

A G R E E M E N T

THIS AGREEMENT, made and entered into this 17th day of February, 1975, by and between LONGVIEW FINE COMPANY, a Delaware corporation authorized to engage in business in the State of Washington, herein called "Licensor" and GEORGE D. DeGROOTE, d.b.a. (COLUMBIA GORGE BUILDER, Stever son, Washington, herein called "Licensee",

## W I T N E S S E T H:

In consideration of the covenants and stipulations herein contained and the payments to be made by Licensee to Licensor, as hereinafter set forth, Licensor by these presents does give, grant and convey unto Licensee, the right, privilege and license of digging, extracting, taking and transporting rock from the following described real property of Licensor located in Skamania County, Washington, subject however, to the limitations and restrictions herein contained:

That portion of the Samuel and Mary Jane Hamilton Donation Land Claim No. 40 lying within the S $\frac{1}{2}$  of the NE $\frac{1}{4}$  and the NE $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Section 19, T2N, R7E, Skamania County, Washington, and lying northerly of the Evergreen Highway (No. 8),

EXCEPTING THEREFROM the portion deeded to the United States of America for the Bonneville Power Transmission lines, and

SUBJECT TO rights of the United States of America in and to certain easements granted for the Bonneville Power Transmission lines.

1. Term and Termination

The term of this Agreement shall be from the above date through December 31, 1980, unless sooner terminated by Licensor upon default or breach of any of the covenants, stipulations, restrictions or limitations by Licensee, as herein provided; or, voluntarily terminated by Licensee (which voluntary termination may only be exercised so long as Licensee has not breached or is not in default under any of the covenants, stipulations, restrictions or limitations imposed upon Licensee hereunder) by giving Licensor not less than sixty (60) days advance written notice. Licensee shall have the option of renewing this Agreement for an additional five (5) years by giving Licensor not less than ninety (90) days written notice, subject, however, to renegotiation of royalty fees provided for in Paragraph 2 hereof. Failure on the part of the parties hereto to agree on such royalty fees by the normal termination date herein shall cause this Agreement to terminate in the normal manner herein provided.

2. Royalty

## A. M

O  
L  
s  
r  
d  
o  
r  
s  
L  
c

B. S  
L  
t  
L  
v

C. N  
G  
o  
i  
n  
o  
b  
b  
d  
a  
t  
L  
C  
s

3. Volume

On or  
(to-w  
of th  
Timbe  
such  
by Li  
repor

4. Timber

All f  
and r  
sole  
from  
to al  
promp  
is un  
right  
said  
deem  
with  
to re  
sole

## 2. Royalties

### A. Minimum Annual License Fees:

On or before January 1, April 1, July 1, and September 1 of each year, Licensee shall pay to Licensor the sum of \$250.00 in cash, which sum shall be the minimum sum payable by Licensee to Licensor for rock removed from said tract during the calendar quarter beginning on such date, and which sum shall entitle Licensee to remove 1,000 cubic yards of sand or rock therefrom during the balance of said quarter without royalty payments for the same, as hereinafter provided. Said minimum fee shall be paid by Licensee to Licensor regardless of whether or not Licensee removes any rock from said tract during the calendar quarters covered by the term of this Agreement.

B. Subject to the credit for the quarterly payments made by Licensee to Licensor, as set forth above; Licensee shall pay to Licensor, simultaneously with each volume report hereinafter required to be made by Licensee to Licensor, 25¢ per cubic yard royalty for rock and/or sand removed by Licensee from said real property.

C. Notwithstanding any provision hereinafter set forth relating to the giving of notice by Licensor of default or breach by Licensee of any of the covenants, stipulations, limitations or restrictions contained in this Agreement, it is understood and agreed by Licensee that no notice need be given Licensee by Licensor of any default in the payment of these royalties and that if such royalty payments are not received by Licensor within fifteen (15) days from the date each such payment becomes due, as herein specified, Licensee shall automatically be in default under this Agreement without notice of any kind from Licensor and Licensor, in addition to all other rights and remedies available to it hereunder, or in law or equity, shall have the right to charge Licensee and Licensee shall forthwith pay to Licensor, interest at One Percent (1%) per month on any royalty payment due and unpaid beyond said fifteen (15) day grace period.

### 3. Volume Reports:

On or before the 15th day of the month following each calendar quarter (to-wit, January 15, April 15, July 15, and October 15) during the term of this Agreement, Licensee shall submit a written report addressed to the Timber Department of Licensor at Longview, Washington, setting forth, in such detail as may be required by Licensor, the volume of all rock removed by Licensee from said property since the date of the previous quarterly report regarding the same.

