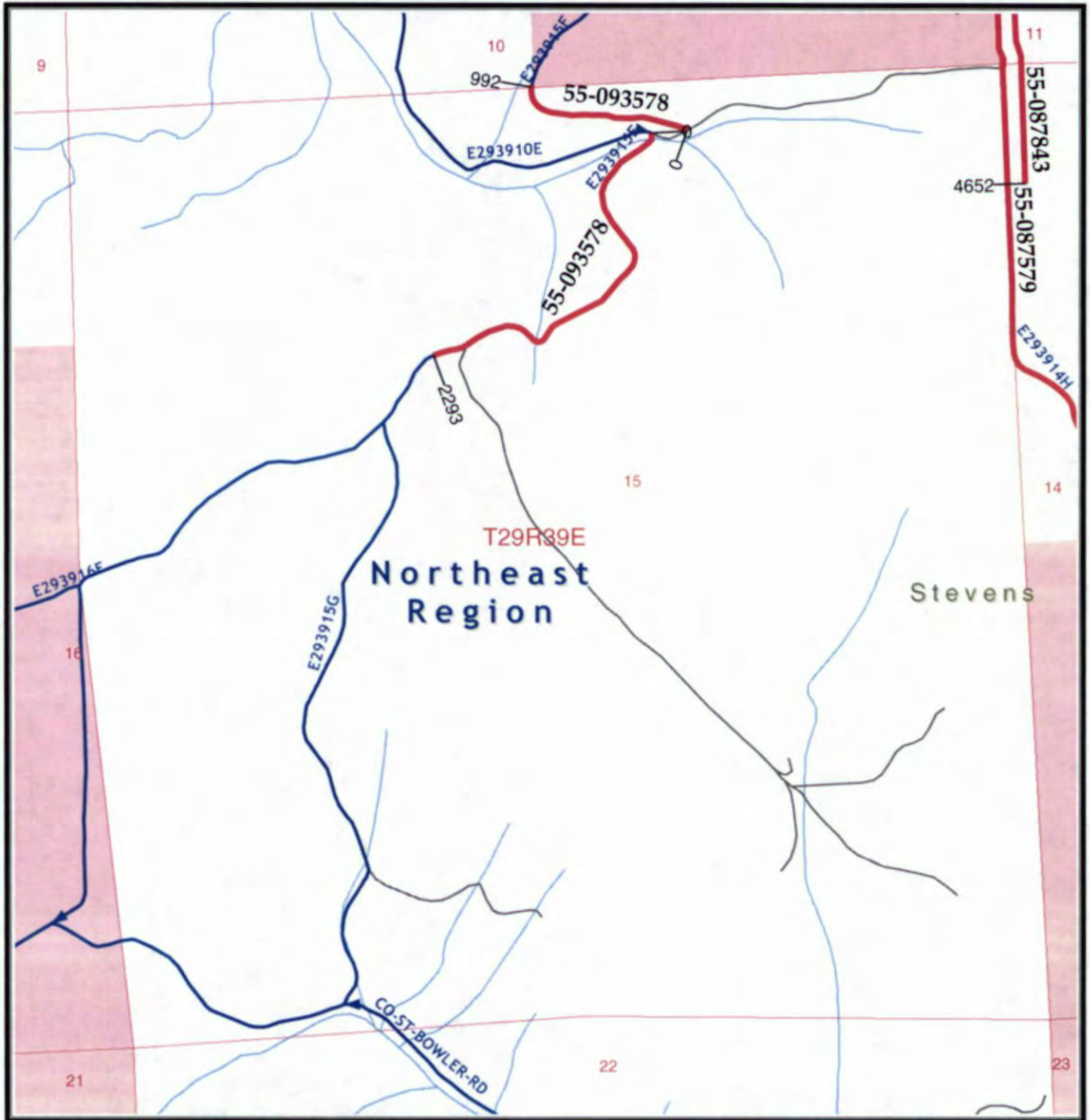
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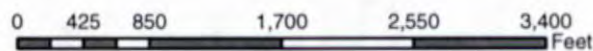
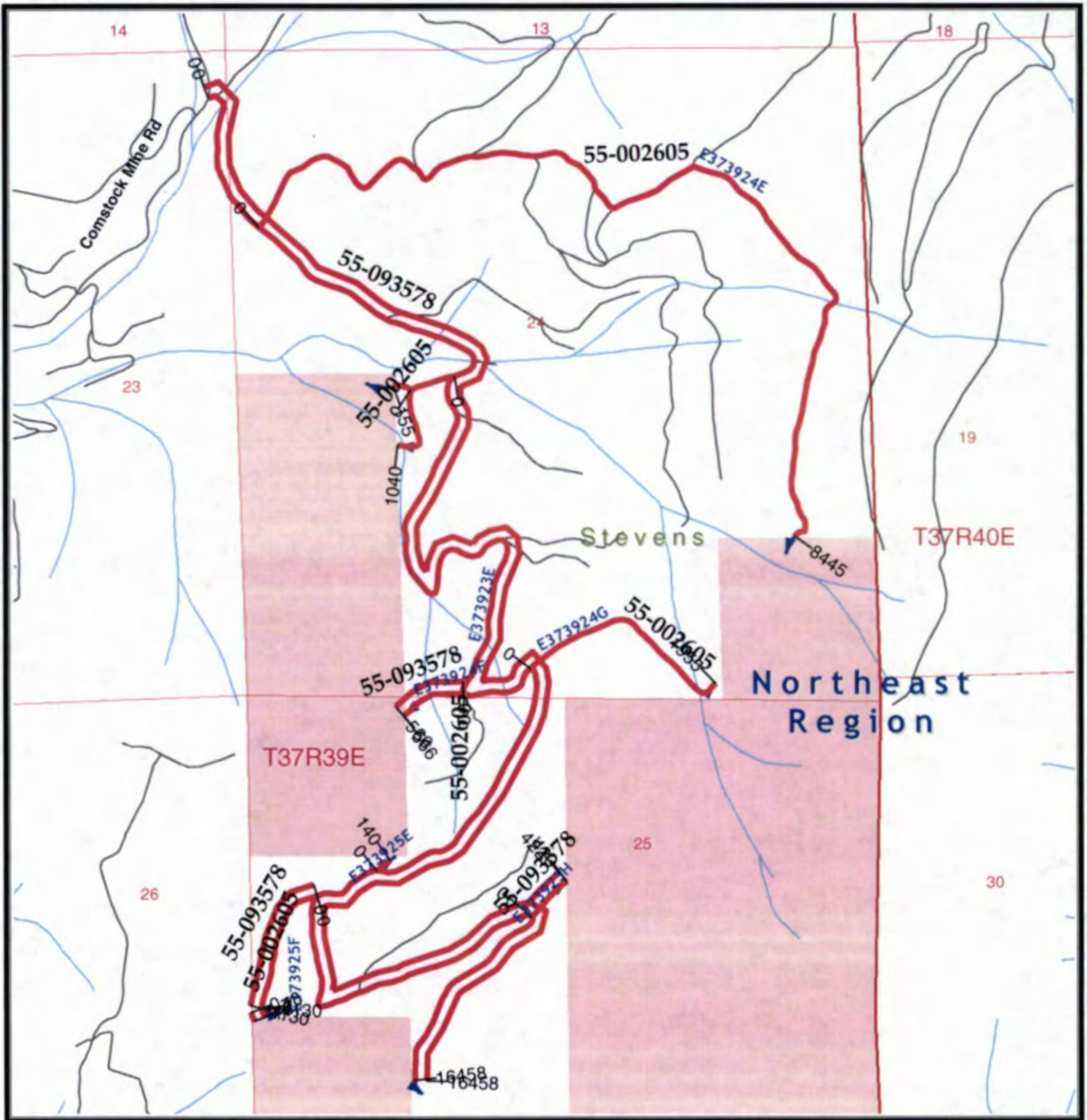
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Date: 11/15/2017





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- Route Direction

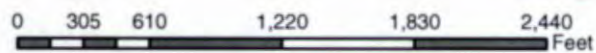
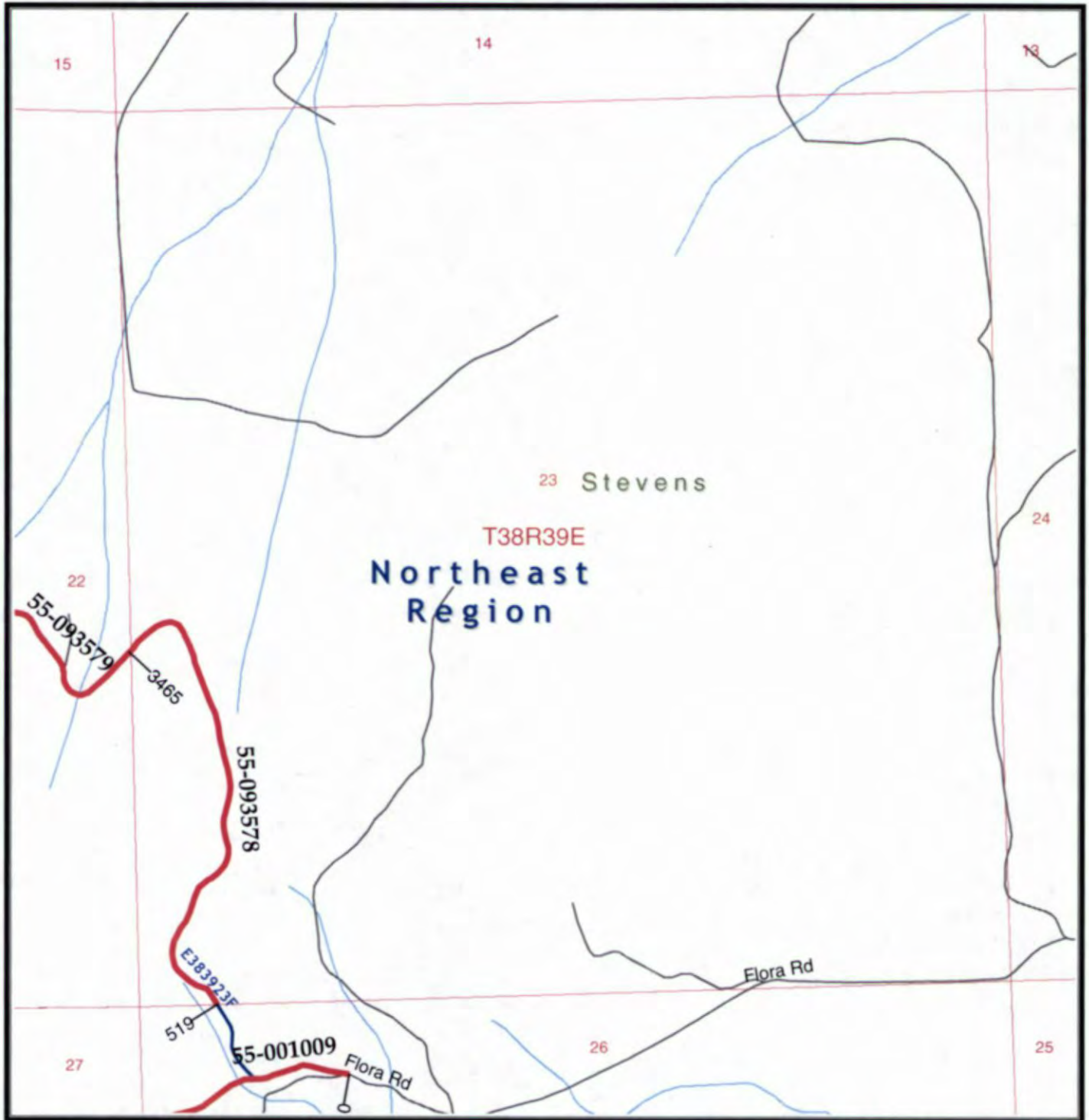
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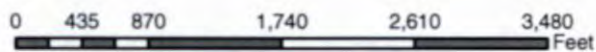
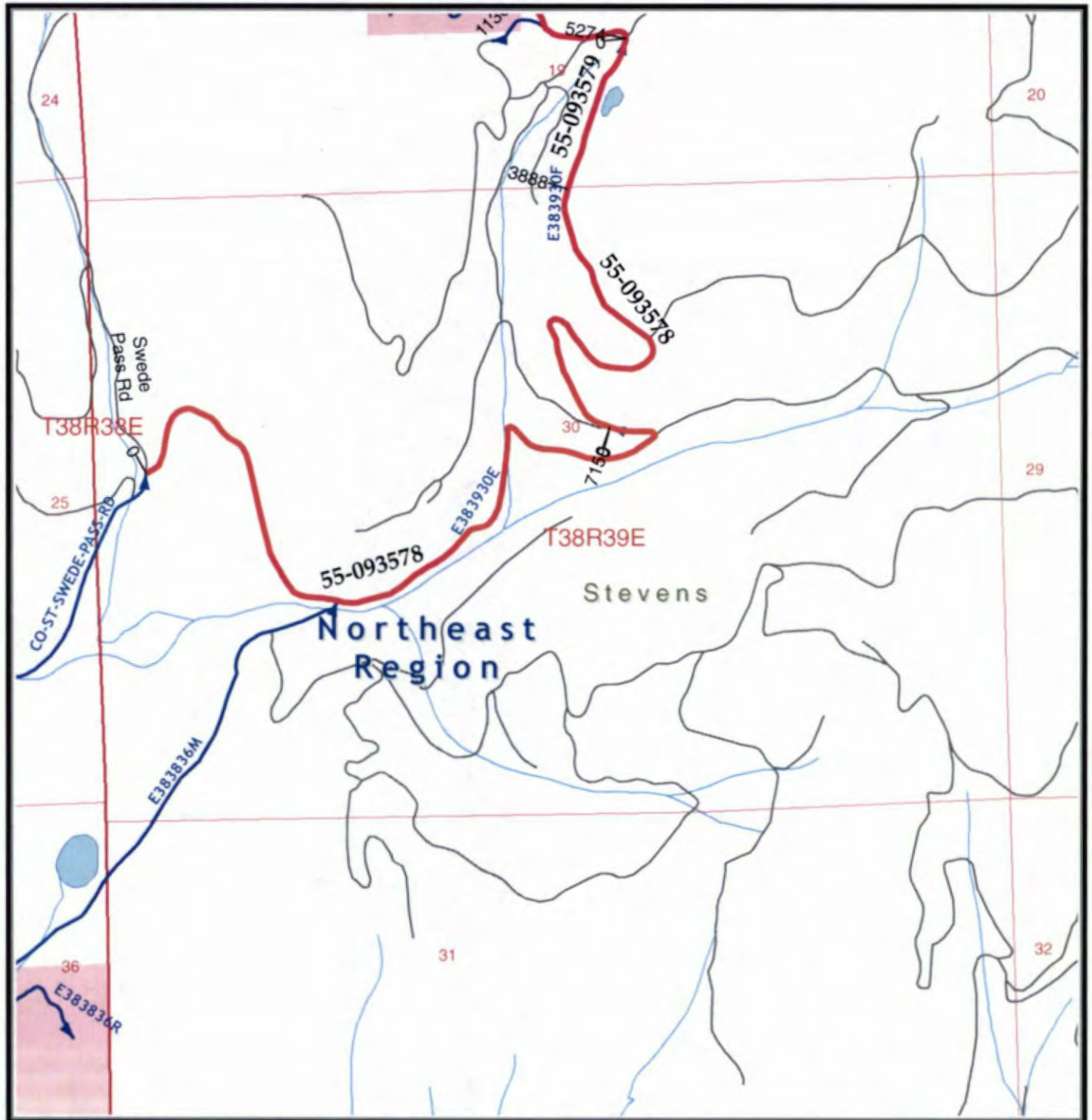
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- 2: Granted to Other
- 3: Merged in Title

**DNR Routes**

- Route Direction

**Roads by USGS Class**

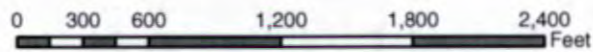
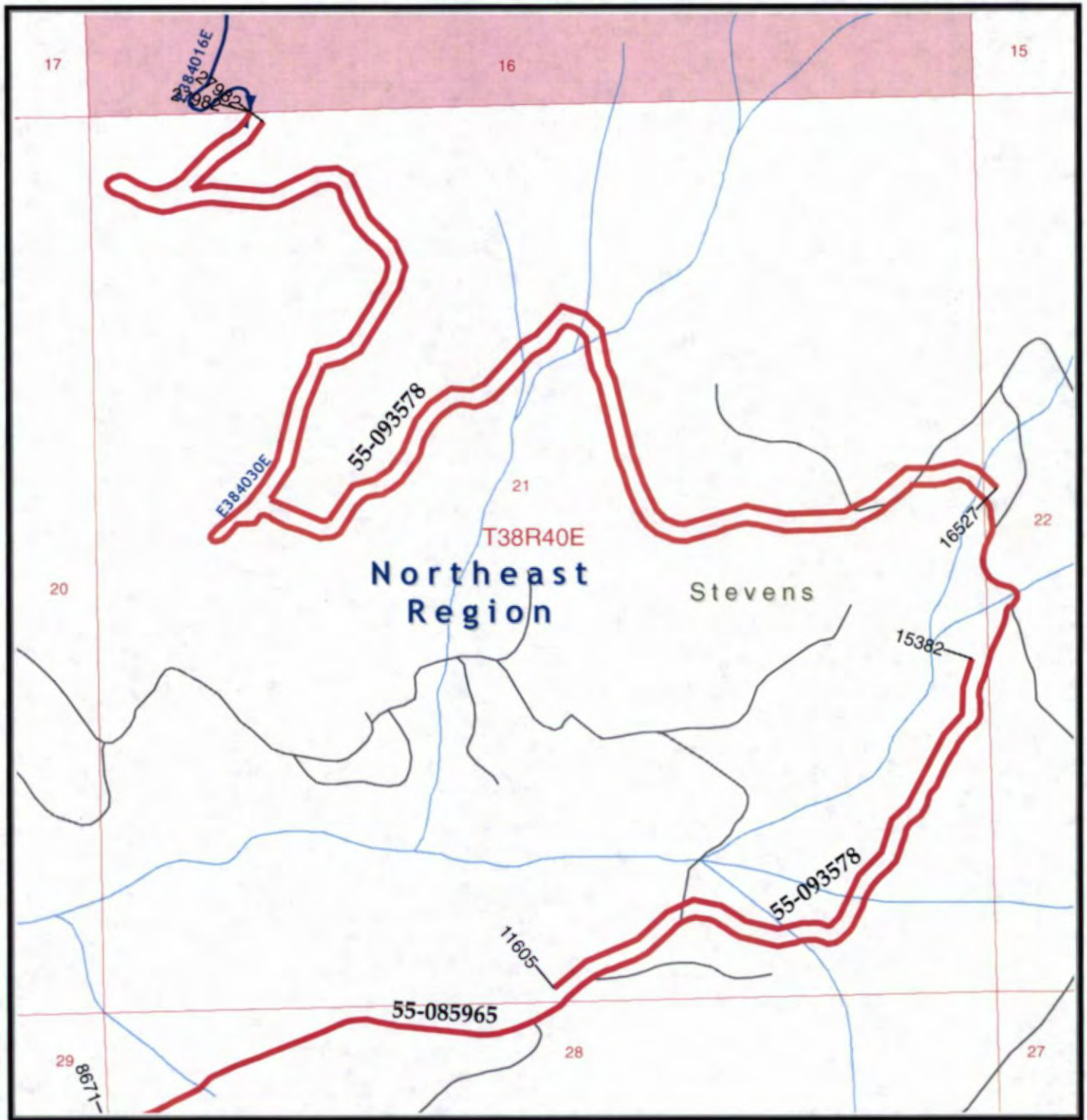
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Date: 11/15/2017





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Date: 11/15/2017



When recorded return to  
Department of Natural Resources  
Northeast Region  
Attn Rights of Way  
225 S Silke Road  
Colville, WA 99114



WASHINGTON STATE DEPARTMENT OF  
**NATURAL RESOURCES**  
HILARY S. FRANZ | COMMISSIONER OF PUBLIC LANDS

## EASEMENT

**Grantor(s):** John Hancock Life Insurance Company (U.S.A.)  
**Grantee(s):** Washington State Department of Natural Resources  
**Legal Description:** See Exhibit A  
**Assessor's Property Tax Parcel or Account Number:** See Exhibit A  
**Cross Reference:** DNR Agreement No. 50-093585

**DNR Agreement No. 55-093579**

This Easement is between JOHN HANCOCK LIFE INSURANCE COMPANY (U S A.), a Michigan corporation, herein called "Grantor" and the STATE OF WASHINGTON, acting by and through the Department of Natural Resources, herein called "State" dated as of \_\_\_\_\_  
June 23, 2017 "Effective Date"

**Consideration.** In exchange for a reciprocal grant under DNR Agreement No 50-093585 and covenants herein contained, and other good and valuable consideration, the mutual receipt and sufficiency of which is hereby acknowledged, the parties agree to the following terms and conditions

**Conveyances.** Grantor hereby grants and conveys, to State, its successors and assigns, permanent, non-exclusive easements over parcels of land in Ferry, Stevens, and Pend Oreille Counties legally described as set forth in Exhibit A, said easement to be sixty (60) feet in width lying thirty (30) feet on each side of the center line of roads located approximately as

shown on Exhibit B (hereafter individually or collectively referred to as “Easement Area” or “Road”).

**Purpose.** This Easement is conveyed to provide ingress and egress to and from lands owned or hereafter acquired by State for resource management and administrative activities, including, but not limited to:

- Hauling timber products, valuable materials such as sand, gravel, stone and minerals, special forest products such as tree boughs and brush,
- Performing management activities associated with forestlands, such as reforestation, routine ongoing inventory, and stocking control,
- Constructing, deconstructing, developing, operating, leasing, and managing communication, grazing and agricultural sites, and
- Leasing for resource activities consistent with county zoning and other terms and conditions included in this easement

Authorized use shall include the right to travel, maintain, repair, construct or reconstruct the Road subject to the restrictions set forth hereafter. No rights of public access are granted under this Easement.

**Property Burdened.** This Easement shall burden real property owned by Grantor legally described as set forth in Exhibit A (hereafter Burdened Parcels).

**Nature of Estate.** This Easement shall be deemed appurtenant to real property located in Ferry, Stevens, and Pend Oreille Counties legally described as set forth in Exhibit C (hereafter Benefited Parcels), *Provided*, however, that State may add after acquired property as a Benefited Parcel, subject to agreement between the parties pertaining to re-allocation of easement costs and obligations associated with such after acquired property, such agreement to be executed and recorded as an amendment to this Easement adding such after acquired property as a Benefited Parcel listed on Exhibit C.

**Reservations.** Grantor reserves to itself all of its rights incident to fee ownership of the Easement Areas and the profits (including timber, valuable materials and other natural resources) thereon and the right of use for any purpose including but not limited to (i) the right to remove profits from the Easement Area on its land, (ii) the right at all times to cross and re-cross the Easement Areas on its lands at any place on grade or otherwise, and, (iii) the right to use, maintain, patrol, reconstruct or repair the Easement Areas on its lands so long as the exercise of any of these reserved rights does not unreasonably interfere with the rights granted herein. Grantor may grant to third parties any and all rights reserved.

Timber located on the Easement Area may be removed by State where reasonably necessary to use the Easement Area, but Grantor shall be entitled to the market value of the timber removed.



**Compliance with Laws.** For all activities conducted pursuant to this Easement, State shall, at its own expense, comply with all applicable laws

**Permittees.** State may permit its respective employees, agents, contractors, subcontractors, licensees, lessees, purchasers of timber or other profits and their agents, herein individually referred to as "Permittee" and collectively referred to as "Permittees", to exercise the rights granted to State herein. Acts or omissions of the Permittees operating under this Easement shall be deemed an act or omission of State. Restrictions or requirements placed on State herein shall apply equally to State's Permittees

**Maintenance.** Maintenance is defined as work normally necessary to preserve and keep the Road in its present condition or as hereafter improved. At a minimum, the Road will be maintained to meet applicable forest practices standards set forth in Chapter 222-24 WAC as now written or hereafter amended

When a Road is being used solely by State, State shall be solely responsible for maintaining that portion of the Road so used to the standards existing at the time sole use is commenced. During periods when State, Grantor and/or other parties with an easement or license jointly use the Road, or any portion thereof, the cost of maintenance and resurfacing shall be allocated among such users on the basis of their respective use including that of their Permittees

During periods of joint maintenance, the users shall meet at times to be set by mutual agreement and establish necessary maintenance provisions. Such provisions shall include, but not be limited to the following:

- The appointment of a maintainer, which may be one of the parties or a third party, to assume the responsibility for performing all recurrent maintenance,
- The extent of resurfacing necessary to keep the Road to the standard originally constructed or thereafter improved, to reduce environmental impacts; and
- A method of payment by which each party using the Road or a portion thereof shall pay its pro rata share of the cost of maintenance and resurfacing

**Repairs.** Each party shall repair, or cause to be repaired at its sole cost, that damage to the Road occasioned by it which is in excess of that which it would cause through normal and prudent usage. Damage caused by an unauthorized user shall be repaired at the expense of State if State is the sole user of the Road, Grantor if the Grantor is the sole user of the Road, or shared based upon the acres of ownership tributary to the damaged area if there is joint use of the Road

**Improvements.** State will not make improvements to the Easement Area without prior written consent of Grantor, which shall not be unreasonably withheld. Unless the parties agree in writing to share the cost of improvements, improvements shall be at the sole expense of the improver. Any improvements to the Easement Area shall become the property of Grantor unless otherwise agreed in writing.

**Prior Right.** This Easement is subject to all matters of public record.

**Operational Restrictions.** Site-specific operational requirements are listed in Exhibit D. Non-compliance with these requirements shall constitute a breach of this Easement and may result in Grantor requiring State to suspend operations until the breach is remedied.

**Construction/Operation Plan(s). Pre-Construction.** Thirty (30) days prior to any construction or reconstruction of a Road or a portion thereof by State on lands of the Grantor, State will submit a written plan of work to Grantor outlining the work to be performed for approval by the Grantor, which approval shall not be unreasonably withheld. All construction and reconstruction shall comply with applicable state and local laws. In the event of an emergency that requires immediate action to protect person or property, State may take reasonable corrective action without prior notice to Grantor, but in such case will notify Grantor within 24 hours.

**Notice of Operation.** When State or one of its Permittees plans to use any Road or a portion thereof for the purpose of hauling timber or other profits, State shall notify Grantor thereof at least five (5) days prior to the commencement of such use, advising of the portion of Road to be used, the approximate dates when such use will begin and end, and of the approximate volumes of timber, forest products, or other profits to be hauled and promptly upon the completion of such use notify Grantor.

**Waste.** State shall not cause nor permit any filling activity to occur in or on any portion of the Easement Area, except by prior written approval of Grantor. State shall not deposit, refuse, garbage, or other waste matter or use, store, generate, process, transport, handle, release, or dispose of any hazardous substance, or other pollutants in or on any portion of the Easement Area, *Provided*, however, vehicle and equipment traffic and the transportation of fuel and chemicals to be used on State's property is specifically permitted. The term hazardous substance means any substance or material as those terms are now or are hereafter defined or regulated under any federal, state, or local law including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 USC 9601 *et seq*), or the Washington Model Toxic Control Act (MTCA RCW 70.105D.010.) State shall immediately notify Grantor if State becomes aware of any release or threatened release of hazardous substance on the Easement Area or adjoining property. If a release of hazardous substance occurs in, on, under, or above the Easement Area arising out of any action of State or its Permittees, State shall, at its sole expense, promptly take all actions

necessary or advisable to clean up, contain, and remove the hazardous substance in accordance with applicable laws.

**Survey Markers.** State shall not destroy any land survey corner monuments and reference points (including but not limited to corner markers, witness objects, or line markers) without prior written approval from Grantor, which shall not be unreasonably withheld. Monuments or reference points that must necessarily be disturbed or destroyed during road construction or maintenance activities must be adequately referenced and replaced, at State's cost, under the direction of a State of Washington Professional Land Surveyor, in accordance with all applicable laws of State of Washington in force at the time of construction and all Department of Natural Resources regulations pertaining to preservation of such monuments and reference points promulgated under RCW 58.24

**Insurance.** State of Washington, including all its agencies and departments, is self-insured for all exposures to tort liability, general liability, property damage liability and vehicle liability, as provided in statute, but only as respects the negligence of State

State shall require its Permittees to obtain while operating on the Easement Area, the following liability insurance policy, insuring State against liability rising out of its operations, including the use of vehicles. The limits of insurance, which may be increased by mutual agreement of both parties, as deemed necessary, shall not be less than as follows:

- (a) Commercial General Liability (CGL) insurance with a limit of not less than \$1,000,000 per each occurrence or Personal Liability insurance, as applicable, under a personal liability policy, commercial liability insurance policy, or package property and liability insurance policy. If such CGL insurance contains aggregate limits, the general aggregate limits shall be at least twice the "each occurrence" limit, and the products-completed operations aggregate limit shall be at least twice the "each occurrence" limit.
- (b) Employer's liability insurance, and if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease
- (c) Business Auto Policy (BAP) insurance, and if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 per accident, with such insurance covering liability arising out of "Any Auto".
- (d) State shall require its permittees to comply with all State of Washington workers' compensation statutes and regulations. State waives all rights of subrogation for recovery of damages to the extent they are covered by workers'

compensation, employers' liability, commercial general liability, or commercial umbrella liability insurance

All insurance shall be purchased on an occurrence basis and shall be issued by companies admitted to do business within the State of Washington and have a rating of A- or better in the most recently published edition of Best's Reports. Any request for an exception to State's Permittees' obligation to provide and maintain insurance shall be reviewed and approved by Grantor, in the reasonable discretion of the Grantor. If an insurer is not admitted to do business in the State of Washington, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.

