

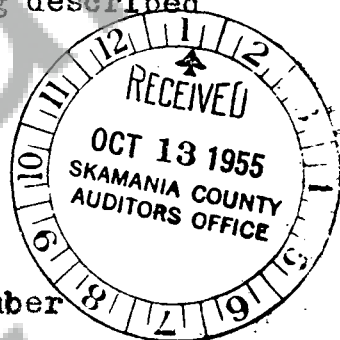
AGREEMENT

THIS AGREEMENT made and entered into this 29th day of September, 1955, by and between HOLMES MILLS INC., an Oregon Corporation, hereinafter called the "Buyer", and ART LEHMANN, hereinafter called the "Seller":

WITNESSETH

WHEREAS The Seller is the owner of the following described real property, to-wit:

The North one-half of Section 14, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington, and



WHEREAS, The Buyer is desirous of buying the timber located upon the said real property;

NOW THEREFORE, in consideration of the premises the said parties agree as follows:-

1. The said Seller hereby sells and the Buyer hereby buys all merchantable timber located upon said real property.

2. The said Seller agrees to fall and skid tree-length logs to a mill to be established by the said Buyer upon the said premises and deliver the said logs to the Buyer at said millsite, and the said Seller further agrees to assist the said Buyer in establishing the said millsite in doing the necessary leveling and 'cat' work involved.

3. The said Buyer agrees to pay the said Seller ~~the sum~~ ^{1 1 2} of ~~3 3 2~~ ^{3 4 5 6 7 8} ~~per thousand mill scale~~ upon delivery of said logs at millsite; ~~provided however, in the event that the price of~~ ^{9 10 11 12 13 14 15 16 17} ~~rough lumber at millsite falls below~~ ^{18 19 20 21 22 23} ~~per thousand~~ ^{24 25 26} then and in that event the Buyer shall pay the Seller for said delivered logs the sum of ^{27 28 29 30 31 32 33 34 35 36 37 38 39} ~~50%~~ ^{Amount of 25%} per cent of ^{value of 25%} said rough lumber price, ~~mill scale~~ ^{at millsite}, provided further however, that in no event

~~Changes #1 to #4~~ ^{Commission} ~~1 then 41~~ ^{acceptable to me} ~~Art Lehmann~~ ^{Mr. B. Holmes}

CMT
2/28

shall the payment to the seller fall below \$ 30.00 per thousand, ^{average} however, in the event that the price to be paid for the said logs falls below operating costs involved, then and in that event, the delivery of the said logs shall cease until the said operation can be resumed at a price within the above limits.

4. The manner of payment of the sums due hereunder shall be at the direction of the Seller.

5. In the event that the physical operation of the mill will require the removal of slabs by tractor, then and in that event, the Seller agrees to remove the said slabs away from the millsite.

6. The Seller agrees to pay such fees and permit charges as are required by law for logging operations, and to save the Buyer harmless from any liability arising prior to delivery of said logs at millsite and will obtain Workmen's Compensation coverage for his employees.

7. The Buyer agrees to save the Seller harmless from any liability arising subsequent to the delivery of logs at millsite, and to obtain Workmen's Compensation coverage for his employees.

8. The Buyer and the Seller agree that a survey of the said premises will be had and each will pay one-half of the cost thereof.

9. It is agreed that upon delivery at millsite of any logs ²⁴ ~~(Peelers or saw logs)~~ ²⁴ over ~~40~~ inches in diameter the Buyer shall return such logs to the Seller for sale by him, provided however, the account of the Buyer shall not be charged for such logs, and provided further, that the Seller shall pay the Buyer a handling or service charge for such logs of \$5.00 per thousand on all peelers so returned and \$3.00 on all such saw logs so returned. In the event that such logs have to be loaded, bucked or hauled by the Buyer the Seller shall pay the Buyer such further reasonable charges therefor.

CMT
2/28
PeelerCMT
2/28

10. The Buyer agrees to mill a minimum of 30,000 feet of lumber at said mill per week, and the Seller agrees to keep the said mill fully supplied with logs for manufacture.

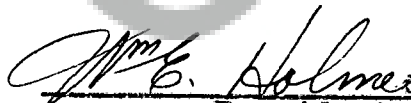
11. The Buyer agrees to manufacture lumber from said logs according to accepted practices and not operate said mill in a wasteful manner.

12. In the event that the Seller becomes incapacitated and/or unable to deliver said logs in the manner above set forth, then and in that event the Buyer shall have the right to cut and remove said logs to the millsite and shall pay the Seller, his heirs, executors, administrators or assigns the sum of 50% per cent of the rate established in Paragraph 3 above.

IN WITNESS WHEREOF the said parties have hereunto set their hands and seals the day and year first above written.


Art Lehmann (LS)

HOLMES MILLS INC.
By:


President



STATE OF OREGON)
COUNTY OF MULTNOMAH)

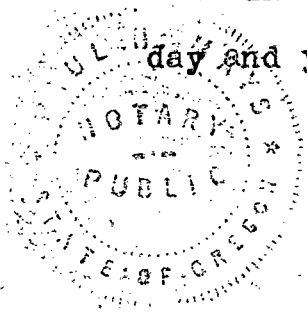
ss

BOOK

40 PAGE 173

ON this 29th day of September, 1955, before me, the undersigned aNotary Public in and for said County and State, personally appeared the within named ART LEHMANN, known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

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



Paul H. Mays
Notary Public for Oregon

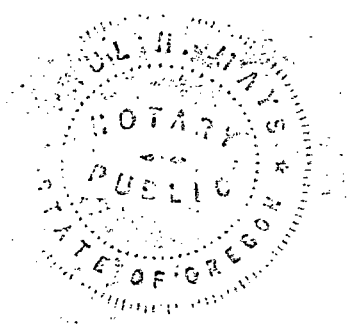
My Commission expires 11-12-58

STATE OF OREGON)
COUNTY OF MULTNOMAH)

ss

On this 29th day of September, 1955, before me appeared WILLIAM E. HOLMES, to me personally known, who being duly sworn, did say that He the said William E. Holmes is the President of Holmes Mills Inc., the within named corporation, and that the seal affixed to the said instrument is the corporate seal of said corporation, and that the said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and William E. Holmes acknowledged said instrument to be the free act and deed of said corporation.

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



Paul H. Mays
Notary Public for Oregon

My Commission expires 11-12-58