### 4. Timber:

All forest products standing, lying or being on said real property shall be and remain the property of Licensor. Licensor reserves the right, at its sole cost and expense, to remove any and all timber or other forest products from said real property and, in the event the removal of timber is necessary to allow Licensee to exercise any of its rights hereunder, Licensee shall promptly notify Licensor in writing of the necessity for such removal. It is understood and agreed that the reservation of timber and forest product rights, as set forth in this paragraph, does not obligate Licensor to clear said real property, of underbrush or other forest products, which Licensor deems to be of little or no value and, upon Licensor advising Licensee in writing of any such decision made by Licensor, Licensee shall be required to perform any such clearing necessary for its operations at Licensee's sole cost and expense.



5. Roads:

Licensee shall, at its sole cost and expense, obtain all easements and rights of way necessary for the exercise of any and all of its rights under this Agreement and shall keep, observe and perform all terms and conditions contained in any and all easement and rights of way documents, at its sole cost and expense. Licenser shall have the right to use, without charge of any kind or nature, any easement or road owned or controlled by Licensee, for the purpose of allowing Licenser to remove rock from either or both of said Tracts.

6. Liens:

Licensee agrees to pay all labor and other bills incurred by it under this Agreement promptly before delinquency and to furnish Licenser, if so required, with proof that all such labor bills and expenses (including industrial insurance, unemployment taxes and similar taxes) are paid. The Licensee shall not permit or cause any lien to become attached to any property of the Licenser. However, if any lien should attach to any of the Licenser's property, arising directly or indirectly out of this Agreement, the Licensee agrees to promptly discharge the same unless Licensee is contesting the validity of any such lien, in which event, Licensee shall make arrangements with Licenser satisfactory to Licenser for ultimately discharging such lien if any such contest is finally resolved adversely to Licensee.

7. Indemnity:

The Licensee shall indemnify and hold harmless the Licenser against all claims, liabilities and expenses asserted by third parties resulting directly or indirectly from the Licensee's acts or omissions hereunder, whether negligent or otherwise.

8. Laws and Regulations:

Licensee shall comply with all laws, rules, regulations and orders of the State of Washington, all departments thereof and any other governmental authority having jurisdiction in the matter, including but not by way of limitation, all laws, rules and regulations pertaining to mine safety, quarry site rehabilitation, and the suppression of forest fires as applicable to this Agreement.

9. Insurance:

Licensee shall carry and maintain with an insurance company acceptable to the Licenser Comprehensive Liability Insurance with the following minimum coverages:

Bodily Injury -- (Both automobile and other)	
\$ 50,000.00	- for any one person
\$100,000.00	- for any one occurrence
Property Damage -- (Both automobile and other)	
\$ 5,000.00	- for any one occurrence
\$ 25,000.00	- for all claims in the aggregate during the policy period

All insurance policies required hereunder shall provide that in the event of cancellation or reduction of all or any portion of the coverage for any reason, fifteen (15) days prior notice of such cancellation or reduction will be furnished the Licenser by registered or certified mail by the insurance carrier.

10. Removal of Personal Property

Upon the expiration of this Agreement or its earlier termination by cancellation by either party as herein provided, licensee shall have ninety (90) days from said expiration date or from the date of such earlier cancellation in which to remove all of its machinery and equipment from said real property, after which time any machinery or equipment left upon said real property shall be and become the property of Licensor; provided however, if this Agreement be cancelled by Licensor by reason of the breach thereof or default thereunder by Licensee, then Licensee shall not have such right of removal until such breach or default and any other breaches or defaults shall have been cured or corrected by Licensee.

11. Breach of Agreement:

In the event the Licensee shall commit any breach of this Agreement or any default thereunder (other than failure by Licensee to make the advance payments and/or royalties for which no notice of default need be given) and shall fail to correct such breach or make such default good within thirty (30) days after notice is given in writing by Licensor to Licensee of such breach or default, the Licensor may forthwith cancel this Agreement and terminate all rights of the Licensee hereunder; however, such remedy shall not be exclusive and shall be in addition to any other rights and remedies of the Licensor given in law or in equity. Licensee shall be in default as to the advance payments hereinabove required whenever any such advance payment is not made within ten (10) days of the due date thereof, no notice of such default being required to be given by Licensor to Licensee. Upon any such cancellation becoming effective, Licensor, without further notice or demand, may enter into and upon said real property, or any part thereof, in the name of the whole, and repossess the same of its former estate and expel Licensee and those claiming under it, without being taken or deemed in any manner guilty of trespass.

