

BUYER



20070223000083070 1/8 \$182.00
Shelby Cnty Judge of Probate, AL
02/23/2007 08:15:35AM FILED/CERT

STATE OF ALABAMA

COUNTY OF SHELBY

MEMORANDUM OF AGREEMENT

This **MEMORANDUM OF AGREEMENT** ("Memorandum") is executed this day by and between **SWF Birmingham, LLC**, acting through its authorized agent and property manager **Molpus Timberlands Management, LLC**, ("Seller") and **Blue Ox Forestry, Inc.** ("Buyer") in order to memorialize a portion of the **Lump Sum Timber Cutting Agreement** (the "Agreement") dated December 8, 2006 (the "Effective Date"). The terms and conditions of the Agreement include but are not limited to the following material terms:

1. Sale of Cutting Right. The Seller sold to Buyer and the Buyer purchased from Seller certain timber ("Covered Products") located upon certain property (the "Contract Area") for the price and upon the terms and conditions as set forth in the Agreement.

SALE PRICE: \$150,024.00
2. Covered Products. The Covered Products shall mean all standing and down timber located on the Contract Area.
3. Contract Area. The Contract Area shall mean that area described in Exhibit "A," and depicted in Exhibit "B-1," comprising approximately 70 acres in Shelby County, Alabama, Section 34, Township 20 South, Range 4 West and Section 3, Township 21 South, Range 4 West. The Covered Products are only located within the designated area identified on Exhibit "B-1." The legal description in Exhibit "A" is provided solely for reference. No Covered Products are sold as to any property described on Exhibit "A" that is not identified within the designated area on Exhibit "B-1".
4. Time for Removal. Buyer shall have **twelve (12) months** from and after the Effective Date of the Agreement (the "Termination Date") to enter upon the Contract Area for cutting and removing the Covered Products. Except as otherwise provided in the Agreement, in the event Buyer does not remove all Covered Products from the Contract Area prior to the Termination Date, Buyer shall have no further right, title or interest therein.
5. Retained Economic Interest. All risk of loss on account of fire, storm, disease, insects, or other damage, to the Covered Products is vested in Buyer from and after the Effective Date. In the event of loss of the Covered Products, Seller shall not be required to refund to Buyer, the value of the Covered Products as defined in the Agreement.
6. Title Passage. Title to the Covered Products passed to Buyer as of the Effective Date of the Agreement.
7. Limitations on Rights of Buyer. Buyer's rights under the Agreement are limited by the terms and conditions of the Agreement.
8. Additional Information. Additional information pertaining to the Agreement can be obtained from Molpus Timberlands Management, LLC, Attn: Don Sanford, 3580 Lorna Ridge Drive, Hoover, AL 35216, telephone (205) 822-7130.

Shelby County, AL 02/23/2007
State of Alabama
Deed Tax: \$150.00

Shelby County, Alabama
SWFBA2006BF02

9. Conflicts. Any conflict between this Memorandum of Agreement and the Agreement shall be resolved in favor of the applicable provision in the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Agreement on the date set forth below by the name of each party to this Memorandum.

[Remainder of this page left blank intentionally]

