

TIMBER SALE AND PURCHASE CONTRACT

STATE OF ALABAMA)

SHELBY COUNTY)

THIS CONTRACT is entered into on May 27, 2003,
By Patricia Neal ("Seller"), and Griffin Wood Co. Inc.
("Purchaser").

Seller, for and in consideration of the sum of Thirty three thousand eight hundred eighty seven dollars and ninety two cents (\$ 33,887.92) paid by Purchaser, the receipt whereof is hereby acknowledged, Seller hereby grants, bargains, sells and conveys unto Purchaser all merchantable pine and poplar timber with the exception of marked trees around the house on the following described real estate (the "Timber"):

Part of the NW 1/4 of Section 21, T. 21 S., R. 1 W.; as shown on the attached Exhibit "A" together with the right of ingress, egress and regress for Purchaser, its agents, servants, contractors, employees, successors and assigns, over, across and along said lands, for the purpose of cutting and removing the timber, the parties hereto agree as follows:

1. The Seller covenants with the Purchaser that it is free from all encumbrances unless otherwise noted , that they have a good right to sell and convey the timber from said land, and they will warrant and defend the Purchasers right to cut and remove said timber from the above described land against lawful claims of all persons.

2. Title to the Timber shall revert to Seller if any of the Timber is not removed from said lands within one year.

3A. Purchaser shall provide and maintain at its expense the following insurance protecting it, and the Seller to extent of all indemnification obligations hereunder, from claims arising out of or resulting from Purchaser's operations hereunder.

(a) Workers' Compensation in statutory requirements and Employer's Liability with limits of liability of not less than One Hundred Thousand Dollars (\$100,000.00) per accident.

(b) Commercial General Liability including Blanket Contractual Coverage, Broad Form Property Damage, and Personal Injury, with not less than Five Hundred Thousand Dollars (\$500,000.00) general aggregate limit per policy year for bodily injury or property damage.

(c) Business Automobile Liability covering owned, hired, leased and non-owned vehicles, with not less than Five Hundred Thousand Dollars (\$500,000.00) combined single limit for bodily injury or property damage per occurrence.

(d) The policies of insurance shall be written on an occurrence basis and shall include a provision for severability of interest to the extent of any indemnification obligations of Purchaser under this Agreement.

Prior to the commencement of the removal of the Timber, Purchaser shall furnish Seller with certificates of insurance providing evidence of the insurance required. Such certificates shall provide for ten (10) days prior written notice to Sellers of either cancellation or material alteration of the above types or amounts of insurance.

3B. The purchaser agrees to protect, defend, indemnify, pay and hold the Seller free and harmless from and against any and all losses, claims, liens, demands, liabilities and causes of action of every kind and character including the amount of judgments, penalties, interest, court cost sand legal fees incurred by the Sellers in defense of same, arising in favor of any party, all claims, or demands of every character occurring or in anywise incident to in connection with or arising directly or indirectly out of any of the Purchaser's operations hereunder and caused by any act or omission of the Purchaser, its agents and employees and subcontractors.

4. Purchaser shall conduct cutting, logging and all other operations hereunder in careful and prudent manner and in such

way as not unreasonably to damage or destroy growing timber not sold to Purchaser, shall pay to Seller twice the agreed upon stumpage rate for timber not sold to Purchaser that may be willfully or negligently cut, damaged or destroyed by Purchaser or its agents, servants, employees or contractors; not including, however non-conveyed trees the removal of which is necessary for reasonable entrance to the lands above described. The Purchaser, or its agents, employees or contractors will remove from the Sellers property all containers, paper, cans, bottles, cable or other manmade debris they produce while removing this timber. All streams, existing roads and ROWs will be at all times kept free of tops, limbs or other logging debris. All roads, culverts or bridges will be left in as good conditions as at the start of logging operations. Purchasers are to comply with Alabama Best Management Practices. No old line fence trees may be cut.

