

K-45237
MEMORANDUM OF AGREEMENT

This Memorandum of Agreement by and between ROBERT M. LILES, WANDA LILES, TOM SORESENSEN, and BEVERLY J. SORESENSEN ("Liles and Sorensen"), and BOISE CASCADE CORPORATION ("Boise Cascade") is made this 4th day of May, 1993. Liles and Sorensen is in the business of acquiring timberland and harvesting the timber. Boise Cascade is a sawmill operator and wishes to acquire delivered logs.

Liles and Sorensen and Boise Cascade entered into that certain Log Purchase Agreement and Amendment dated May 4, 1993 ("Agreement"), whereby Liles and Sorensen will harvest and deliver to Boise Cascade logs on that property described on Exhibit A attached hereto and by this reference made a part hereof.

In order to facilitate the terms of the Agreement, Boise Cascade and Liles and Sorensen agree as follows:

1. Boise Cascade will advance the purchase price of the logs to Liles and Sorensen in exchange for a Deed of Trust upon the land and timber in form satisfactory to Boise Cascade to secure repayment of the advance to Liles and Sorensen.
2. All harvested logs from the property shall be delivered and sold to Boise Cascade, and to no other buyer, in accordance with the attached delivered Log Purchase Agreement.
3. Repayment of the advance due from Liles and Sorensen to Boise Cascade shall be from the proceeds of the attached Log Purchase Agreement. Boise Cascade shall withhold monies due Liles and Sorensen pursuant to the Log Purchase Agreement at the

AFTER RECORDING RETURN TO:
BOISE CASCADE CORP.
P.O. BOX 50
BOISE, ID 83728
ATTENTION: JOE MUNSON

rate of \$350 per thousand board feet delivered net short log scale or such lesser amount equal to the purchase price per thousand board feet delivered net short log scale for the species/grade of log delivered specified in the Agreement. Withholding shall be for all logs delivered until Boise Cascade is repaid its entire advance. The excess, above the withholding, if any, shall be payable to Liles and Sorensen in accordance with the attached Log Purchase Agreement. In the event that the entire advance is not repaid on or before November 1, 1994, the remainder shall bear interest at Bank of America's prime plus two percent (2%) until principal and interest are repaid in full.

4. Liles and Sorensen shall retain all loggers and haulers and pay for all logging and trucking costs. All logs are sold delivered at the mill.

5. In the event that Liles and Sorensen fails to harvest and deliver to Boise Cascade sufficient logs to repay the advance by November 1, 1994, Boise Cascade may foreclose upon the Deed of Trust by judicial foreclosure. Any deficiency owing to Boise Cascade upon the advance after harvest and resale of the parcel shall be due and owing from Liles and Sorensen to Boise Cascade and Boise Cascade shall be entitled to a judgment for such deficiency.

6. Liles and Sorensen is not Boise Cascade's agent, employee, or contractor and Boise Cascade has no supervision or control whatsoever concerning logging, trucking, or activity related to timber harvesting or delivery unless and until Boise Cascade obtains title through foreclosure. Boise Cascade and Liles and Sorensen are not joint venturers or partners.

7. This Agreement contains the entire agreement between the parties with respect to the transaction described herein. This Agreement shall be interpreted in accordance with normal standard and practice in the industry.

DATED June 3, 1993

Robert M. Liles
ROBERT M. LILES

Wanda Liles
WANDA LILES

Tom Sorensen
TOM SORESENSEN

Beverly J. Sorensen
BEVERLY J. SORESENSEN

BOISE CASCADE CORPORATION

DATED June 3, 1993

By Mark J. Brown
Assistant Log Buyer

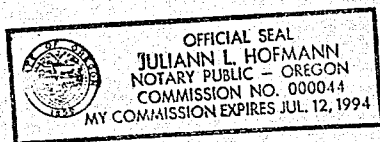
12924

STATE OF OREGON)
COUNTY OF JACKSON) ss.

June 3, 1993.

Personally appeared MARK L. BLOWERS who, being sworn, stated that he is the Asst. Log Buyer of Boise Cascade Corporation and that the seal affixed hereto is its seal and that this instrument was voluntarily signed and sealed on behalf of the corporation by authority of its Board of Directors.