Grantor, Hancock Natural Resource Group, Inc., and Hancock Forest Management Inc. shall be added as additional insureds on State's Permittees' general liability, excess, and umbrella insurance policies required by this Easement. Grantor shall be provided written notice before cancellation or non-renewal of any insurance referred to herein.

State shall furnish, upon request, a certificate of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements specified herein.

Permittees of State must comply with all insurance requirements stated herein.

Before using any of the rights granted herein, State shall require its Permittees to provide certificates of insurance to State and shall require Permittee's sub-contractors to be insured under the Permittee's policy or have in its possession separate certificates of insurance and endorsements for each. Failure of Permittees to comply with State's insurance requirements does not limit State's liability or responsibility.

State shall furnish upon request certificates of insurance and additional insured endorsements, if applicable, for any or all Permittees.

All self-insurance maintained by State in compliance with this Easement shall be primary. State waives all rights against Grantor for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this Easement.

By requiring insurance herein, State does not represent that coverage and limits will be adequate to protect State, and such coverage and limits shall not limit State's liability under the indemnities and reimbursements granted to State in this Easement.

**Indemnity.** To the extent permitted by law, State agrees to indemnify, defend, and hold harmless Grantor from and against any and all claims arising from or related to State's breach of any provision of this Easement or State's activities or the activities of State's Permittees.

pursuant to this Easement. A "claim" as used in this section means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorneys' fees, attributable to bodily injury, sickness, disease or death, or injury to or destruction of tangible property including the resulting loss of use. Notwithstanding the foregoing, State's duty to indemnify, defend, and hold Grantor harmless does not extend to (1) activities for which Grantor and/or its Permittee is solely negligent or (2) Grantor's and/or its Permittee's proportionate share of any concurrent negligence. State waives its immunity under Title 51 RCW only to the extent necessary to indemnify, defend, and hold harmless Grantor. This indemnification shall survive the expiration or termination of this Easement.

**Notice.** All notices under this Easement shall be in writing and signed by a party or its counsel. Notices may be (i) delivered personally, (ii) transmitted by facsimile, (iii) delivered by a recognized national overnight delivery service, or (iv) mailed by certified United States mail, postage prepaid and return receipt requested. Notices to any party shall be directed to the address set forth below in this section, or to such other or additional address as any party may specify by notice to the other party. Any notice delivered in accordance with this section shall be deemed given (a) in the case of personal delivery, on the day of delivery, (b) in the case of any notice transmitted by facsimile, on the date on which the transmitting party receives confirmation of receipt by facsimile transmission, telephone, or otherwise, (c) in the case of any notice delivered by a recognized national overnight delivery service, on the day of delivery to the service, or (d) in the case of any notice mailed by certified U S mail, upon receipt of the return receipt.

To State:

DEPARTMENT OF NATURAL  
RESOURCES  
Northeast Region  
225 Silke Road  
Colville, WA 99114-9369

To Grantor:

JOHN HANCOCK LIFE INSURANCE  
COMPANY (U.S.A )  
c/o Hancock Forest Management  
616 Highway 395 S  
Colville, WA 99114

**Integrated agreement; modifications.** This Easement constitutes the entire agreement and understanding of the parties with respect to the subject matter of the Easement and supersedes all prior negotiations and representations. This Easement shall not be modified except by written approval of both parties. The parties agree to execute any additional documents reasonably necessary to effectuate the provisions and purposes of this Easement.

**Severability.** If any provision of this Easement is held to be invalid or unenforceable, it shall not affect the validity of any other provision herein, and to this end the provisions of this Easement are declared to be severable. If any such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this Easement.

**Waiver.** Failure of either party to insist upon the strict performance of any of the terms and conditions of this Easement, or failure to exercise any rights or remedies provided in this Easement or by law, or to notify the other party in the event of breach, shall not release the other party of any of its obligations under this Easement, nor shall any purported oral modification or rescission of this Easement by either party operate as a waiver of any of the terms hereof. Any waiver by either party of any breach, default, or violation of any term, warranty, representation, agreement, covenant, right, condition, or provision of this Easement shall not constitute waiver of any subsequent breach, default, or violation of the same or other term, warranty, representation, agreement, covenant, right, condition, or provision.

State acknowledges that the Easement is situated in a forest zone and may be subject to conditions resulting from commercial forest operations on adjacent lands. Such operations include management and harvesting of timber, disposal of slash (including, without limitation, slash burning and other controlled burning), reforestation, application of chemicals, road construction and maintenance, transportation of forest products, and other accepted and customary forest management activities conducted in accordance with federal and state laws. Said forest management activities ordinarily and necessarily produce noise, dust, smoke, appearance and other conditions which may conflict with State's use of the Easement Area.

**Successors and Assigns.** This Easement shall be binding upon and shall inure to the benefit of the parties, their successors, and assigns.

**Construction.** The terms of this Easement shall be given their ordinary meaning unless defined herein and shall not be presumptively construed against either party.

**Exhibits.** All exhibits referenced in this Easement are incorporated as part of the Easement.

**Headings.** The headings in this Easement are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Easement nor the meaning of any of its provisions.

**Counterparts.** This Easement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Easement at different times and places by the parties shall not affect its validity so long as all the parties execute a counterpart of this Easement.

IN WITNESS WHEREOF, the parties hereto have executed this instrument, in duplicate to become effective as of the day and year first above written.

JOHN HANCOCK LIFE INSURANCE  
COMPANY (U.S.A.)

By: Hancock Natural Resource Group, Inc.,  
Its Advisor

Dated: June 8, 2017.

David Kimbrough  
By: David Kimbrough  
Title: Vice President  
Address: 13950 Ballantyne Corp. Pl. Suite 150  
Charlotte, NC 28277

Phone: 704-540-4100

STATE OF WASHINGTON  
DEPARTMENT OF NATURAL RESOURCES

Dated: June 23, 2017.

Angus W. Brodie  
ANGUS BRODIE  
Deputy Supervisor for Uplands  
1111 Washington Street SE  
MS 47000  
Olympia WA 98504-7000



Approved as to Form only  
September 2, 2014, by Mike  
Rollinger, Assistant Attorney  
General for the State of Washington

REPRESENTATIVE ACKNOWLEDGEMENT

STATE OF NORTH CAROLINA )  
 ) ss.  
County of Mecklenburg )

On this 8<sup>th</sup> day of June, 20 17, before me, the undersigned, a Notary Public in and for the state of North Carolina, duly commissioned and sworn, personally appeared David Kimbrough, known to be the Vice President of Hancock Natural Resource Group, Inc., the company that executed the foregoing instrument, and acknowledged the instrument to be the free and voluntary act and deed of that corporation for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the instrument on behalf of the corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Ann Hardin  
Print Name: Ann Hardin  
NOTARY PUBLIC for the State of North Carolina  
My Commission Expires: 3-27-2022



STATE ACKNOWLEDGEMENT

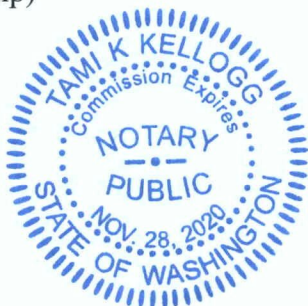
State of Washington

County of Thurston

I certify that I know or have satisfactory evidence that ANGUS BRODIE is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Deputy Supervisor for Uplands of the Department of Natural Resources of the State of Washington to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 4/23/17

(Seal or stamp)



Tami K. Kellogg  
(Signature)

Tami K Kellogg  
(Print Name)

Notary Public in and for the State of Washington,  
residing at Hogquam.  
My appointment expires 11/28/2020.

**EXHIBIT A  
Burdened Parcels**

**Ferry  
County**

Township	Range	Section	Legal Description	Parcel No
36N	32E	27	THE NORTH HALF OF THE SOUTHEAST QUARTER, THE WEST HALF OF THE NORTHWEST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, AND THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER	PTN 23627110001006
37N	32E	23	THE NORTHWEST QUARTER, EXCEPTING THEREFROM THAT PORTION OF THE MINNIE MINERAL SURVEY NO 1226	PTN 23723210001006
39N	33E	21	THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER, THE NORTHWEST QUARTER, EXCEPTING THEREFROM THE RIGHT OF WAY FOR LUNDIMO MEADOW COUNTY ROAD	PTN 33921110001000
39N	34E	9	THE NORTHEAST OF THE SOUTHWEST QUARTER, AND THE SOUTHEAST QUARTER, EXCEPTING THEREFROM THE RIGHT OF WAY FOR DEER CREEK-BOULDER CREEK COUNTY ROAD	PTN 43909110001006
39N	34E	27	THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER	PTN 43927120001006

**Stevens  
County**

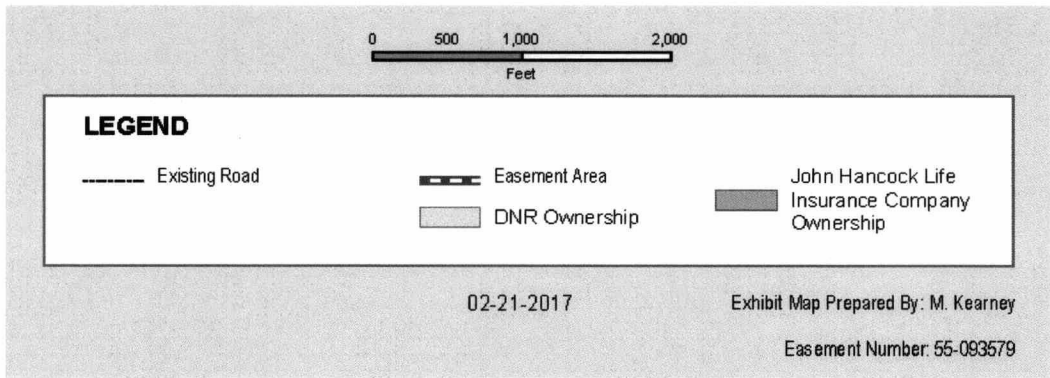
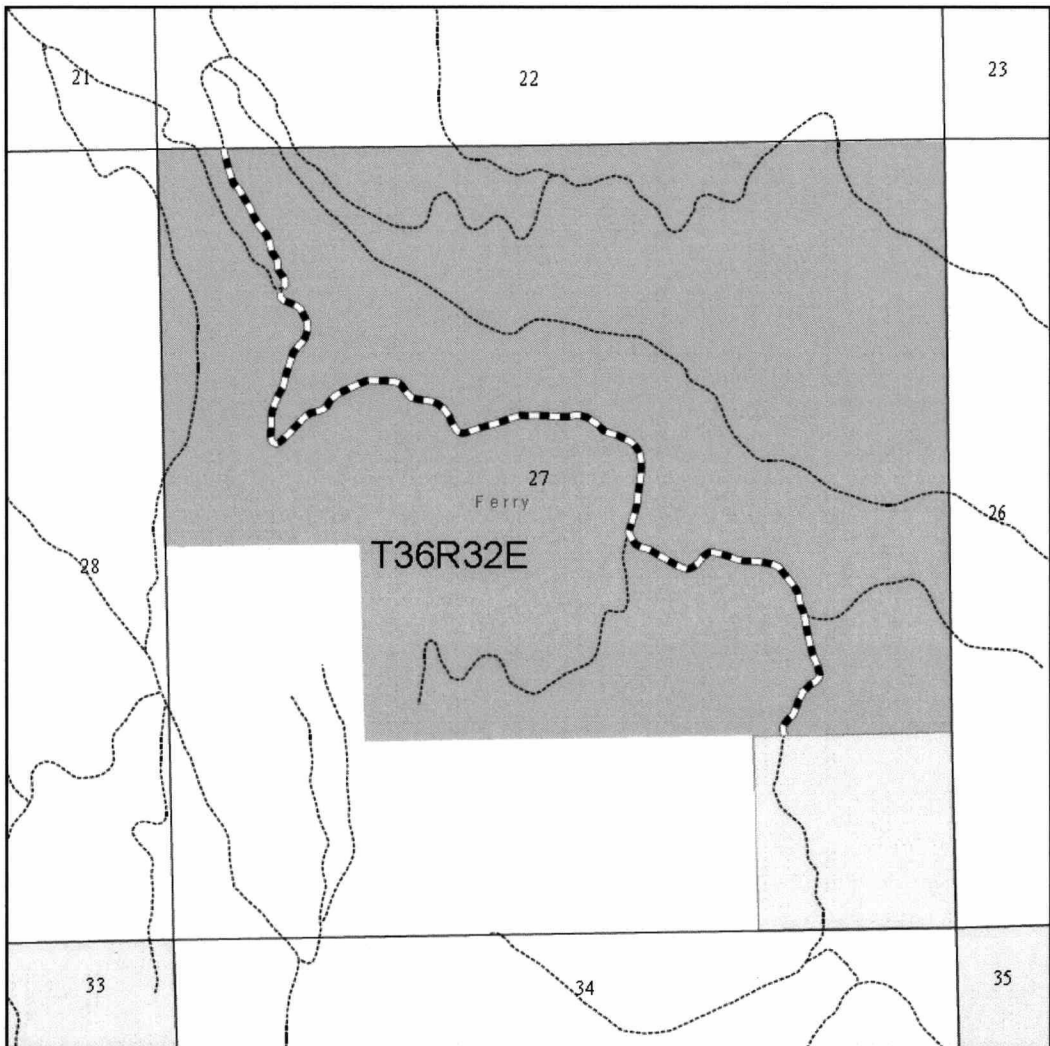
Township	Range	Section	Legal Description	Parcel No
32N	38E	32	THE WEST HALF OF THE SOUTHEAST QUARTER, AND THE SOUTH HALF OF THE SOUTHWEST QUARTER	PTN 1812600
33N	38E	28	THE EAST HALF OF THE SOUTHWEST QUARTER	1827101
35N	38E	17	THE NORTH HALF OF THE NORTHEAST QUARTER	PTN 1890680
35N	38E	17	THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER, THE WEST HALF, AND THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER	PTN 1890700
35N	38E	20	THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER	1891600
35N	38E	20	THE WEST HALF OF THE NORTHWEST QUARTER	1891700
35N	38E	20	THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, AND THE NORTH HALF OF THE SOUTHEAST QUARTER	PTN 1891800
35N	38E	30	THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER	1895650
35N	38E	30	THE SOUTHEAST QUARTER OF THE NORTHWEST	PTN 1895700

			QUARTER	
38N	39E	19	GOVERNMENT LOTS 9, 15 AND 16	PTN 2357200
38N	39E	22	THE NORTH HALF OF THE SOUTHEAST QUARTER	PTN 2358400
40N	39E	18	GOVERNMENT LOT 3, AND THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER	2395800
40N	39E	18	GOVERNMENT LOT 4, AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER	2396000

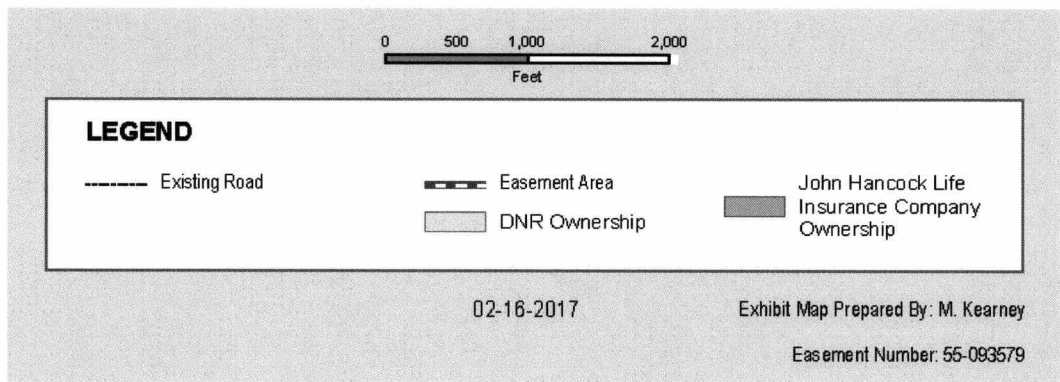
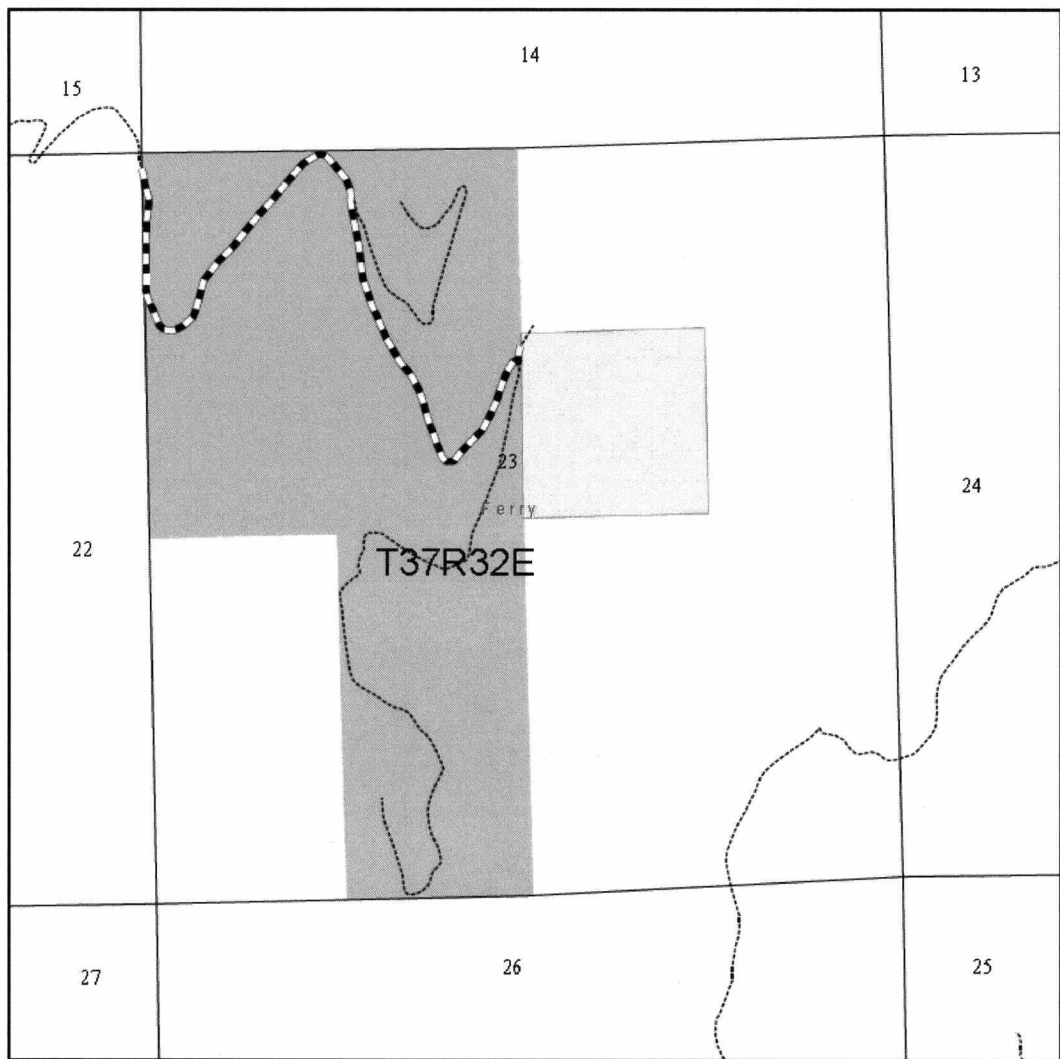
**Pend  
Oreille  
County**

Township	Range	Section	Legal Description	Parcel No
33N	43E	3	THE SOUTH HALF	433303000001
33N	43E	10	THE NORTHEAST QUARTER, AND THE NORTH HALF OF THE SOUTHEAST QUARTER	433310000001

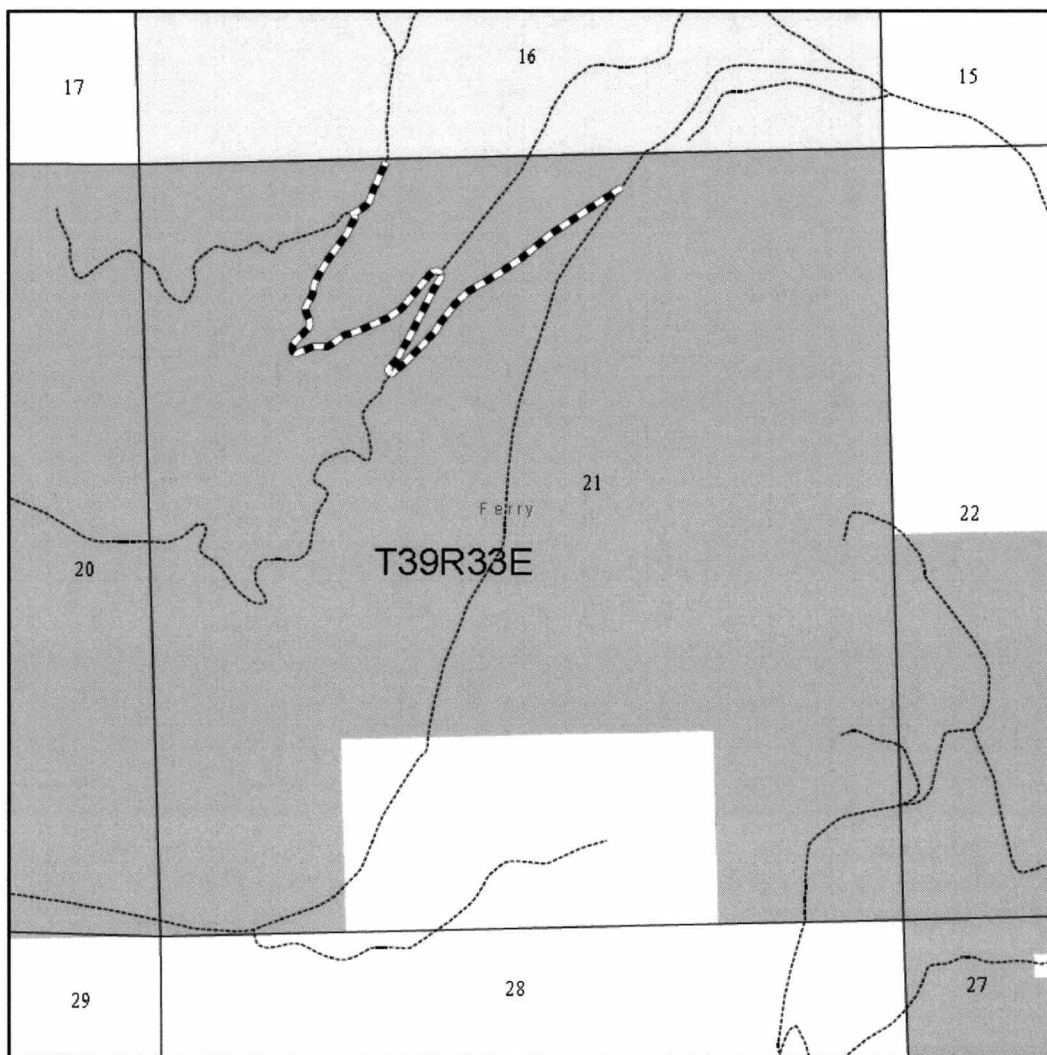
### EXHIBIT B-1 Easement Area



### EXHIBIT B-2 Easement Area



### EXHIBIT B-3 Easement Area



#### LEGEND

----- Existing Road

----- Easement Area

□ DNR Ownership

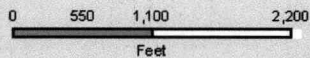
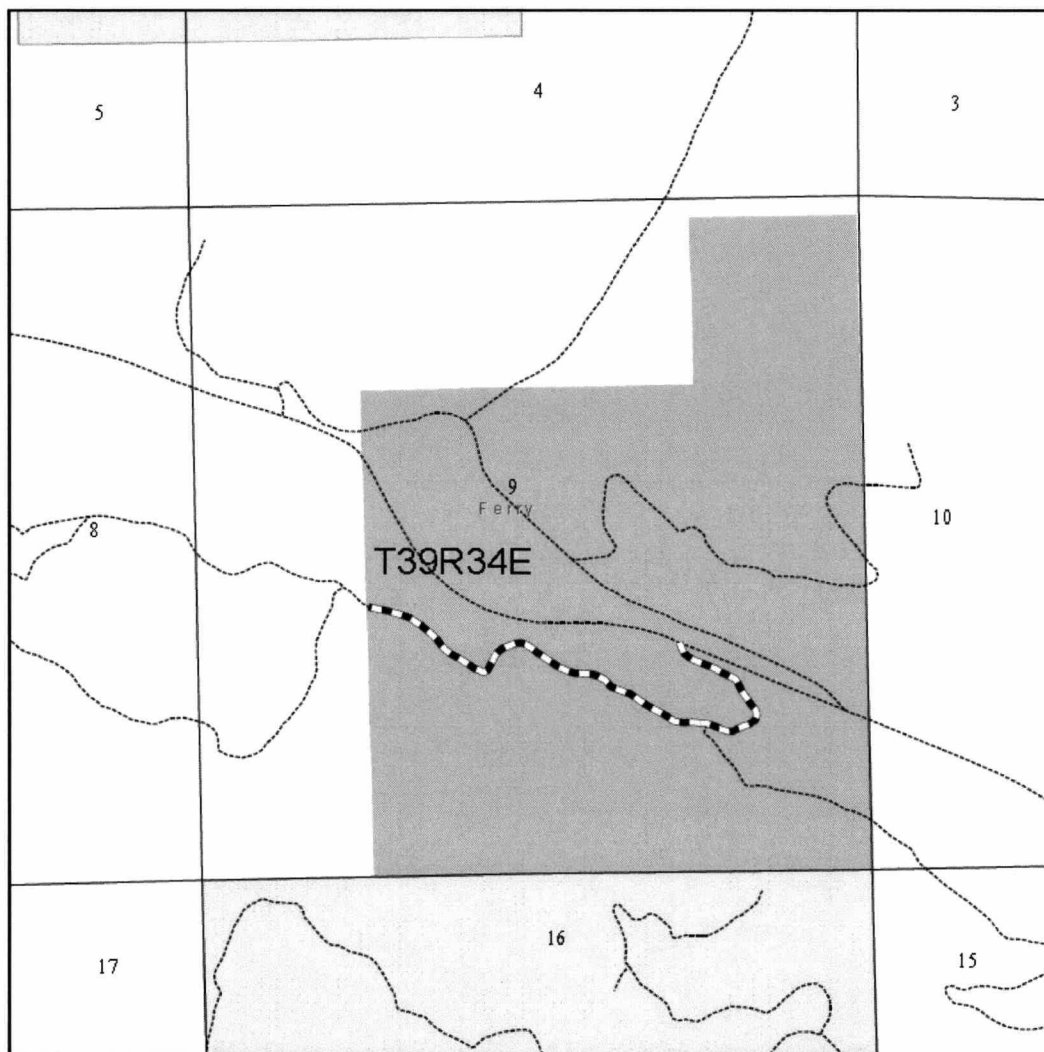
■ John Hancock Life Insurance Company Ownership

