

Inst # 2000-04449

02/14/2000-04449

08:08 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE

~~08:08 AM~~ ~~02/14/2000~~

3891 Klein Road

Harpersville, Alabama 35078

This instrument was prepared by:

Mark G. Pottorff

Smith, Gambrell & Russell, LLP

Suite 3100, Promenade II

1230 Peachtree Street, N.E.

Atlanta, GA 30309-3592

STATUTORY WARRANTY DEED

Shelby County, Alabama

KNOW ALL MEN BY THESE PRESENTS: That U.S. ALLIANCE COOSA PINES CORPORATION, an Alabama corporation, hereinafter called Grantor, for and in consideration of the sum of Ten and No/100ths Dollars (\$10.00) and other good and valuable consideration hereby acknowledged to have been paid to said Grantor by HAWAII ERS TIMBERLAND LLC, a Hawaii limited liability company, hereinafter called Grantee, does hereby grant, bargain, sell, and convey unto the said Grantee, subject to the matters and reservations hereinafter set forth, the following described property, to-wit:

All those tracts or parcels of land lying and being in Shelby County, Alabama, and being more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof together with all buildings, structures, improvements, woodyards and fixtures located thereon and all trees, timber, saplings and seedlings, including, without limitation, all down and standing trees (the "Property").

SUBJECT TO and only to (i) easements, rights of way, restrictions, covenants and other matters of record or that would be disclosed by a careful physical inspection or accurate survey of the Property and that existed prior to the date of Grantor's acquisition of the Property or any portion thereof; (ii) those matters more particularly described in Exhibit "B" attached hereto and made a part hereof; (iii) reservation of mineral rights as set forth in Exhibit "C" attached hereto and hereby made a part hereof; and (iv) the reservation set forth hereinbelow (the "Permitted Exceptions").

TOGETHER with all and singular the rights of ways, easement rights, licenses, permits, members, privileges, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

TO HAVE AND TO HOLD unto said Grantee and unto Grantee's successors and assigns forever.

RESERVING, HOWEVER, UNTO GRANTOR those certain timber cutting rights, rights of first offer and other rights as more particularly described in, and to be exercised only pursuant to the terms of, that certain Fiber Supply Agreement (the "Supply Agreement") dated of even date herewith by and between Grantor and John Hancock Life Insurance Company, Cahaba Forests, LLC, Hawaii ERS Timberland LLC, and Great Eastern Timber Company LLC, a memorandum of said Supply Agreement being attached hereto as Exhibit "D".

AND, subject to the Permitted Exceptions, Grantor will warrant and defend the right and title to the Property unto Grantee against the lawful claims of all persons claiming by, through, or under Grantor, and none other.

IN WITNESS WHEREOF the Grantor has hereunto set Grantor's hand and seal on this 10th day of February, 2000.

U.S. ALLIANCE COOSA PINES CORPORATION,
an Alabama corporation

By: _____

Pierre Monahan
President

STATE OF GEORGIA)
COUNTY OF FULTON)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Pierre Monahan, whose name as President of U.S. Alliance Coosa Pines Corporation, is signed to the foregoing conveyance and who is known to me, does acknowledge before me on this day that, being informed of the contents of the conveyance, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 10th day of February, 2000.

