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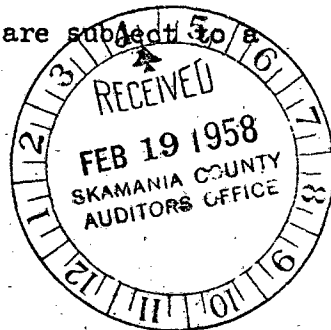
THIS AGREEMENT, dated as of the 14th day of February, 1958, between PACIFIC POWER & LIGHT COMPANY, a Maine corporation, with offices at Portland, Oregon, hereinafter called "Pacific", and HARBOR PLYWOOD CORPORATION, a Delaware corporation, with offices at Aberdeen, Washington, hereinafter called "Harbor":

IN CONSIDERATION of the sum of Ten Dollars (\$10.00) in hand paid by Harbor to Pacific, receipt of which is hereby acknowledged, and of the mutual agreements herein contained to be performed by the parties hereto, it is hereby agreed as follows:

Section 1. Definitions. As used in this agreement, the following terms shall have the following meaning:

(a) "Pacific's road" shall mean Pacific's truck and logging road as now constructed and as hereafter completed extending from its connection with Harbor's main logging road in the SW 1/4 of the SW 1/4 of Section 26, Township 7 North, Range 6 East, W.M. to a point marked A on the plat attached hereto as Exhibit 1 and, if Harbor shall exercise the option contained in subparagraph (b) of Section 3 hereof, from said point marked A to the point marked C on said Exhibit 1; provided that Pacific's road shall not include that portion of such road extending from said point marked A, on said Exhibit 1, to the west end of the Swift Creek Bridge to the extent that there is a final determination by a state or federal court having jurisdiction thereof, or by order of the Federal Power Commission, that such portion of the road, or some part thereof, belongs to some party other than Pacific because such portion or part thereof, as the case may be, is a replacement of a road destroyed by Pacific in connection with the Swift Hydroelectric Development Projects.

(b) "Northern Pacific timberlands" shall mean those lands so designated on the map attached hereto as Exhibit 2, which at the date hereof are owned in fee by Northern Pacific Railway Company but are subject to a



contract dated March 31, 1950 with Harbor, as modified by an agreement between said Railway Company and Harbor bearing date of February 14, 1958 (such contract, as so modified, being hereinafter sometimes called the "Northern Pacific Contract").

(c) "Harbor timberlands" shall mean those lands so designated on the said map, attached hereto as Exhibit 2, and which at the date hereof are owned in fee by Harbor.

Section 2. Rights Granted Harbor. Upon and subject to the terms and conditions herein set forth, Pacific hereby grants and conveys to Harbor a non-exclusive right and easement in, to and over Pacific's road for the purpose of hauling and transporting logs and other forest products and forest materials belonging to Harbor and cut or produced from timber or timberlands now owned or hereafter acquired by Harbor or from timber or timberlands Harbor may now or hereafter have a right to cut or acquire, and for all purposes reasonably incidental thereto and for the administration and care of such timber and timberlands.

Section 3. Completion of Road. At Harbor's election Pacific shall:

(a) complete the construction of the truck and logging road extending from its connection with Harbor's main logging road in the SW 1/4 of the SW 1/4 of Section 26, Township 7 North, Range 6 East, W.M. to the point marked B on Exhibit 1 attached hereto, and shall also construct an additional road extending from such point marked B to a connection with the main logging road of Harbor at a point marked D on said Exhibit 1; or

(b) complete construction of the truck and logging road extending from said connection with Harbor's main logging road in said Section 26 to a point marked C on said Exhibit 1, and shall connect such road with Harbor's main logging road at the northerly end of Harbor's bridge over the Lewis River in Lot 2 of Section 29, Township 7 North, Range 5 East, W.M.