Before me:



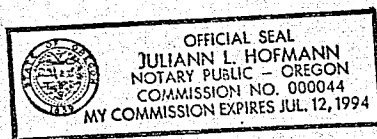
Juliann L. Hofmann
Notary Public
My Commission expires:

STATE OF OREGON)
COUNTY OF JACKSON) ss.

June 3, 1993.

Personally appeared the above-named ROBERT M. LILES and WANDA LILES and acknowledged the foregoing instrument to be their voluntary act.

Before me:



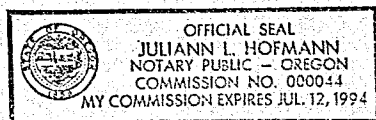
Juliann L. Hofmann
Notary Public
My Commission expires:

STATE OF Oregon)
COUNTY OF Jackson) ss.

June 3, 1993.

Personally appeared the above-named TOM SORENSEN and BEVERLY J. SORENSEN and acknowledged the foregoing instrument to be their voluntary act.

Before me:



Juliann L. Hofmann
Notary Public
My Commission expires:

JP30318A

EXHIBIT A

The Southwest Quarter of the Northwest Quarter, and the Southwest Quarter of Section 33, Township 37 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING therefrom: A parcel of land situate in the Southwest Quarter of the Northwest Quarter of Section 33, Township 37 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows: beginning at the Southeast corner of Lot 5 in Block 10 of Yonna Woods -- Unit 2, a duly recorded subdivision in said Klamath County; thence North $89^{\circ}44'02''$ West along the South line of said Lot 5, 60.89 feet to the Northwest corner of said Southwest Quarter Northwest Quarter; thence South $00^{\circ}12'42''$ East along the West line of said Southwest Quarter Northwest Quarter 30.00 feet; thence South $89^{\circ}44'02''$ East, 78.20 feet; thence North $30^{\circ}04'19''$ West, 34.76 feet to the point of beginning.

BOISE CASCADE CORPORATION
P.O. BOX 100
MEDFORD, OREGON 97501-0203
FED E.I.N. 682-0109860

12926

LOG PURCHASE AGREEMENT

ORIGINAL ☒ REVISED ☐

LPA SELLER: EFFECT DATE
BR # ADDRESS: TERM DATE
ID # VENDOR NO.
SALE NAME:

Seller agrees to sell to Buyer all logs from sale name shown hereon which meet Buyer's log specifications at the following net prices and as scaled by a mutually acceptable third-party including special request grades on file. Logs to be scaled Scribner Short Log scale.
Seller will deliver logs to Buyer's Medford and/or White City yard.

DOUGLAS FIR			
VOL	0	M	\$/MBF
LOG GRADE		NET	
CR		\$	200.00
P1		\$	
P2		\$	
P3		\$	
1M		\$	
3M		\$	
2M		\$	
3M		\$	
4M		\$	
5C		\$	
25C		\$	
UC/4UC		\$	

PONDEROSA PINE			
VOL	425	M	\$/MBF
LOG GRADE		NET	
CR		\$	850.00
CR	BLUE STAIN	\$	330.00
1M		\$	
2M		\$	
3M		\$	
3M		\$	
4M		\$	
5M		\$	
6M		\$	
5C		\$	150.00
25C		\$	100.00
UC/4UC		\$	75.00

SUGAR/WHITE PINE			
VOL	0	M	\$/MBF
LOG GRADE		NET	
CR		\$	200.00
P		\$	
1M		\$	
2M		\$	
3M		\$	
3M		\$	
4M		\$	
5M		\$	
6M		\$	
5C		\$	
25C		\$	
UC/4UC		\$	

INCENSE CEDAR			
VOL	0	M	\$/MBF
LOG GRADE		NET	
CR		\$	200.00
P		\$	
1M		\$	
2M		\$	
3M		\$	
3M		\$	
4M		\$	
5M		\$	
6M		\$	
5C		\$	
25C		\$	
UC/4UC		\$	

WHITE FIR/HEMLOCK/SRUC			
VOL	0	M	\$/MBF
LOG GRADE		NET	
CR		\$	300.00
P		\$	
1M		\$	
3M		\$	
2M		\$	
3M		\$	
4M		\$	
		\$	
		\$	
5C		\$	
25C		\$	
UC/4UC		\$	

VOL	0	M	\$/MBF
LOG GRADE		NET	
CR		\$	
P		\$	
1M		\$	
3M		\$	
2M		\$	
3M		\$	
4M		\$	
		\$	
		\$	
5C		\$	
25C		\$	
UC/4UC		\$	

NOTE: Adjusted gross of Special Culls and Utility Culls is net.