02-16-2017

Exhibit Map Prepared By: M. Kearney

Easement Number: 55-093579

### EXHIBIT B-4 Easement Area



#### LEGEND

----- Existing Road

▬▬▬▬ Easement Area

▨ DNR Ownership

▩ John Hancock Life Insurance Company Ownership

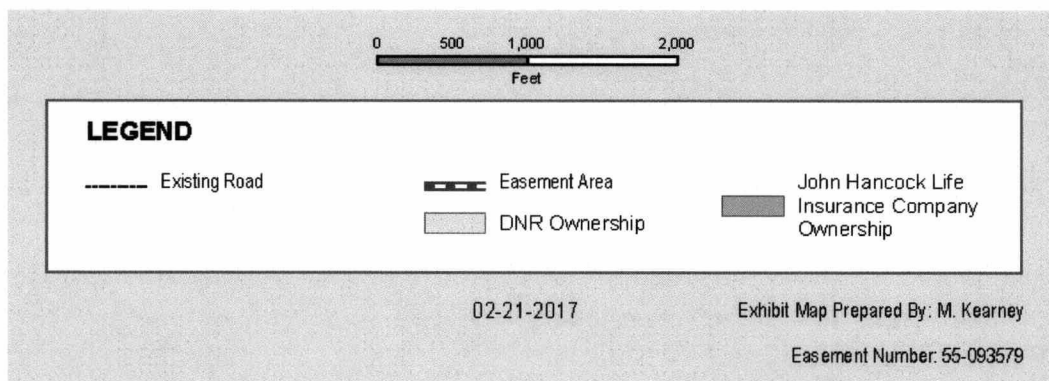
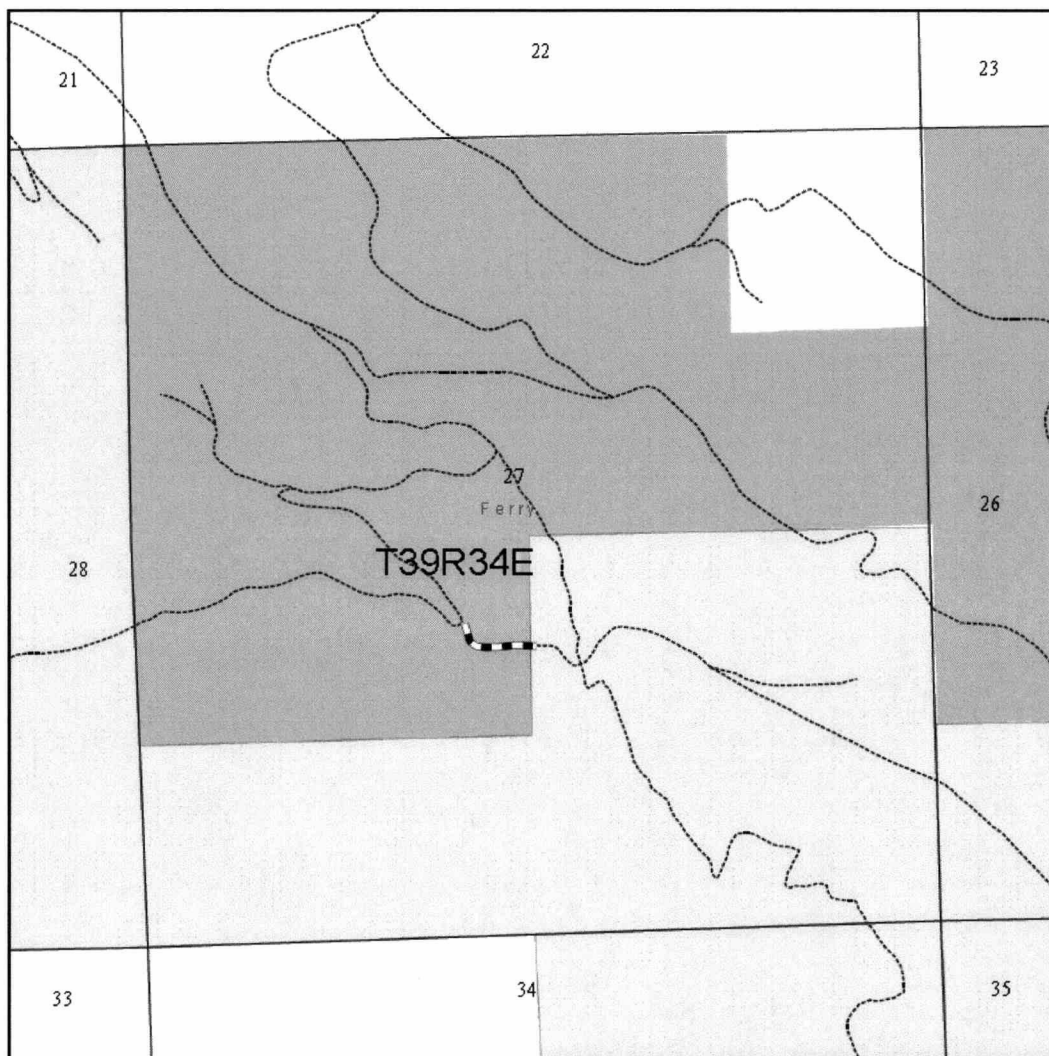
02-21-2017

Exhibit Map Prepared By: M. Kearney

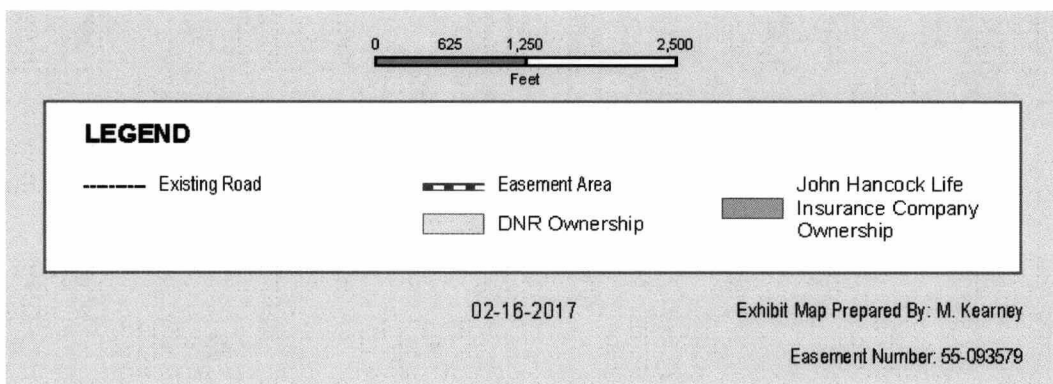
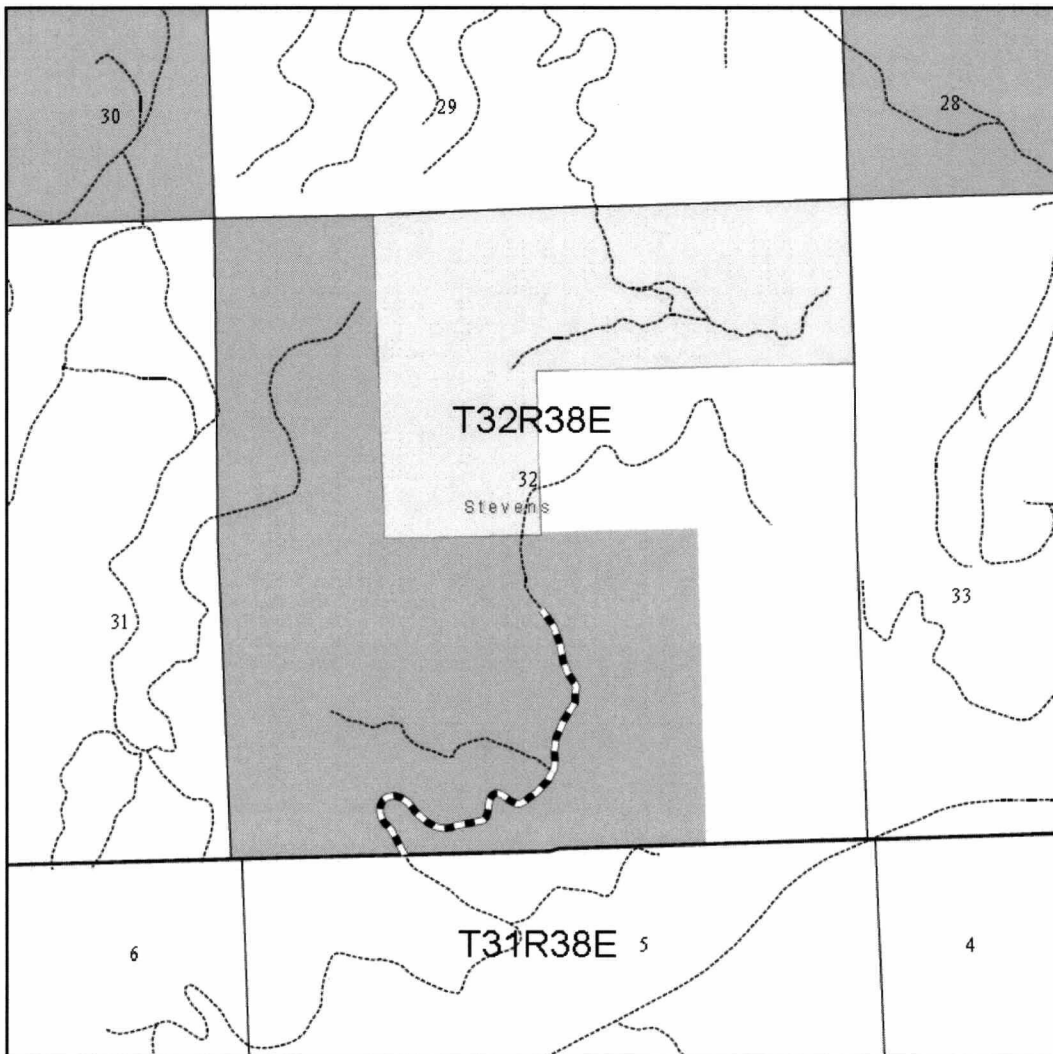
Easement Number: 55-093579



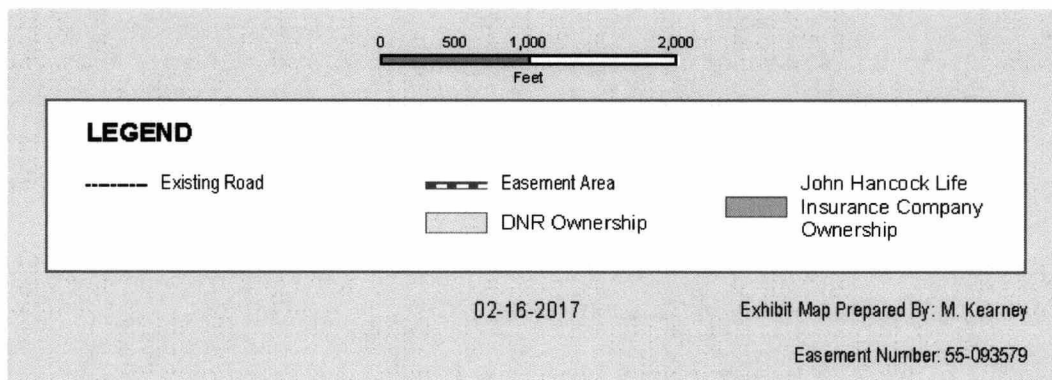
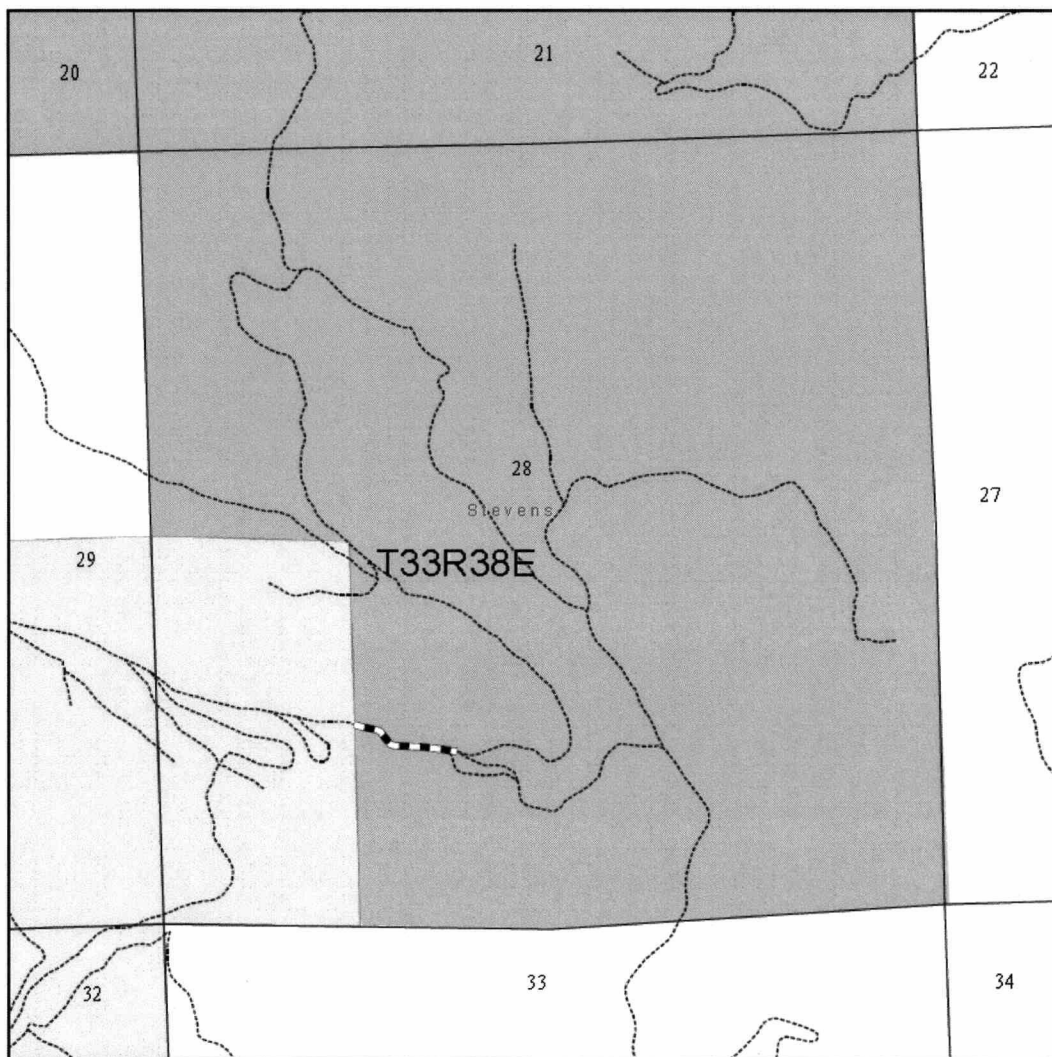
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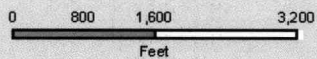
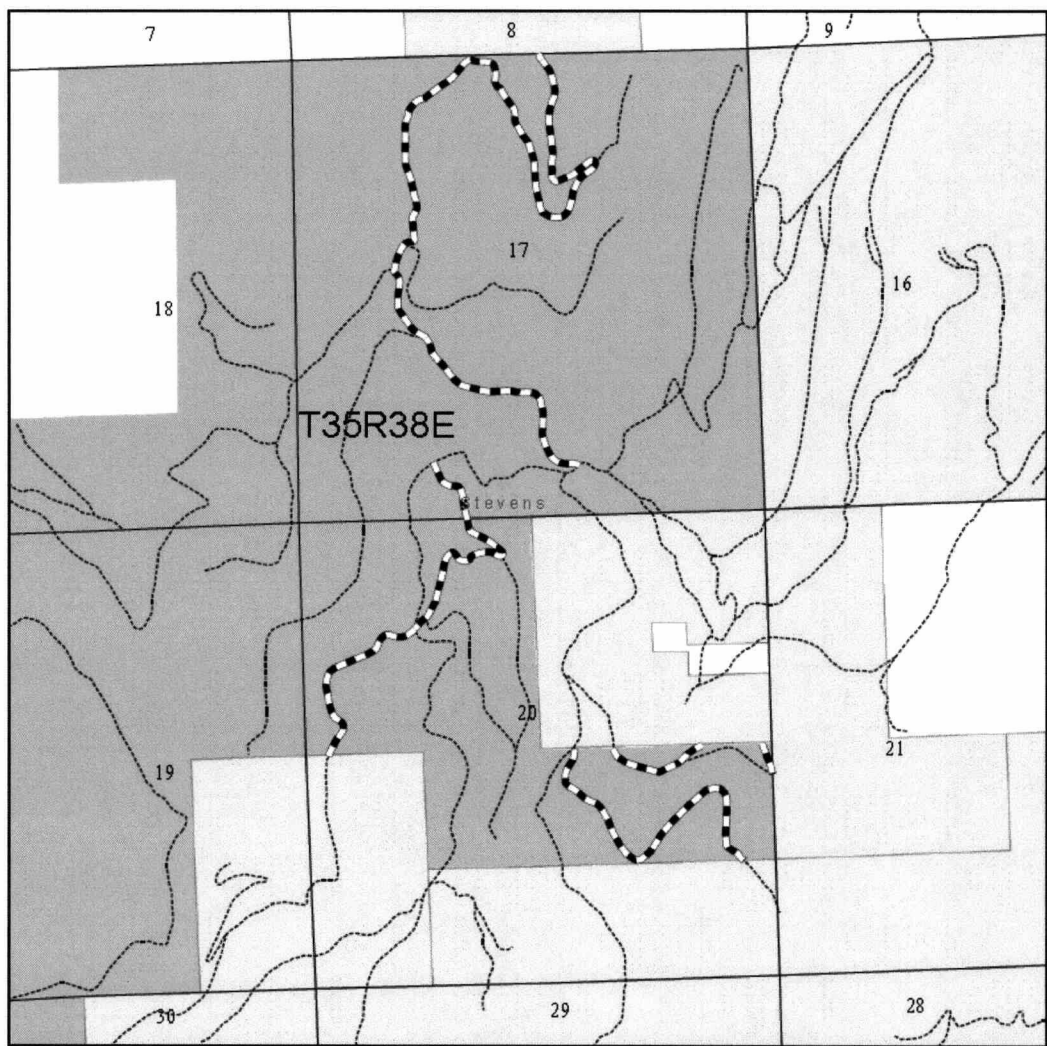
### EXHIBIT B-6 Easement Area



### EXHIBIT B-7 Easement Area



### EXHIBIT B-8 Easement Area



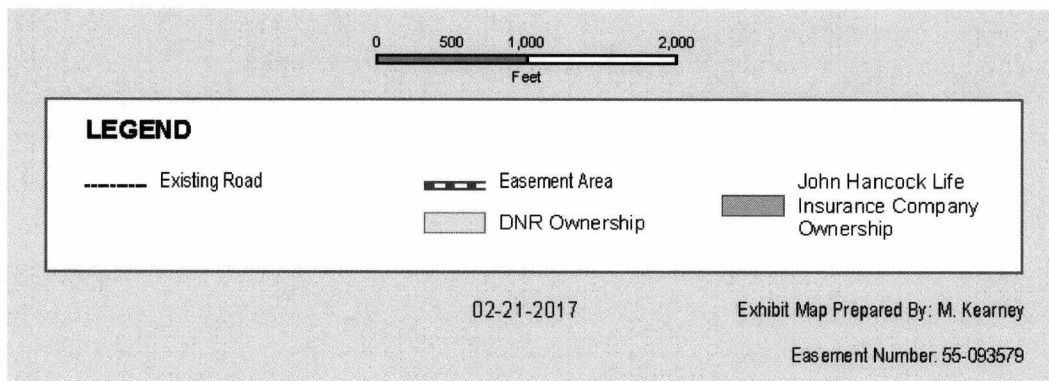
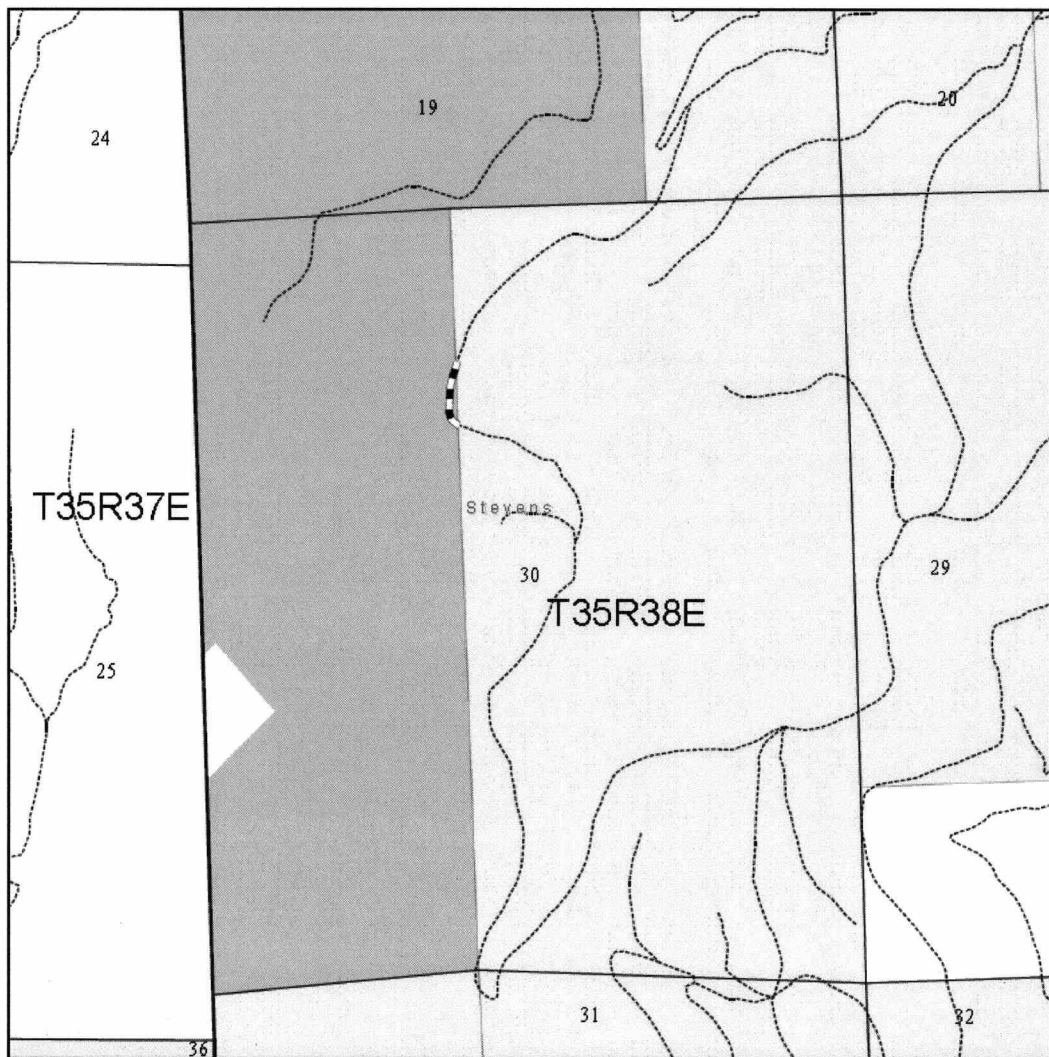
LEGEND		
Existing Road	Easement Area	John Hancock Life Insurance Company Ownership
	DNR Ownership	

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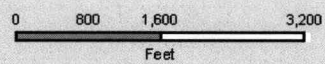
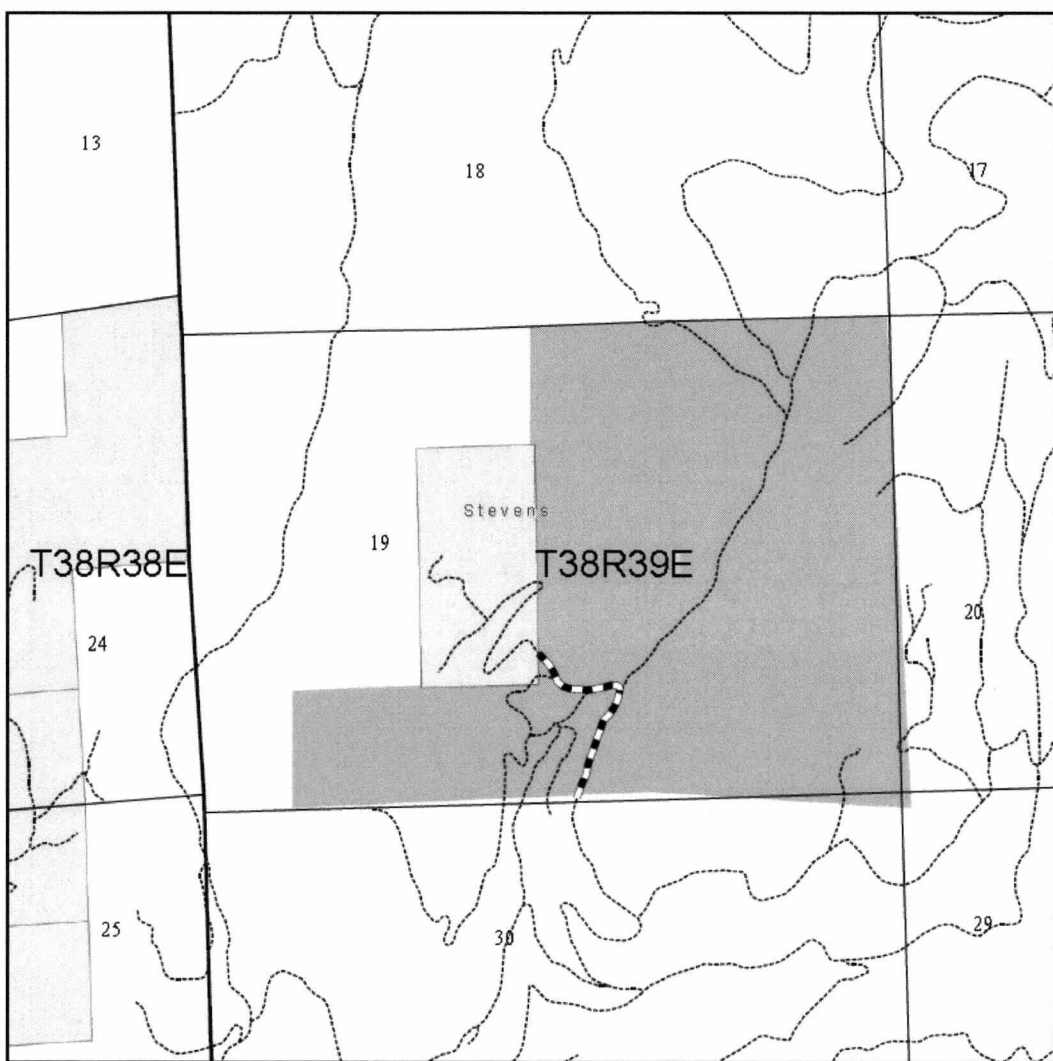
Exhibit Map Prepared By: M. Kearney

Easement Number: 55-093579

### EXHIBIT B-9 Easement Area



### EXHIBIT B-10 Easement Area



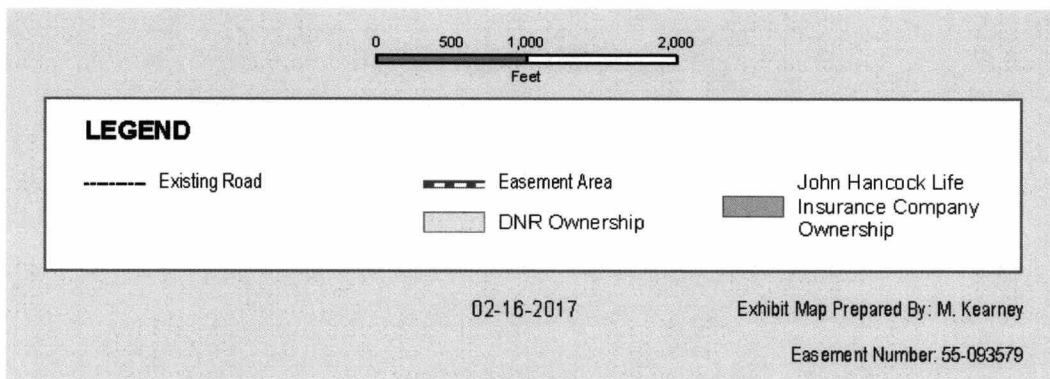
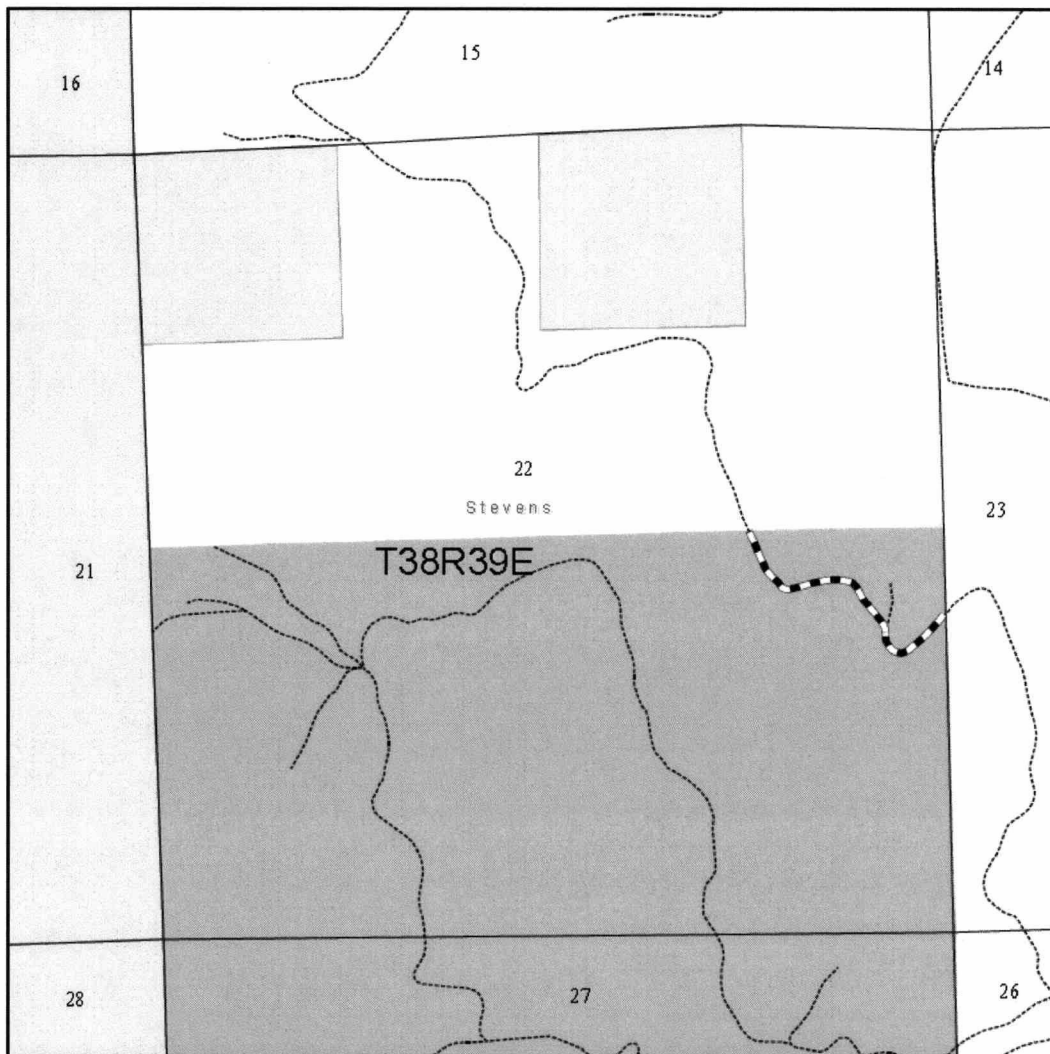
LEGEND		
Existing Road	Easement Area	John Hancock Life Insurance Company Ownership
	DNR Ownership	

