

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5305

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on April 1, 2015. LOCATION: CRYSTAL FALLS MGT UNIT, 1420 US-2 WEST, CRYSTAL FALLS, MI 49920.

PROSPECTUS NOTE: The bidder is advised to inspect the sale area and review the location, estimated volumes, operating costs and contract terms of proposed sales. Please be aware that some landowners may request 60 days or more notice for access across their land.

Notice is hereby given that bids will be received by the Unit Manager, CRYSTAL FALLS MANAGEMENT UNIT, for certain timber on the following described lands:

ISLANDS IN THE SWAMP (12-017-14-01) / T42N, R27W, SEC. 17, E1/2SE.

T42N, R27W, SEC. 17, NESW.

T42N, R27W, SEC. 17, NWSE.

Dickinson County, Advertised Price \$24,265.15, 38.0 Acres

SALE NOTE: Private access only. A copy of the written permission from the private landowner must be given to the Unit Manager at the time of bid opening. Frozen ground conditions only. Purchaser to acquire all needed stream crossing permits. This sale has received damage from Spruce Budworm.

Access may be through private land.

CALICO CAMP (12-019-14-01) / T42N, R27W, SEC. 16, S1/2SE.

T42N, R27W, SEC. 16, SESW.

T42N, R27W, SEC. 21, N1/2NW.

T42N, R27W, SEC. 21, SENW.

Dickinson County, Advertised Price \$54,776.25, 90.0 Acres

SALE NOTE: This sale has received damage from Spruce Budworm.

BABY GROUSE SALVAGE (12-073-14-01) / T42N, R29W, SEC. 03, W1/2NW;.

T42N, R29W, SEC. 04, NWSW.

T42N, R29W, SEC. 04, W1/2NW; E1/2NE; SWNE; SENW.

Dickinson County, Advertised Price \$28,509.05, 71.0 Acres

SALE NOTE: Best access is through private land. A phone number will be supplied at Crystal Falls.

Access may be through private land.

BID INSTRUCTIONS (VER. 10/01/2014):

1. Scheduled Bid Location, Date, and Time (2/11)

Bids must be received by the Unit Manager, CRYSTAL FALLS OFFICE, 1420 US-2 WEST, CRYSTAL FALLS, MI 49920, no later than 3:00 p.m. (local time) on April 1, 2015. For further information concerning this sale, contact Ben Wiese at 906-875-6622.

2. Bidder's Qualifications (2/12)

Purchaser shall obtain workers compensation insurance to cover claims under Michigan's Worker's Disability Compensation Act of 1969 or similar employee benefit act of any other state applicable to an employee. If all or part of a timber sale was prepared by a private contractor, that contractor and that contractor's company are not permitted to bid on the timber sale contract. Bids will not be accepted from individuals or companies appearing on the DNR/FRD No-Bid List. This list contains the names of purchasers who previously failed to execute a contract within 21-days or who have a history of poor performance.

3. Preparation of Sealed Bids (1/11)

Bids shall be manually signed in ink; bid prices must be entered for each species and product in the Bid Price column for all material subject to bidding; and all fill-in blanks must be completed. If erasures or other changes appear on the forms, each erasure or change must be initialed by the person signing the bid.

4. Submission of Sealed Bids (6/11)

Bid forms may be obtained from the Unit Manager. All bids must be submitted on the bid form and in an envelope clearly identified as described in this section. NOTE: Only one bid form per bid envelope. Sealed bids must be submitted to the Unit office designated in the prospectus and must be submitted at or prior to the time established in the prospectus. The envelope should show on the outside (a) the sale name or number and (b) the date and time of bid opening as shown in the prospectus. Bids received after the time specified in the sale prospectus are late bids and will be rejected.

5. Public Opening of Sealed Bids (6/13)

If conditions permit, the sealed bids will be publicly opened and posted at the time and place set in the prospectus.

If a bidder, present at a bid opening, has submitted bids on more than one sale, that bidder may withdraw their unopened bid envelopes after being declared the successful bidder on one sale.

6. Award of Contract (1/11)

Award of the contract will be made to the Bidder whose bid, conforming to the prospectus, is most advantageous to the State of Michigan on the basis of total value at rates bid for the estimated quantities. The State reserves the right to reject any bid or waive any minor irregularity in bids received. A written award mailed (or otherwise furnished) to the successful Bidder shall be deemed to result in a binding contract without further action by either party.