SELLER

SWF Birmingham, LLC

By Molpus Timberlands Management, LLC
its manager

By: _____

Name: **Charles R. Manogue**

Date: December 8, 2006

STATE OF MISSISSIPPI

COUNTY OF FORREST

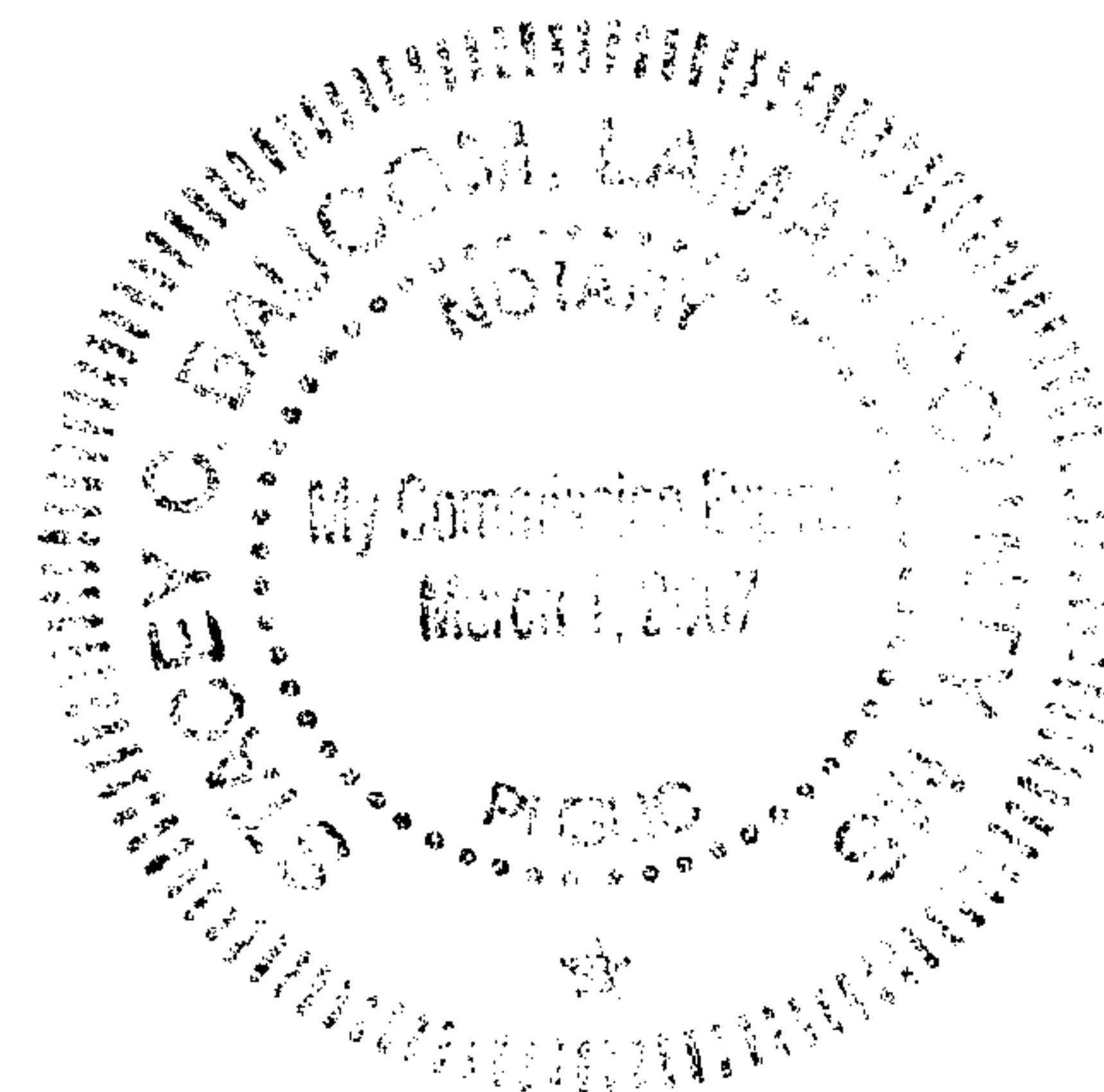
I Stacey C. Baucom, the undersigned, a Notary Public in and for said County in said State, hereby certify that **Charles R. Manogue**, whose name as Chief Operating Officer of **Molpus Timberlands Management, LLC**, a Mississippi limited liability company, in its capacity as the authorized agent and property manager of **SWF Birmingham, LLC**, a Delaware limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such Chief Operating Officer of **Molpus Timberlands Management, LLC**, in its capacity as the authorized agent and property manager of **SWF Birmingham, LLC**, with full authority executed the same voluntarily for and as the act of said limited liability companies on the day same bears date.