Harbor shall inform Pacific in writing not later than April 1, 1958 *del* *thos* which of the two alternatives listed above it elects. If Harbor elects the alternative listed in subparagraph (a) above, Pacific will, upon completion of the additional road between the points marked B and D on said Exhibit 1, convey or grant to Harbor said additional road, including the required bridge over the Lewis River, and all easements, rights of way and use permits over the lands upon which said road and bridge are constructed. The obligation of Pacific to construct the additional road between the points marked B and D on said Exhibit 1 as provided in subparagraph (a) of this Section 3, or to connect Pacific's road with Harbor's main logging road from the point marked C on said Exhibit 1 to the northerly end of Harbor's bridge over the Lewis River in Lot 2 of Section 29, Township 7 North, Range 5 East, W.M. as provided in subparagraph (b) of this Section 3, shall survive Condemnation of any or all or part of Pacific's road.

Pending completion of such truck and logging road as above provided Pacific will continuously maintain access between Harbor's main logging road and each end of Pacific's road.

Section 4. Road Use Fees.

(a) Use by Harbor Without Charge. Except as provided in Section 6 hereof, Harbor shall not be obligated or required to pay Pacific any fee for the use of Pacific's road in hauling or transporting logs or other forest products or forest materials owned by Harbor and cut or produced by or for Harbor solely from timber cut from Northern Pacific timberlands pursuant to the Northern Pacific Contract or from Harbor timberlands, or for any purpose reasonably incidental thereto, or for the administration and care of said timberlands, provided that such right shall be subject to the terms and conditions hereinafter set forth.

(b) Use for Which Harbor Shall Pay. Except as provided in subparagraph (a) of this section, Harbor shall be obligated and required to pay

Pacific each year a fair and reasonable road use fee for the use of Pacific's road for the hauling and transporting of all logs and all forest products and forest materials cut and produced from any timberlands. Such fee shall be nondiscriminatory and shall not be greater than fees charged any other user of the road for similar purposes.

Section 5. Maintenance of Road. Pacific at all times shall maintain or provide for maintenance of Pacific's road, as a two lane logging road, in accord with standards prescribed for forest development logging roads by the United States Forest Service, or other agency of the United States performing the functions now performed by the Forest Service, and so as fairly and reasonably to permit Harbor to use said road for the purpose of hauling and transporting logs and other forest products in accordance with the terms, provisions and conditions of this agreement, but at no time shall Pacific be required or obligated to maintain its road in accordance with any standards of maintenance higher than those generally maintained by Harbor for its own main logging access road in the area. So long as Pacific shall own or control Pacific's road it shall be maintained as a private road, unless otherwise required by law. Subject to the provisions of Section 8 hereof, Pacific shall open or provide for the opening of its road as early each year as may be reasonably required by Harbor for its logging operations in the area served by said road and shall keep said road open and maintained continuously during the remainder of the year until Harbor's logging operations in such area are closed for the year. If Pacific fails to open and maintain said road as aforesaid, Harbor may, but shall not be required to, open and maintain said road, in which case Pacific shall reimburse Harbor for all such reasonable costs as it may be required to incur on such account.

Section 6. Harbor's Obligation with Respect to Payment of Maintenance Charges.

(a) Use without Payment of Maintenance Charges through 1977. For the years 1958 through 1977 only, Harbor shall not be obligated or required to pay Pacific any share of the cost of maintaining Pacific's road for any use made of said road by Harbor in hauling or transporting logs or other forest products or forest materials owned by Harbor and cut or produced by or for Harbor solely from Northern Pacific timberlands or Harbor timberlands, or for any purpose reasonably incidental thereto or for the administration and care of said timberlands.

