



TIMBER SALE AGREEMENT
Pay-As-Cut

THIS INDENTURE, made and entered into in duplicate, each copy is considered an original, this day of _____, 20____ by and between:

, whose address is,

party of the first part hereinafter referred to as "OWNER", and **Harvest Timberland Services, LLC**, whose address is **P.O. Box 2787 Lakeland, FL 33806**, party of the second part hereinafter referred to as "PURCHASER".

WITNESSETH: That subject to the terms, conditions and limitations hereinafter set forth, OWNER, in consideration of the sum of Ten Dollars (\$10.00), and other valuable considerations this day in hand paid by PURCHASER, the receipt of which is hereby acknowledged, and in consideration of the further sums herein agreed to be paid, does by these presents grant, bargain, sell and convey to PURCHASER the exclusive license and right to cut, haul, and remove (also referred to as harvest or harvesting) such merchantable trees (also referred to collectively as timber) as described herein now growing and hereafter to grow during the term hereof upon the following described land in _____ County, Florida, to wit: *(Property Description)*

Upon the following terms and conditions:

1. **SPECIE OF TIMBER:** _____

2. **TERM:** The term of this Timber Cutting Contract shall be (____) months from date hereof.

3. DEFINITIONS:

- a) All timber shall be measured in tons (one ton equals 2,000 pounds).
- b) PURCHASER shall harvest and fully utilize where practical all trees conveyed in this Contract

4. PRICE: For all such trees suitable for cutting the price shall be as follows:

Pole Timber	\$_____ / ton
Large Saw-Timber	\$_____ / ton
Small Saw-Timber	\$_____ / ton
Chip-N-Saw	\$_____ / ton
Pulpwood /Mulch	\$_____ / ton
Fence Posts (if applicable)	\$_____ / ton

5. PAYMENT: PURCHASER shall, on a weekly basis, account for all timber harvested and removed through the prior week. PURCHASER shall produce a weekly payment and production summary, with copies of all scale tickets. Payments will be made 14 days from the completion of any week.

6. CUTTING OPERATIONS AND REPORTS:

- a) PURCHASER shall cut, remove from the land described herein and pay for all merchantable trees suitable for harvest as provided in this Contract.
- b) PURCHASER shall keep records of all timber cut and removed under the provisions of this Timber Cutting Contract and OWNER shall be privileged, through such agents as OWNER shall select, during reasonable office hours, to examine PURCHASER'S records pertaining to the volume of timber cut and removed hereunder.

7. TITLE TO TIMBER: Title of the timber shall pass from OWNER to PURCHASER when, and only when, the tree has been severed from the stump. In the event that any tree is damaged by fire, insect infestation, disease, windstorm or any other casualty before it has been severed from the stump, the loss shall fall upon OWNER.

8. PERMITS, REGULATIONS, AND ENDANGERED SPECIES:

- a) OWNER warrants that it has obtained any and all necessary tree removal permits (if applicable) and other authorizations from any governmental agency having jurisdiction in the removal of the trees conveyed in this Contract. OWNER warrants that it has no knowledge of the presence of threatened, endangered, and protected species on the area on which the timber is located or over which PURCHASER must transport the timber, or OWNER warrants that it has indicated to PURCHASER the presence and location of said species to the best of OWNER'S knowledge. OWNER does not warrant that such threatened, endangered, or protected species are not present, and PURCHASER is advised that nothing in this Contract relieves PURCHASER of its responsibility to act within the law should the presence of such threatened, endangered, or protected species become known to PURCHASER or to any other party who advises PURCHASER of the presence of such species.
- b) PURCHASER agrees that it shall conduct timber harvesting and hauling operations in accordance with Best Management Practices as prescribed by the State of Florida.