02-21-2017

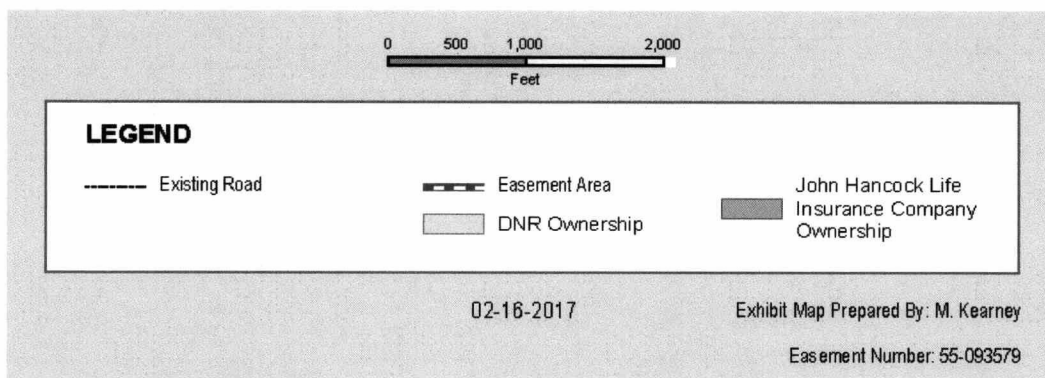
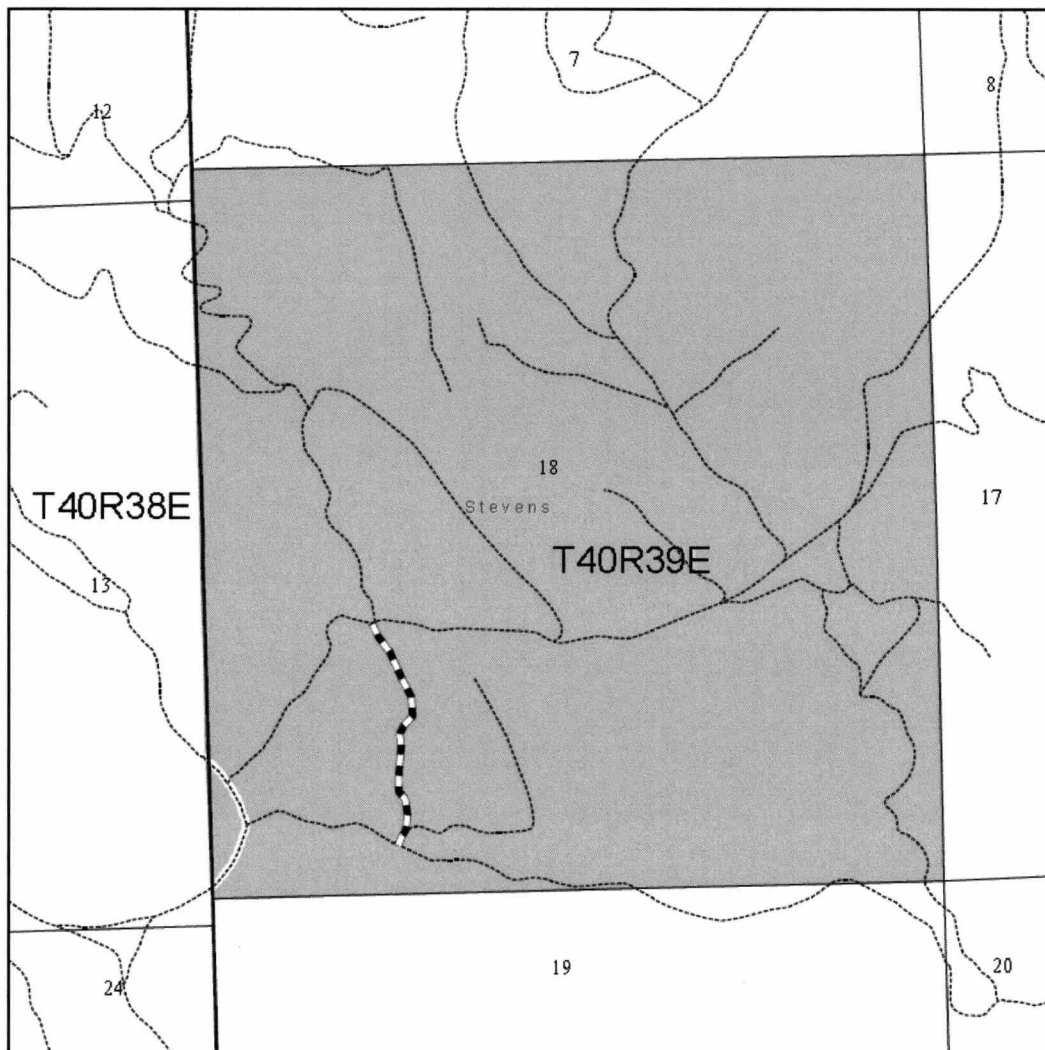
Exhibit Map Prepared By: M. Kearney

Easement Number: 55-093579

### EXHIBIT B-11 Easement Area

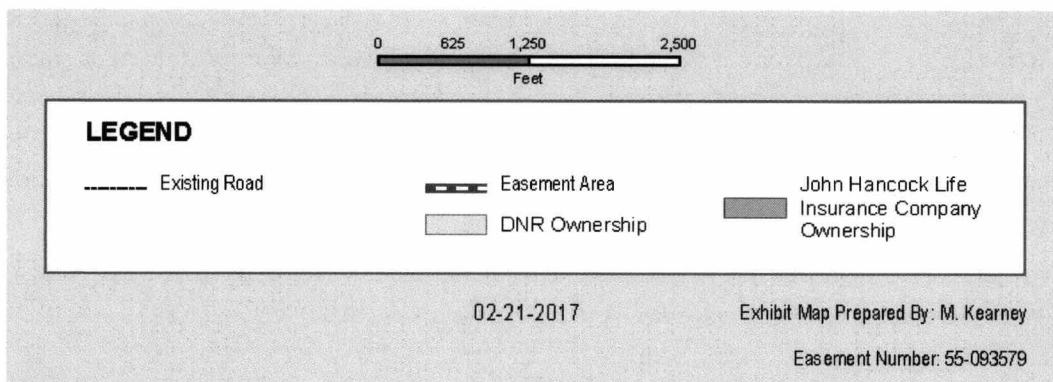
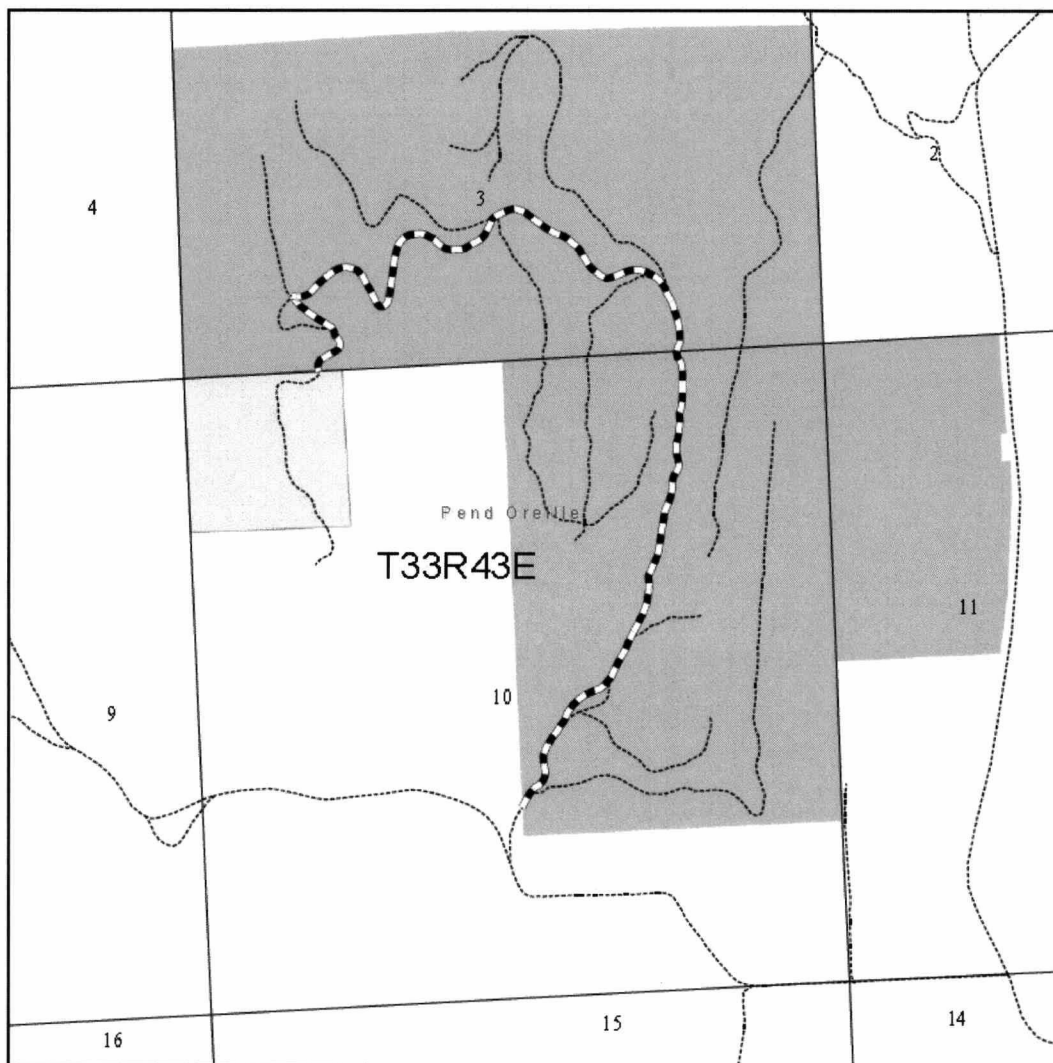


### EXHIBIT B-12 Easement Area





### EXHIBIT B-13 Easement Area



**EXHIBIT C**  
**Benefited Parcels**

**Ferry  
County**

Township	Range	Section	Legal Description
36N	32E	27	THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER
36N	32E	35	THE EAST HALF OF THE NORTHWEST QUARTER, THE WEST HALF OF THE NORTHEAST QUARTER, AND THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER
36N	32E	36	THE WEST HALF OF THE NORTHWEST QUARTER, GOVERNMENT LOT 4, AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER
37N	32E	23	THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER
39N	33E	16	THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE EAST HALF OF THE SOUTHWEST QUARTER, AND THE WEST HALF OF THE SOUTHEAST QUARTER
39N	34E	8	THE SOUTHWEST QUARTER
39N	34E	27	THE SOUTH HALF OF THE SOUTHWEST QUARTER, AND THE SOUTHEAST QUARTER
39N	34E	34	THE NORTHEAST QUARTER
39N	34E	35	THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER, THE NORTHWEST QUARTER, THE SOUTHWEST QUARTER, AND THE WEST HALF OF THE SOUTHEAST QUARTER

**Stevens  
County**

Township	Range	Section	Legal Description
32N	38E	32	THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER
33N	38E	28	THE WEST HALF OF THE SOUTHWEST QUARTER
33N	38E	29	THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER, AND THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER
35N	38E	8	THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, AND THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER
35N	38E	20	THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER
35N	38E	21	THE SOUTH HALF
35N	38E	28	THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER
35N	38E	29	THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER
35N	38E	30	THE NORTH HALF OF THE NORTHEAST QUARTER
40N	38E	12	THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER
38N	39E	19	GOVERNMENT LOTS 7 AND 10
38N	39E	16	THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER, THE SOUTHEAST QUARTER
38N	39E	21	THE NORTHEAST QUARTER, THE NORTH HALF OF

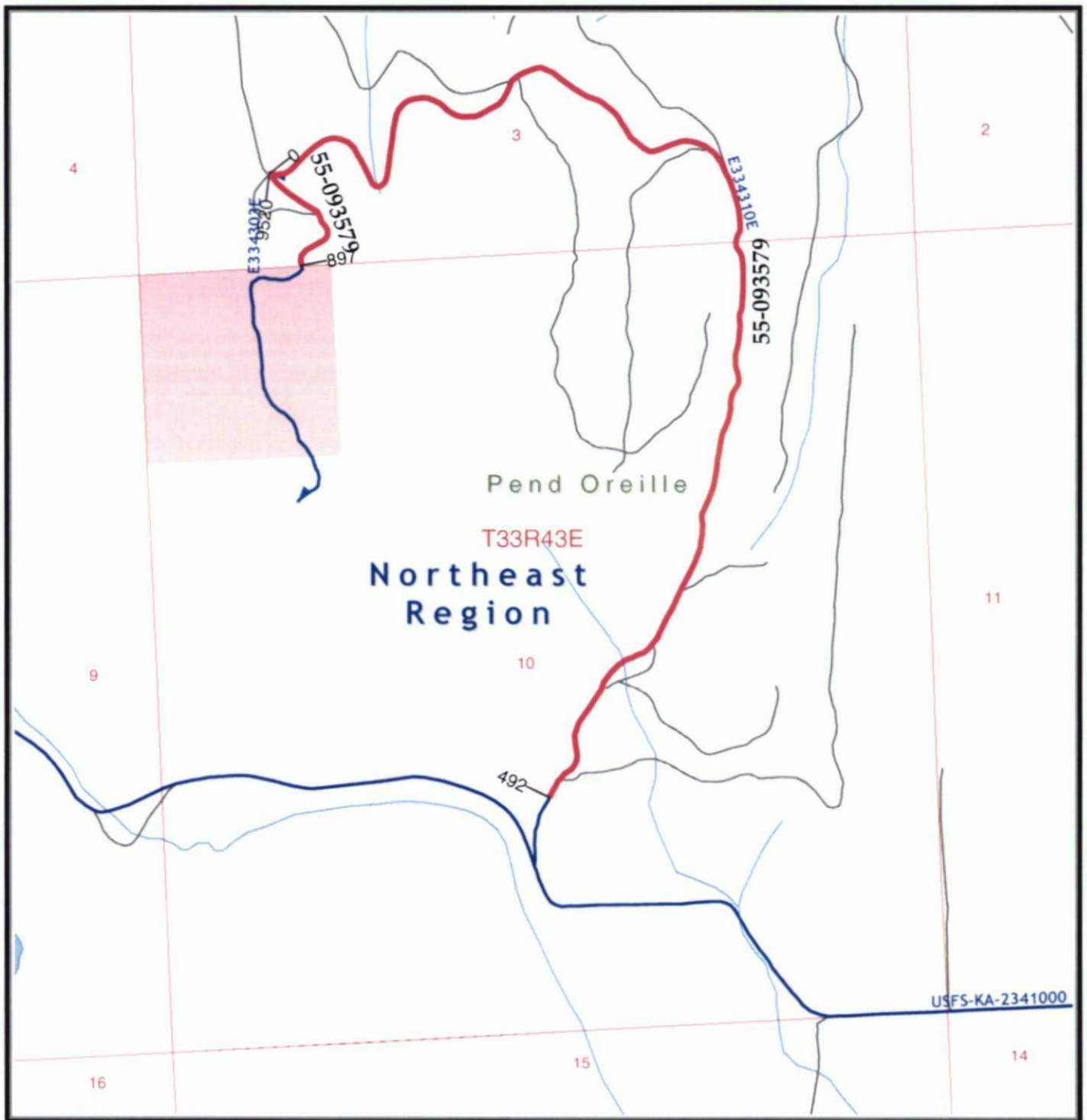
			THE SOUTHEAST QUARTER
38N	39E	22	THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, AND THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER
40N	39E	6	GOVERNMENT LOTS 5-7

**Pend  
Oreille  
County**

Township	Range	Section	Legal Description
33N	43E	10	THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER

**EXHIBIT D**  
**OPERATIONAL REQUIREMENTS**

1. Roads may not be used when continued use will result in excessive damage due to weather or other conditions
2. During snow removal operations; retain approximately two-inches of snow on roadbeds to prevent removal of gravel surfacing and/or damage to road subgrades. Install drainage outlets in plow berms at regular intervals to provide for drainage.
3. Gates must be kept closed at all times unless hauling of timber is underway
4. All methods of chemical weed control on Grantor land shall be approved in writing by Grantor prior to beginning such activities. Aerial spraying is not permitted on Grantor land without prior approval by Grantor



**REGIS Right of Way Events Grant Codes**

- 1: Acquired by DNR
- 2: Granted to Other
- 3: Merged in Title

**DNR Routes**

- Route Direction

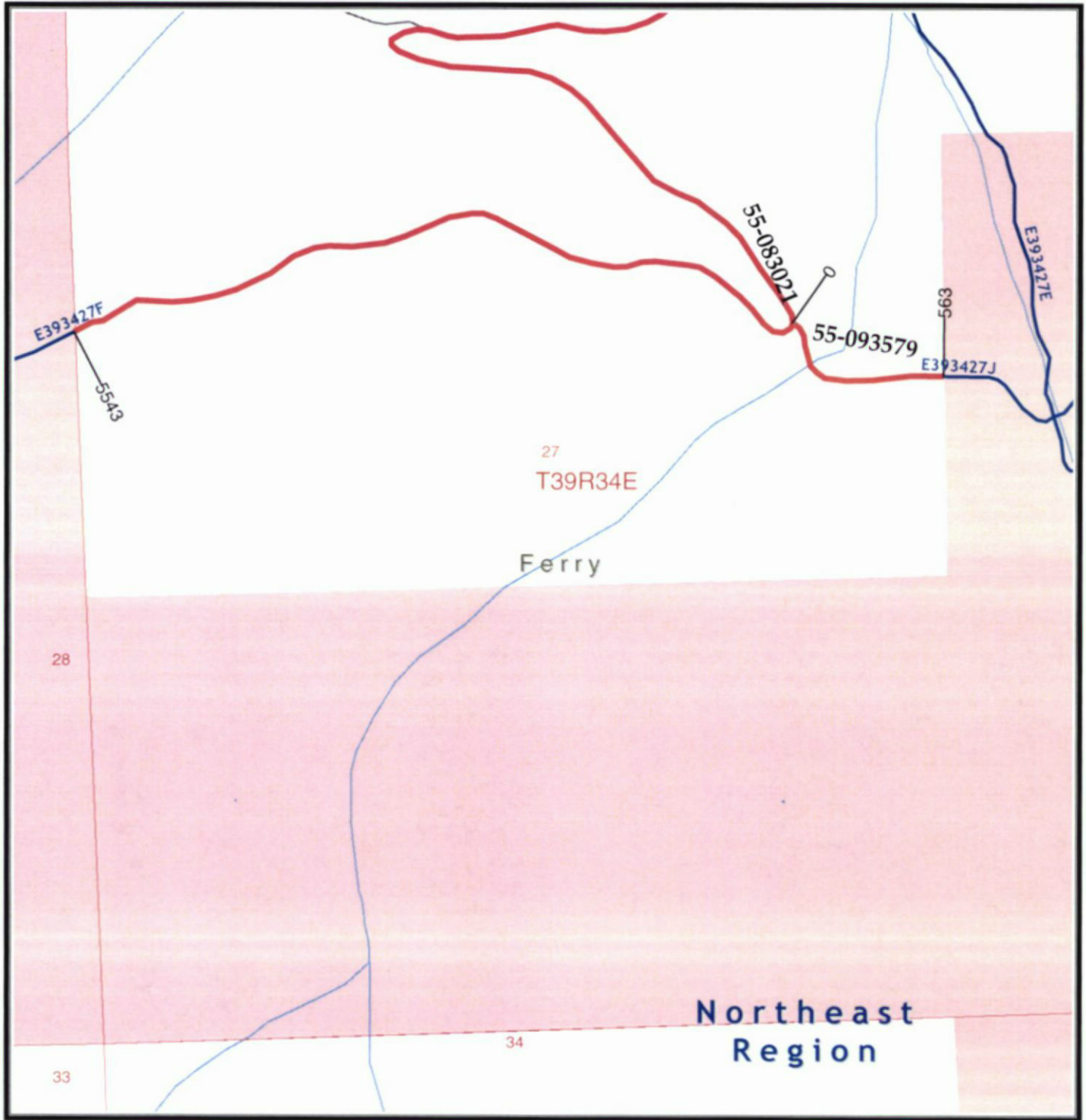
**Roads by USGS Class**

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- 3: Light-Duty Road/All-Weather/Improved
- 4: Unimproved Road/Fair or Dry Weather
- - - 5: 4 wheel drive

**DNR-Managed Lands**

- Granted Trust Lands
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- Other DNR-Managed Lands