Stacey C. Baucom
Notary Public

My Commission Expires: _____

03-01-06

(Seal)



BUYER

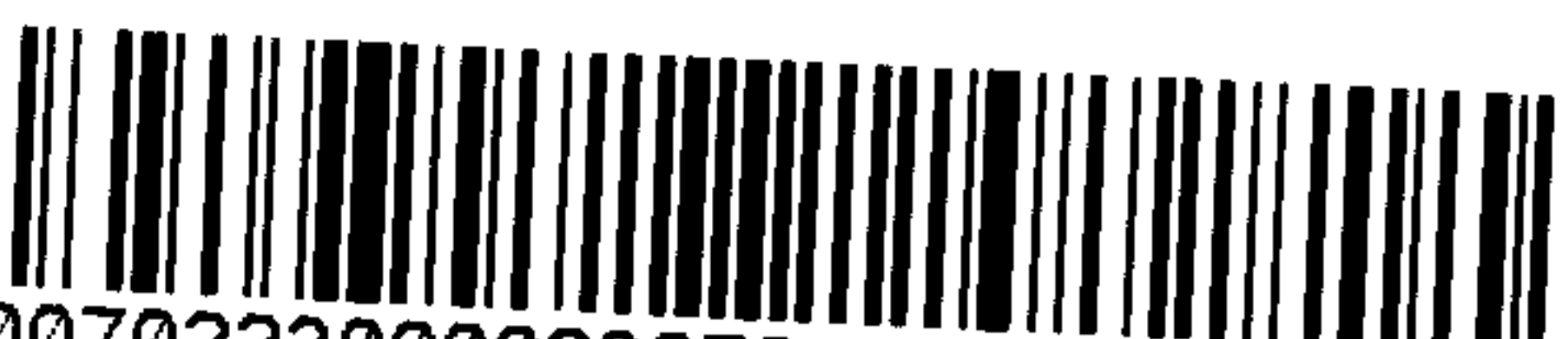
Blue Ox Forestry, Inc.

By: *Steen Traylor*

Name: *Steen Traylor*

Title: *Vice President*

Date: *12/5/06*


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STATE OF ALABAMA

COUNTY OF *Dallas*


I *AH Hogg Branch*, the undersigned, a Notary Public in and for said County in said State, hereby certify that *Steen Traylor*, whose name as *Vice President* of **Blue Ox Forestry, Inc.**, an Alabama corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such Vice-President of said corporation, with full authority executed the same voluntarily for and as the act of said corporation on the day same bears date.

AH Hogg Branch
Notary Public

My Commission Expires: *May 18, 2008* (Seal)

This document prepared by
and upon recordation return to:
Amy L. Travis, Esq.
Molpus Timberlands Management, LLC
178 Bonhomie Road
Hattiesburg, MS 39401
(601) 545-3063


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ATTACHED EXHIBITS

EXHIBIT "A"	Contract Area Legal Description
EXHIBIT "B"	Harvest Boundary Identification
EXHIBIT "B-1"	Detailed Map of Contract Area

EXHIBIT "A"
Contract Area Legal Description


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Contract area is approximately 70 acres located in Shelby County, Alabama. Brief legal descriptions follow:

Township 20 South, Range 4 West

Section 34: pt. W $\frac{1}{2}$ of SE $\frac{1}{4}$; pt. E $\frac{1}{2}$ of SW $\frac{1}{4}$

Township 21 South, Range 4 West

Section 3: pt. W $\frac{1}{2}$ of NE $\frac{1}{4}$; pt. SE $\frac{1}{4}$ of NW $\frac{1}{4}$

A detailed map is attached hereto as Exhibit "B-1."



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EXHIBIT "B"
Harvest Boundary Identification

Boundary Lines: The harvest boundary lines are identified on Exhibit "B-1." All boundary lines are marked on the ground with blue paint, except where harvest is directly on a property line, where it is red paint. The Buyer shall perform all of its logging operations within said boundary lines. Trees within any riparian leave tree area and leave tree retention areas (as identified on this Exhibit "B-1") shall not be cut. Buyer shall fell timber in such manner that it shall lie within the boundaries of the Contract Area and no tops or other debris shall extend outside the boundaries of the Contract Area and Buyer shall be solely responsible for any loss or damage including but not limited to plantation damage caused by yarding/decking, suffered by Seller or other owners in the event of the violation of the provisions of this paragraph.