7. Down Payment (1/11)

The Bidder to whom award is made must make a down payment within 21 days of the sale award. The amount of the down payment will be calculated as shown in the Bond and Payment Schedule of this prospectus. Only cash may be used to meet this requirement.

8. Performance Security (1/11)

As guarantee of faithful performance, a cash bond, certificate of deposit, surety bond or irrevocable letter of credit (LOC) is required within 21 days of the sale award. The amount of the performance security is shown in the Bond and Payment Schedule of this prospectus. If an LOC or surety is used, the coverage must extend for at least 6 months beyond the contract expiration.

9. Timber Sale Contract (9/14)

Additional conditions and requirements common to all timber sales are listed on the timber sale contract (R4031) and are available on line at www.michigan.gov/timber. Contact the Unit Manager for additional information or a sample contract. Within 21 days of the date of the award letter, the bidder must sign the contract and provide the required down payment, performance security, and verification of worker's disability compensation. The down payment and performance security shall be in accordance with the provisions of the timber sale contract, in the sums stated in this prospectus. If these actions are not

taken, then the Bidder, the Bidder's corporation, and the corporation's principals may not be permitted to bid on State timber sales for a period of 1 year. In addition, the Bidder certifies that if awarded this contract, the Bidder will complete the timber sale contract in accordance with its terms and any modifications thereof including requirements to purchase, cut, and remove the included timber by the expiration date.

10. Disclaimer of Estimates and Bidder's Warranty of Inspection (1/11)

Before submitting this bid, the Bidder is advised and cautioned to inspect the sale area, review the requirements of the sale contract, and take other steps as may be reasonably necessary to ascertain the location, estimated volumes, construction estimates, and operating costs of the proposed sale. Failure to do so will not relieve the Bidder from responsibility for completing the contract.

The Bidder warrants that this bid is submitted solely on the basis of the Bidder's examination and inspection of the quality and quantity of the timber offered for sale and the Bidder's opinion of the value thereof and the costs of recovery. No reliance should be placed on the State of Michigan's estimates of timber quality, quantity or costs of recovery. Bidder further acknowledges that the State of Michigan: (i) expressly disclaims any warranty of fitness of timber for any purpose; (ii) offers this timber as is without any warranty of quality (merchantability) or quantity and (iii) expressly disclaims any warranty as to the quantity or quality of timber sold.

11. Certification and Chain-of-Custody (10/14)

Unless otherwise indicated in the contract under section 7 – Other Conditions of the Sale Specific Conditions & Requirements, the area encompassed by this timber sale is certified to the standards of the Forest Stewardship Council (FSC) - Certificate #SCS-FM/COC-00090N and the Sustainable Forestry Initiative (SFI) - Certificate # NSF-SFIS-5Y031-SF5. Forest products from this sale may be delivered to the mill as "FSC 100% and / or SFI certified" as long as the contractor hauling the forest products is chain-of-custody (COC) certified or covered under a COC certificate from the destination mill. The purchaser is responsible for maintaining COC after leaving the sale area.

KEITH CREAGH Director

TIMBER SALE INFORMATION

ISLANDS IN THE SWAMP (12-017-14-01)

T42N, R27W, SEC. 17.

Dickinson County (Advertised Price \$24,265.15)

SALE NOTE: Private access only. A copy of the written permission from the private landowner must be given to the Unit Manager at the time of bid opening. Frozen ground conditions only. Purchaser to acquire all needed stream crossing permits. This sale has received damage from Spruce Budworm.

Access may be through private land.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADV	ERTISED PRICE
Pulpwood			
Mixed Aspen	670.00 Cords	\$	22.85 / Cord
Mixed Hardwood	134.00 Cords	\$	19.65 / Cord
Mixed Softwood	239.00 Cords	\$	25.45 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$240.00:

PRODUCTS & SPECIES	ESTIMATED UNITS*		ADVERTISED PRICE	
Pulpwood				
Misc. Sp.	48.00 Cords	\$	5.00 / Cord	

^{*} The total volume is statistically estimated within plus (+) or minus (-) 10.57 percent. The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of **\$2,500.00** to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

(c) i dyment for each of the femouring arms ma	or be made belore eathing begins in that and
PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	37%
02	13%
03	21%
04	29%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2018.