9. GENERAL CONDITIONS:

- a) OWNER hereby grants unto PURCHASER, the exclusive commercial license to enter upon said land at any time and all times during the term hereof, with tools, wagons, carts, trucks, men and equipment and all other conveyances that may be necessary or convenient for the preservation, care, cutting and removal of said trees and timber, together with the right to operate roads and roadways upon, over and across said land, and all other necessary rights of ingress and egress. PURCHASER while not in default shall have, and is hereby granted, the right at any time during the term hereof, and for thirty (30) days thereafter, to remove any and all machinery, equipment and other property of PURCHASER, whether or not so fixed on the land as to be regarded in law as part of the land.
- b) OWNER hereby fully warrants the title to the land herein described, and to the timber to be cut therefrom, and will defend the same against the lawful claims of all persons whomsoever. OWNER expressly represents and warrants that there are no mortgages, liens, tax liens, leases, deeds to secure debts, or other encumbrances against said timber.
- c) In cutting and removing said trees, PURCHASER shall follow good and accepted harvesting practices. Without limiting the generality of the foregoing, PURCHASER shall keep all drainage ditches, fire lines, well

defined roads and bridges free of tops and limbs and maintain the same in as good condition as the same now are; PURCHASER shall promptly repair any damage to the fences, gates and other improvements of OWNER resulting from PURCHASER'S operations. PURCHASER shall not set any fire on the land and PURCHASER, its agents and employees, while engaged in cutting and removing said timber, shall without charge to OWNER, assist OWNER in fighting and suppressing any and all fires upon or threatening the land upon which cutting operations are then being conducted. Seedlings and trees not to be cut shall be protected from unnecessary injury.

- d) PURCHASER hereby accepts roads in their present condition and accepts responsibility and expenses for any improvements in roads necessary to cut, haul, and remove said timber. During the timber harvesting operations PURCHASER shall maintain all roads in a usable condition, suitable for the vehicular traffic to which the road is normally subjected.
- e) PURCHASER shall indemnify and hold OWNER harmless from all liability for injury or damage to persons and their property resulting or to result from any negligent act by PURCHASER or its agents or employees, in the conduct of PURCHASER'S operations on the land or OWNER described herein.

10. INSURANCE: PURCHASER represents and guarantees that all employees, agents, servants or representatives of the PURCHASER, and all independent contractors contracting with PURCHASER for the performance of any part of the timber cutting operation contemplated by this Contract, and its or their agents, servants, employees or representatives are covered by workers' compensation insurance. *PURCHASER agrees to furnish OWNER, at the time of execution of this instrument, certificates of insurance naming OWNER as certificate holder providing evidence that PURCHASER has in full force and effect insurance with insurers authorized to do business in the State of Florida:*

11. TAXES: It is an obligation of OWNER to pay before delinquent all ad valorem taxes against the land and timber and to pay before delinquent any and all liens against the land and timber. It is the obligation of PURCHASER to pay the documentary taxes required for the sale and purchase of timber conveyed by this Contract.

12. ARBITRATION CLAUSE: In the event there is any disagreement or misunderstanding as to the terms of this AGREEMENT or full compliance with any obligation by either the PURCHASER or the SELLER, then the parties mutually agree that such dispute shall be arbitrated by each appointing one (1) arbitrator, and the two (2) arbitrators so appointed shall appoint a third arbitrator, and the SELLER and the PURCHASER each agree to be bound by the findings of such board of arbitrators under the statutes of the State of Florida. Any time consumed in awaiting

the award of the arbitrators shall be added to the initial term of this AGREEMENT, not to exceed ninety (90) days in which event the contract shall be terminated.

13. **PARAGRAPH TITLES:** Paragraph titles are used merely for convenience and do not necessarily indicate the contents of the paragraph.
14. **GENDER:** Where context so requires or permits, the masculine shall include the feminine and the neuter, and the singular the plural.
15. **ASSIGNMENT:** This Contract shall be binding upon and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the parties hereto. PURCHASER may assign this Contract to forest products companies and lending institutions as collateral for advances against the subject timber, but shall not be released from any liability under this Contract.
16. **GOVERNING LAW:** This Contract shall be construed according to the laws of the State of Florida, is to be performed in the State of Florida and any action brought thereon shall be brought within the State of Florida.

IN WITNESS HEREOF, the parties have executed this instrument, in triplicate, each copy is considered an original, as of the day and year first aforesaid.

OWNER:

Signed

Name Printed or Typed

PURCHASER:

Signed

For: Harvest Timberland Services, LLC