

LOG PURCHASE AGREEMENT

THIS AGREEMENT is entered into as of the _____ day of _____, 20____ between _____, of _____, hereinafter designated as Seller, and _____ hereinafter designated as Purchaser, by virtue of the parties agreed as follows:

1. **LAND DESCRIPTION:** _____.
2. **SPECIFICATIONS:** All logs delivered hereunder shall be fresh green cut and delivered in a workmanlike manner. Logs shall be manufactured to the specifications described in 'Exhibit A'. Delivery shall be made to the Purchasers' log yard specified in the 'checked box' above. Logs will be scaled by the Purchaser with Scribner Decimal "C" measurement rules as required by the Idaho Board of Scaling Practices. The Seller may review site specific net scaling specifications posted at the Purchasers log yard and in the "Guide to Manufacturing Logs". Log scale will be the basis of settlement under this agreement; exceptions will be described in the Payment Schedule below.
3. **PAYMENT SCHEDULE:** All logs delivered under this contract shall be paid for by the Purchaser as follows: A payment will be made on the 25th for logs delivered from the 1st through the 15th. Final payment for all logs delivered in the month will be made on the 10th of the following month. Rate is per 1,000 board feet (MBF) net log scale, by species, unless otherwise specified. The attached Log Prices sheet in 'Exhibit B' dated _____ lists the delivered log payment rates for each species, length, and diameter group. Furthermore, the Purchaser and the Seller may agree upon a payment based on a Camp Run, Lump Sum, or Net Ton Rate as described below: _____.

SPECIES	PRICE (NET)	SPECIES	PRICE (NET)	SPECIES	PRICE (NET)
	\$		\$		\$
	\$		\$		\$

4. **SCALING ASSESSMENT & SLASH WITHHOLDING:** Idaho Scaling Law requires the Purchaser to withhold and transfer \$0.15 per MBF to the Idaho Board of Scaling Practices on all forest products harvested from private timberlands. In addition, the Purchaser is required to withhold and transfer \$4.00 per MBF to the State of Idaho; which will be released to the Seller when the Seller completes the State logging slash reduction requirements. The slash monies will be withheld from Compliance# _____, Option# _____, Expiration:_____. Comments: _____.
5. **ANTICIPATED VOLUME:** Although this agreement may be cancelled by either party without notice, it is the present intention of the Seller to supply approximately _____MBF with a termination date of _____. Purchaser may adjust prices or termination date with 5 days verbal or written notice to the Seller.
6. **SCALING FREQUENCIES:** Sample scaling will be implemented by the Purchaser based on the Sellers Anticipated Volume listed above. In general, scaling frequencies will be as follows: 100% scaled for 50mbf or less, 1:2 for 50-100mbf, 1:4 for 100-500mbf, and 1:5 for 500mbf or more. Scaling may be more or less frequent depending on the variability of the species and log value. The scaling frequency the Purchaser will implement during the term of this Agreement is a _____ sample using Region _____ Scaling Rules.
7. **OTHER PROVISIONS:** _____

LANDOWNER _____
 Phone: _____
 Address: _____

 Landowner Payment Rate : _____
 Timber Ownership: Private /Federal /State /Log Broker
 Certified Forest: Yes / No
 Sale # _____ Contractor # _____

SELLER / LOGGER _____
 Phone: _____
 Address: _____

 Seller/Logger Payment Rate : _____
 Professional Logger utilized: Yes / No

 Seller / Logger Signature

 Landowner Signature

 Purchaser

General Contract Specifications

1. **RELATIONSHIP OF PARTIES:** It is agreed that the parties stand in relationship to each other as independent contractors. Purchaser shall have no right of direction or control over the Seller whatsoever. The Seller is free to adopt whatever mode of operation and employ whatever means he chooses in producing logs called for hereunder. Title and risk of logs shall remain with the Seller until such time the logs have been delivered to the Purchasers designated unloading area. Should the Seller elect to hire employees, he agrees to fully comply with all applicable Federal and State laws governing employers in each state in which he operates under this Agreement. This responsibility includes, but is not limited to, complying with the laws relating to Worker's Compensation, Industrial Insurance and Unemployment Compensation, and the Equal Employment Opportunity Clauses, together with the rules and regulations promulgated there under and any amendments that may be made effective under these acts, rules, and regulations during the term of this agreement. Seller further agrees to comply with all laws governing forest practices, hauling, load limitations, safety, and comparable matters.