NOTARY PUBLIC

Dorothy D. Reyelts

My Commission Expires: _____

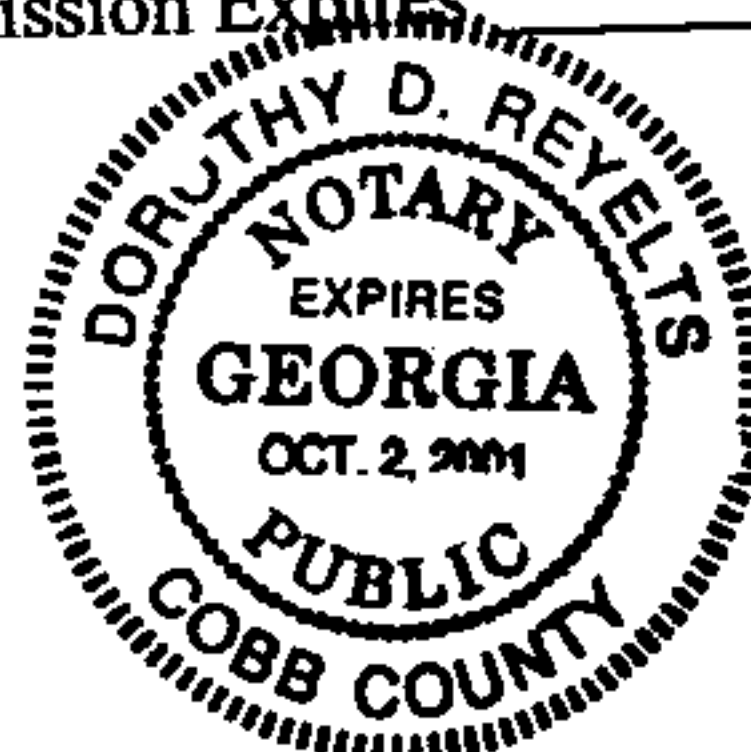


EXHIBIT "A"

The following described property situated in Shelby County, Alabama:

Township 20 South, Range 1 East

South 1/2 of the Northeast 1/4 of the Southwest 1/4	18	20 South	1 East
Northeast 1/4 of the Northwest 1/4	19	20 South	1 East
West 1/2 of the Southwest 1/4	31	20 South	1 East
Northeast 1/4 of the Southwest 1/4	31	20 South	1 East

LESS AND EXCEPT the SE 1/4 of the NE 1/4 of the SW 1/4 of said section. ALSO, LESS AND EXCEPT that part lying within road right of way described as follows: Commencing at the NE corner of the NE 1/4 of the SW 1/4 of Section 31, Township 20 South, Range 1 East; South 0 deg. East, 603.85 feet; through a curve (R=445.00 feet, delta=12 deg. 52 min. 32 sec. RT) with a chord bearing North 6 deg. 08 min. 48.3 feet west; North 2 deg. 24 min. 51 sec. West, 435.43 feet; through a curve (R=908.26 feet, delta=7 deg. 19 min. 10 sec. LT); North 90 deg. East 37.90 feet to the point of beginning, said strip of land lies in the NE 1/4 of the SW 1/4 of said Section 31.

Township 18 South, Range 2 East

Southwest 1/4 of the Northeast 1/4	1	18 South	2 East
Fifty eight and 1/10 acres described as follows: Beginning at the northwest corner of the Southeast 1/4 of the Northeast 1/4 and run 20 chains (1,320 feet) east; thence south 10.26 chains (677.16 feet) to top of mountain; thence and meandering along top of mountain as follows: South 29 deg. West 9.22 chains (608.52 feet); South 23 deg. West 4 chains (264 feet); South 26 deg. West 7.77 chains (512.82 feet); South 30 deg. West 4.14 chains (273.24 feet); South 37 deg. West 4.39 chains (289.74 feet); South 26 deg. West 3.7 chains (244.2 feet); South 32 deg. West 5.6 chains (369.6 feet) to the west line of the Southeast 1/4 of Southeast 1/4; thence north 42.8 chains (2,824.8 feet) to the point of beginning, all being in Section 1, Less and except herefrom any of said land lying in the Southeast 1/4 of the Southeast 1/4 of said Section 1.	1	18 South	2 East
North 1/2 of the Northeast 1/4	1	18 South	2 East
Northwest 1/4	1	18 South	2 East