(b) Use with Payment of Maintenance Charges through 1977. If, during any year in the period 1958 to 1977, inclusive, Pacific's road shall be used by or for Harbor for the purpose of hauling or transporting logs or other forest products or forest materials cut or produced from timberlands other than those referred to in subparagraph (a) of this section, Harbor shall pay Pacific a fair and reasonable share of the cost of maintaining during such year the portion of Pacific's road so used by Harbor based upon that proportion of said maintenance cost which the volume of such logs and other forest products or forest materials cut or produced from timberlands other than those referred to in subparagraph (a) of this section and hauled or transported over said road by or for Harbor during such year bears to the total use of said road for logging and other heavy hauling purposes during such year by Harbor and by all other users thereof, including Pacific, provided that, in determining and fixing the fair and reasonable share of the cost of maintenance to be borne by items other than logs and other forest products and forest materials, Pacific shall take into account the different types of heavy hauling involved and, insofar as practicable, the impact of the several uses and users upon the cost of maintenance, so that the cost of maintenance will be equitably distributed.

(c) Payment of Maintenance Charges after 1977. For each year after 1977 during which Harbor shall use said road for the hauling or transporting of logs or forest products or forest materials cut or produced from any timberlands whatsoever, Harbor shall pay Pacific a fair and reasonable share of the cost of maintaining Pacific's road during such year based upon that proportion of said maintenance cost which the volume of logs and other forest products and forest materials hauled or transported over said road by or for Harbor during such year bears to the total use of said road for logging and other heavy hauling purposes during such year by Harbor and by all other users thereof, including Pacific, provided that, in determining and fixing the fair and reasonable share of the cost of maintenance to be borne by items other than logs and other forest products and forest materials, Pacific shall take into account the different types of heavy hauling involved and, insofar as practicable, the impact of the several uses and users upon the cost of maintenance, so that the cost of maintenance will be equitably distributed.

Section 7. Determination of Charges and Damages.

(a) Method of Determination. For the purpose of determining any road use fees and maintenance costs to be paid by Harbor pursuant to Section 4 and Section 6 hereof, the volume of logs and other forest products hauled over Pacific's road by or for Harbor shall be determined by scale or measurement of said logs and forest products made by such agency or scaler as shall first be approved in writing by both parties, such scale or measurement to be made promptly after the logs or forest products are removed from the woods. As to any logs or forest products measured or scaled in other than board feet, the unit of measurement employed shall be converted to board feet pursuant to formula mutually agreed upon by the parties. Any conversion formula shall be subject to modification from time to time at the request of either party if such modification is necessary to effect more

accurate conversion of any such unit of measurement to board feet. If the parties cannot agree upon any such agency or scaler or conversion formula or modification thereof, the matter shall, at the request of either party, be submitted to arbitration under Section 11 hereof. The volume of logs and other forest products hauled over Pacific's road by and for users of the road other than Harbor shall be determined by procedures, so far as practicable, substantially similar to those provided for above. Copies of all scale bills and other records of measurement, certified to by the agency or scaler, shall be delivered to Pacific each month and shall be accompanied by payments due Pacific under subparagraph (b) of Section 4. With each scale bill and other record of measurement Harbor shall certify in writing to Pacific the point of origin of the logs or other forest products covered and the point or points at which they entered Pacific's road, in order that the length of haul may be computed to determine amounts owing hereunder. Pacific shall have the right to make such checks and tallies as it may reasonably require with respect to logs and forest products hauled over Pacific's road. Except as otherwise required by law or by the action of any regulatory body having jurisdiction over either of the parties, all information furnished pursuant to this paragraph shall be treated as confidential information.

(b) Basis of Road Use Fees. In determining and fixing the fees to be paid by Harbor for the use of Pacific's road as provided in subparagraph (b) of Section 4, consideration shall be given to the volume of logs and other forest products transported and of other heavy hauling by all persons over said road, length of the haul over said road, and any and all other factors material and relevant to a determination of the fair and reasonable toll, charge or compensation therefor. Pacific shall upon request submit to Harbor details of its calculation of such road use fees and shall

make available for inspection by Harbor, upon request, Pacific's records of supporting information with respect thereto.