\$30.00 /M Deduction for less than 65% preferred and primary lengths by gross volume, (emphasis on 32'11").
Peelable and Sawlog, by pay period.

MINIMUM SPECS: LENGTH: % MERCH: SCALE:
DIAM: VOL/PIECE

ATTACHED AND MADE PART OF THIS AGREEMENT ARE:

- 1) EXHIBITS B, D AND U (WAIVE OVERTRIM)
- 2) PURCHASER'S CUT-OFF AND PAY DATE SCHEDULE

TERMS AND CONDITIONS

- 1) ACCEPTANCE. This Agreement as set forth herein and on the face hereof, is effective upon Seller's written acknowledgement or by commencement of performance by Seller. No other terms or conditions shall be binding on Boise Cascade Corporation ("Buyer") unless written approval thereof specifically referring to such other terms and conditions shall have been given to Seller. This is a firm agreement and is terminable only upon written mutual consent unless otherwise provided herein.
- 2) DELIVERY. Unless otherwise indicated on the face hereof, all sales are F.O.B. truck Buyer's log yard, designated on the face hereof. Logs will be delivered during posted scaling hours, unless otherwise indicated on the face hereof.
- 3) FORCE MAJEURE. If Buyer is unable to take delivery of logs or Seller is unable to deliver logs due to strikes, acts of God, equipment breakdown, or other occurrences beyond its reasonable control, the term hereof shall be extended an equal number of operating days. Where either Seller or Buyer claims an excuse for nonperformance under this paragraph, it must give notice in writing to the other party. At the option of the party whose performance has not been delayed, this Agreement may be terminated if delivery does not recommence within thirty days.
- 4) PAYMENT. Payment for logs delivered to Buyer will be made in accordance with the attached schedule.
- 5) WARRANTY. Seller warrants all logs covered by this Agreement will conform to specifications on the face hereof. Logs not meeting specifications will not be paid for and shall be immediately removed by Seller at Seller's expense. Seller warrants that it is the owner of all logs sold hereunder and that all logs are free from any and all claims, liens and encumbrances.
- 6) ASSIGNMENT. This Agreement shall not be assigned by either party in whole or in part without the prior approval of the other party.
- 7) COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS. Each party warrants that it and its employees and contractors who perform any work subject to this Agreement, will comply with all federal, state and local laws, rules and regulations applicable to performance of this Agreement.
- 8) GOVERNING LAW. This Agreement shall be governed by the law of the state in which this Agreement is issued.
- 9) INDEMNITY. SELLERS AGREE TO INDEMNIFY AND HOLD HARMLESS THE BUYER AND ANY CONTRACTOR, AGENT, OR EMPLOYEE OF BUYER AGAINST ANY LOSS, DAMAGE, OR LIABILITY, INCLUDING ATTORNEY'S FEES, ARISING FROM THE NEGLIGENCE, BREACH OF WARRANTY, OR OTHER ACT OF SELLER ITS EMPLOYEES AND CONTRACTORS.
- 10) NOTICES. Any notice authorized by this Agreement to be served or given to either party hereto shall be sufficiently served or given for all purposes if sent by United States mail, postpaid, addressed to the party at its place of business, as set forth on the face hereof.
- 11) TAXES. Unless otherwise stated, the sales prices specified herein do not include any federal, state, or local taxes. Wherever applicable, such taxes or charges will be for the account of the party responsible at law for payment thereof, unless specifically otherwise provided on the face of this Agreement.
- 12) ENTIRE AGREEMENT. This document contains the entire agreement of the parties concerning the subject matter hereof and no provision hereof shall be deemed waived or amended except in writing signed by the parties.

RAY LILES & T/E SORENSON

503-772-2930

BOISE CASCADE CORPORATION

BY:


 SELLER

TELEPHONE

BY:


 BUYER

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title co the 4th day
 of June A.D., 19 93 at 11:59 o'clock A.M., and duly recorded in Vol. M93
 of Deeds on Page 12921.

FEE \$40.00

Evelyn Biehn, County Clerk

By 