SWF BIRMINGHAM

BlueOx 2006

CAHABA UNIT (29)

HARVEST MAP

COMPARTMENT 26

1558 Comp Acres

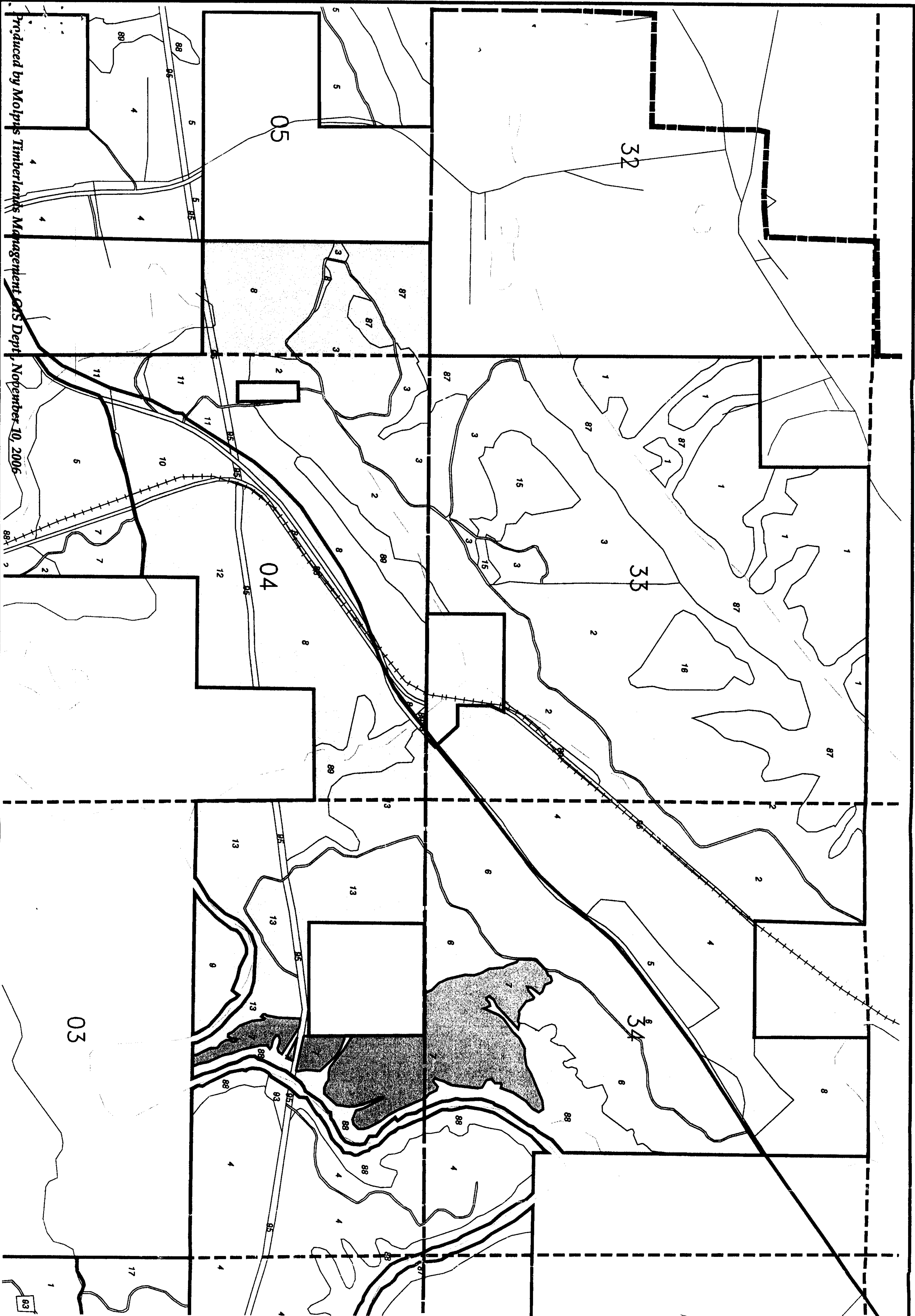


SCALE: 4 INCHES = 1 MILE
SHELBY CO, AL
T20S R4W, T21S R4W
ACRE ST TT SP YR CUT
70 7 62 3 1974CC

EXHIBIT

B-1

scjbbqet



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Produced by Molpis Timberlands Management GIS Dept, November 10, 2006