(c) Basis of Maintenance Payments. For the purpose of determining the amount of payments to be made by Harbor for the maintenance of Pacific's road as provided in subparagraphs (b) and (c) of Section 6, the actual amount of all costs properly and prudently incurred to maintain said road shall be used. Pacific shall upon request submit to Harbor details of such maintenance costs and its calculation of Harbor's share thereof, and shall make available for inspection by Harbor, upon request, Pacific's records of supporting information with respect thereto.

Charges made on account of maintenance shall not be on a basis less favorable to Harbor than the charges for maintenance made to any other user of the road.

If charges for road use fees and for maintenance are at any time charged to Harbor, in connection with timber or forest products sold by any government or governmental agency to Harbor, on the basis of a flat charge or a charge per unit of such timber or forest products transported over the road, and if Harbor is required to pay such charges, Harbor shall not be obligated to pay any other charges under this contract for transporting such timber or forest products over such road.

(d) Payment for Damage. In addition to the road use fees and charges for maintenance provided for herein, Harbor shall reimburse Pacific for all costs and expenses incurred by Pacific resulting from damage to Pacific's road because of the use thereof by Harbor, its employees, agents or contractors contrary to the provisions of this agreement; provided, however, that unless Pacific shall object thereto Harbor shall have the option of repairing such damage at its own expense, such repairs to be carried out and completed in a manner satisfactory to Pacific.

(e) Arbitration of Charges. In the event there is disagreement between Pacific and Harbor with respect to the amount of fees to be paid for the use of Pacific's road or the amount to be paid by Harbor for the maintenance of said road, or damages to said road, the matter may, at the request of either party, be submitted to arbitration in accordance with Section 11 hereof.

Section 8. Condition of Use of Pacific's Road by Harbor.

(a) Notice of Intention to Use. Prior to the commencement of use of Pacific's road in each year, Harbor shall advise Pacific in writing of the approximate time when such use will commence, the anticipated duration of such use, the names and addresses of Harbor's contractors or agents who will use Pacific's road on behalf of Harbor, the estimated extent of use, and such other information relative to Harbor's anticipated use as Pacific may from time to time reasonably request. If and when during any year there is any change with respect to the information so supplied to Pacific by Harbor, Harbor shall advise Pacific promptly in writing of such change. Pacific shall furnish to Harbor similar pertinent information when Harbor requests the same in anticipation of and during Harbor's use of Pacific's road.

(b) Rules and Regulations with Respect to Use. The right of Harbor to use Pacific's road is not exclusive, and Pacific may use said road and authorize others to use it at any and all times. Harbor shall use said road in such manner as will not unreasonably or unnecessarily interfere with the use thereof by other authorized persons, including Pacific, and, similarly, use of said road by other authorized persons, including Pacific, shall not unreasonably or unnecessarily interfere with use thereof by Harbor. Harbor and its employees, agents, and contractors shall comply with all reasonable rules and regulations prescribed by Pacific

for the use of Pacific's road, provided such rules and regulations shall apply to the use thereof by Pacific and other persons authorized by Pacific to use said road. Such rules and regulations may include:

- (1) Upon reasonable notice closing the road or restricting its use when, due to weather conditions, or the making of alterations or repairs, unrestricted use would, in Pacific's judgment, cause excessive damage, or create hazardous conditions;
- (2) Closing the road or restricting the use when required by any governmental agency which by law has jurisdiction to authorize such closing or restriction, of which requirement prompt notice shall be given;
- (3) Upon reasonable notice closing the road during periods when, in Pacific's judgment, there is extraordinary fire danger;
- (4) Traffic controls which, in Pacific's judgment, are required for safe and effective use of the road by authorized users thereof;
- (5) Prohibition upon the loading of logs on trucks while such trucks are standing on the grade or road surface of Pacific's road, except to recover lost logs; and
- (6) Prohibition on the operation on Pacific's road or grade of any vehicles or equipment having cleats or other tracks which will injure the surface thereof.