12. Waiver:

Licensor shall not be deemed to have waived any of its rights under this Agreement unless the waiver is in writing signed by Licensor. No delay in exercising Licensor's rights shall be a waiver, nor shall a waiver on one occasion operate as a waiver of such right on a future occasion.

13. Assignment:

Neither this Agreement nor the rights of the Licensee hereunder shall be assignable in whole or in part, by operation of law or otherwise, without the prior written consent of the Licensor thereto. Any attempted assignment without such prior written consent shall automatically and forthwith make this entire Agreement null and void.

14. Notices:

Any notice to be given by either party hereto to the other under the provisions of or with respect to this Agreement, may be served personally upon any officer or duly authorized agent of the respective party or sent by certified mail, addressed to the Licensee at its address above set forth and to the Licensor in care of the Manager of its Timber Department, Longview, Washington, and such service by certified mail, where the postage is prepaid and a return receipt is requested, shall be equivalent to personal service.

15. Costs and Attorneys' Fees:

In the event suit or action becomes necessary to enforce any of the rights of either of the parties hereto or any of the terms or provisions of this Agreement, the prevailing party in any such suit or action shall, in addition to any and all other relief granted in such suit or action, be reimbursed by the other party for all court costs incurred by the prevailing party and for the prevailing party's attorneys' fees in such amount as the court having jurisdiction in the matter shall determine to be reasonable.

16. Licenses

Licenses  
free of  
Agreement  
only for  
or commercial  
usage

17. Relocation

Licenses  
ment  
subject

A.

B.

C.

D.

18. Maximum

Licenses  
5,000  
described  
such  
provided

to be

ments

ATTES



Agreement  
Page 5.



16. Licensor's Use of Rock:

Licensor reserves unto itself the right to remove rock from said tract, free of any charge by Licensee, at any time during the term of this Agreement, provided however, rock so removed by Licensor will be used only for the construction, reconstruction and maintenance of roads owned or controlled by Licensor or in which Licensor has a partial ownership or usage interest.

17. Relocation of Roads and Streams

Licensee shall have the right at all times during the term of this Agreement to relocate the roads or the streams situated upon the real property, subject, however, to the following conditions:

- A. Concurrence of public agencies having jurisdiction in such matters, including obtaining necessary permits from such agencies.
- B. Maintaining and leaving roads in a condition satisfactory to the passage of passenger cars.
- C. Maintaining and leaving roads which are satisfactory, in the opinion of the Licensor, for the hauling of forest products.
- D. Obtaining written approval from Licensor prior to beginning such relocation.

18. Maximum Volume:

Licensor shall have the right to remove up to, but not in excess of, 5,000,000 cubic yards of rock and/or sand from the real property herein described. Upon completion of the removal of 5,000,000 cubic yards of such material, this agreement shall automatically terminate whereupon the provisions of Paragraph 10 shall apply.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the dates set forth in the respective acknowledgements hereto attached.

LONGVIEW FIBRE COMPANY

By

W. Lee Robinson  
W. Lee Robinson  
Vice President-Timber

ATTEST:

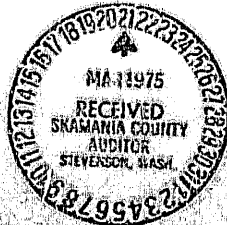
Secretary  
Secretary

COLUMBIA GORGE BUILDER

By

George D. DeGroot  
George D. DeGroot

Agreement  
Page 5.



STAT  
COUN

W. L  
Timb  
with  
free  
pose  
exec  
said

off

STAT  
COUN

to  
and  
free

Agre  
Page

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF COWLITZ )

On this 20<sup>th</sup> day of March, 1975 before me personally appeared W. LEE ROBINSON and G. E. SCHWARTZ, to me known to be the Vice President-Timber and Secretary, respectively, of the corporation that executed the within and foregoing instrument, and acknowledged the 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 they were 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 first above written.

(SEAL)

Dorene H. Barber  
Notary Public in and for the State of  
Washington.  
Residing at Kelso

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF COWLITZ )

On this day personally appeared before me GEORGE J. DeGROOTE, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 20<sup>th</sup> day of March, 1975.

Dorene H. Barber  
Notary Public in and for the State of  
Washington, residing at Kelso