Equal Employment Opportunity

This contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color religion, sex, national origin, protected veteran status or disability.

Notice of Employee Rights under the National Labor Relations Act

The provisions of 29 CFR Part 471, Appendix A to Subpart A (relating to the obligation to post a notice of employees rights under the National Labor Relations Act and to notify covered subcontractors of their obligation to do so) are incorporated by reference in this contract.

2. **THE SELLER AGREES** to forever indemnify and hold harmless the Purchaser of and from all claims or liabilities arising out of the foregoing Agreement. The Seller warrants to possess legal authority to sell the subject logs and said logs are free and clear of liens or other obligations. Furthermore, should the Purchaser receive information that there are unpaid claims against said logs, the Purchaser has the right to withhold, in its discretion, the amount of such claims until they are satisfied that the claims have been released.
3. **SFI PARTICIPATION:** As a Sustainable Forestry Initiative (SFI) participant, encourages all landowners to use qualified logging contractors and resource professionals when managing their timberlands. We also encourage landowners and log suppliers to follow their state's Best Management Practices, reforest the land after harvest, protect endangered species and their habitats, maintain the visual quality of their timberlands, control the spread of invasive species, and comply with all state, federal, and local laws. In addition, we recommend participation in forest management certification and conservation programs, such as the American Tree Farm System.

Exhibit A Log Manufacturing Specifications

Log lengths and top sizes

Tree Length Preferred Bucking Solutions

Tree Length To 5.5" Top	Preferred Butt Cut	Preferred Top Cut
84'+	41'2"	41'2"
82	41'2"	39'2"
80	41'2"	37'2"
78	41'2"	35'2"
76	41'2"	33'2"
75	41'2"	33'2"
73	41'2"	31'2"
71	41'2"	29'2"
69	41'2"	27'2"
67	41'2"	25'2"
65	41'2"	23'2"
63	41'2"	21'0"
61	33'2"	27'2"

Tree Length To 5.5" Top	Preferred Butt Cut	Preferred Top Cut
58	33'2"	25'2"
56	33'2"	23'2"
54	33'2"	21'0"
52	33'2"	16'6"
50	33'2"	16'6"
48	33'2"	14'6"
46	31'2"	12'6"
44	31'2"	12'6"
42	41'2"	
40	39'2"	
38	37'2"	
36	35'2"	
34	33'2"	

Other Acceptable Lengths: 10'6"

State scale sales will be cut with 12" trim on long logs. I.E. 25' 0", 33' 0", 41' 0".

Sorting Instructions

- | | |
|------------------------|------------------|
| 1 Doug fir | 5 Ponderosa Pine |
| 2 larch | 6 Mixed |
| 3 white fir/alpine fir | 7 Cedar |
| 4 lodgepole/spruce | 8 White Pine |

Oversize Bucking Instructions

Oversize - > 24" in any one direction outside bark 3.5' or more from large end of log cut a 16' 6" from this piece.

If the log is still 24" or greater a 16' 6" then buck a 33' or as directed.

If a log is to be a flare reducer cut a minimum length of 16' 6".

Pine and Cedar - Max length 33', preferred 33' & 16'6" all diameters

Log Quality Standards

See Log Quality Codes, Descriptions and Standards

Specific Sweep Bucking Instructions

If sweep is too excessive to be contained in a long log, try to contain it in a 21' log if possible rather than a 16'6" log. This may allow the mill merchandiser more options. If too excessive to be contained in a 21' log, buck so that sweep is contained in a log segment with 6" or less deviation along the side of the log.