(c) Assumption of Risk. Harbor assumes the risk incident to its use of Pacific's road except the risk of injury or damage resulting from the willful or negligent acts or omissions of Pacific, its employees or agents, and releases Pacific, its employees and agents, from, and agrees to indemnify them against, liability for injury or damage to Harbor, its employees, agents or contractors, or their property, on or about Pacific's road other than such injury or damage resulting from the willful or negligent acts or omissions of Pacific, its employees or agents.

(d) Protection and Indemnity to Pacific. Harbor shall be liable to Pacific for any injury or damage to the property of Pacific arising out of or incident to Harbor's use of Pacific's road, by itself, its employees, agents or contractors, unless such injury or damage shall have been caused

or contributed to by Pacific's negligence or shall have been caused or contributed to by the non-negligent acts of both parties. Harbor shall hold harmless and indemnify Pacific against all loss and liability for death of or injuries to third parties or damage to the properties of such parties, including but not limited to loss or liability because of fire, arising out of or incident to Harbor's use of Pacific's road, by itself, its employees, agents or contractors, unless such loss or liability shall have been caused or contributed to by Pacific's negligence. This subparagraph shall neither enlarge Harbor's liability nor restrict its rights under subparagraph (d) of Section 7 of this agreement.

Section 9. Use of Pacific's Road by Harbor's Employees, Agents and Contractors. Harbor may exercise the right to use Pacific's road hereby granted to it directly or through Harbor's employees, agents and contractors but the acts and omissions of Harbor's employees, agents and contractors shall be considered the acts and omissions of Harbor and Harbor shall be and remain liable therefor.

Section 10. Rights of Way Across State and Federal and Other Lands. Portions of Pacific's road extend across lands owned by the State of Washington and the United States of America for which Pacific has obtained certain rights of way or use permits for limited or terminable periods. Pacific has applied or will apply for other necessary rights of way or use permits for its road across said lands and across privately owned lands. This agreement shall be subject to the terms, provisions and conditions of all rights of way or use permits for Pacific's road issued by the State of Washington or the United States of America or by the owners of other lands across which Pacific's road extends. Pacific will, to the extent that it is within its ability, obtain such rights of way or use permits and renewals of any present or future rights of way or use permits having limited or renewable periods, without inclusion therein of terms,

provisions or conditions burdensome to Harbor or inconsistent with this agreement, but Pacific shall incur no liability to Harbor or its contractors, successors or assigns if it is unable to obtain such permits or renewals. Upon request, Harbor will cooperate with Pacific in obtaining such permits and renewals but without expense to Harbor.

Section 11. Arbitration. If either party asks for arbitration of matters which, pursuant to this agreement, are subject to arbitration, the party requesting arbitration shall so notify the other party in writing, setting forth the particular dispute or disputes to be submitted to arbitration. On a date to be fixed by the party requesting arbitration, not earlier than five days nor later than ten days after giving such notice, the parties shall meet at the office of the party requesting arbitration to select an arbitrator. If they are unable to agree upon an arbitrator within five days, either party may apply to the Chief Justice of the Supreme Court of the State of Washington to appoint the arbitrator, such application to be presented only after at least five days' written notice to the other party of the time and place at which the application will be presented. The decision of the arbitrator selected as above provided shall be final and binding upon the parties. Every arbitration hereunder shall be governed by the laws of the State of Washington relating to arbitration. Each party shall bear its own expense in connection with any such arbitration, including one-half of the expense and compensation of the arbitrator selected hereunder.

Section 12. Connection of Spur Roads to Pacific's Road. Harbor shall have the right to connect to Pacific's road spur roads reasonably necessary to provide access to timber for which it may use said road; provided, that the location and character of construction of the connections to Pacific's road shall first be approved in writing by Pacific, which approval shall not unreasonably be withheld; provided, further, that Harbor shall at all times maintain such connection at its own expense in

condition satisfactory to Pacific.