Southwest 1/4	1	18 South	2 East
Northwest 1/4 of the Southeast 1/4	1	18 South	2 East
That part of the Southwest 1/4 of the Southeast 1/4 on top of mountain known as the Bentley Crane Place	1	18 South	2 East
All of Section	2	18 South	2 East
East 1/2 of the Northeast 1/4	3	18 South	2 East
Southeast 1/4	3	18 South	2 East
East 1/2 of the Southeast 1/4	9	18 South	2 East
West 1/2 of the Northwest 1/4	9	18 South	2 East
All of Section except 1/2 acre in the NW 1/4 of the NE 1/4 known as the cemetery lot	10	18 South	2 East
West 1/2 of the Northeast 1/4	11	18 South	2 East
Northeast 1/4 of the Northeast 1/4	11	18 South	2 East
Northwest 1/4	11	18 South	2 East
North 1/2 of the Southwest 1/4	11	18 South	2 East
Southwest 1/4 of the Southwest 1/4	11	18 South	2 East
Northwest 1/4 of the Southeast 1/4	11	18 South	2 East
Four acres along the north boundary of the Southeast 1/4 of the Southwest 1/4	11	18 South	2 East
All that part of the Northwest 1/4 of the Northwest 1/4 lying north and west of the creek	12	18 South	2 East
Southwest 1/4 of the Northwest 1/4	12	18 South	2 East
Thirty acres lying east of Camp Creek in the Northwest 1/4 of the Northwest 1/4 and 39.5 acres described as follows: Beginning at the northeast corner of the Southwest 1/4 of the Northwest 1/4 and run North 20 chains (1,320 feet) to the northeast corner of the Northwest 1/4 of the Northwest 1/4; thence East 25.18 chains (1,661.88 feet) to top of mountain; thence meandering and along the top of the mountain South 32 deg. West 4.21 chains (277.86 feet); South 29 deg. West 10.03 chains (661.98 feet); South 28 deg. West 4.95 chains (326.7 feet); South 35 deg. West 4.97	12	18 South	2 East

chains (328.02 feet) to the south line of the Northeast 1/4 of the Northwest 1/4 of Section 12; thence west 12.82 chains (846.12 feet) to the point of beginning.

Southeast diagonal 1/2 of the Southeast 1/4 of the Northwest 1/4 of the Southwest 1/4 of Section 14, LESS AND EXCEPT the following described property: Begin at the SE corner of the NW 1/4 of the SW 1/4; thence North 01 deg. 03 min. 29 sec. West along the said forty line a distance of 661.05 feet; thence South 44 deg. 46 min. 37 sec. West for 167.64 feet to a point on the east right of way line of Shelby County Highway No. 57; thence in a southeasterly direction along the said east right of way line of Highway No. 57 for 545 feet, more or less, to a point on the south boundary line of said forty; thence North 89 deg. 30 min. East along said forty boundary line for 29.53 feet back to the point of beginning of herein excepted parcel.	14	18 South	2 East
Southwest 1/4 of the Southwest 1/4 LESS 5 acres in the northeast corner thereof	14	18 South	2 East
South 1/2 of the Southwest 1/4	15	18 South	2 East
Southeast 1/4 of the Southeast 1/4	15	18 South	2 East
One acre in the southeast corner of the Northwest 1/4 of the Southeast 1/4 lying east and north of Branch and south of Mrs. S. L. Davis land	15	18 South	2 East
Two acres in the southwest corner of the Northeast 1/4 of the Southeast 1/4	15	18 South	2 East
North 1/2 of the Southwest 1/4	15	18 South	2 East
North 1/2 of the Southeast 1/4	15	18 South	2 East
Southwest 1/4 of the Southeast 1/4	15	18 South	2 East
North 1/2 LESS AND EXCEPT a tract of land sold to Thomas M. Poe, Jr., on October 30, 1984 and described as follows: Begin at the Northeast corner of Section 15, Township 18 South, Range 2 East, for the point of beginning; thence run Southwardly along the East line of said Section 15 for a distance of 1,159.23 feet to an existing iron pin; thence turn an angle to the right of 89 deg. 55 min. 34 sec. for a distance of 4,676.89 feet; thence turn an angle to the right of 102 deg. 41 min. 17 sec. for a distance of 1,130.03 feet to the North line of said Section 15; thence turn an angle to the right of 76 deg. 34 min. 39 sec. and run Eastwardly along the North line of said section for a distance of 4,430.55 feet to the point of beginning.	15	18 South	2 East

South 1/2 of the Southwest 1/4	16	18 South	2 East
East 1/2 of the Northeast 1/4	16	18 South	2 East
Southeast 1/4	16	18 South	2 East
Northeast 1/4 of the Southwest 1/4	16	18 South	2 East
Northeast 1/4 of the Southeast 1/4	34	18 South	2 East
East 1/2 of the Northeast 1/4	34	18 South	2 East

Township 19 South, Range 2 East

Southeast 1/4	8	19 South	2 East
North 1/2 of the Southwest 1/4	8	19 South	2 East
Southeast 1/4 of the Southwest 1/4	8	19 South	2 East