5. Sellers agent shall be notified before logging is begun and one week before logging is completed. Representatives of Seller will make periodic inspections of cutting and logging operations hereunder during the term of this contract, and Purchaser agrees, promptly upon demand to correct any violations hereunder which such inspections may disclose.

6. All risks of loss or damage to the Timber shall be on the Purchaser from and after the date of this contract, and no damage to or destruction of the Timber shall relieve Purchaser of any of its options hereunder.

7. Purchaser shall pay all severance and like taxes on the Timber and all ad valorem taxes on its machinery and equipment on the land.

8. This contract and all the terms and provisions and covenants hereof and all the rights, title, powers and options herein contained shall be binding upon and shall inure to the benefit of and be exercised by the successors and assigns of the respective parties and the Grantees and successors in title of the Sellers. This contract and the rights, benefits,

powers and privileges hereunder may be assigned or transferred by either party hereto, but no such assignment or transfer by Purchaser shall release Purchaser from any of its obligations under this contract.

In witness whereof, the parties hereto have executed this contract on the day and year first written above.

By:

Seller:

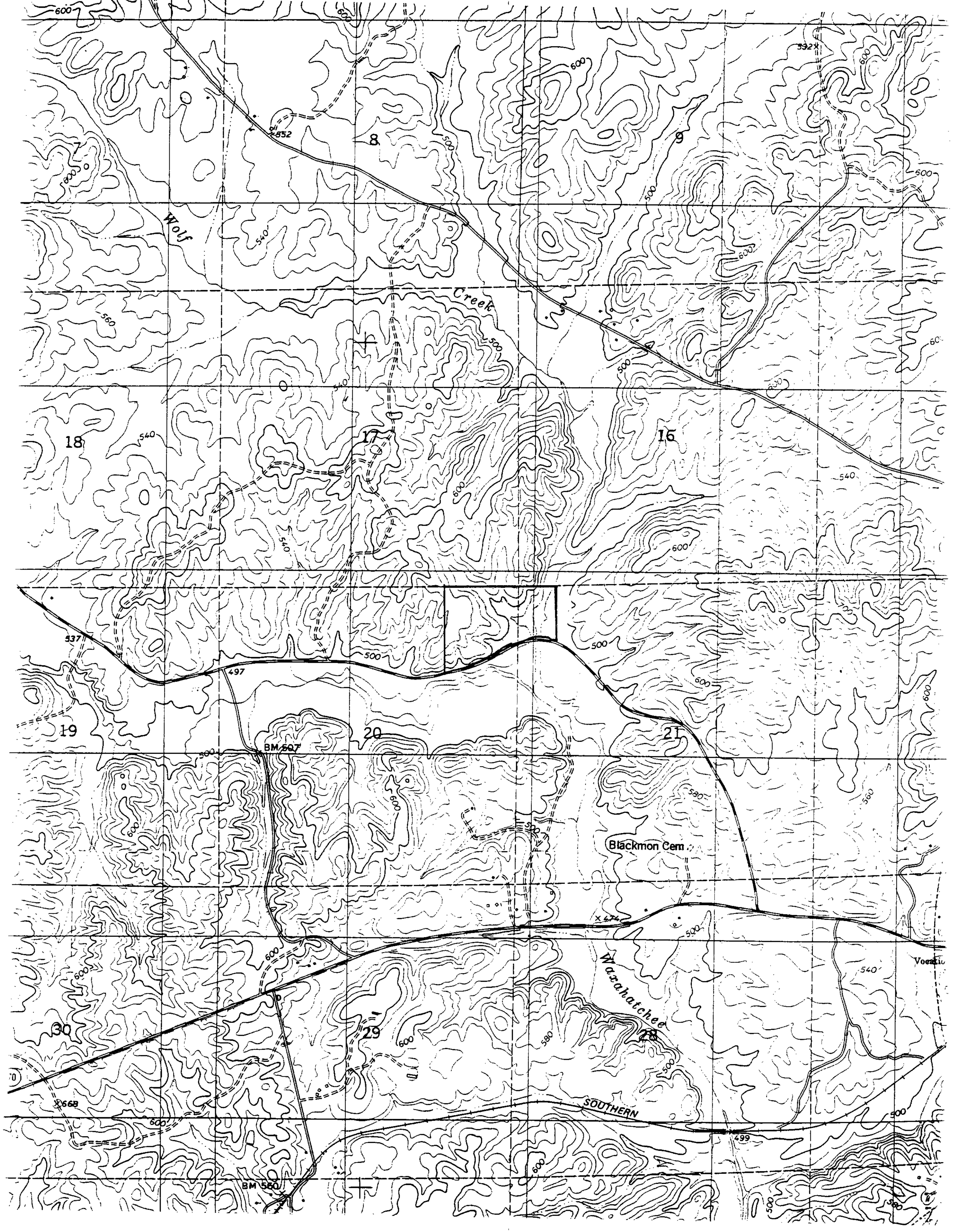
Patricia Neal

Patricia A. Neal

By:

Purchaser:

Griffin Wood Co. Inc.



PATRICIA Neal

SPECIES	VOLUME	STUMPAGE	TOTAL	TRACT NAME:
PINE PULP.	_____ TONS @	_____ =	\$ _____	
PINE LOGS B5	_____ TONS @	_____ =	\$ _____	
PINE C-N-S B2	_____ TONS @	_____ =	\$ _____	
HWD PULP	_____ TONS @	_____ =	\$ _____	
RED, WATER OAK	_____ MBF @	_____ =	\$ _____	
WHITE OAK, ASH	_____ MBF @	_____ =	\$ _____	
GUM & POPLAR	<u>4,396</u> MBF @	<u>320^w</u> =	\$ <u>1406⁷²</u>	
HICKORY & MISC	_____ MBF @	_____ =	\$ _____	
KKK PINE PULP.	_____ TONS @	_____ =	\$ _____	
KKK B2 6" TOP	_____ TONS @	_____ =	\$ _____	
KKK B4 8" TOP	_____ TONS @	_____ =	\$ _____	
IP TUSK/MAPLE (B2)	<u>44⁹⁸</u> TONS @	<u>147^w</u> =	\$ <u>6,412⁰⁶</u>	
IP TUSK/MAPLE (B4)	<u>370.¹⁷</u> TONS @	<u>189^w</u> =	\$ <u>69,962¹³</u>	
POLES	_____ TONS @	_____ =	\$ _____	
NEWTON	_____ TONS @	_____ =	\$ _____	
ROCKY CREEK	_____ TONS @	_____ =	\$ _____	

TOTAL BID SUBMITTED \$ 77,980⁹¹

MILEAGE:

MBI _____
LIN _____
UC _____
THO _____
S. DAVIS _____
WEY _____
IP SELMA _____
MILLPORT _____
KKK _____
KOPPERS _____
TUSK/HULLS _____
MAPLESVILLE _____
CV _____
ROCKY CREEK _____

FREIGHT PRICE:

MBI _____
LIN _____
UC _____
THO _____
S. DAVIS _____
WEY _____
IP SELMA _____
MILLPORT _____
KKK _____
KOPPERS _____
TUSK/HULLS _____
MAPLESVILLE _____
CV _____
ROCKY CREEK _____

PRODUCTION PER TON:

MBI (B5&B2) _____
MBI (C&D) _____
LL _____
THORSBY _____
S. DAVIS _____
PRATTVILLE _____
IP SELMA _____
WEY COLUMBUS _____
WEY MILLPORT(PINE) _____
WEY MILLPORT (HDWD) _____
IP TUSK/HULLS _____
KOPPERS _____
KKK (PULP) _____
KKK (B4&B2) _____
CAHABA VALLEY _____
ROCKY CREEK _____

20030616000377690 Pg 6/6 104.00
Shelby Cnty Judge of Probate, AL
06/16/2003 14:39:00 FILED/CERTIFIED