Section 13. Unrestricted Vehicle Operation. Unless otherwise required by law, Harbor shall have the right to operate on Pacific's road log hauling vehicles of a width up to fourteen feet and with a gross weight of vehicle and load not in excess of the present design capacity of the Swift Creek Bridge.

In its operation Harbor expects that it will haul over said road not more than an average of 60 million feet of logs, forest products and forest materials annually, which is, under the terms of subparagraph (a) of Section 4 hereof, free from the payment of road use fees, and agrees, insofar as is practicable and reasonable, in hauling such logs, forest products and forest materials, not unduly to congest said road. Whenever in such operations it expects to haul over said road during an operating year a quantity of such logs, forest products and forest materials in excess of that amount, it shall notify Pacific a reasonable time beforehand and, unless the reasonably anticipated gross haul over the road for such year by all users of the road, including such excess, is beyond the capacity of the road, Harbor shall have the right to the use of said road for hauling such excess. If there is a dispute as to the capacity of the road, the question shall be submitted to arbitration pursuant to Section 11 hereof.

Section 14. Laws and Regulations. This agreement and the rights and obligations of each party hereunder shall at all times be subject to all state and federal laws then applicable thereto and at all times to the then effective and applicable rules, regulations, and the then effective and applicable orders made and entered after opportunity to be heard by the parties hereto respecting any matter in which they or either of them have an interest adversely affected thereby, of all state and federal

regulatory agencies or authorities having jurisdiction to promulgate such rules, regulations and orders. Neither party shall be entitled to any compensation, claim or damages from or against the other on account of the effect which enactment of any such laws or promulgation of any such rules or regulations or orders may have on the rights and obligations hereunder of the other party, other than as stated in Section 15 hereof.

Section 15. Condemnation and Sale in Lieu of Condemnation.

As used herein Condemnation shall mean a taking under eminent domain of Pacific's road or any part thereof and shall include any conveyance or relinquishment of title which is required by an order of the Federal Power Commission pursuant to Article No. 35 of License No. 2111 issued by the Commission for the construction of Swift Project; and Condemnor shall mean the entity acquiring Pacific's road or any part thereof or any interest therein by Condemnation.

In any of the events below in this section stated Pacific's only liability to Harbor, with respect to the portion of the road sold or condemned, shall be as follows:

(a) In the event of any sale or conveyance by Pacific of Pacific's road or any part thereof to any government, governmental body or governmental agency in lieu of Condemnation, such sale or conveyance shall be made subject to all the terms, conditions and provisions hereof, and Pacific shall require that the grantee shall assume the same; and

(b) In the event of Condemnation, if the obligations of Pacific pursuant to subparagraph (a) of Section 4 and subparagraph (a) of Section 6 are not binding upon or assumed by the Condemnor, then Pacific shall have the obligation either (i) to reimburse Harbor for the amount of any fees thereafter imposed upon and paid by Harbor for the use of said road and the amount of any maintenance costs thereafter imposed upon and paid by Harbor which Harbor would not otherwise have been required to pay had the

obligations of Pacific referred to above been binding upon the Condemnor, or (ii) to pay Harbor the amount of Harbor's Compensation as hereafter in this subsection defined, or (iii) after payment from the total Condemnation award or awards of all costs and expenses, including attorneys' fees, incurred by Pacific and Harbor in connection with said Condemnation, to divide the remainder thereof between Pacific and Harbor by paying to Harbor the proportion of such remainder which Harbor's Compensation bears to the total of Harbor's and Pacific's Compensation and by retaining the balance, provided that in no event shall the portion to be paid to Harbor be more than 33 1/3 per cent of the said remainder.

As used herein Pacific's Compensation shall mean the amount, as determined by Pacific's books of account, which represents the cost of Pacific's road as the same shall have been amortized at the time of such Condemnation.