Township 20 South, Range 1 West

Northeast 1/4 of the Southeast 1/4	35	20 South	1 West
Southwest 1/4 of the Northwest 1/4	36	20 South	1 West
Northwest 1/4 of the Southwest 1/4	36	20 South	1 West
South 1/2 of the Southwest 1/4	36	20 South	1 West

Township 21 South, Range 1 West

South 1/2 of the Northwest 1/4	33	21 South	1 West
West 1/2 of the Northeast 1/4	33	21 South	1 West
All of the East 1/2 of the Northeast 1/4 lying west of Waxahatchie Creek	33	21 South	1 West
Northwest 1/4 of the Southeast 1/4 LESS AND EXCEPT, a part of the NW 1/4 of the SE 1/4, described as: Commencing 158 feet from the NW corner of said forty and running South 70 yards (210 feet); thence East 35 yards (105 feet); thence North 70 yards (210 feet);	33	21 South	1 West

thence West 35 yards (105 feet) to the beginning point.

All that part of Northeast 1/4 of Southeast 1/4 lying North of the old Columbiana and Shelby Springs Road

33 21 South 1 West

Part of the East 1/2 of Southeast 1/4 described as follows: Beginning at a point where the new Calera-Montevallo Road, State Highway No. 25 crosses the Waxahatchie Creek; thence running along the Northern boundary line of said road westerly a distance of 1200 feet; thence at right angles to said road run Northward to the center of the old Calera-Montevallo Road, being an approximate distance of 172 feet; thence Eastward along the center line of said old road to said Creek; thence Southward along the meandering of said Creek to the point of beginning.

33 21 South 1 West

East 1/2 of the Southwest 1/4

33 21 South 1 West

All that part of the Southwest 1/4 of the Southwest 1/4 that lies north of the right of way of the Columbiana-Calera Highway, Shelby County, Alabama. Less and except the following two parcels of land: (i) EXCEPT the Summer Hill Church lot which is described as follows: Commencing at the southwest corner of Section 33, and run in an easterly direction along the south boundary of said section 881 feet; thence turn an angle of 90 deg. to the left and run 85 feet to a point on south side of State Highway No. 25 for point of beginning of said Church lot; from said point of beginning, continue thence North in the same direction 340 feet; thence turn an angle of 90 deg. to the right and run 293.5 feet; run thence in a southerly direction at right angle to the south boundary of said section to the south side of said highway; run thence along the south side of said highway to point of beginning. and (ii) LESS AND EXCEPT, the additional Summer Hill Church lot which is described as follows: Commence at the Southeast corner of the "Summer Hill Church Lot" in the Southwest 1/4 of the Southwest 1/4 of Section 33, (as described in deed recorded in Deed Book 213 page 663, in the Office of the Judge of Probate of Shelby County, Alabama); thence proceed Easterly 129 feet to the Southeast corner of the Southwest 1/4 of the Southwest 1/4 of said Section 33; thence turn North 2 deg. 15 min. East and run 360 feet; thence run west for 129 feet to the Northeast corner of said Church lot; thence run South to the point of beginning.

33 21 South 1 West

Township 22 South, Range 1 West

SE 1/4 of the NW 1/4 2 22 South 1 West

Northwest 1/4 of the Southwest 1/4 4 22 South 1 West

A lot in the Southwest 1/4 of the Northwest 1/4 more particularly described as follows, to-wit:
Commencing on the south line of said Southwest 1/4 of Northwest 1/4 at a point 30 feet west of southeast corner of said forty and run north 105 feet; run thence west 420 feet; thence south 105 feet to the south line of said Southwest 1/4 of Northwest 1/4; thence east to point of beginning. 4 22 South 1 West

NE 1/4 of the NW 1/4 4 22 South 1 West

A parcel of land in the Northeast 1/4 being more particularly described as follows:
Commencing at the Southeast corner of the Northeast 1/4 of Section 5, Township 22 South, Range 1 West, which is designated as lock and key corner; run thence North 5 deg. East 30 chains (1,980 feet); turn thence an angle of 90 deg. to the left and run 26.82 chains (1,770.12 feet); turn thence an angle of 90 deg. to the left and run 5.9 chains (389.4 feet); turn thence an angle of 90 deg. to the right and run 3.18 chains (209.88 feet); turn thence an angle of 90 deg. to the left and run South 3 deg. West 24.10 chains (1,590.6 feet) to the East and West median line of said section; turn thence an angle of 90 deg. to the left and run along the said median line 30 chains (1,980 feet) to the point of beginning. 5 22 South 1 West

