

and equipment as are necessary, incidental or convenient to the cutting, logging and removal of the merchantable timber from the premises. Grantee may cut, log, and remove such timber and do all acts necessary and incidental thereto. Grantee shall have the right to use any and all existing roads on the Premises and across Grantor's adjoining land, and to construct and improve such roads over and across the Premises as may be necessary, incidental or convenient for the cutting, logging or removal of the merchantable timber. Grantee shall pay all costs incidental and necessary to the obtaining of any permits, licenses or right-of-ways necessary for Grantee to cut, log and remove the merchantable timber.

Before beginning operations under this agreement, Grantee shall use all reasonable efforts to procure the needed permits, licenses and right-of-ways. Should Grantee fail to procure such after using all reasonable efforts within 35 days from the date hereof, this contract will be null and void and Grantors will refund to Grantee all monies received under this agreement except for the actual Grantee-responsible expenses incurred by the Grantors.

Completion of this agreement shall be within 180 days after the signing of this agreement, and if performance under this agreement is not completed by such date, Grantee's licenses, rights, privileges and titles derived hereunder to the Premises and to the merchantable timber remaining thereon, shall absolutely cease, determine and end, and such shall revert to and revest in the Grantors, their successors and assigns, without any additional compensation to Grantee in any way whatsoever; provided, however, Grantee has substantially completed performance of this agreement within said 180-day period, then the parties shall complete performance under the agreement as soon as practicable, and Grantee will pay to Grantors a penalty of \$10.00 per day until his performance under the contract.

is completed. This penalty shall not apply to delays in reforestation caused by weather conditions.

Risk of loss to the merchantable timber by or for whatever cause will not pass to Grantee until the merchantable timber is loaded on Grantee's logging trucks. In the event of loss to the merchantable timber prior to such time, an equitable adjustment shall be made to the purchase price to be paid by the Grantee to the Grantors under this agreement.

Grantee shall pay all federal, state and local taxes, assessments and fees of every kind that may be applicable to the sale, cutting, logging and removal of the merchantable timber, from Grantee to a third party.

Grantors shall pay all federal, state and local taxes, assessments and fees of every kind that may be applicable to the conveyance of the merchantable timber, described in this Timber Deed being conveyed and warranted, from Grantors to Grantee.

It is agreed that in the operations under this agreement any reforestation or rehabilitation of the Premises or any acts in the performance of this agreement, shall be in accordance with and pursuant to the statutes, ordinances, regulations or rules of the federal government or of the State of Washington or any of their subordinate agencies or subdivisions.

Rubber-tired skidders shall not be used in the logging operations when soil moisture levels are at such a level that long term damage to the soil will be caused by their use.

Grantee shall have the responsibility to leave the area in which said logging is performed on said Premises in a reasonably attainable, aesthetically-pleasing condition including the leaving of certain timber as agreed upon between the parties. Grantee shall consult Grantors as to what is aesthetically pleasing.

In case of disagreement on this question, both parties agree to request written recommendations in this regard from the Washington State Department of Natural Resources, and their decision in regard to the aesthetic condition shall be controlling. In the event the parties cannot agree as to what is an aesthetically pleasing condition, the per diem penalties under this agreement shall not apply to those days after which a request is sent to the Washington State Department of Natural Resources for a recommendation; provided, however, that when such recommendation is received, the per diem penalty shall be reinstated until the Grantee brings the Premises in conformance with the recommendation.

At Grantors' request, before the logging equipment is removed from the Premises, Grantee shall smooth and seed any and all of the Grantee-constructed new logging roads on the Premises, and Grantee will restore all pre-existing roads to the approximate pre-existing condition prior to the signing of this agreement.

If, for whatever reason, any Federal, State or Local Government or subordinate agency thereof, suspends or causes suspension of logging or other operations called for by this contract, the time limits specified herein shall be expanded by the number of days such operations are caused to be suspended.

Grantors hereby covenant to and with the Grantee that Grantors are lawfully seized of the Premises and merchantable timber in fee simple; that the Premises and merchantable timber are free from all liens and encumbrances except the contract balance of Viola H. Maddux; that it shall warrant and defend the title to the Premises and merchantable timber; shall warrant and defend Grantee's right to enter upon the Premises, to use existing roads, and to construct new roads; and shall warrant and defend Grantee's right to cut, log and remove the merchantable timber against the claims and demands of all other persons whomsoever.

Grantors' shall procure and present a policy of title insurance within 10 working days from the signing of this agreement, in standard form insuring Grantee that record title to all the merchantable timber standing or lying on the Premises is vested in Grantors free and clear of all liens and encumbrances, and that Grantee can begin and complete clear-cut logging operations in a reasonable fashion, subject however, to the usual printed exceptions in a policy of title insurance. Grantee acknowledges that Grantors' rights are subject to the Real Estate Contract of Sale from Viola M. Maddux to Grantors. Grantors shall also procure, and present, at the same time, a waiver or satisfaction signed by Viola M. Maddux, waiving or satisfying the requirement that no merchantable timber may be cut unless she is owed no more than \$12,500.00 on her contract. In the event Grantors do not so present the waiver or satisfaction, Grantee has the right to pay Viola M. Maddux directly whatever money is necessary to reduce the amount owed to her below that minimum necessary to release the timber for marketing. Grantee may then reduce the amount of money owed to Grantors by that amount paid to Viola M. Maddux, beginning with that to be paid next under this agreement.

Grantee agrees to hold Grantors harmless from any and all liability for damage to the Premises or to the premises of any other adjacent landowners due to Grantee's operations under this Contract, and prior to the commencement of operations hereunder shall either obtain, for himself or for any subcontractors or other persons authorized by him to perform the work under this agreement, a broad form loggers' liability insurance policy in the sum of not less than \$300,000.00 naming Grantors as an additional insured containing the removal of the exception regarding explosion, collapse and underground damage. Grantee shall also pay and present in like manner, a policy covering all automotive equipment used in the performance of this agreement with a limit of \$300,000.00 combined single limit.

Any and all employees of Grantee, agents, subcontractors and employees of subcontractors and any and all other persons engaged in the operations of said Premises shall be covered by Workman's Compensation and Grantee shall furnish evidence of such coverage to Grantors prior to beginning of operations hereunder.

The use of pronouns, gender and number in this Timber Deed shall be deemed to refer to the masculine, feminine, neuter, singular or plural, person, business or corporation, as the identification of the person or persons, firm or firms, business or businesses, may reasonably require, and all grammatical changes shall be made, assumed or implied where the context reasonably requires.

This document is the final expression and contains the entire agreement between the parties, and is intended by the parties to be the complete and exclusive statement of the terms.

In the event that it is necessary to take legal action by either party upon this agreement, the prevailing party in such action shall be entitled to an award of reasonable attorneys' fees by any court having jurisdiction, including any appeal.

6569 Dated this 29 day of March, 1979.

No. 6569
TRANSACTION EXCISE TAX

MAR 3 1979
Amount Paid \$360.00

Skamania County Treasurer
By [Signature]

James P. Dooney
James P. Dooney - Grantor
Mary Nell Dooney
Mary Nell Dooney - Grantor
Paul L. Julien
Paul L. Julien - Grantee

STATE OF OREGON

County of Washington

Personally appeared James P. Dooney, Mary Nell Dooney, and Paul L. Julien and acknowledged the foregoing instrument to be their voluntary act and deed.

Ruth A. Johnson
Notary Public for Oregon
My commission Expires: 7/25/81