As used herein Harbor's Compensation shall mean the following amount or amounts:

(A) if the obligation of Pacific pursuant to subparagraph (a) of Section 4 is not binding upon or assumed by the Condemnor, the then present value, computed at compound interest at five per cent per annum, of the annual payments of road use fees which would be chargeable, at the average rate of such fees during the calendar year preceding such Condemnation (or, if no fees were charged in such year, at a reasonable rate) on the removal over Pacific's road of all the timber to which Harbor has cutting rights, under the Northern Pacific Contract, then standing, lying and being on the Northern Pacific timberlands and of all the timber then standing, lying and being on the Harbor timberlands, at the Annual Rate of Removal, as hereinafter defined; and

(B) if the obligation of Pacific pursuant to subparagraph (a) of Section 6 is not binding upon the Condemnor, the then present value, computed at compound interest at five per cent per annum, of the annual payments of the maintenance charges which would be chargeable, at the average rate of such charges during the calendar year preceding such Condemnation (or, if no charges were made in such year, at a reasonable rate) on the removal of timber over Pacific's road, during the period from the date Harbor becomes obligated to pay or to contribute to the cost of maintenance of such road contrary to the provisions of subparagraph (a) of Section 6 hereof to the end of the calendar year 1977, at the Annual Rate of Removal as hereinafter defined.

As used herein the Annual Rate of Removal means an annual rate of removal equal to the average number of board feet per year removed by Harbor over Pacific's road from the Northern Pacific timberlands and Harbor timberlands during the period from the beginning of the fifth calendar year preceding such Condemnation, or from the beginning of the calendar year 1958, whichever is later, to the end of the calendar year preceding such Condemnation, or of 1958 if such Condemnation occurs in 1958, it being assumed, for the purposes of the computation, that at least 50,000,000 board feet were so removed during each calendar year.

If the parties are not able to agree upon Harbor's Compensation, such amount shall be determined by arbitration, pursuant to Section 11 hereof, by a forestry expert satisfactory to both parties or, if the parties cannot agree upon such an expert, by a forestry expert selected in the manner set forth in such Section 11. The determination made by the expert so agreed upon or selected shall be conclusive upon both parties to this agreement, and the cost of such determination shall be borne equally by the parties.

The obligation of Pacific and the rights of Harbor under this subsection (b) shall expire March 31, 2000 A.D.

Section 16. Remedies for Breach. In the event Harbor or any agent, contractor or assignee of Harbor shall fail to observe, perform or comply with any of the terms, conditions and provisions of this agreement, Pacific shall notify Harbor of such failure by written notice delivered in person or by mail. If such failure has not been remedied within a reasonable time, Pacific may after further reasonable notice take the steps necessary to remedy such failure or suspend the right of Harbor to use Pacific's road, or such portion thereof as may be involved in Harbor's failure, until such failure has been remedied to the satisfaction of Pacific. If Pacific determines that it will remedy such failure, Harbor shall reimburse Pacific for any reasonable expense it incurs in doing so. In the event of a good faith dispute as to whether there has been such a failure, no action pursuant to this section shall be effective until Harbor shall have had the opportunity to have determined by arbitration pursuant to Section 11 hereof the question whether there has been such a failure. If it shall be determined that such a failure has occurred, Harbor shall have such a period of time as the arbitrator shall designate in which to remedy such failure before the effective date of any such suspension. The remedy provided for herein shall not be a waiver of any claim of damages or any other right Pacific might otherwise have against Harbor for breach of contract.

Section 17. Notices and Payments. Notices by either party to the other under this agreement shall be in writing. All payments to Pacific shall be made to Pacific at its address below stated. All notices and all payments hereunder shall be delivered as follows:

To Pacific:

Pacific Power & Light Company
Public Service Building
Portland 4, Oregon

To Harbor:

Harbor Plywood Corporation
P.O. Box 940
Aberdeen, Washington.