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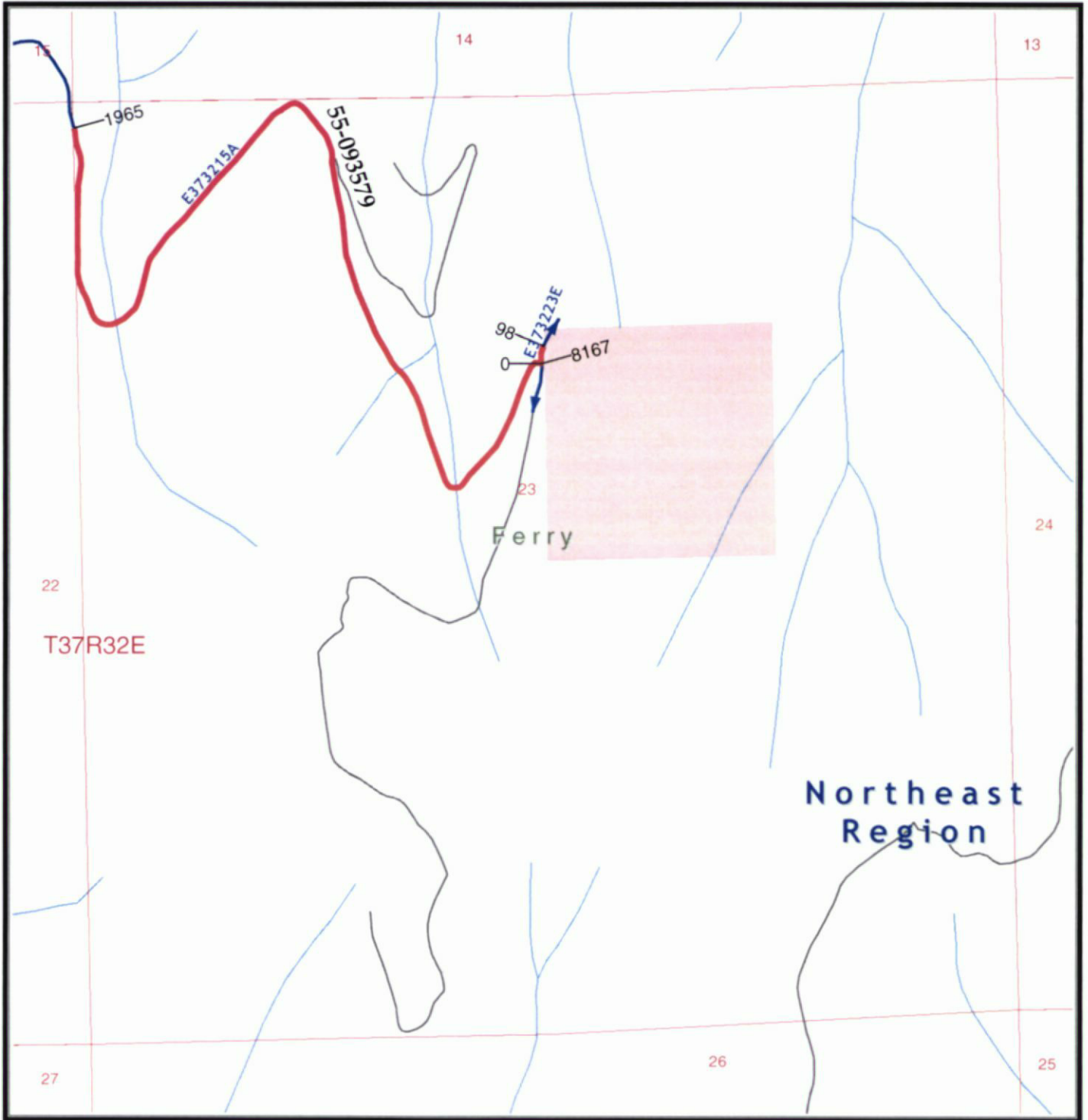
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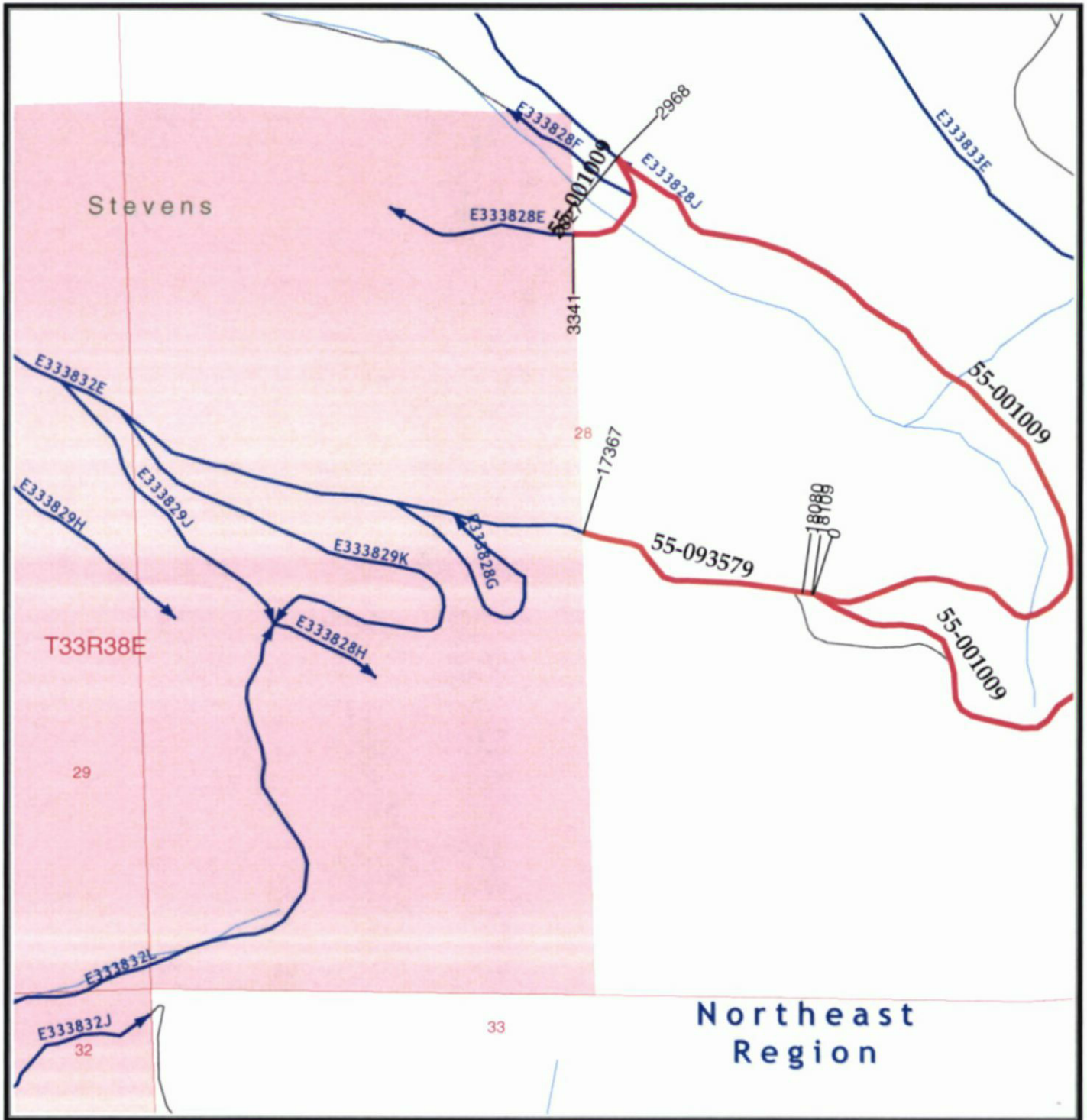
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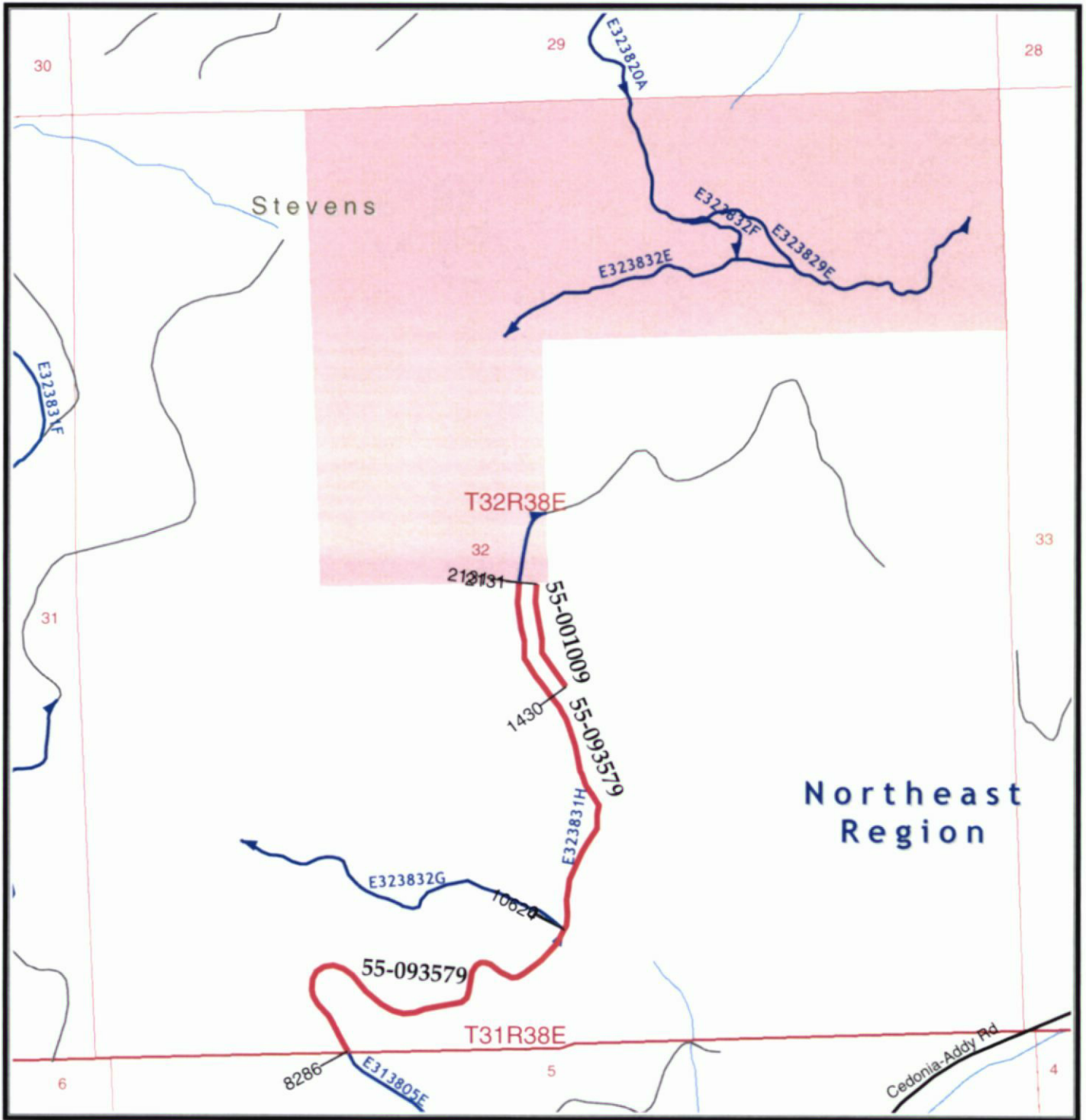
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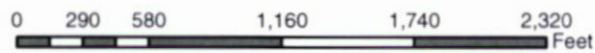
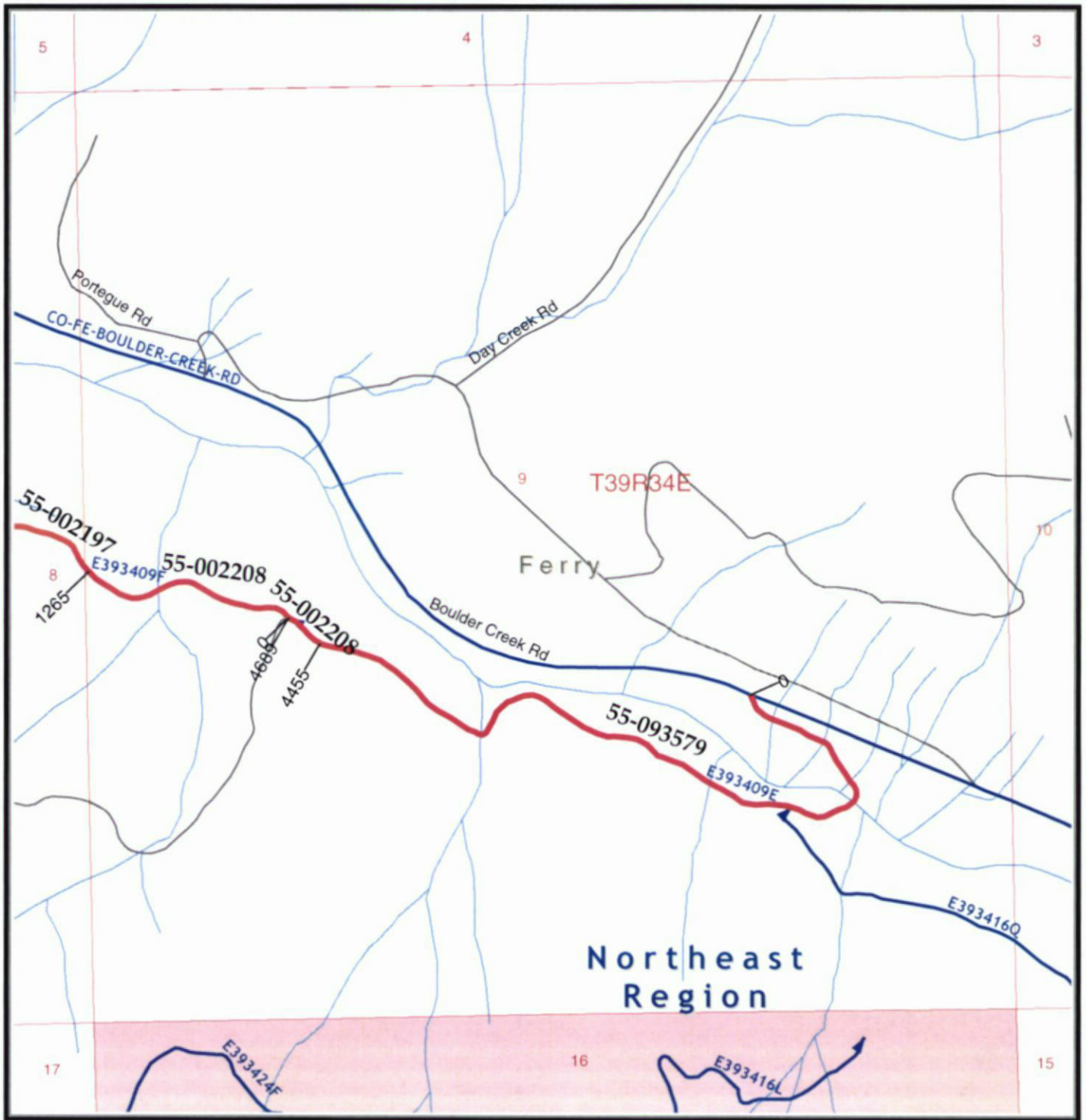
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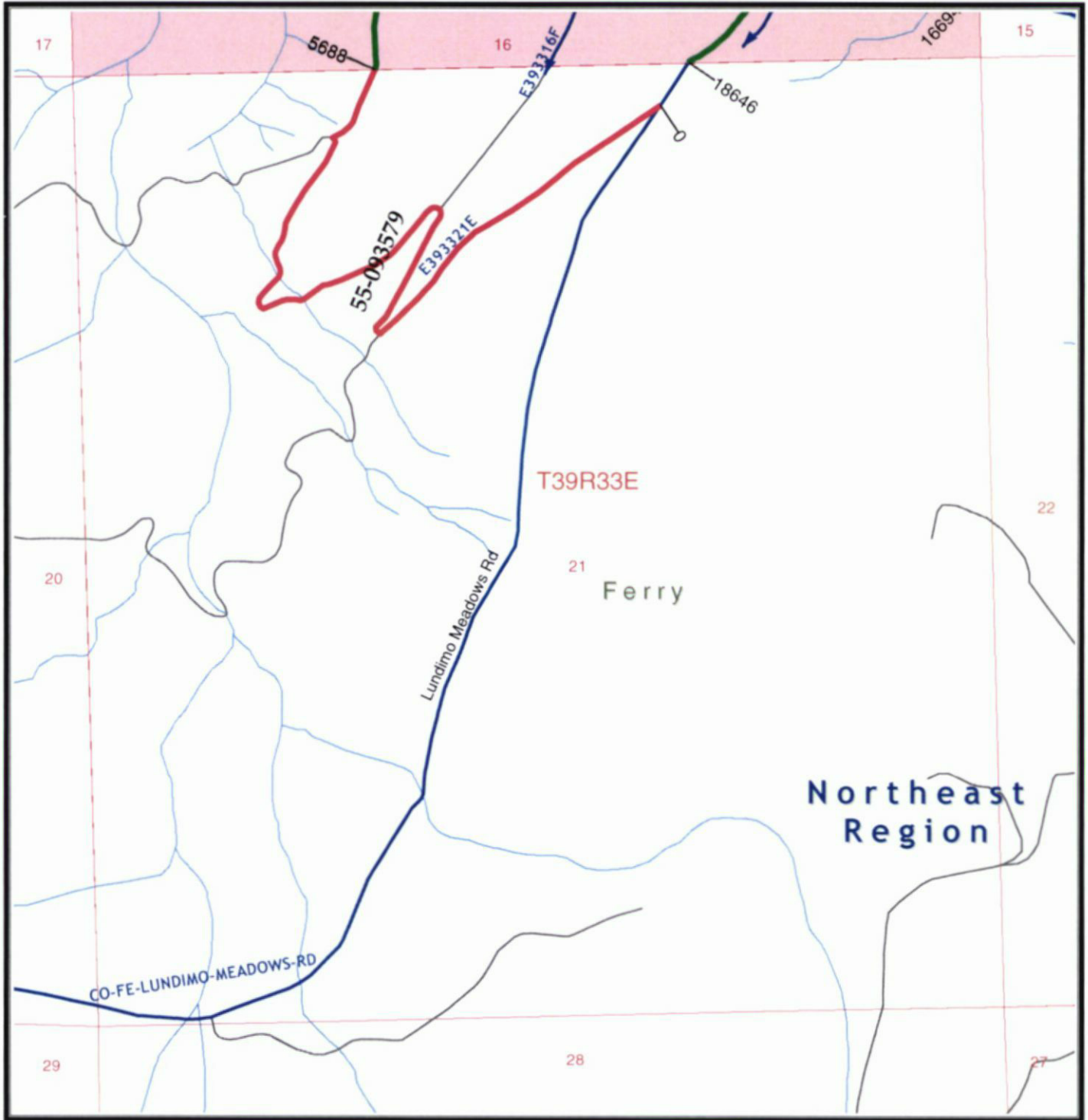
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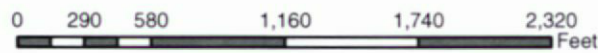
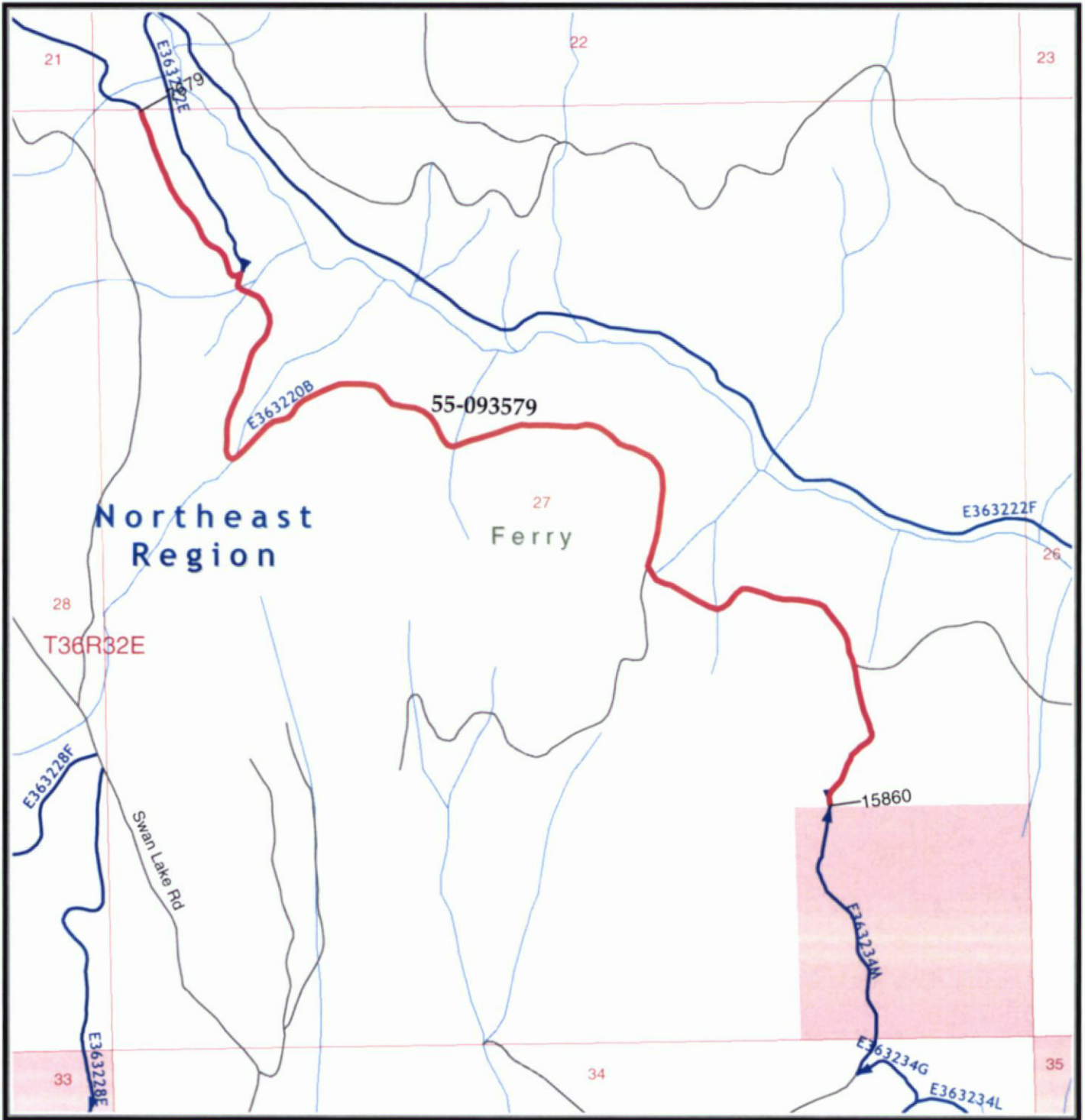
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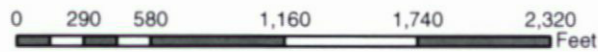
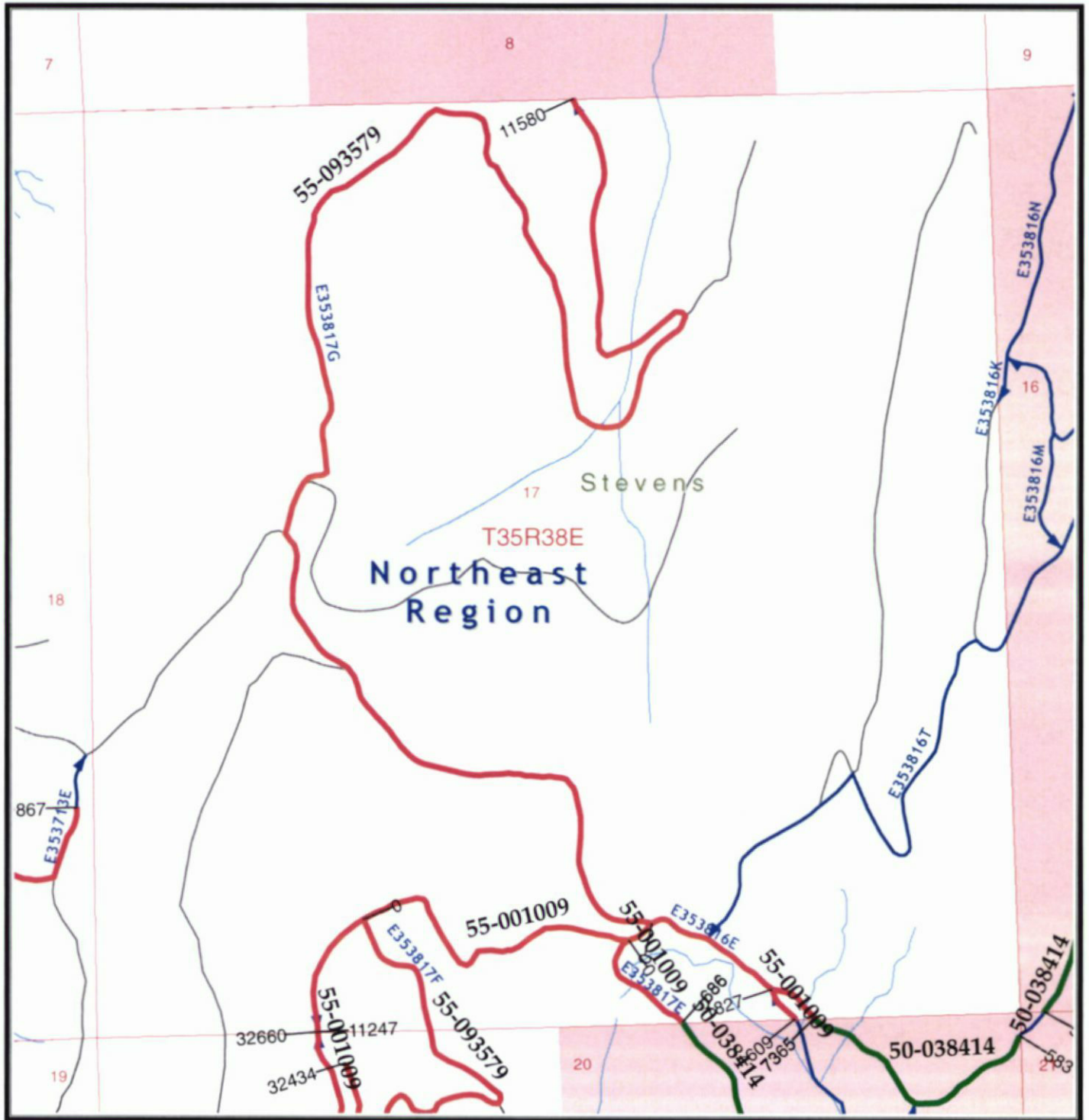
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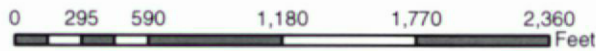
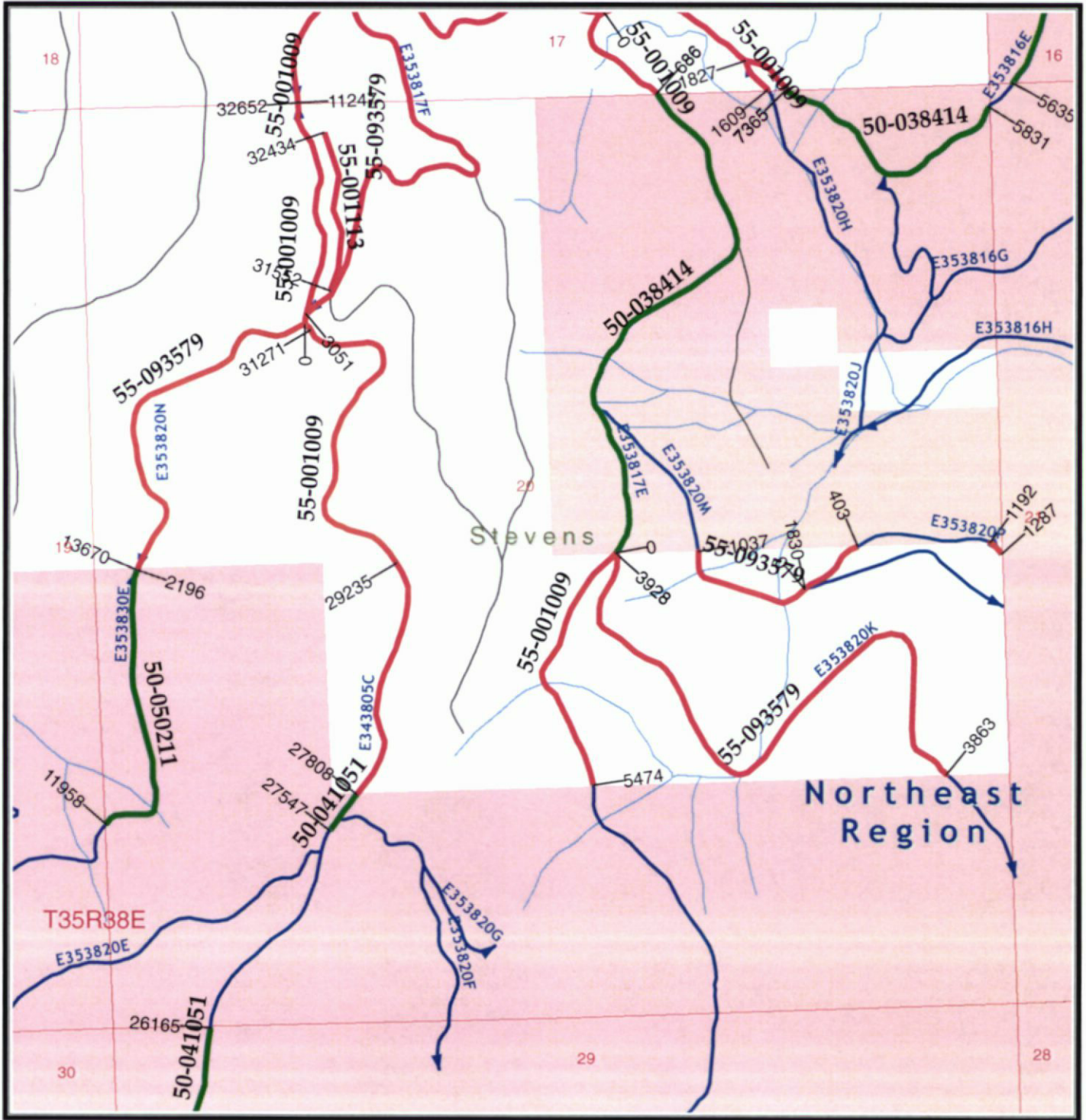
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Date: 11/13/2017





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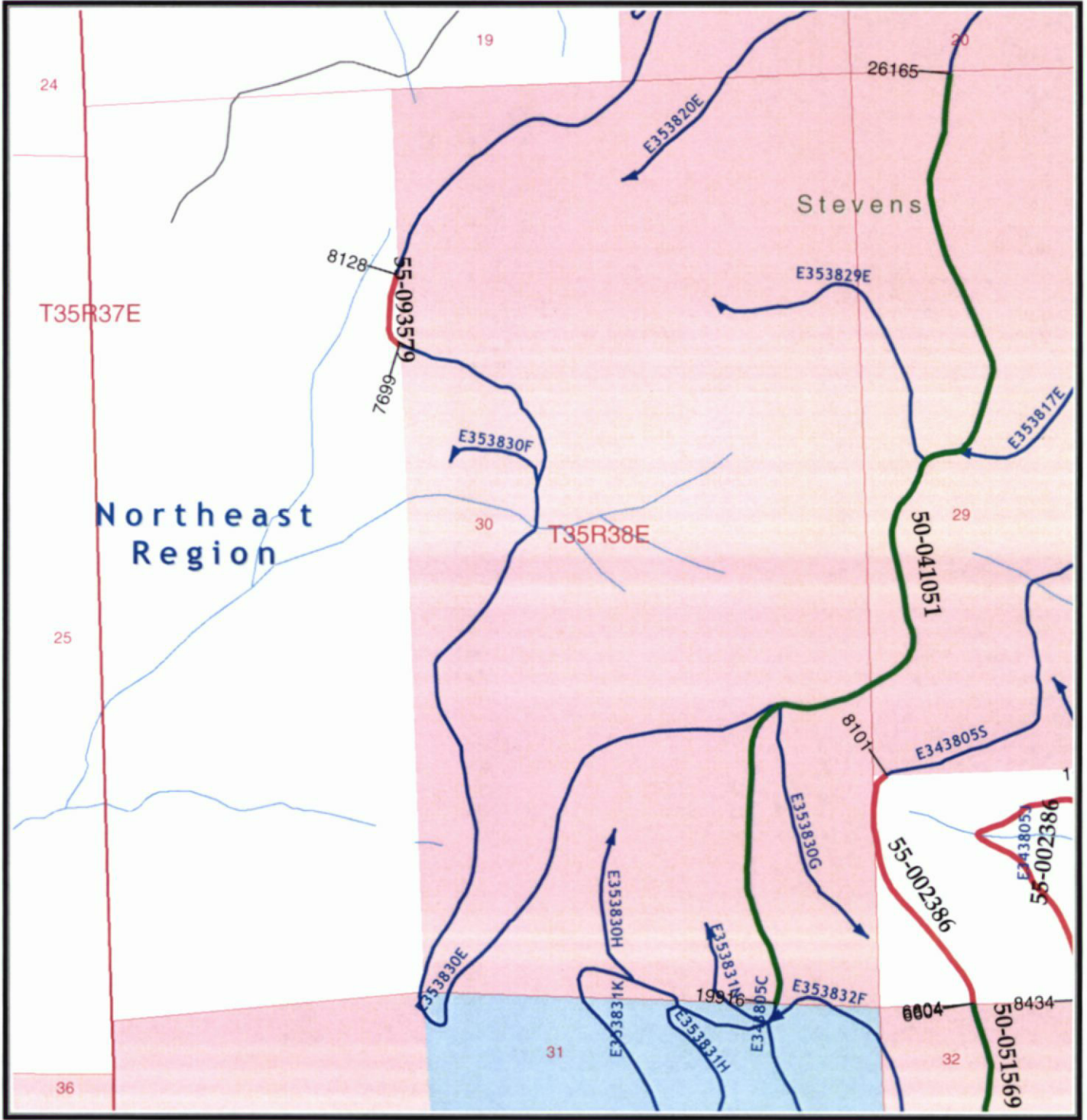
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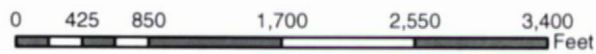
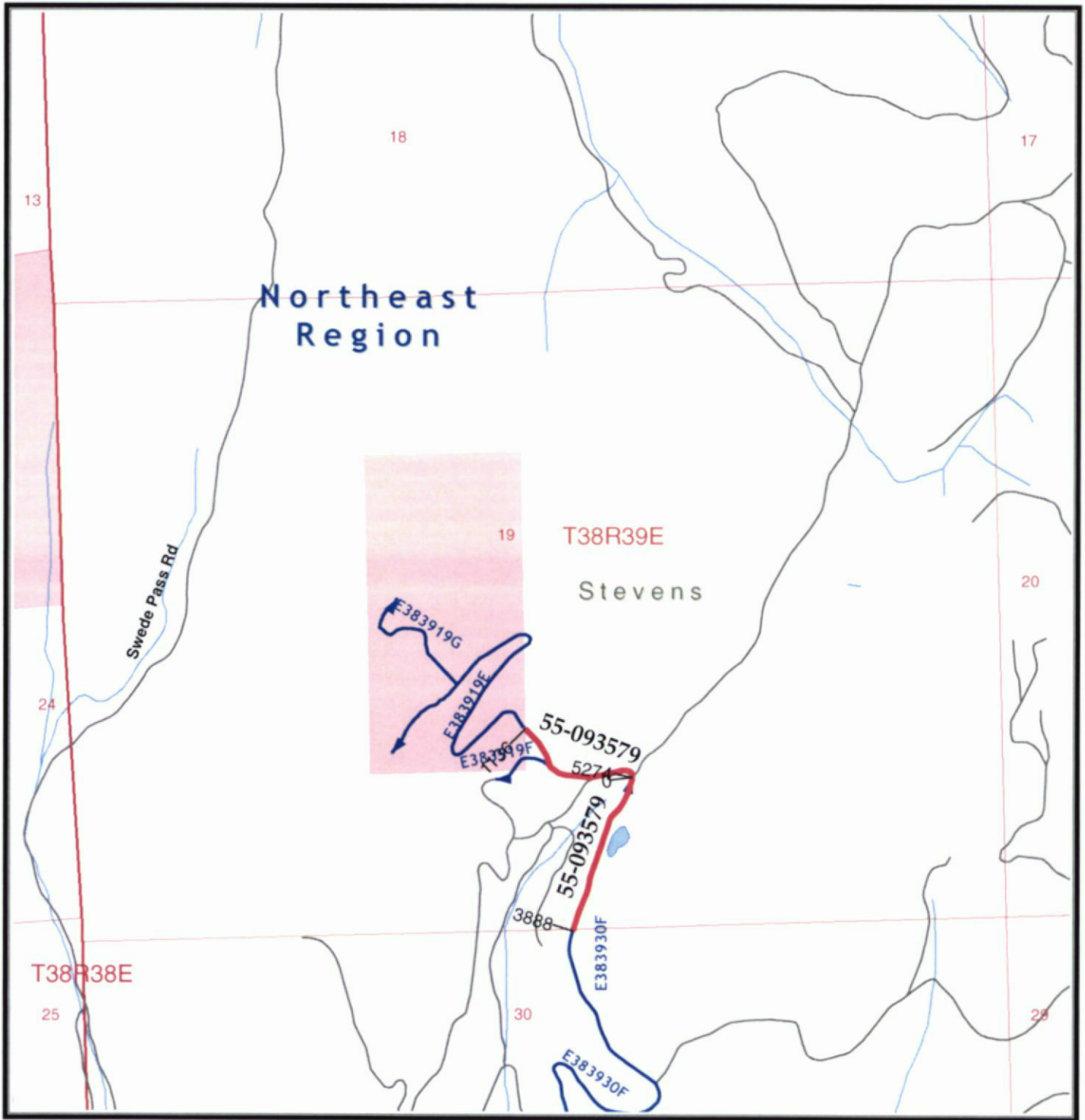
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Date: 11/13/2017