Township 21 South, Range 3 West

West 1/2 of the Northeast 1/4 5 21 South 3 West

East 1/2 of the Southwest 1/4 5 21 South 3 West

Township 22 South, Range 4 West

Northeast 1/4 16 22 South 4 West

South 1/2 16 22 South 4 West

Northwest 1/4

16

22 South

4 West

All of Section

21

22 South

4 West

EXHIBIT "B"

1. Taxes for the year 2000, not yet due and payable.
2. Title to all minerals within and underlying the premises, together with all mining rights and other rights, privileges and immunities relating thereto, including rights set out in Inst. #1997-9552, in Probate Office of Shelby County, Alabama.
3. Underground Communications Line Easement granted to Level 3 Communications, LLC , by instrument dated December 9, 1999, and recorded as Inst. #2000-00007, aforesaid records.
4. Reservation of a personal license to transverse property granted to John T. Mewborn during his life-time, as set out in the Deed from John T. Mewborn to U. S. Alliance Coosa Pines Corporation recorded as Inst. #1998-43780, aforesaid records, as to property in Township 19 South, Range 1 East.
5. Public road easement granted to Shelby County, subject to terms, conditions and limitations of same, dated June 14, 1999 and recorded by Inst. No. 1999-25487, aforesaid records, as to property in Township 20 South, Range 2 West.

EXHIBIT C TO STATUTORY WARRANTY DEED

MINERAL RIGHTS RESERVATION

Grantor does expressly reserve all right, title and interest in and to the oil, gas and other minerals of every kind and character (but excluding sand, gravel, rock and aggregate) that are owned by Grantor (the "Minerals"). Grantor reserves the right of ingress and egress for the purpose of conducting Operations (as hereinafter defined), subject to the following terms and conditions:

1. Notwithstanding anything herein to the contrary, the Minerals shall be recovered solely by means of the drilling of wells or the installation of underground mine shafts. Grantor shall not have the right to recover the Minerals by any surface mining method or any other method that is destructive of the surface, including without limitation by open pit, strip or other surface methods ("Restricted Methods"), and Grantor shall not join with others to conduct Restricted Methods on the Property without the prior written consent of Grantee, which consent may be withheld arbitrarily by Grantee.

2. Grantor shall (i) pay Grantee just and reasonable compensation for any injury or damage to the Property and to any standing and down timber, crops and improvements thereon caused by Operations, and (ii) conduct all Operations in full compliance with all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction over the Property, including but not limited to those laws, rules, regulations and orders for protection of the environment, prevention of water pollution and prevention and suppression of forest fires. Upon conclusion of each of the Operations, Grantor shall promptly restore the surface of the Property to substantially the same condition in which it existed prior to such Operations. Grantor shall use its best efforts to protect and prevent the Property from being contaminated or damaged by hazardous substances in such manner as may be required by governmental regulations, and in the absence of such regulations, by disposing of such substances in accordance with the best industry practices.

3. For each well location or underground mine shaft placed on the Property, Grantor agrees to compensate Grantee by payment of the greater of (i) the fair market value of the affected acres, or (ii) the amount paid by Grantee for such acres, in either case including the timber on such acres. Grantor and Grantee agree that the amounts to be paid as set forth herein for a well location are just and reasonable compensation for the use of such acres only.

If Grantor performs any seismic or other exploratory operations on the Property, Grantor shall compensate Grantee at the rate customary in the vicinity for such operations.

4. Grantor shall give Grantee written notice at least thirty (30) days before entering upon the surface of the Property to commence Operations, with notice to be given before the commencement of each of such Operations. Each such notice shall include evidence reasonably satisfactory to Grantee that Grantor has the ability to pay all amounts which are required or may be required to be paid hereunder. Each such notice shall contain

a map or plat showing the location on the Property of the Operations to be conducted, a full description of such Operations, a description of any timber that must be cut and removed from the Property in connection therewith and a time table showing the anticipated dates on which Operations are expected to commence and be concluded.