Sale Specific Conditions & Requirements

Sale Name: Islands In The Swamp Sale Number: 12-017-14-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary and Payment Unit boundaries are marked and identified by BLUE and RED paint. Exterior sale boundary lines against Private are marked with BLUE paint. Exterior sale boundary lines against state are marked with RED paint.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (6/14)

Within Payment Unit(s) 1-4, cut all trees that are two (2) inches or more at DBH except Cedar and Hemlock. In addition, leave all submerchantable conifers (less than 6" in diameter on the stump at 6" above the ground).

2.1.11 - Description of timber note (2/04)

Note that MIXED ASPEN includes Quaking and Big Tooth. MIXED SOFTWOOD includes Spruce, Fir, and Tamarack. MIXED HARDWOOD pulp includes BAM, Maple, Cherry, Ironwood, Birch, and Elm. MISCELLANEOUS includes standing dead Spruce and Fir.

4 - Transportation

4.1 - Construction

4.1.1 - Stream crossings, general (3/11)

All stream crossing structures will be temporary and therefore, shall be provided by the Purchaser, and must be removed upon completion of the sale. All permits for stream crossings will be provided by the PURCHASER. Pre-approved crossings have been identified and marked with GREEN paint (see map).

4.1.4 - Timber removed for construction (12/09)

Trees cut or damaged in the process of pre-approved road, landing or skid trail construction will be decked in an area separate from other Designated Timber and not removed until measured by the sale administrator. Payment will be made at the specified Purchase Unit Price. Pre-approved skid trails between Units 1, 2, 3, and 4 have been identified on the map.

4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 5 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the Purchaser. A copy of the written permission from the private landowner must be given to the Unit Manager at the time of bid opening.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference between the Purchaser and sale administrator is required prior to beginning operations to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 5 days in advance to

schedule the conference.

5.1.4 - Post-sale conference (6/11)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1-4, unless changed by written agreement, cutting and skidding are limited to frozen ground conditions only. This restriction is because of the lowland soils that must be utilized to access these stands.

5.2.17 - Crane Mats/Timber Mats (9/11)

Some roads or skid trails may require extra protection such as that afforded by Crane Mats/Timber Mats. If available, Crane Mats/Timber Mats may be borrowed from the DNR and are located at the Marquette OSC and the Grayling Field Office. Contact the sale administrator for specific details. A Timber Sale Contract Supplement will be used to document the Purchaser's use of the DNR's Crane Mats/Timber Mats. It is the responsibility of the Purchaser to contact the sale administrator to schedule pick up and drop off. In addition, all mats must be cleaned prior to drop off. A charge of \$125.00 will be assessed for all damaged or non-returned mats. Damage is defined as misuse resulting in three or more broken cants.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