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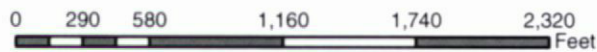
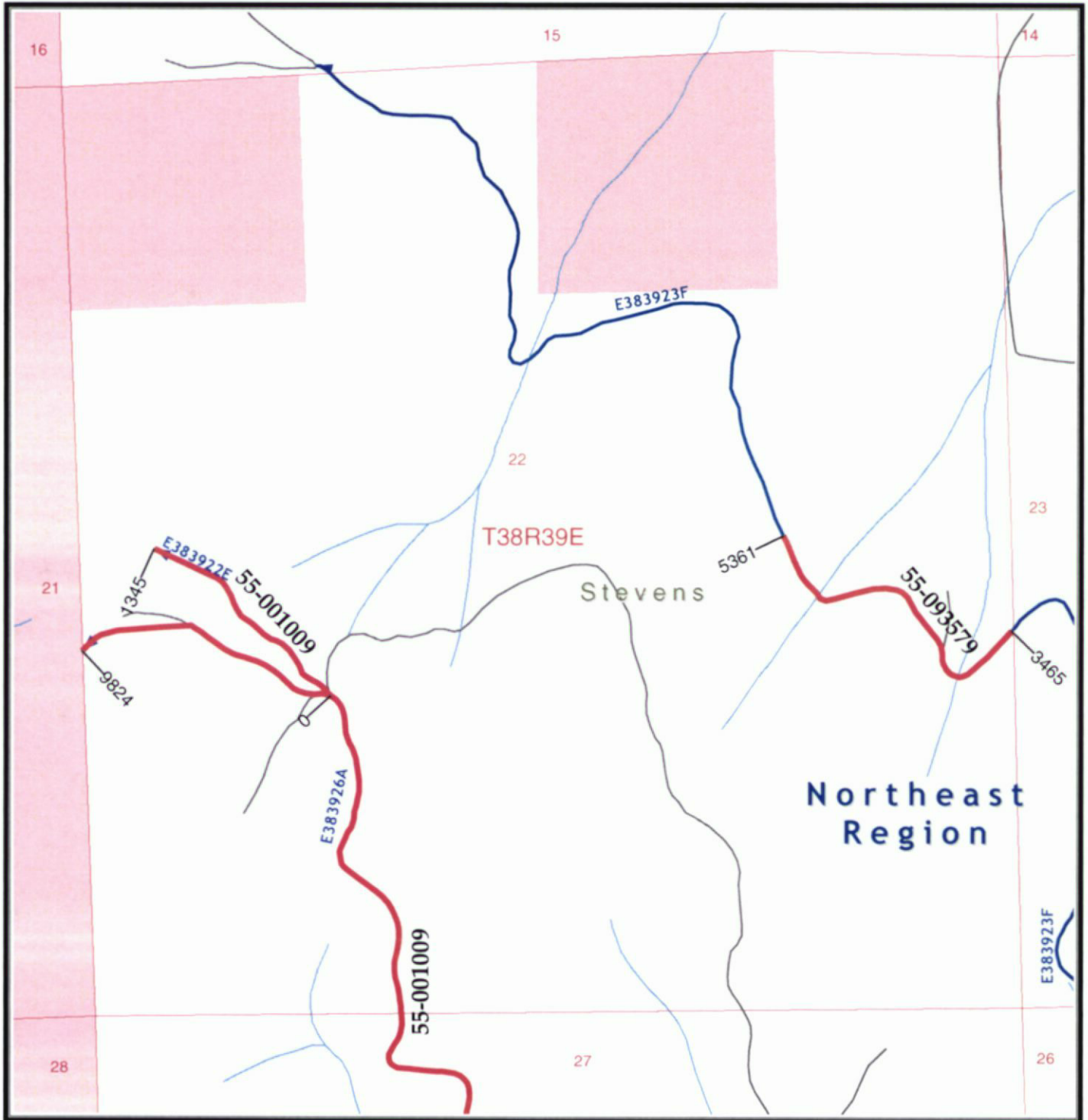
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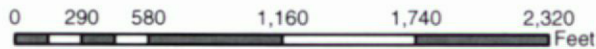
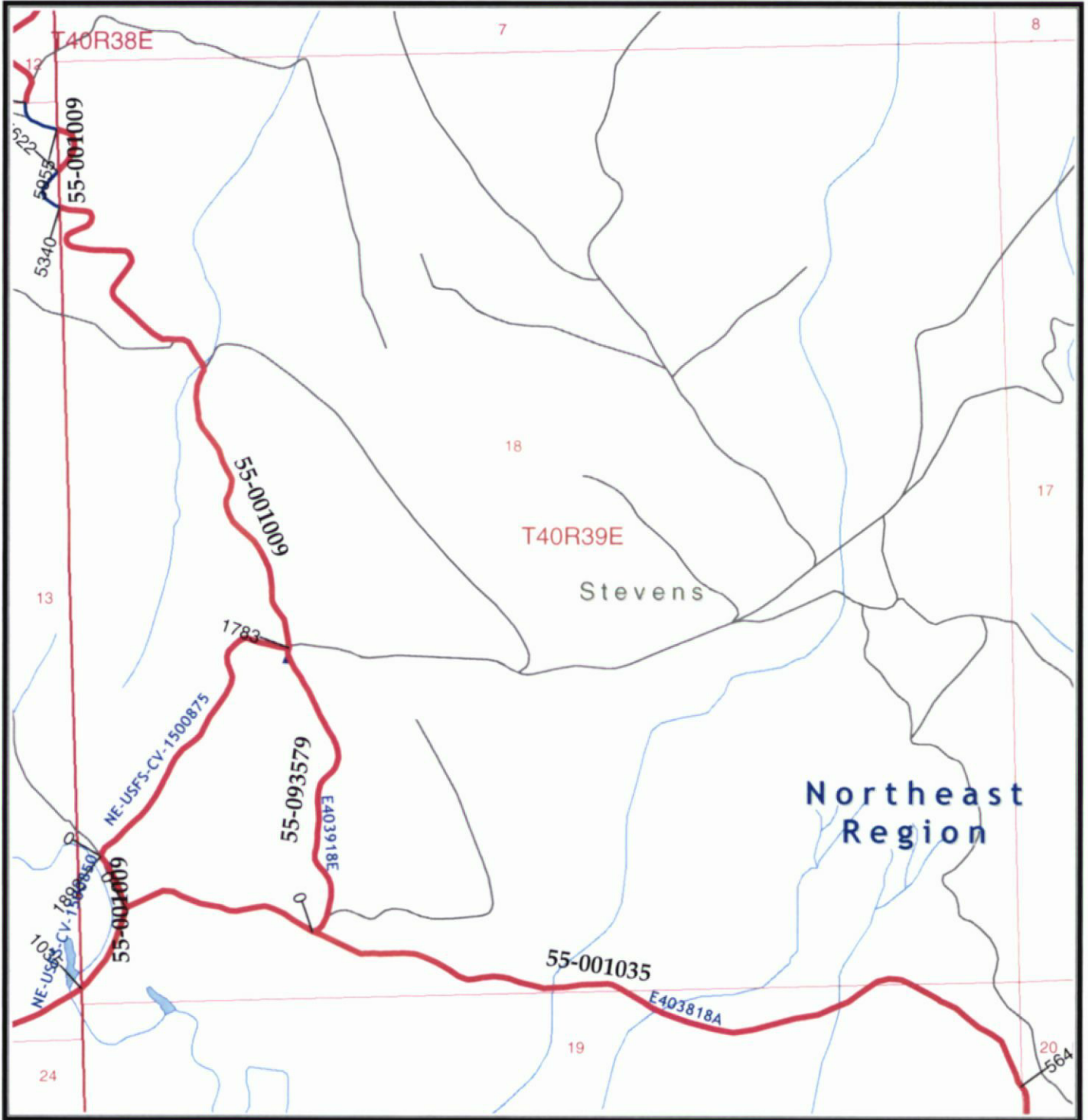
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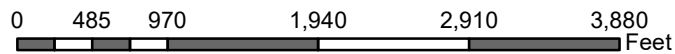
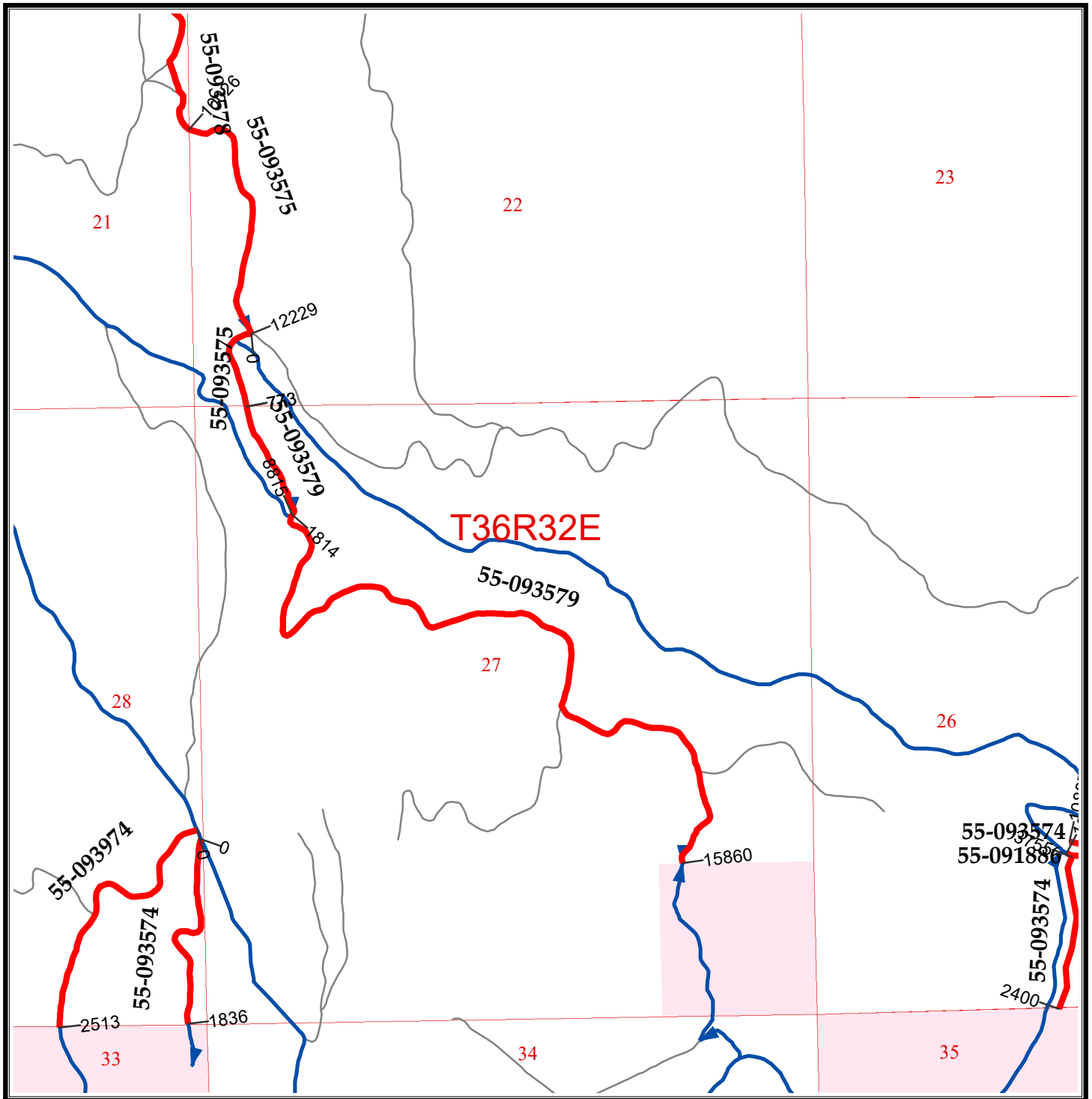
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**DNR Routes PROD**

Route Direction

**USGS Class Roads**

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**ACCESS PERMIT**

THIS ACCESS PERMIT ("Permit") is made and entered into as of the 31st day of August 2023, by and between Hancock Timberland X Inc., ("**Landowner**"), acting by and through its Limited Agent, Manulife Investment Management Forest Management Inc (formally known as Hancock Forest Management Inc.) ("**MFM**"), whose address is 616 Highway 395 S., Colville, WA 99114, and **STATE OF WASHINGTON, DEPARTMENT OF NATURAL RESOURCES**, ("**Permittee**"), whose address is 225 South Silke Road, Colville, WA 99114. This Permit provides for services to be conducted on certain land (the "**Managed Land**") owned by Landowner and managed by MFM. This Permit consists of the terms and conditions set forth following the signatures of Landowner and Permittee (individually, a "**Party**" and collectively, the "**Parties**") listed below.

**LANDOWNER**


HANCOCK TIMBERLAND X, INC.

By: Manulife Investment Management  
Timberland and Agriculture Inc, its Advisor

  
By: Derek Solmie  
Title: Director, Dispositions and Acquisitions

**PERMITTEE**

STATE OF WASHINGTON, acting by and  
Through the DEPARTMENT OF NATURAL  
RESOURCES

By:   
Title: Assistant Region Manager.

**EXHIBITS:**

- Exhibit A: Description of the Premises
- Exhibit B: Map of the Premises
- Exhibit C: Description of Permittee's  
Operations
- Exhibit D: Insurance Requirements
- Exhibit E: Operational Restrictions

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

**1. GRANT**

Landowner does hereby grant to Permittee, non-exclusive permission to use certain roads constructed on the land described in Exhibit A (the "**Premises**"), and shown on Exhibit B attached hereto, but only as reasonably necessary in connection with conducting Permittee's

operations described in Exhibit C attached hereto (the “**Operations**”). Permittee shall give Landowner prompt written notice of its completion of the Operations.

## 2. TERM

The term of this Permit shall be effective on the date herein above, and shall terminate on **August 1, 2028**. Notwithstanding anything to the contrary herein, in the event of Permittee’s breach of any of the terms or conditions of this Permit, Landowner may immediately terminate this Permit at any time, with or without notice.

## 3. CONSIDERATION

For and in consideration for the rights granted under this Permit, Permittee shall pay Landowner the sum of **FIVE HUNDRED AND NO/100 DOLLARS (\$500.00)**. The consideration is due within thirty days after the Permittee enters into a timber sale contract for the Copper Swan Timber Sale. Permittee shall provide written notice to Landowner on the date the timber sale contract is entered into and who will provide payment. Prior to payment, Permittee shall be limited to administrative use of the road. Road No road work or commercial hauling will occur until the consideration has been paid in full. In the event the Permittee is granted a perpetual easement over this road within two (2) years of the termination date of this permit, the Permittee shall be entitled to a credit in the amount of **FIVE HUNDRED AND NO/100 DOLLARS (\$500.00)**, which shall be applied to the consideration to be paid for the easement.

## 4. ASSUMPTION OF RISK AND LIABILITY BY PERMITTEE

Permittee acknowledges that it has inspected the Premises and is familiar with the condition thereof and is entering into this Permit with full knowledge of the state and condition of the Premises and the roads thereon, and accepts the Premises and the roads thereon “AS IS.” Neither MFM nor Landowner makes any warranty or representation as to the present or future condition, safety, or suitability of the roads for use by Permittee, the condition or use of the Premises, or the character of the traffic on any of its roads. Permittee, on behalf of itself, its employees, contractors, subcontractors, agents, invitees, licensees or other third parties performing services for Permittee on the Premises or in conjunction with the Operations or this Permit, expressly assumes all risks associated with its Operations and all activity which takes place on the Premises and the roads thereon, including, but not limited to, the use of primitive unsigned roads or trails and unstable soil conditions on or in the vicinity of the Premises, whether conducted by the Permittee, or any party associated with Permittee. Permittee understands and agrees that Landowner would not have granted this Permit without such an express assumption of all risks by Permittee.

## 5. INDEMNIFICATION.

5.1 Notwithstanding anything herein to the contrary, Permittee agrees to reimburse, indemnify, defend and hold harmless, *Landowner, MFM and Manulife Financial Corporation* its wholly and majority owned affiliates, and subsidiary companies and their respective officers, insurers, agents and employees (individually and collectively, the “**Indemnified Parties**”), the Premises, the Landowner’s property, and the Managed Land from any and all costs, expenses,

damages, penalties, liens, charges, claims, injuries, environmental cleanup or remediation obligations, demands or liabilities whatsoever, whether direct, contingent or consequential (including reasonable attorneys' fees and court costs) (hereinafter in this Article V referred to collectively as "**Claim**") arising out of or in any manner connected with or resulting from (i) the acts, omissions, activities, or Operations hereunder of Permittee and/or Permittee's servants, employees, subcontractors, agents, permittees, invitees, independent contractors and/or assigns ("**Permittee's Responsible Parties**"), as the case may be, (ii) any material breach of Permittee's representations and/or warranties; or (iii) the failure of Permittee to fulfill any of its covenants or agreements under this Permit, which may be suffered by the Indemnified Parties, the Premises, the Landowner's property or the Managed Land or asserted by any third party whomsoever, including, but not limited to, Permittee's Responsible Parties and governmental agencies. Permittee shall, at Permittee's own cost and expense, defend (with counsel acceptable to Landowner in its sole and absolute discretion) against any and all actions, suits or other legal proceedings that may be brought or instituted against any of the Indemnified Parties, the Premises, the Landowner's property or the Managed Land on any such Claim and shall pay or satisfy any judgment or decree that may be rendered against any of the Indemnified Parties, the Premises, the Landowner's property or the Managed Land in any such action, suit or legal proceeding which may result therefrom.

5.2 Without limiting the foregoing, in the event of assertion of any Claim against the Indemnified Parties, the Premises, the Landowner's property or the Managed Land, Permittee agrees that within three (3) days after notice from Landowner to do so, Permittee shall either cause the satisfaction, discharge or release of any such claim, or deposit with Landowner cash or a corporate surety bond conditioned on satisfaction, release or discharge of such claim, plus such additional reasonable sum as Landowner specifies in such notice for anticipated expenses of Landowner in connection with such claim, such cash deposit or surety bond to be held by Landowner until such claim is satisfied, discharged or released.

5.3 Without limiting the generality of the foregoing, Permittee assumes liability for actions brought by any of Permittee's Responsible Parties. Permittee's indemnity obligation hereunder shall not be limited by any workers' compensation, benefits or disability laws and Permittee waives any immunity that Permittee may have under any applicable industrial insurance law or act or similar workers' compensation, benefits or disability laws. The foregoing waiver was negotiated mutually by Landowner and Permittee.

5.4 Permittee releases and waives all claims against the Indemnified Parties with respect to any claim or injury arising from the Operations of Permittee under this Permit.

## **6. INSURANCE REQUIREMENTS**

Before commencing Operations and at all times that this Permit is in effect, Permittee shall comply with the insurance requirements described in Exhibit D attached hereto.

## **7. COMPLIANCE WITH LAWS AND REGULATIONS**

7.1 Permittee shall comply with all applicable laws, statutes, ordinances, rules and regulations of federal, state and local governments and agencies thereof, including, but not

limited to, those relating to forest roads, traffic safety, wetlands, environmental protection, forest practices, conservation practices, hazardous waste or materials, explosives, protection of threatened and endangered species, water resources, wetlands, shorelines and the prevention, suppression and control of fire, and all valid orders of federal and state officials pertaining thereto (“**Applicable Laws**”).

7.2 Permittee shall, at its sole cost and expense, be responsible for any deviations from or infractions of Applicable Laws, and shall indemnify, defend and hold the Indemnified Parties harmless for any cost, loss, liability or obligation which any party may sustain or incur by reason of the failure by Permittee to comply with any and all such Applicable Laws. In the event that Permittee receives a notice of a deviation or infraction from any governmental entity or agency, Permittee shall immediately notify Landowner and provide copies of all pertinent documentation with regard to such deviation or infraction. Permittee shall ensure that any and all subcontractors performing work, or providing materials, in conjunction with Permittee’s activities pursuant to this Permit comply with all applicable federal, state and local laws, rules and regulations. Upon request, Permittee shall provide evidence satisfactory to Landowner of Permittee’s compliance hereunder.

## **8. FIRE PROTECTION AND SUPPRESSION**

8.1 Permittee shall use its best efforts to prevent fires from starting on or spreading, to or from the Premises or other land adjacent thereto. Permittee shall comply with all relevant federal, state and local laws and regulations, and all reasonable requests of Landowner with respect to fire prevention and control, including but not limited to, any requirements relating to fire-fighting tools in the possession of Permittee or Permittee’s employees. Permittee shall suspend Permittee’s use of any roads and/or the Premises when, in the absolute discretion of Landowner, or any state or federal forestry officials, such suspension is required because of a significant fire hazard. Permittee shall promptly notify Landowner and the appropriate government authorities upon becoming aware of any fire on or near the Premises that may spread to or threaten any part of the Premises or any other property managed by Landowner.

8.2 Permittee assumes all liability for, and agrees to indemnify and hold the Indemnified Parties harmless from and against all claims, damages, losses, penalties, suits or costs (including reasonable attorneys’ fees and court costs), in any manner arising from fire originating on the Premises or other land adjacent thereto, if such fire results from the act, omission or negligence of Permittee, its employees, subcontractors, agents, or invitees, or Permittee’s failure to comply with any provision of this Permit or any law, rule or regulation relating to fire prevention or fire suppression.

## **9. USE AND MAINTENANCE OF PREMISES**

9.1 Permittee shall not commit or suffer to be committed any waste upon the Premises nor allow or cause the Premises to be used for any improper or unlawful purpose or for any purpose not expressly permitted under this Permit. Permittee shall pay when due all costs arising in connection with any of its activities on the Premises.



9.2 Permittee shall not cut, damage, destroy, nor otherwise remove timber, or any other natural resource, located on the Premises or otherwise belonging to the Landowner, without Landowner's prior written consent. Such cutting, damaging or destroying of any such timber shall be considered a willful trespass. The parties agree that the damage resulting from such trespass is difficult to ascertain. As a result, Permittee shall pay to Landowner a sum equal to three times the fair market value of the timber that is cut, damaged or destroyed, together with all incidental costs sustained by Landowner on account of the cutting, damaging or destroying of such timber. The parties agree that such a fee represents a fair and reasonable estimate of the cost Landowner will incur by reason of such a trespass.

9.3 Permittee shall not conduct any road construction nor make any alterations, additions, improvements or repairs to the roads on the Premises without the prior written consent of Landowner. Prior to conducting any construction, alteration or repair, Permittee must submit the design, specifications and location of such activities to Landowner for its approval. All approved alterations, additions, and improvements will be completed free of any liens or encumbrances and in a good and workmanlike manner, in conformance with all applicable laws and regulations.

9.4 Permittee agrees to keep the roads used by the Permittee on the Premises open. Permittee shall not (i) obstruct any roads on the Premises; (ii) land any logs or other forest products alongside any road on the Premises without first obtaining Landowner's prior written consent; or (iii) load any trucks on any road on the Premises without Landowner's prior written consent.

9.5 This Permit shall be subject to, and Permittee shall comply with, the speed limits, traffic control and other regulations promulgated from time to time by Landowner or any governmental agency having jurisdiction over the Premises. Landowner may, in its absolute discretion, close any road on the Premises during periods of high fire danger or soft road conditions. Permittee shall drive safely at all times, stay to the right and be able to stop within half of Permittee's sight distance. Permittee shall at all times observe a maximum speed limit of 30 miles per hour and drive with lights on and seat belt fastened. Forest management traffic such as log trucks, rock trucks, service trucks and crew vehicles have right-of-way.

9.6 Permittee shall protect all survey monuments, witness corners, reference monuments and bearing trees on the Premises against destruction, obliteration or damage. If any monuments, corners or accessories are destroyed, obliterated or damaged by Permittee's use of the Premises, Permittee, at its sole cost and expense, shall hire a registered land surveyor to establish or record the monuments, corners or accessories, at the same location and shall record such survey in the appropriate county records.

9.7 Permittee shall conduct its activities and Operations so as to cause the least possible damage to the soil, slopes, roads and any surrounding standing timber on the Premises. Permittee shall pay and be responsible for any damage to the roads caused by its Operations which is in excess of that which would be caused through normal and prudent usage of said roads. Permittee shall at all times during its use of the Premises: (i) keep the Premises and all roads in good condition; (ii) reduce fire hazards; (iii) protect the environment and natural soil conditions; (iv) prevent siltation in the streams; and (v) avoid disturbing streambeds, both

intermittent and permanent. No fires or open flame. No smoking while outside vehicle. No camping or other recreational use allowed under this permit.

9.8 All of Permittee's vehicles using roads on the Premises shall display a permit or other form of identification approved by Landowner. No gates will be blocked. Permittee will not operate any wheeled or tracked vehicle off existing roads and will not use any ATVs or off-road vehicles of any type.

## **10. ENVIRONMENTAL LAWS**

10.1 Unless otherwise specifically authorized in writing, Permittee shall not bring onto the Premises, dispose of, or otherwise release any hazardous waste or materials or containers containing any hazardous waste or materials in, on or under the Premises or any adjacent property. As used herein, the term "hazardous waste or materials" includes any substance, waste or material designated as hazardous, toxic or dangerous by any applicable federal, state or local law, regulation, rule or ordinance, including, without limitation, petroleum products. If Permittee is permitted to bring hazardous waste or materials on the Premises by Landowner, Permittee shall (1) comply with all requirements of any constituted public authority and all federal, state, and local codes, statutes, rules and regulations, and laws, whether now in force or hereafter adopted relating to Permittee's use of the Premises, or relating to the storage, use, disposal, processing, distribution, shipping or sales of any hazardous waste or materials; (2) comply with any reasonable recommendations by the insurance carrier of either Landowner or Permittee relating to the use by Permittee on the Premises of such hazardous materials; (3) refrain from unlawfully disposing of or allowing the disposal of any hazardous materials upon, within, about or under the Premises; and (4) remove all hazardous materials from the Premises, in compliance with all applicable laws.

10.2 Permittee shall indemnify and hold harmless the Indemnified Parties and their successors and assigns from and against any and all losses, liabilities, damages, injuries, penalties, fines, costs, expenses and claims of any and every kind whatsoever (including attorney's fees and costs, expenses or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, any so-called state or local "Superfund" or "Superlien" law, or any other federal, state or local statute, law or ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous waste or materials) paid, incurred or suffered by, or asserted against, the Indemnified Parties as a result of any claim, demand or judicial or administrative action by any person or entity (including governmental or private entities) for the escape, seepage, leakage, spillage, discharge, emission or release of any hazardous waste or materials that was caused directly or indirectly by Permittee's Responsible Parties.

10.3 Unless otherwise agreed in writing, if Permittee has occasion or need to dispose of hazardous or toxic substances or wastes, Permittee will retain an independent hazardous waste disposal firm to dispose of any and all such substances at an off-site facility which has been properly approved, licensed and authorized to accept such substances. Permittee will ensure that the disposal firm is properly licensed and in good standing with the applicable regulatory authorities for such work, and has all required transporter identification numbers.

10.4 If a spill or release of oil or hazardous materials by Permittee on the Premises or land adjacent thereto occurs, Permittee will at a minimum (1) immediately notify Landowner of such spill or release, and (2) promptly comply with all federal, state and local spill notification and response requirements, including, but not limited to, all federal and state health and safety requirements. Permittee shall also pay all costs, expenses, penalties, and damages associated with any cleanup, restoration, or mitigation related to such spill or release.

10.5 The obligations and indemnities contained in this Section shall survive the termination of this Permit.

## **11. TERMINATION FOR BREACH**

If Permittee breaches any of its obligations under this Permit or any other agreement to which Permittee is a party with Landowner, Landowner may terminate this Permit immediately, without notice to Permittee. Upon termination under this Section 11, Landowner shall be entitled to take immediate steps to prevent Permittee from using the Premises and to remove Permittee and its equipment. The foregoing remedies shall not be deemed exclusive but shall be in addition to all other remedies available at law or in equity.

