


BUYER


20080326000121500 1/9 \$35.00
Shelby Cnty Judge of Probate, AL
03/26/2008 12:07:22PM 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 March 14, 2008 (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.
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 106 acres in Shelby County, Alabama, Sections 15, 22 and 23, 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, Alabama
SWFBA2008BF01

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]



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SELLER

SWF Birmingham, LLC

By Molpus Timberlands Management, LLC
its manager

By: Ken Sewell

Name: Ken Sewell, Chief Operating Officer

Date: 3-12-08

STATE OF MISSISSIPPI

COUNTY OF FORREST

I Stacey Baucom, the undersigned, a Notary Public in and for said County in said State, hereby certify that **Ken Sewell**, 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 Baucom
Notary Public

My Commission Expires: 03-01-11 (Seal)



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BUYER

Blue Ox Forestry, Inc.

By: Steen Taylor

Name: Steen Taylor

Title: Vice President

Date: 3/4/08

STATE OF ALABAMA

~~COUNTY OF~~ State at Large

I Beverly S. Welke, the undersigned, a Notary Public in and for said County in said State, hereby certify that Steen Taylor, 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.

Beverly S. Welke
Notary Public

My Commission Expires: 6/20/2011

(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 Maps of Contract Area


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EXHIBIT "A"
Contract Area Legal Description


The Contract Area is contained within that certain "Grant, Assignment and Assumption Agreement (Timber Purchase and Cutting Agreement – 134,606.27 Acres) between TC & I Timber Company, LLC and SWF Birmingham, LLC dated August 5, 2005 and filed in the Probate Office of Shelby County, Alabama as Instrument No. 200511/3439 and Instrument No. 200562/6332.

Contract area is approximately 106 acres located in Shelby County, Alabama. Brief legal descriptions follow:

Township 21 South, Range 4 West

Section 15: pt. SE $\frac{1}{4}$
Section 22: pt. N $\frac{1}{2}$ NE $\frac{1}{4}$
Section 23: pt. NW $\frac{1}{4}$


Detailed maps are 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.


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SWF Birmingham, LLC
2008 Harvest Map
Blue Ox Forestry, Inc.
Cahaba Unit (29)
Compartment 32