Grantor may not construct any roads or pipelines on the Property without Grantee's prior written approval, which approval shall not be unreasonably delayed or withheld. Grantor shall build and use only such roads as are reasonably necessary to conduct Operations on the Property. Grantee shall have the right in common with Grantor to use any such roads in such manner as not to interfere unreasonably with Operations. All roads constructed by Grantor shall become the property of Grantee, provided that Grantee may require that all or any lands affected by said roads be reclaimed and restored by Grantor as nearly as practical to their original condition upon cessation of Operations. Grantor shall provide at Grantor's expense all necessary protective measures to prevent any loss or damage to the property of Grantee on account of any Operations. Unless first consented to in writing by Grantee, no well shall be drilled nearer than 200 feet to any structure now or hereafter placed on the Property. When requested by Grantee, Grantor will bury pipelines to below ordinary plow depth or to such greater depth as Grantee deems necessary for its timber operations, but not to exceed three feet. All buried pipelines shall be marked at road crossings and enclosed in casings with sufficient strength to prevent the passing of heavy equipment over the road without damage to the pipeline.

5. Grantor shall conduct all Operations so as to minimize interference with Grantee's use and operation of the surface of the Property. Grantor shall bear the sole responsibility for monitoring any and all Operations to ensure that said Operations are conducted in accordance with the terms set forth herein.

6. Grantor shall defend, indemnify and hold Grantee harmless from and against all claims, demands, liabilities, judgments, penalties, causes of action, losses, damages, costs and expenses (including attorney's fees, expert's fees and court costs) of any and every character, known or unknown, fixed or contingent, asserted against or incurred by Grantee arising out of or in connection with Operations, or from Grantor's failure to comply with any of the terms set forth herein.

7. Grantor covenants and agrees that any lease or other agreement entered into by Grantor that permits a third party to conduct Operations shall require such third party expressly to agree to be bound by the terms and conditions of this instrument and to bear and assume all liabilities and obligations with respect to the Operations to be conducted by such third party that are imposed upon Grantor under this instrument, and such lease or other agreement also shall expressly state that such provisions are for the benefit of Grantee. Notwithstanding the foregoing, Grantor shall be liable to Grantee in the event such third party or its contractor defaults in the performance of the terms and conditions of this instrument.

8. Grantor shall be responsible for and shall pay any and all taxes that may be levied or assessed against the Minerals or any increase in property taxes payable by Grantee as a direct result of the Operations.

9. Before conducting any Operations, Grantor shall obtain and maintain all such insurance policies as may be reasonably requested by Grantee. Said insurance policies shall be in amounts and otherwise in form reasonably acceptable to Grantee and shall name Grantee as an additional insured thereunder.

The terms hereof shall run with the Property and inure to the benefit of and be binding on Grantor, and its lessees, successors and assigns, and Grantee and its successors in ownership of the surface of the Property. "Operations" as used herein shall mean all operations on the Property in connection with the Minerals, including without limitation exploration, development, production, transportation, and all other operations.

EXHIBIT "D"

MEMORANDUM OF SUPPLY AGREEMENT AND RIGHT OF FIRST OFFER

Pursuant to the Supply Agreement, U.S. Alliance Coosa Pines Corporation, an Alabama corporation ("USA") has agreed to purchase certain quantities and types of wood fiber ("Timber"), including Pine Sawtimber, Pine Chip-n-Saw, Pine Pulpwood, Mixed Hardwood Sawtimber and Hardwood Pulpwood (as such terms are defined in the Supply Agreement), located on certain Alabama timberlands (the "Timberlands"), including the timberlands more particularly described on Exhibit A to this Deed. In addition, as part of the Supply Agreement, USA has been granted a right of first offer with respect to future sales of all or portions of the Timberlands. A complete copy of the Supply Agreement is on file in USA's office at 17589 Plant Road, Coosa Pines, Alabama 30544. The following are certain, but not all, material provisions of the Supply Agreement. These provisions are hereby disclosed to third parties so that such parties may have record knowledge of the rights of USA and Grantee pursuant to the Supply Agreement.

Term. The term of the Fiber Supply Agreement commenced on February 10, 2000, and shall expire on December 31, 2014, unless sooner terminated for cause pursuant to the terms of the Supply Agreement.