## **12. REMOVAL OF PROPERTY**

Upon expiration or earlier termination of this Permit, Permittee shall remove all of its equipment and all materials, tools, rubbish, and all other property placed on the Premises by Permittee, and leave the same in a clean and satisfactory condition. If any equipment is not removed within thirty (30) days after the completion or earlier termination of this Permit, Landowner shall have the right to take possession of, store or otherwise remove and dispose of said equipment at the expense of Permittee. Permittee shall not dispose of waste, including, but not limited to, packaging material, whether by burning, burying or otherwise (on the Premises).

## **13. MISCELLANEOUS**

13.1 **Survival.** All representations and warranties set forth in this Permit shall survive the expiration or termination of this Permit. All provisions of this Permit that contemplate performance after the expiration or termination of this Permit, including without limitation, the reciprocal attorneys fees provision and the waiver and indemnity provisions set forth herein, shall survive the expiration or termination of this Permit and be fully enforceable thereafter.

13.2 **Binding Effect.** The provisions of this Permit shall be binding upon and inure to the benefit of the Parties and, subject to the restrictions on assignment set forth herein, their respective successors and assigns.

13.3 **Assignment.** Permittee shall not assign any of its rights or obligations under this Permit without the consent of Landowner, which Landowner may withhold, condition or delay in its sole and absolute discretion.

13.4 **Notices.** All notices under this Permit shall be in writing and signed by a Party or its counsel. Notices may be (i) delivered personally, (ii) transmitted by facsimile, (iii) delivered by a recognized national overnight delivery service, or (iv) mailed by certified United States

mail, postage prepaid and return receipt requested. Notices to any Party shall be directed to the address set forth above, or to such other or additional address as any Party may specify by notice to the other Party. Any notice delivered in accordance with this section shall be deemed given (a) in the case of any notice transmitted by facsimile, on the date on which the transmitting Party receives confirmation of receipt by facsimile transmission, telephone, or otherwise, (b) in the case of any notice delivered by a recognized national overnight delivery service, on the day of delivery to the service, or (c) in the case of any notice mailed by certified U.S. mail, two business days after deposit therein.

**13.5 Waiver.** Any Party's failure to exercise any right or remedy under this Permit, delay in exercising any such right or remedy, or partial exercise of any such right or remedy, shall not constitute a waiver of that or any other right or remedy hereunder. A waiver of any breach of any provision of this Permit shall not constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself. No waiver of any provision of this Permit shall be binding on a Party unless it is set forth in writing and signed by such Party.

**13.6 Amendment.** This Permit may not be modified or amended except by the written agreement of the Parties.

**13.7 Attorneys' Fees.** If a suit, action, or other proceeding of any nature whatsoever (including any proceeding under the U.S. Bankruptcy Code) is instituted in connection with this Permit or any instrument or agreement delivered by either Party at the Closing, or to interpret or enforce any rights or remedies hereunder or thereunder, the prevailing Party shall be entitled to recover its attorneys' fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court at trial or on any appeal or review, in addition to all other amounts provided by law.

**13.8 Integration.** This Permit contains the entire agreement and understanding of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements with respect thereto. The Parties acknowledge and agree that there are no agreements or representations relating to the subject matter of this Permit, either written or oral, express or implied, that are not set forth in this Permit or in the Schedules to this Permit.

**1.1 Governing Law; Venue.** This Permit shall be governed by and construed in accordance with the laws of the state where the Managed Land is located venue for any action or proceeding shall be in any county in said state where any part of the Managed Land is located, as Landowner may elect in its sole and absolute discretion.

**13.9 Construction and Interpretation.** The headings or titles of the sections of this Permit are intended for ease of reference only and shall have no effect whatsoever on the construction or interpretation of any provision of this Permit; references herein to sections are to sections of this Permit unless otherwise specified. Meanings of defined terms used in this Permit are equally applicable to singular and plural forms of the defined terms. As used herein, (i) the terms "hereof," "herein," "hereunder," and similar terms refer to this Permit as a whole and not to any particular provision of this Permit, (ii) the term "**this transaction**" refers to the transaction(s) contemplated by this Permit, and (iii) the term "**including**" is not limiting and means "**including without limitation.**" In the event any period of time specified in this Permit

ends on a day other than a business day, such period shall be extended to the next following business day. All provisions of this Permit have been negotiated at arm's length and this Permit shall not be construed for or against any Party by reason of the authorship or alleged authorship of any provision hereof.

**13.10 Severability.** If a court of competent jurisdiction finally determines that any provision of this Permit is invalid or unenforceable, the court's determination should not affect the validity or enforceability of the remaining provisions of this Permit. In such event, this Permit shall be construed as if it did not contain the particular provision that is determined to be invalid or unenforceable. No such determination shall affect any provision of this Permit to the extent that it is otherwise enforceable under the laws of any other applicable jurisdiction

**13.11 Execution and Authority.** This Permit may be executed in any number of counterparts, all of which together shall constitute one and the same agreement. Each Party may rely upon the signature of each other Party on this Permit that is transmitted by facsimile as constituting a duly authorized, irrevocable, actual, current delivery of this Permit with the original ink signature of the transmitting Party. This Permit shall become effective and in full force only when duly and properly executed, authorized, and delivered by the Parties hereto. Each individual who executes this Permit on behalf of a Party warrants his or her authority to do so.

**13.12 Recitals, Exhibits and Schedules.** The Recitals to this Permit and any Schedules or Exhibits attached to this Permit are incorporated herein by this reference.

**13.13 Further Assurances.** Each Party agrees to execute and deliver such additional documents and instruments as may reasonably be required to effect this transaction fully, so long as the terms thereof are consistent with the terms of this Permit.

**13.14 No Third Party Beneficiaries.** This Permit is made and entered into for the sole protection and legal benefit of the Parties and, subject to the restrictions on assignment set forth herein, their respective successors and assigns, and no other person or entity shall be a direct or indirect legal beneficiary of, or have any direct or indirect cause of action or claim in connection with, this Permit.

**13.15 Time.** If any date upon which some action, notice or response is required of any Party hereunder occurs on a weekend or national holiday, such action, notice or response shall not be required until the next succeeding business day.

**13.16 Time Is of the Essence.** Time is of the essence with respect to all terms, provisions, covenants and conditions contained in this Permit.

**13.17 Force Majeure.** "Force Majeure" means any event or condition which wholly or partially delays or prevents such Party from performing any of its obligations hereunder and is beyond the reasonable control of, and occurs without the fault or negligence of, the Party affected thereby including, without limitation, acts of God, acts of the public enemy, insurrections, riots, labor disputes, labor or material shortages, fires, explosions, floods, breakdowns of or damages to plants, equipment or facilities, interruptions to transportation, embargoes, or orders or acts of any court or government authority having jurisdiction or any

military authority. If, as a result of Force Majeure, it becomes impossible or impractical for either Party to carry out its obligations hereunder (other than any obligation to pay money when due in accordance with the terms of this Permit) in whole or in part, then such obligations shall be suspended to the extent necessary by such Force Majeure during its continuance. The Party affected by such Force Majeure shall give prompt written notice to the other Party of the nature and probable duration of such Force Majeure, and of the extent of its effects on such Party's performance hereunder. Each Party shall, in the event it experiences Force Majeure, use all commercially reasonable efforts to eliminate such Force Majeure and/or its effects on such Party's performance hereunder insofar as is practicable and with all reasonable dispatch; provided, that neither Party shall be obligated to expend monies in order to eliminate Force Majeure and/or its effects, if in such Party's sole judgment, such expenditures would be economically unjustifiable.

**13.18 Joint and Several Liability.** If Permittee is comprised of more than one person or entity, then each of such persons or entity shall be jointly and severally liable for the performance of Permittee's obligations under this Permit, and for any default on the part of one or more of the persons or entities comprising Permittee.

**13.19 Equal Opportunity Employer.** Permittee warrants that with respect to terms and conditions of employment, including but not limited to hiring, promotions, wages, hours, and fringe benefits, purchaser will not discriminate against any person on the basis of race, physical or mental handicap, creed, religion, sex, or national origin.

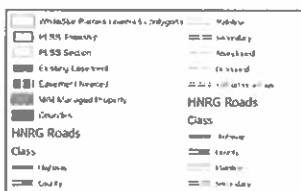
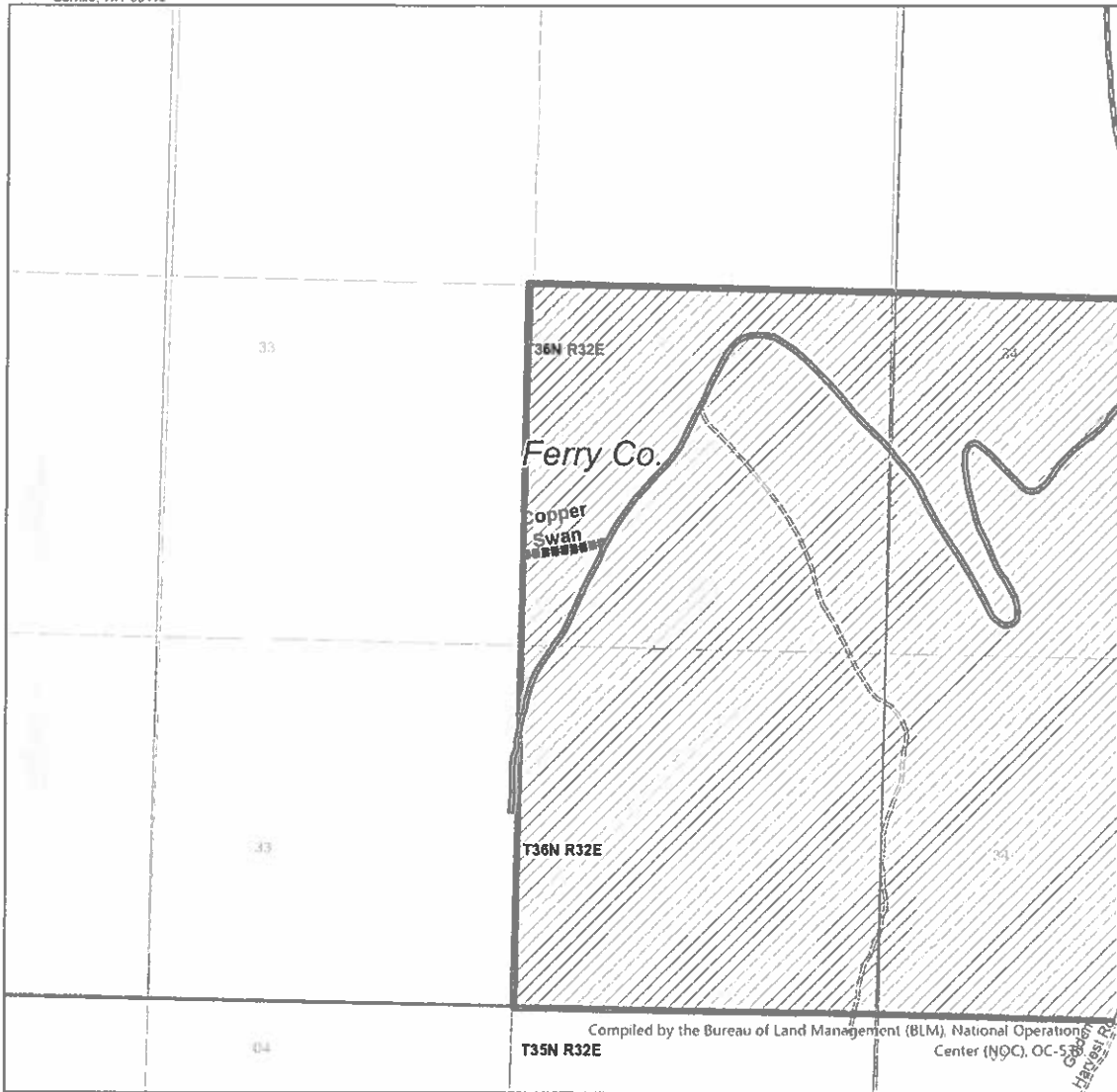
**13.20 Transacting Business.** Neither Party shall transact any business or carry on any work or purchase any supplies or equipment in the name of the other Party.

**EXHIBIT A**

**Description of the Premises**

A portion of the NE  $\frac{1}{4}$  of the SE  $\frac{1}{4}$  of Section 33, Township 36 North, Range 32 East, W.M.,  
Ferry County, Washington

Manulife Investment Management  
Inland North Division  
616 Highway 395 South  
Colville, WA 99114



Scale: 1:6,000  
Map Type: Permit  
Prepared by: M. Bronowski



## **EXHIBIT C**

### **Description of Permittee's Operations**

For maintenance, use, transporting logs, and for all purposes necessary to the protection, administration, and management of Permittee's lands located in Section 33, Township 36 North, Range 32 East, W.M., Ferry County, Washington.

## EXHIBIT D

### Insurance Requirements

#### (Form 1 – Broad Form)

(a) Before commencing Services, Permittee, at its sole cost and expense, shall carry and maintain continuously throughout the term of this Permit, a policy of commercial general liability insurance insuring against the following in amounts as set forth below: operations and completed operations; independent contractors; blanket contractual liability (including liability assumed under the indemnification paragraph of this Permit); explosion; collapse; and underground damage if blasting or excavation is to be done; and automobile liability insurance covering owned, hired and non-owned vehicles (including the “pollution from autos endorsement,” ISO Form CA 99 48).

#### INSURANCE MINIMUM LIMITS

##### **General Liability, Contractual and Completed Operations Coverage**

Bodily Injury - **\$1,000,000** each occurrence

**\$2,000,000** aggregate

Property Damage - **\$1,000,000** each occurrence

**\$2,000,000** aggregate

##### **Automobile Liability Coverage**

Combined Single Limits of **\$1,000,000**

##### **Broad Form B Logging Property Damage Coverage**

With Limits of Not Less Than

**\$1,000,000** each occurrence

All such policies of insurance shall name each of the Indemnified Parties as an “Additional Insured” (ISO Form 2026 1185 CG or equivalent) and contain a provision that the same shall not be canceled nor the coverage modified nor the limits changed without first giving at least thirty (30) days written notice thereof to Landowner. The aggregate insurance limits will be specific to this Permit. The coverages will be primary, exclusive of any coverage carried by the Indemnified Parties, and will be exhausted first notwithstanding that the Indemnified Parties may have other valid and collectible insurance covering the same risk. Nothing herein contained will limit the Permittee’s liability to the Indemnified Parties to the scope or the amount of the insurance coverage. Such policies of insurance shall be written by duly licensed insurance companies satisfactory to Landowner in Landowner’s sole and absolute discretion and certificates of insurance evidencing the coverage required shall be provided to Landowner by personal delivery or mail, to the address set forth on the first page of this Permit. All subPermittees and owners of vehicles or other equipment used in connection with the performance of this Permit or Permittee’s operations must also meet the same insurance requirements provided in this Exhibit, and Permittee is responsible to ensure that these requirements are met. Permittee will provide Landowner with evidence of insurance indicating Permittee’s compliance with these insurance requirements (Acord 25-S or in such other form as

Landowner may deem acceptable), together with copies of all required endorsements. In the event Permittee fails to provide Landowner with such evidence within five (5) business days after receiving such request, Landowner may immediately terminate this Permit without further action.

(b) Permittee shall also carry state or private industrial accident insurance covering Permittee and all its employees that must fully comply with State and Federal Employment and Workers' Compensation laws. Permittee's employer's liability insurance will cover Permittee and all of its employees and will have minimum limits of One Million Dollars (\$1,000,000) per occurrence. The premiums, deductibles and other costs for all insurance required under this Permit shall be the obligation of and paid for by Permittee and/or its subcontractors.

## EXHIBIT E

### Operational Restrictions

#### Wet Weather Hauling and Shutdown Guidelines

Grantor recognizes the potential for adverse impacts to soil productivity and water quality varies greatly with soil types, climates, logging methods and timing of harvest. These are general guidelines to prevent delivery of sediment to typed waters, and the degradation of site quality caused by compaction. Operators are encouraged to look at alternatives such as the use of alternate roads or skid trails, and bringing in limbs to minimize impacts as long as these guidelines can be met. The forester will use his best judgment depending on site conditions in making a decision on shutting down.

#### Roads and hauling

1. Do not perform hauling operations during rain events that will cause a raise in visible turbidity beyond natural levels within adjacent typed water or that allows sediment to deliver to typed water or wetlands.
2. New road grades and at times older subgrades that have gone through a freeze/thaw cycle, can lose some of their integrity during wet weather conditions. Cease hauling when these types of roads are being rutted or degraded to a point where future rain events will cause a raise in visible turbidity beyond natural levels within adjacent typed water or wetlands.

#### Ground operations

1. Cease skidding operations prior to subsoil being exposed or being mixed with topsoil.
2. Cease skidding operations during rain events that cause water to be channeled down skid roads. Take appropriate action to stabilize skid roads to prevent channeling
3. Do not perform operations at a landing during rain events that will cause a raise in visible turbidity beyond natural levels within adjacent typed water or that allows sediment to deliver to typed water or wetlands.
4. Cease feller-buncher operations when significant rutting occurs.

#### Other Guidelines

Each Vehicle entering the landing site is required to contain a spill kit.

Any slash resulting from operations shall be managed at the earliest practical time in accordance with all applicable governmental laws, rules and regulations.

Grantee shall exercise the highest degree of care while keeping damage to reproduction, range and residual stands to a reasonable minimum. Any damage to the existing plantation will be appraised and paid for as described in the Damage paragraph of this permit.



WASHINGTON STATE DEPARTMENT OF  
**NATURAL RESOURCES**  
HILARY S. FRANZ | COMMISSIONER OF PUBLIC LANDS

**ROAD USE PERMIT**

**Permit No. 55-106048**

**THIS PERMIT**, made and entered into this 18<sup>th</sup> day of December, 2023, by and between JOHN D. ANDERSON, herein called the "Grantor," and the State of Washington, acting by and through the Department of Natural Resources, herein called the "Grantee."

**Conveyance.** Grantor, for and in consideration of the terms and conditions specified herein, hereby grants and conveys to the Grantee, for the purpose of performing management activities associated with timber production, a nonexclusive permit to use a road over and across a strip of land, hereinafter defined as the "premises," in the North Half of the Northwest Quarter and the North Half of the Northeast Quarter of Section 34, Township 36 North, Range 32 East, W.M., in Ferry County, State of Washington. The location of said premises is located approximately as shown on Exhibit A, attached hereto. Said premises shall be confined to such widths as indicated on Exhibit A. The word premises, when used herein, means a strip of land whether or not there is an existing road located thereon. The word "road" shall mean roads now existing or hereafter constructed on the premises, or any segment of such road.

The permit is subject to the terms and conditions hereinafter set out.

**Consideration.** The consideration is as follows: Five Hundred Dollars (\$500.00). The consideration is not due until thirty days after the Grantee enters into a timber sale contract for the Q. Copper Swan Timber Sale. Prior to payment, Grantee shall be limited to administrative use of the road. No commercial hauling will occur until the consideration is paid in full. In the event that the Grantee is granted a perpetual easement over this road within two (2) years of the termination date of this permit, the Grantee shall be entitled to a credit in the amount of five hundred and no/100 Dollars (\$500.00), which shall be applied to the consideration to be paid for the easement.

**Termination.** This permit shall terminate 12.18 2028, or earlier when requested by the Grantee; provided, however, that this permit may be suspended or terminated upon the breach of any of the conditions herein.

**Reservations.** Grantor reserves all rights incident to fee ownership of the premises and the profits thereon (including timber) and the right of use for any purpose including but not limited

to the right to remove profits within the premises; the right at all times to cross and re-cross the premises at any place on grade or otherwise; and the right to use, maintain, patrol, reconstruct or repair the premises. Grantor may grant to third parties any and all rights reserved.

**Compliance with Laws.** For all activities conducted pursuant to this Permit, each party shall, at its own expense, comply with all applicable laws in effect now and as hereafter modified.

**Permittees.** The Grantee may permit its respective employees, agents, contractors, licensees, lessees, purchasers of timber or other profits and their agents, herein individually referred to as "Permittee" and collectively referred to as "Permittees", to exercise the rights granted to the Grantee herein. Acts or omissions of the Permittees operating under this Permit shall be deemed an act of the Grantee. Restrictions or requirements placed on the Grantee herein shall apply equally to the Permittees.

**Maintenance.** Maintenance is defined as work normally necessary to preserve and keep the roads in their present condition or as hereafter improved. At a minimum, the roads will be maintained to meet applicable forest practice standards set forth in Chapter 222-24 WAC as now written or hereafter amended.

When a road is being used solely by one party, that party shall be solely responsible for maintaining that portion of the road so used to the standards existing at the time sole use is commenced. During periods when either party and/or other parties with an easement or license jointly use the road(s), or any portion thereof, the cost of maintenance and resurfacing shall be allocated among such users on the basis of their respective use including that of their Permittees.

During periods of joint maintenance, the users shall meet at times to be set by mutual agreement and establish necessary maintenance provisions. Such provisions shall include, but not be limited to the following:

The appointment of a maintainer, which may be one of the parties or any third party, to perform or contract the maintenance.

The extent of resurfacing necessary to keep the road safe and to reduce environmental impacts; and

A method of payment by which each party using the road, or a portion thereof shall pay its pro rata share of the cost of maintenance and resurfacing.

**Repairs.** Grantee shall repair, or cause to be repaired at its sole cost, that damage to the Road arising out of its use which is in excess of that which it would cause through normal and prudent usage. Damage caused by an unauthorized user shall be repaired at the expense of the Grantee if the Grantee is the sole user of the road, the Grantor if the Grantor is the sole user of the road and shared jointly if there is joint use of the road.

**Improvements.** Unless the parties agree in writing to share the cost of improvements in advance of such improvements being made, such improvements shall be solely for the account of the improver.

**Prior rights.** This permit is subject to any rights and valid claims previously conveyed by Grantor, and to any rights and valid claims pending on said premises. Grantee rights herein are subject to all matters of public record and to all prior unrecorded or recorded easements, permits, leases and options affecting said lands or Grantee rights across, over or upon such lands. Grantee rights herein are also subject to the rights of the Grantor to use its own lands for any and all legal purposes including the use of the land by third parties with the permission of the Grantor.

**Plan of Operation.** In the event that Grantee intends to construct or reconstruct roads within the premises, Grantee shall obtain Grantor's written approval of the road construction plans prior to commencing construction work.

**Damage.** Grantee shall take all reasonable precautions to protect Grantor-owned timber, crops and improvements. The Grantee must notify the Grantor two (2) weeks in advance of completion of said operations for the purpose of inspection for compliance with the terms hereof. Grantee shall pay Grantor for any damage to timber, crops and improvements not identified and paid for under the terms and conditions of this Permit. Grantor shall appraise the damage at market value at the time of damage and bill Grantee for said damages at said value.

**Waste.** Grantee shall not cause nor permit any filling activity to occur in or on the premises, except by prior written approval of the Grantor. Grantee shall not deposit refuse, garbage, or other waste matter or use, store, generate, process, transport, handle, release, or dispose of any hazardous substance, or other pollutants in or on the premises except in accordance with all applicable laws. The term hazardous substance means any substance or material as those terms are now or are hereafter defined or regulated under any federal, state, or local law including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 USC 9601 *et seq.*), or the Washington Model Toxic Control Act (MTCA RCW 70.105D.010.). Grantee shall immediately notify the Grantor if the Grantee becomes aware of any release or threatened release of hazardous substance on the premises or adjoining property. If a release of hazardous substance occurs in, on, under, or above the premises arising out of any action of the Grantee, its contractors, subcontractors, invitees, agents, employees, licensees, or permittees, the Grantee shall, at its sole expense, promptly take all actions necessary or advisable to clean up, contain, and remove the hazardous substance in accordance with applicable laws.

**Survey Markers.** Grantee shall not destroy any land survey monuments marking local control points, geodetic control points, and land boundary survey corners without prior written approval from the landowner, which shall not be unreasonably withheld. Land survey monuments that must necessarily be disturbed or destroyed during construction or maintenance activities must be adequately referenced and replaced, at the Grantee's expense, under the direction of a Professional Land Surveyor, licensed in the State of Washington, in accordance with all applicable laws of the State of Washington in force at the time of construction, including but not limited to RCW 58.24, and all Department of Natural Resources regulations pertaining to

preservation of such monuments. As directed under Chapter 332-120 WAC, a Land Surveyor or Engineer must submit an application with the Department of Natural Resources for permission to temporarily remove or destroy a survey monument.

**Fire Prevention and Control.** The Grantee shall be responsible for satisfying the requirements of the laws of the State of Washington pertaining to Forest Protection and, in addition thereto, the Grantee shall during the closed season of April 15 through October 15 contact Grantor who shall determine any extra requirements pertaining to burning procedure, blasting, watchman, extra patrol, pumpers, tankers, fire hoses, fire tools, etc., which are deemed necessary for prevention and suppression of fire which may result from the Grantee's operations.

**Indemnity by Grantee.** Grantee shall defend, indemnify and hold harmless the Grantor from all claims that arise out of the negligence of the State or its Permittees in their use of the permit. A "claim" as used in this section means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorneys' fees, attributable to bodily injury, sickness, disease or death, or injury to or destruction of tangible property including the resulting loss of use. Notwithstanding the foregoing, State's obligation to defend, indemnify, and hold harmless the Grantor from any judgment, decree or arbitration award shall extend only to the percentage of negligence of State and its Permittee in contribution to such claim. State waives its immunity under Title 51 RCW only to the extent it is required to indemnify, defend and hold harmless Grantor. This indemnification shall survive the expiration or termination of the permit.

**Notice.** Unless otherwise specified herein, any notices required or permitted under this Permit may be delivered personally, or mailed certified, return receipt requested, to the following addresses or to such other place as the parties hereafter direct. Notice will be deemed given upon delivery or upon confirmation of facsimile, whichever is applicable.

To State:  
DEPARTMENT OF NATURAL RESOURCES  
225 S Silke Road  
Colville, WA 99114

To Grantor:  
John D. Anderson  
PO Box 442  
Republic, WA 99166

**Integrated Agreement; Modification.** This Permit constitutes the entire agreement and understanding of the parties with respect to the subject matter of the Permit and supersedes all prior negotiations and representations. This Permit may not be modified except in writing signed by the parties. The parties agree to execute any additional documents reasonably necessary to effectuate the provisions and purposes of this Permit.

**Severability.** If any provision of this Permit is held to be invalid or unenforceable, this provision shall not affect or invalidate the remainder of this Permit, and to this end the provisions of this Permit are declared to be severable. If any such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this Permit.



**Waiver.** Failure of either party to insist upon the strict performance of any of the terms and conditions of this Permit, or failure to exercise any rights or remedies provided in this Permit or by law, or to notify the other party in the event of breach, shall not release the other party of any of its obligations under this Permit, nor shall any purported oral modification or rescission of this Permit by either party operate as a waiver of any of the terms hereof. No waiver by either party of any breach, default, or violation of any term, warranty, representation, agreement, covenant, right, condition, or provision of this Permit shall constitute waiver of any subsequent breach, default, or violation of the same or other term, warranty, representation, agreement, covenant, right, condition, or provision.

**Assignment.** This Permit, and any of the rights granted herein, shall not be assigned without prior written consent of Grantor, except that said rights granted herein may be used by any Permittee, while engaged in the Grantee's operations.

**Construction.** The terms of this Permit shall be given their ordinary meaning unless defined herein and shall not be presumptively construed against either party.

**Exhibits.** All exhibits referred to in this Permit are deemed to be incorporated in this Permit in their entirety.


**Headings.** The headings in this Permit are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Permit nor the meaning of any of its provisions.

**Counterparts.** This Permit may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Permit at different times and places by the parties shall not affect its validity so long as all the parties execute a counterpart of this Permit.