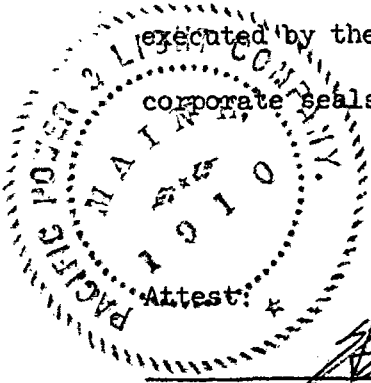
Either party may change its address and the place to which notices and payments shall be made by written notice to the other party.

Section 18. Assignment. Harbor shall have the right to assign this agreement to International Paper Company, a New York corporation (hereinafter sometimes called International), provided that International shall assume the obligations of Harbor hereunder. Upon such an assignment and assumption, all the provisions of this agreement shall inure to the benefit of International, and all references herein to "Harbor" shall be deemed to be references to International. Pacific shall have the right to sell and convey Pacific's road to any government, governmental body, or governmental agency in lieu of Condemnation, provided that the provisions of subparagraph (a) of Section 15 are complied with. Subject to the above, neither Harbor nor International as its assignee shall assign this agreement or any interest hereunder without the written consent of Pacific, and Pacific shall not sell or convey Pacific's road or any part thereof or assign this agreement or any interest hereunder without the written consent of Harbor or International as its assignee; provided, however, that the foregoing prohibition shall not prevent transfer of the rights hereunder of Pacific, Harbor or International by mortgage or trust indenture or through corporate reorganization, merger, or consolidation.

Section 19. Pacific hereby covenants and agrees that it will from time to time and at all times at the request of Harbor or its successors or

assigns, make, execute and deliver all such further instruments and to do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth.

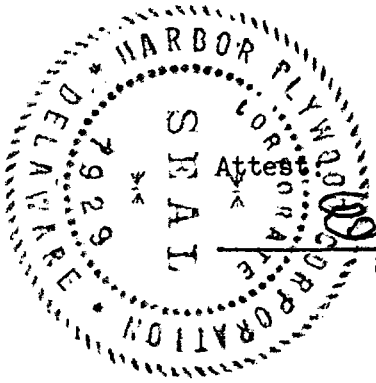
IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their respective officers thereunto duly authorized and their corporate seals to be hereto affixed the day and year first above written.



[Signature]
Secretary

PACIFIC POWER & LIGHT COMPANY

By *[Signature]*
Vice President



[Signature]
Secretary

HARBOR PLYWOOD CORPORATION

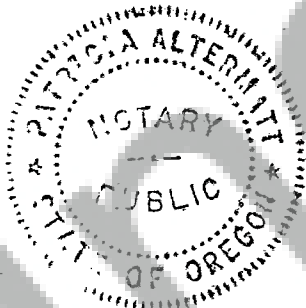
By *[Signature]*
President

[Handwritten initials]

STATE OF OREGON)
County of Multnomah) ss.

On this 14th day of February, 1958, before me personally appeared E. Robert deLuccia, to me known to be a Vice President of Pacific Power & Light Company, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the 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 corporate seal of said corporation.

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



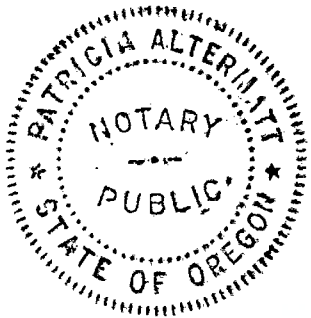
Patricia Altmatt
Notary Public for Oregon

My commission expires: 10/10/60

STATE OF OREGON)
County of Multnomah) ss.

On this 14th day of February, 1958, before me personally appeared Martin N. Deggeller, to me known to be the President of Harbor Plywood Corporation, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the 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 corporate seal of said corporation.

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



Patricia Altermitt
Notary Public for Oregon

My commission expires: 10/10/60