USA's Right of First Offer.

(a) In Article 9 of the Fiber Supply Agreement, USA is granted a right of first offer with respect to the Timberlands. The specific provisions of Article 9 are as follows:

"9.1 Notice of Proposed Sale. If Seller desires to sell the fee title to all or any portion of the Timberlands (the "Timberlands Interest"), USA shall have a right of first offer to acquire all, but not less than all, of such Timberlands Interest, and Seller shall not transfer such Timberlands Interest

without first complying with the provisions of this Article 9. Seller shall give written notification to USA, by certified mail or personal delivery, of Seller's desire to sell the Timberlands Interest at issue (the "RFO Notice"). In order to be effective, the RFO Notice must contain the following information: (i) a detailed description of the Timberlands Interest to be sold, (ii) the cash price of the Timberlands Interest to be sold and (iii) the Assumed Volume (as hereinafter defined) proposed to be allocated to said Timberlands Interest (the "Offer Terms"). For the purposes of this Article 9, the sale of a controlling interest in Seller (or the sale of an interest in Seller which when aggregated with previous sales would constitute a controlling interest in Seller) shall constitute a sale of a Timberlands Interest.

9.2 Response to Notice. USA shall have the right to purchase all (but not less than all) of the Timberlands Interest proposed to be sold by Seller upon the same terms and conditions as stated in the aforesaid RFO Notice by giving written notification to Seller, by certified mail or personal delivery, of its intention to do so within thirty (30) days after receiving the RFO Notice (the "RFO Response").

9.3 Waiver of Right. Except as hereinafter provided, the failure of USA to timely provide the RFO Response shall result in the termination of its right to purchase the Timberlands Interest covered by such RFO Notice. In such event, Seller shall be entitled to sell the Timberlands Interest to a third party purchaser consistent with the Offer Terms, or for a cash price which is more favorable to Seller than as set forth in the Offer Terms. In the event Seller does not close the proposed transaction consistent with the Offer Terms, or for a cash price which is more favorable to Seller than as set forth in the Offer Terms, within eighteen (18) months, or if Seller desires to consummate a sale of the applicable Timberlands Interest for a cash price which is less favorable to Seller than as set forth in the Offer Terms, then USA's right of first offer shall be reinstated as to such Timberlands Interest in accordance with the terms and procedures set forth above. No sale of a Timberlands Interest shall be valid unless the Seller has complied with the provisions of this Article 9 prior to consummation of such sale. In the event USA fails to timely provide the RFO Response, USA shall promptly execute any and all documentation requested by Seller in order to evidence the waiver of USA's right of first offer with respect to said Timberlands.

9.4 Closing. In the event USA gives written notice to Seller in compliance with Section 9.2 above of its desire to exercise its right to purchase all of the Timberlands Interest which Seller desires to sell, Seller shall designate the time, date and place of closing, provided that the date of closing shall be no earlier than ninety (90) days, and no later than one hundred eighty (180) days, after receipt by Seller of the RFO Response. In

such event, the purchase and sale of the Timberlands Interest shall be effected pursuant to the Offer Terms and otherwise in accordance with the terms of Seller's standard real estate sales contract (which contract shall be subject to USA's reasonable review and approval).

9.5 Applicability of Right of First Offer. The right of first offer set forth herein shall not apply to (a) the sale or transfer of any Exempt Acres, as hereinafter defined; (b) any mortgage, deed of trust or security interest granted to any lender providing financing secured by all or any part of the Timberlands; (c) any foreclosure sale conducted by any such lender; (d) the sale or transfer of all or any part of the Timberlands to (i) [John Hancock Life Insurance Company (formerly known as John Hancock Mutual Life Insurance Company) ("JH")] or a limited partnership in which [JH] is the sole general partner; or (ii) any entity which is the beneficial owner of the Timberlands Interest (the "Beneficial Owner") and for whom Seller holds title in a fiduciary capacity, or any entity which is controlled by said Beneficial Owner; (e) any condemnation of any portion of the Timberlands, or any sale in lieu thereof, or (f) any easement, cutting contract, hunting license or lease of any portion of the Timberlands."

(b) The term "Exempt Acres" means up to 8,000 acres of the Timberlands per annum, on a non-cumulative basis.

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