**IN WITNESS WHEREOF,** the parties hereto have caused this Permit to be executed as below subscribed.


JOHN D. ANDERSON

Dated: 12/11/2023, 20

  
Signature, John D. Anderson  
513 Golden Harvest Road  
Republic, WA 99166

DEPARTMENT OF NATURAL RESOURCES

Dated: 12/18/23, 20

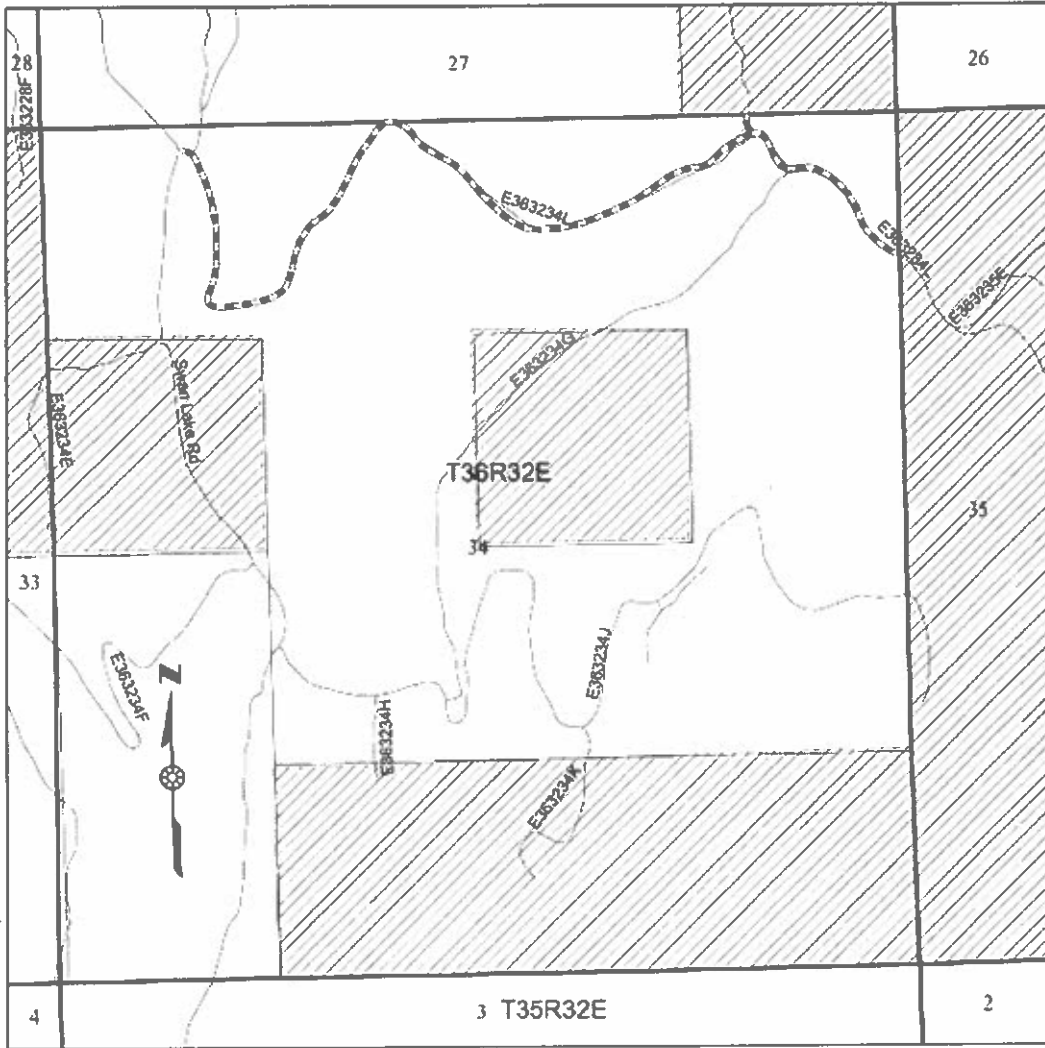
  
Signature, Brett Walker  
NE Region ARM State Lands  
225 S Silke Road, Colville, WA 99114  
(509) 684-7474



Approved as to Form this  
11<sup>th</sup> day of June, 2004.  
By: James Schwartz  
Assistant Attorney General  
State of Washington








Revised as to Form this  
11<sup>th</sup> day of March 2008  
Roger Braden, Assistant Attorney General

## Exhibit A Permit Premises



MAP CREATED 9/19/2023



<b>Legend</b>	
	Section Corners
	30' X 5911'
	Roads
<b>DNR-Managed Lands</b>	
	DNR-Managed Lands
	Survey - Township Lines
	Survey - Section Lines
	County Tax Parcels with Ownership





WASHINGTON STATE DEPARTMENT OF  
**NATURAL RESOURCES**  
HILARY S. FRANZ | COMMISSIONER OF PUBLIC LANDS

## ROAD USE PERMIT

### Permit No. 55-106264

**THIS PERMIT**, made and entered into this 11<sup>th</sup> day of January, 2024, by and between Paul Jehn, herein called the "Grantor," and the State of Washington, acting by and through the Department of Natural Resources, herein called the "Grantee."

**Conveyance.** Grantor, for and in consideration of the terms and conditions specified herein, hereby grants, and conveys to the Grantee, for the purpose forest management. a nonexclusive permit to use a road over and across a strip of land, hereinafter defined as the "premises," in the Southeast Quarter of the Southwest Quarter of Section 31, Township 37 North, Range 32 East, W.M., in Ferry County, State of Washington. The location of said premises is located approximately as shown on Exhibit A, attached hereto. Said premises shall be confined to such widths as indicated on Exhibit A. The word premises, when used herein, means a strip of land whether or not there is an existing road located thereon. The word "road" shall mean roads now existing or hereafter constructed on the premises, or any segment of such road.

The permit is subject to the terms and conditions hereinafter set out.

**Consideration.** The consideration is as follows: Two Hundred Fifty and no/Dollars (\$250.00). The consideration is not due until thirty days after the Grantee enters into a timber sale contract for the Copper Swan Timber Sale. Prior to payment, Grantee shall be limited to administrative use of the road. No commercial hauling will occur until the consideration is paid in full. In the event that the Grantee is granted a perpetual easement over this road within two (2) years of the termination date of this permit, the Grantee shall be entitled to a credit in the amount of Two Hundred Fifty and no/100 Dollars (\$250.00), which shall be applied to the consideration to be paid for the easement.

**Termination.** This permit shall terminate January 11, 2029, or earlier when requested by the Grantee; provided, however, that this permit may be suspended or terminated upon the breach of any of the conditions herein.

**Reservations.** Grantor reserves all rights incident to fee ownership of the premises and the profits thereon (including timber) and the right of use for any purpose including but not limited to the right to remove profits within the premises; the right at all times to cross and re-cross the

premises at any place on grade or otherwise; and the right to use, maintain, patrol, reconstruct or repair the premises. Grantor may grant to third parties any and all rights reserved.

**Compliance with Laws.** For all activities conducted pursuant to this Permit, each party shall, at its own expense, comply with all applicable laws in effect now and as hereafter modified.

**Permittees.** The Grantee may permit its respective employees, agents, contractors, licensees, lessees, purchasers of timber or other profits and their agents, herein individually referred to as "Permittee" and collectively referred to as "Permittees", to exercise the rights granted to the Grantee herein. Acts or omissions of the Permittees operating under this Permit shall be deemed an act of the Grantee. Restrictions or requirements placed on the Grantee herein shall apply equally to the Permittees.

**Maintenance.** Maintenance is defined as work normally necessary to preserve and keep the roads in their present condition or as hereafter improved. At a minimum, the roads will be maintained to meet applicable forest practice standards set forth in Chapter 222-24 WAC as now written or hereafter amended.

When a road is being used solely by one party, that party shall be solely responsible for maintaining that portion of the road so used to the standards existing at the time sole use is commenced. During periods when either party and/or other parties with an easement or license jointly use the road(s), or any portion thereof, the cost of maintenance and resurfacing shall be allocated among such users on the basis of their respective use including that of their Permittees.

During periods of joint maintenance, the users shall meet at times to be set by mutual agreement and establish necessary maintenance provisions. Such provisions shall include, but not be limited to the following:

The appointment of a maintainer, which may be one of the parties or any third party, to perform or contract the maintenance.

The extent of resurfacing necessary to keep the road safe and to reduce environmental impacts; and

A method of payment by which each party using the road, or a portion thereof shall pay its pro rata share of the cost of maintenance and resurfacing.

**Repairs.** Grantee shall repair, or cause to be repaired at its sole cost, that damage to the Road arising out of it's use which is in excess of that which it would cause through normal and prudent usage. Damage caused by an unauthorized user shall be repaired at the expense of the Grantee if the Grantee is the sole user of the road, the Grantor if the Grantor is the sole user of the road and shared jointly if there is joint use of the road.

**Improvements.** Unless the parties agree in writing to share the cost of improvements in advance

of such improvements being made, such improvements shall be solely for the account of the improver.

**Prior rights.** This permit is subject to any rights and valid claims previously conveyed by Grantor, and to any rights and valid claims pending on said premises. Grantee rights herein are subject to all matters of public record and to all prior unrecorded or recorded easements, permits, leases and options affecting said lands or Grantee rights across, over or upon such lands. Grantee rights herein are also subject to the rights of the Grantor to use its own lands for any and all legal purposes including the use of the land by third parties with the permission of the Grantor.

**Plan of Operation.** In the event that Grantee intends to construct or reconstruct roads within the premises, Grantee shall obtain Grantor's written approval of the road construction plans prior to commencing construction work.

**Damage.** Grantee shall take all reasonable precautions to protect Grantor-owned timber, crops, and improvements. The Grantee must notify the Grantor two (2) weeks in advance of completion of said operations for the purpose of inspection for compliance with the terms hereof. Grantee shall pay Grantor for any damage to timber, crops and improvements not identified and paid for under the terms and conditions of this Permit. Grantor shall appraise the damage at market value at the time of damage and bill Grantee for said damages at said value.

**Waste.** Grantee shall not cause nor permit any filling activity to occur in or on the premises, except by prior written approval of the Grantor. Grantee shall not deposit refuse, garbage, or other waste matter or use, store, generate, process, transport, handle, release, or dispose of any hazardous substance, or other pollutants in or on the premises except in accordance with all applicable laws. The term hazardous substance means any substance or material as those terms are now or are hereafter defined or regulated under any federal, state, or local law including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 USC 9601 *et seq.*), or the Washington Model Toxic Control Act (MTCA RCW 70.105D.010.). Grantee shall immediately notify the Grantor if the Grantee becomes aware of any release or threatened release of hazardous substance on the premises or adjoining property. If a release of hazardous substance occurs in, on, under, or above the premises arising out of any action of the Grantee, its contractors, subcontractors, invitees, agents, employees, licensees, or permittees, the Grantee shall, at its sole expense, promptly take all actions necessary or advisable to clean up, contain, and remove the hazardous substance in accordance with applicable laws.

**Survey Markers.** Grantee shall not destroy any land survey monuments marking local control points, geodetic control points, and land boundary survey corners without prior written approval from the landowner, which shall not be unreasonably withheld. Land survey monuments that must necessarily be disturbed or destroyed during construction or maintenance activities must be adequately referenced and replaced, at the Grantee's expense, under the direction of a Professional Land Surveyor, licensed in the State of Washington, in accordance with all applicable laws of the State of Washington in force at the time of construction, including but not limited to RCW 58.24, and all Department of Natural Resources regulations pertaining to preservation of such monuments. As directed under Chapter 332-120 WAC, a Land Surveyor or

Engineer must submit an application with the Department of Natural Resources for permission to temporarily remove or destroy a survey monument.

**Fire Prevention and Control.** The Grantee shall be responsible for satisfying the requirements of the laws of the State of Washington pertaining to Forest Protection and, in addition thereto, the Grantee shall during the closed season of April 15 through October 15 contact Grantor who shall determine any extra requirements pertaining to burning procedure, blasting, watchman, extra patrol, pumpers, tankers, fire hoses, fire tools, etc., which are deemed necessary for prevention and suppression of fire which may result from the Grantee's operations.

**Indemnity by Grantee.** Grantee shall defend, indemnify, and hold harmless the Grantor from all claims that arise out of the negligence of the State or its Permittees in their use of the permit. A "claim" as used in this section means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorneys' fees, attributable to bodily injury, sickness, disease or death, or injury to or destruction of tangible property including the resulting loss of use. Notwithstanding the foregoing, State's obligation to defend, indemnify, and hold harmless the Grantor from any judgment, decree or arbitration award shall extend only to the percentage of negligence of State and its Permittee in contribution to such claim. State waives its immunity under Title 51 RCW only to the extent it is required to indemnify, defend, and hold harmless Grantor. This indemnification shall survive the expiration or termination of the permit.

**Notice.** Unless otherwise specified herein, any notices required or permitted under this Permit may be delivered personally, or mailed certified, return receipt requested, to the following addresses or to such other place as the parties hereafter direct. Notice will be deemed given upon delivery or upon confirmation of facsimile, whichever is applicable.

To State:  
DEPARTMENT OF NATURAL RESOURCES  
225 S Silke Road  
Colville, WA 99114

To Grantor:  
PAUL JEHN  
PO Box 9935  
Moscow, ID 83843

**Integrated Agreement; Modification.** This Permit constitutes the entire agreement and understanding of the parties with respect to the subject matter of the Permit and supersedes all prior negotiations and representations. This Permit may not be modified except in writing signed by the parties. The parties agree to execute any additional documents reasonably necessary to effectuate the provisions and purposes of this Permit.

**Severability.** If any provision of this Permit is held to be invalid or unenforceable, this provision shall not affect or invalidate the remainder of this Permit, and to this end the provisions of this Permit are declared to be severable. If any such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this Permit.



**Waiver.** Failure of either party to insist upon the strict performance of any of the terms and conditions of this Permit, or failure to exercise any rights or remedies provided in this Permit or by law, or to notify the other party in the event of breach, shall not release the other party of any of its obligations under this Permit, nor shall any purported oral modification or rescission of this Permit by either party operate as a waiver of any of the terms hereof. No waiver by either party of any breach, default, or violation of any term, warranty, representation, agreement, covenant, right, condition, or provision of this Permit shall constitute waiver of any subsequent breach, default, or violation of the same or other term, warranty, representation, agreement, covenant, right, condition, or provision.

**Assignment.** This Permit, and any of the rights granted herein, shall not be assigned without prior written consent of Grantor, except that said rights granted herein may be used by any Permittee, while engaged in the Grantee's operations.

**Construction.** The terms of this Permit shall be given their ordinary meaning unless defined herein and shall not be presumptively construed against either party.

**Exhibits.** All exhibits referred to in this Permit are deemed to be incorporated in this Permit in their entirety.

**Headings.** The headings in this Permit are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Permit nor the meaning of any of its provisions.

**Counterparts.** This Permit may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Permit at different times and places by the parties shall not affect its validity so long as all the parties execute a counterpart of this Permit.

**IN WITNESS WHEREOF,** the parties hereto have caused this Permit to be executed as below subscribed.

PAUL JEHN

DocuSigned by:  
*Paul Jehn*  
3527A4C0ADA945E...

Dated: 1/9/2024 \_\_\_\_\_, 20\_\_\_\_.

Signature, Paul Jehn  
PO Box 9935  
Moscow, ID 83843

DEPARTMENT OF NATURAL RESOURCES

DocuSigned by:  
*Brett Walker*  
B98ED3F61ACA444...

Dated: \_\_\_\_\_ 1/11/2024 \_\_\_\_\_, 20\_\_\_\_.

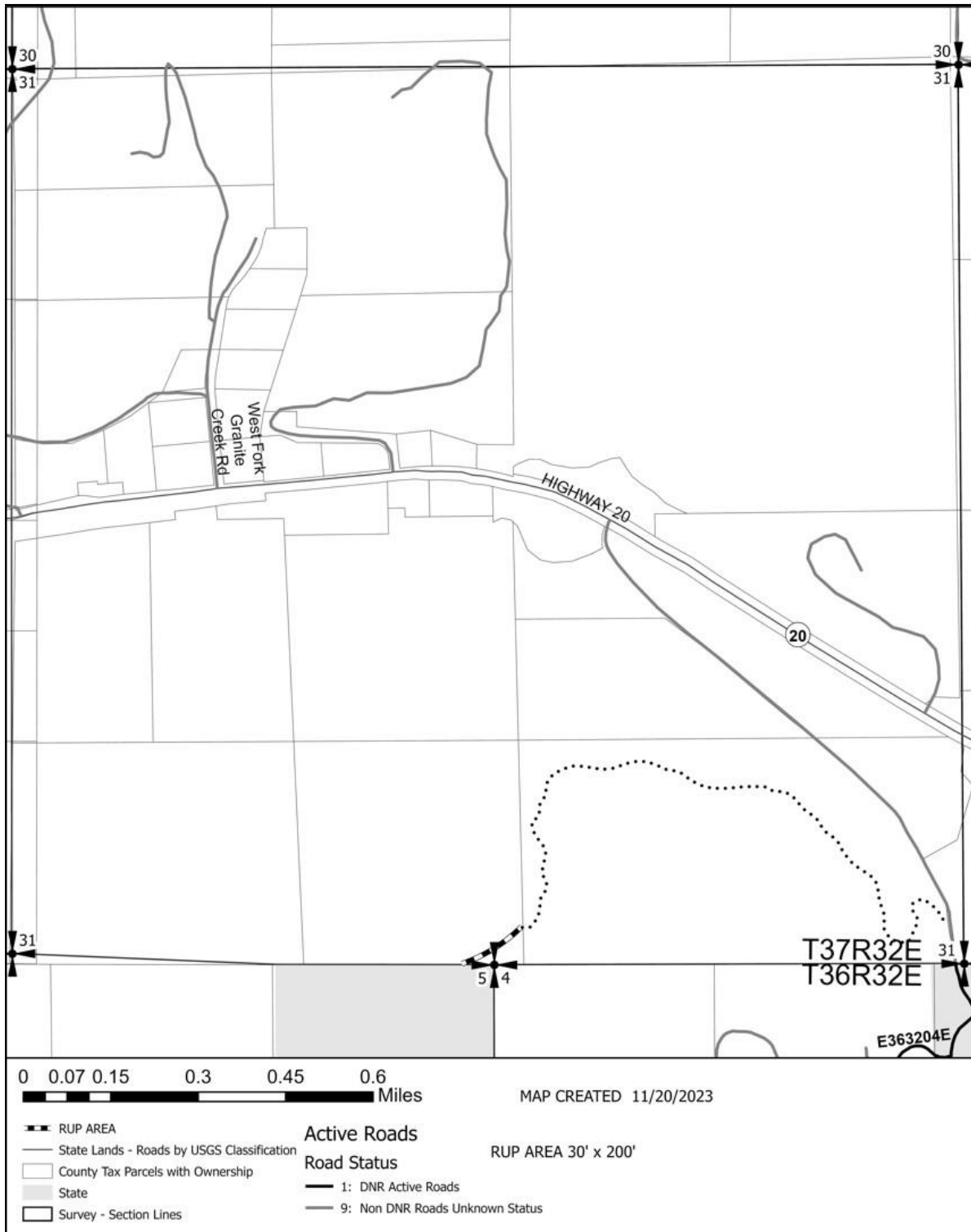
Signature, Brett Walker  
ARM State Lands NE Region  
225 S Silke Road, Colville, WA 99114  
(509) 684-7474



Approved as to Form this  
11<sup>th</sup> day of June, 2004.  
By: James Schwartz  
Assistant Attorney General  
State of Washington

Revised as to Form this  
11<sup>th</sup> day of March, 2008  
Roger Braden, Assistant Attorney General

### Exhibit A Permit Premises





WASHINGTON STATE DEPARTMENT OF  
**NATURAL RESOURCES**  
HILARY S. FRANZ | COMMISSIONER OF PUBLIC LANDS

**ROAD USE PERMIT**

**Permit No. 55-106265**

**THIS PERMIT**, made and entered into this 11<sup>th</sup> day of January, 2024, by and between Matthew Joseph Sage, herein called the "Grantor," and the State of Washington, acting by and through the Department of Natural Resources, herein called the "Grantee."

**Conveyance.** Grantor, for and in consideration of the terms and conditions specified herein, hereby grants, and conveys to the Grantee, for the purpose forest management. a nonexclusive permit to use a road over and across a strip of land, hereinafter defined as the "premises," in the South Half of the Southeast Quarter of Section 31, Township 37 North, Range 32 East, W.M., in Ferry County, State of Washington. The location of said premises is located approximately as shown on Exhibit A, attached hereto. Said premises shall be confined to such widths as indicated on Exhibit A. The word premises, when used herein, means a strip of land whether or not there is an existing road located thereon. The word "road" shall mean roads now existing or hereafter constructed on the premises, or any segment of such road.

The permit is subject to the terms and conditions hereinafter set out.

**Consideration.** The consideration is as follows: Five Hundred and no/Dollars (\$500.00). The consideration is not due until thirty days after the Grantee enters into a timber sale contract for the Copper Swan Timber Sale. Prior to payment, Grantee shall be limited to administrative use of the road. No commercial hauling will occur until the consideration is paid in full. In the event that the Grantee is granted a perpetual easement over this road within two (2) years of the termination date of this permit, the Grantee shall be entitled to a credit in the amount of Five Hundred and no/100 Dollars (\$500.00), which shall be applied to the consideration to be paid for the easement.

**Termination.** This permit shall terminate 01/11/2029, or earlier when requested by the Grantee; provided, however, that this permit may be suspended or terminated upon the breach of any of the conditions herein.

**Reservations.** Grantor reserves all rights incident to fee ownership of the premises and the profits thereon (including timber) and the right of use for any purpose including but not limited to the right to remove profits within the premises; the right at all times to cross and re-cross the

premises at any place on grade or otherwise; and the right to use, maintain, patrol, reconstruct or repair the premises. Grantor may grant to third parties any and all rights reserved.

**Compliance with Laws.** For all activities conducted pursuant to this Permit, each party shall, at its own expense, comply with all applicable laws in effect now and as hereafter modified.

**Permittees.** The Grantee may permit its respective employees, agents, contractors, licensees, lessees, purchasers of timber or other profits and their agents, herein individually referred to as "Permittee" and collectively referred to as "Permittees", to exercise the rights granted to the Grantee herein. Acts or omissions of the Permittees operating under this Permit shall be deemed an act of the Grantee. Restrictions or requirements placed on the Grantee herein shall apply equally to the Permittees.

**Maintenance.** Maintenance is defined as work normally necessary to preserve and keep the roads in their present condition or as hereafter improved. At a minimum, the roads will be maintained to meet applicable forest practice standards set forth in Chapter 222-24 WAC as now written or hereafter amended.

When a road is being used solely by one party, that party shall be solely responsible for maintaining that portion of the road so used to the standards existing at the time sole use is commenced. During periods when either party and/or other parties with an easement or license jointly use the road(s), or any portion thereof, the cost of maintenance and resurfacing shall be allocated among such users on the basis of their respective use including that of their Permittees.

During periods of joint maintenance, the users shall meet at times to be set by mutual agreement and establish necessary maintenance provisions. Such provisions shall include, but not be limited to the following:

The appointment of a maintainer, which may be one of the parties or any third party, to perform or contract the maintenance.

The extent of resurfacing necessary to keep the road safe and to reduce environmental impacts; and

A method of payment by which each party using the road, or a portion thereof shall pay its pro rata share of the cost of maintenance and resurfacing.

**Repairs.** Grantee shall repair, or cause to be repaired at its sole cost, that damage to the Road arising out of it's use which is in excess of that which it would cause through normal and prudent usage. Damage caused by an unauthorized user shall be repaired at the expense of the Grantee if the Grantee is the sole user of the road, the Grantor if the Grantor is the sole user of the road and shared jointly if there is joint use of the road.

**Improvements.** Unless the parties agree in writing to share the cost of improvements in advance

of such improvements being made, such improvements shall be solely for the account of the improver.

**Prior rights.** This permit is subject to any rights and valid claims previously conveyed by Grantor, and to any rights and valid claims pending on said premises. Grantee rights herein are subject to all matters of public record and to all prior unrecorded or recorded easements, permits, leases and options affecting said lands or Grantee rights across, over or upon such lands. Grantee rights herein are also subject to the rights of the Grantor to use its own lands for any and all legal purposes including the use of the land by third parties with the permission of the Grantor.

**Plan of Operation.** In the event that Grantee intends to construct or reconstruct roads within the premises, Grantee shall obtain Grantor's written approval of the road construction plans prior to commencing construction work.

**Damage.** Grantee shall take all reasonable precautions to protect Grantor-owned timber, crops, and improvements. The Grantee must notify the Grantor two (2) weeks in advance of completion of said operations for the purpose of inspection for compliance with the terms hereof. Grantee shall pay Grantor for any damage to timber, crops and improvements not identified and paid for under the terms and conditions of this Permit. Grantor shall appraise the damage at market value at the time of damage and bill Grantee for said damages at said value.

**Waste.** Grantee shall not cause nor permit any filling activity to occur in or on the premises, except by prior written approval of the Grantor. Grantee shall not deposit refuse, garbage, or other waste matter or use, store, generate, process, transport, handle, release, or dispose of any hazardous substance, or other pollutants in or on the premises except in accordance with all applicable laws. The term hazardous substance means any substance or material as those terms are now or are hereafter defined or regulated under any federal, state, or local law including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 USC 9601 *et seq.*), or the Washington Model Toxic Control Act (MTCA RCW 70.105D.010.). Grantee shall immediately notify the Grantor if the Grantee becomes aware of any release or threatened release of hazardous substance on the premises or adjoining property. If a release of hazardous substance occurs in, on, under, or above the premises arising out of any action of the Grantee, its contractors, subcontractors, invitees, agents, employees, licensees, or permittees, the Grantee shall, at its sole expense, promptly take all actions necessary or advisable to clean up, contain, and remove the hazardous substance in accordance with applicable laws.

**Survey Markers.** Grantee shall not destroy any land survey monuments marking local control points, geodetic control points, and land boundary survey corners without prior written approval from the landowner, which shall not be unreasonably withheld. Land survey monuments that must necessarily be disturbed or destroyed during construction or maintenance activities must be adequately referenced and replaced, at the Grantee's expense, under the direction of a Professional Land Surveyor, licensed in the State of Washington, in accordance with all applicable laws of the State of Washington in force at the time of construction, including but not limited to RCW 58.24, and all Department of Natural Resources regulations pertaining to

preservation of such monuments. As directed under Chapter 332-120 WAC, a Land Surveyor or Engineer must submit an application with the Department of Natural Resources for permission to temporarily remove or destroy a survey monument.

**Fire Prevention and Control.** The Grantee shall be responsible for satisfying the requirements of the laws of the State of Washington pertaining to Forest Protection and, in addition thereto, the Grantee shall during the closed season of April 15 through October 15 contact Grantor who shall determine any extra requirements pertaining to burning procedure, blasting, watchman, extra patrol, pumpers, tankers, fire hoses, fire tools, etc., which are deemed necessary for prevention and suppression of fire which may result from the Grantee's operations.

**Indemnity by Grantee.** Grantee shall defend, indemnify, and hold harmless the Grantor from all claims that arise out of the negligence of the State or its Permittees in their use of the permit. A "claim" as used in this section means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorneys' fees, attributable to bodily injury, sickness, disease or death, or injury to or destruction of tangible property including the resulting loss of use. Notwithstanding the foregoing, State's obligation to defend, indemnify, and hold harmless the Grantor from any judgment, decree or arbitration award shall extend only to the percentage of negligence of State and its Permittee in contribution to such claim. State waives its immunity under Title 51 RCW only to the extent it is required to indemnify, defend, and hold harmless Grantor. This indemnification shall survive the expiration or termination of the permit.

**Notice.** Unless otherwise specified herein, any notices required or permitted under this Permit may be delivered personally, or mailed certified, return receipt requested, to the following addresses or to such other place as the parties hereafter direct. Notice will be deemed given upon delivery or upon confirmation of facsimile, whichever is applicable.

To State:  
DEPARTMENT OF NATURAL RESOURCES  
NE Region  
225 S Silke Road  
Colville, WA 99114

To Grantor:  
Matthew Joseph Sage  
64 Sage Road  
Republic, WA 99166

**Integrated Agreement; Modification.** This Permit constitutes the entire agreement and understanding of the parties with respect to the subject matter of the Permit and supersedes all prior negotiations and representations. This Permit may not be modified except in writing signed by the parties. The parties agree to execute any additional documents reasonably necessary to effectuate the provisions and purposes of this Permit.

**Severability.** If any provision of this Permit is held to be invalid or unenforceable, this provision shall not affect or invalidate the remainder of this Permit, and to this end the provisions of this Permit are declared to be severable. If any such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such

provision as nearly as possible to be consistent with the intent of this Permit.

**Waiver.** Failure of either party to insist upon the strict performance of any of the terms and conditions of this Permit, or failure to exercise any rights or remedies provided in this Permit or by law, or to notify the other party in the event of breach, shall not release the other party of any of its obligations under this Permit, nor shall any purported oral modification or rescission of this Permit by either party operate as a waiver of any of the terms hereof. No waiver by either party of any breach, default, or violation of any term, warranty, representation, agreement, covenant, right, condition, or provision of this Permit shall constitute waiver of any subsequent breach, default, or violation of the same or other term, warranty, representation, agreement, covenant, right, condition, or provision.

**Assignment.** This Permit, and any of the rights granted herein, shall not be assigned without prior written consent of Grantor, except that said rights granted herein may be used by any Permittee, while engaged in the Grantee's operations.

**Construction.** The terms of this Permit shall be given their ordinary meaning unless defined herein and shall not be presumptively construed against either party.

**Exhibits.** All exhibits referred to in this Permit are deemed to be incorporated in this Permit in their entirety.

**Headings.** The headings in this Permit are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Permit nor the meaning of any of its provisions.



**Counterparts.** This Permit may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Permit at different times and places by the parties shall not affect its validity so long as all the parties execute a counterpart of this Permit.

**IN WITNESS WHEREOF,** the parties hereto have caused this Permit to be executed as below subscribed.

MATTHEW JOSEPH SAGE


Dated: January 04, 2024.

DocuSigned by:  
  
CD0BF7642F474B2...

Signature, Matthew Joseph Sage  
64 Sage Road  
Republic, WA 99166  
(509) 775-1053

DEPARTMENT OF NATURAL RESOURCES

Dated: 1/11/2024, 20  .

DocuSigned by:  
  
B98ED3F61ACA444...

Signature, Brett Walker  
ARM State Lands NE Region  
225 S Silke Road, Colville, WA 99114  
(509) 684-7474



Approved as to Form this  
11<sup>th</sup> day of June, 2004.  
By: James Schwartz  
Assistant Attorney General  
State of Washington

Revised as to Form this  
11<sup>th</sup> day of March, 2008  
Roger Braden, Assistant Attorney General

### Exhibit A Permit Premises