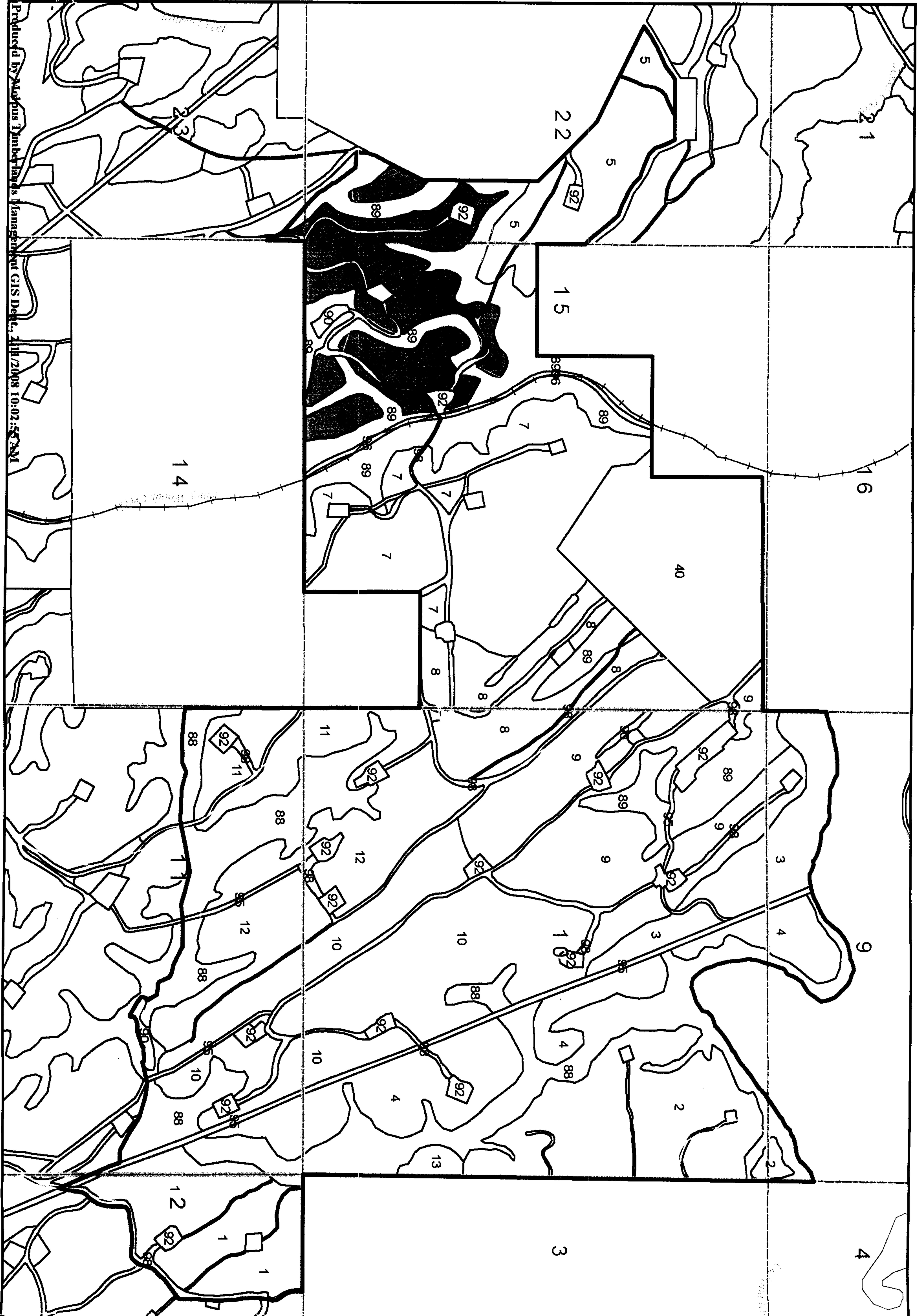
Comp. Acres: 1513.17



Map Scale: 1 Inch = 0.25 Miles
Shelby County, AL
T21S R4W

ST	AC	TT	SP	YR	HC	TY	CUT
6	62	12	50				CC
14	20	12	50				CC

Exhibit "B-1"



The management boundaries on this map do not necessarily represent the legal descriptions of SWF Birmingham, LLC.

Due to on-going land management activities, the stand boundary lines represented on this map may not reflect the actual conditions on the ground.

SWFBA2008BF01

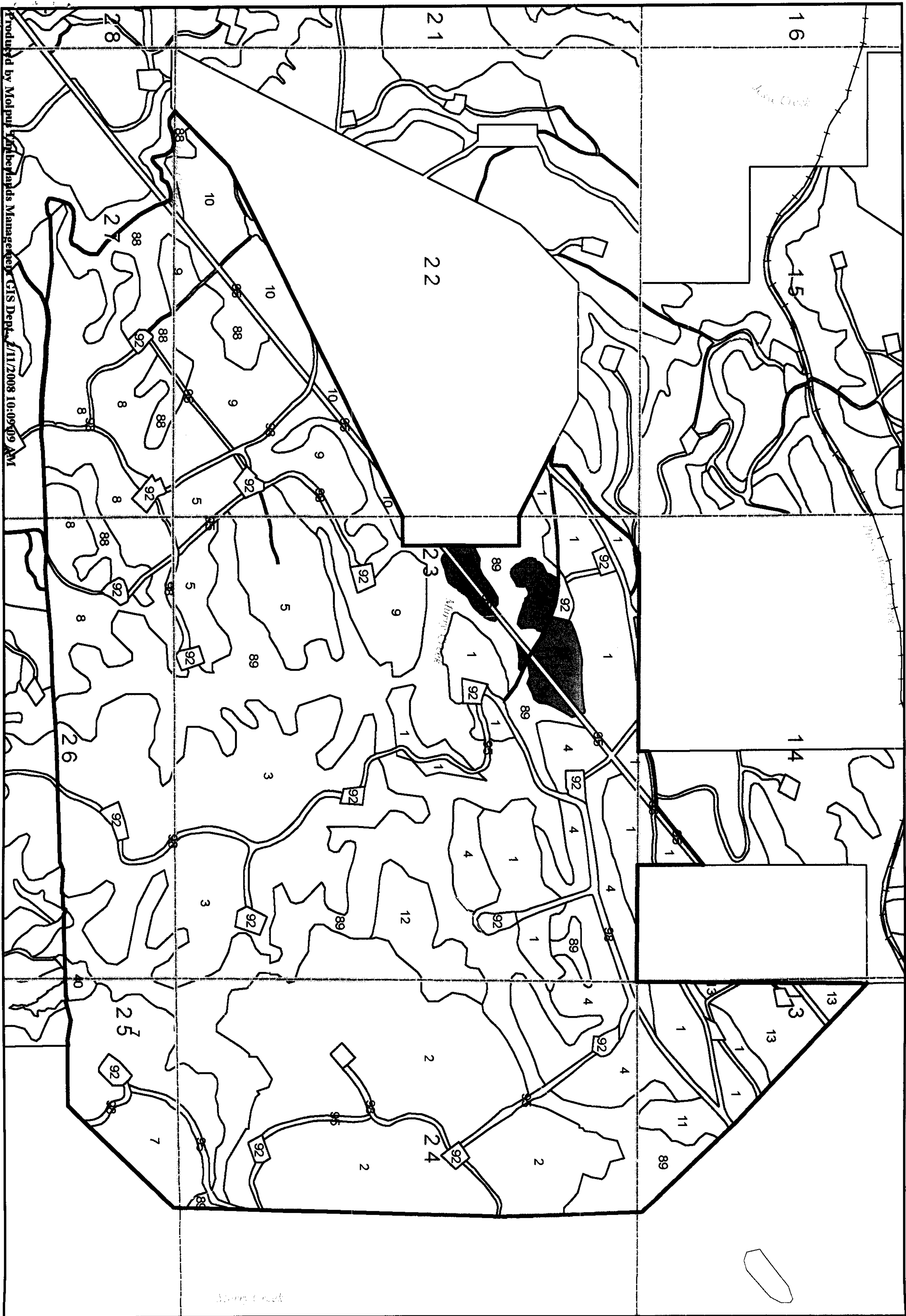
SWF Birmingham, LLC
2008 Harvest Map
Blue Ox Forestry, Inc.
Cahaba Unit (29)
Compartment 33

Comp. Acres: 1558.34



Map Scale: 1 Inch = 0.25 Miles
Shelby County, AL
T21S R 4W

ST	AC	TT	SP	YR	HC	TY	CUT
14	24	12	50				CC



The management boundaries on this map do not necessarily represent the legal descriptions of SWF Birmingham, LLC.

Due to on-going land management activities, the stand boundary lines represented on this map may not reflect the actual conditions on the ground.

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