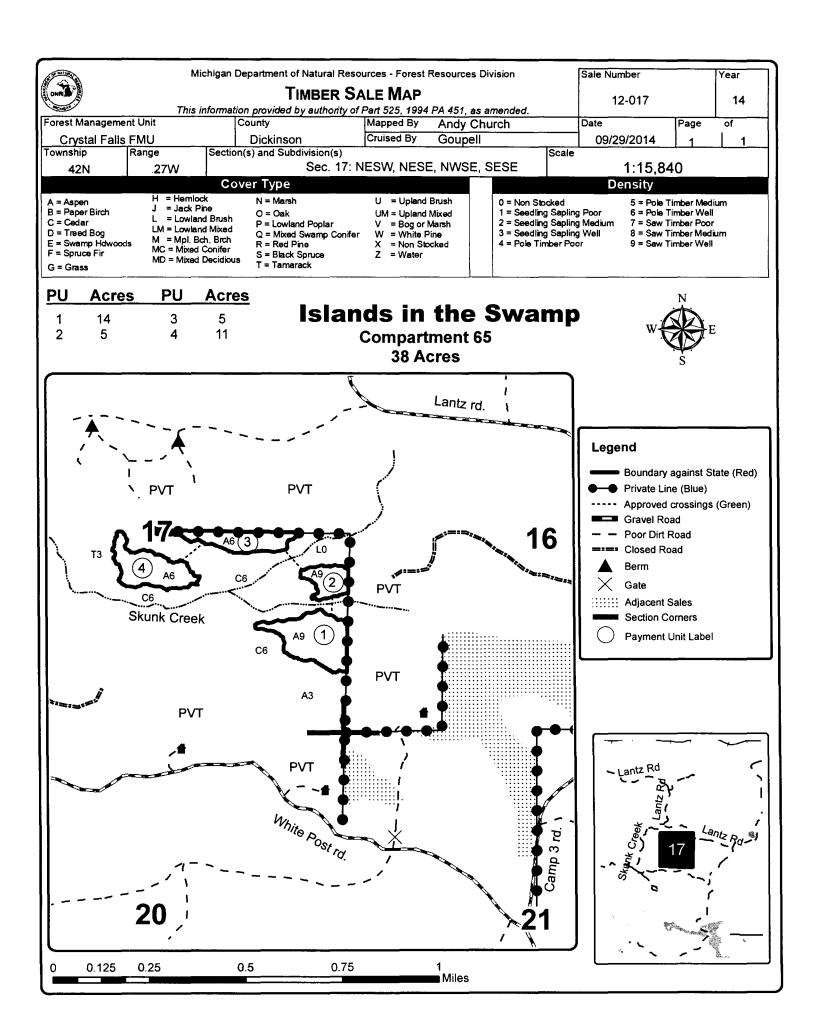
7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from spruce budworm. The Purchaser should harvest the wood as soon as possible. The Department of Natural Resources is held free of responsibility of any further damage or deterioration due to delay in harvesting.

Section Name: Sale Specific Current as of 10/24/2014 11:18:11AM



TIMBER SALE INFORMATION

CALICO CAMP (12-019-14-01)

T42N, R27W, SEC. 16; T42N, R27W, SEC. 21.

Dickinson County (Advertised Price \$54,776.25)

SALE NOTE: This sale has received damage from Spruce Budworm.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>AD\</u>	/ERTISED PRICE
Sawlogs			
Basswood	17.90 MBF	\$	158.00 / MBF
Sugar Maple	6.90 MBF	\$	684.00 / MBF
Pulpwood			
Mixed Aspen	693.00 Cords	\$	31.50 / Cord
Mixed Hardwood	381.00 Cords	\$	25.60 / Cord
Mixed Softwood	434.00 Cords	\$	32.65 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,475.25:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Pulpwood			
Basswood	105.00 Cords	\$	14.05 / Cord

^{*} The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$2,750.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	75%
02	10%
03	15%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2017.

Sale Specific Conditions & Requirements

Sale Name: Calico Camp Sale Number: 12-019-14-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary and Payment Unit boundaries are marked and identified by blue and red paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior and interior sale boundary lines against state are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected unless marked with orange paint.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (6/14)

Within Payment Unit(s) #1, cut all trees that are two (2) inches or more at DBH except Cedar and Hemlock.

2.1.3 - Cut tree marked unit(s) (12/08)

Within Payment Unit(s) #'s 2-3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.1.11 - Description of timber note (2/04)

Note that Mixed Aspen includes Quaking and Big Tooth. Mixed Softwood includes Tamarack, Spruce, and Fir. Mixed Harwood includes Maple, Birch, Ironwood, Elm, BAM, and Cherry.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) #1 may be divided at the request of the Purchaser and upon approval of the Unit Manager. Dividing Payment Units is a contract modification which requires a Timber Sale Contract Supplement.

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/14)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. No damage is acceptable to merchantable trees. Within the sale area, if more than 10% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

4 - Transportation

4.1 - Construction

4.1.4 - Timber removed for construction (12/09)

Trees cut or damaged in the process of pre-approved road, landing or skid trail construction will be decked in an area separate from other Designated Timber and not removed until measured by the sale administrator. Payment will be made at the specified Purchase Unit Price.

4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.5 - Two wheel drive condition (2/04)

All existing trail roads on and adjacent to the sale area must be passable by two-wheel drive traffic for the duration of the sale.

4.3 - Public Right-of-Way

4.3.2 - County R-O-W (12/06)

The county must be contacted prior to operating along the county road R-O-W. This applies to Payment Unit #'s 1-2 and Camp 3 Road.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 10 days in advance to schedule the conference.

5.1.4 - Post-sale conference (6/11)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) #'s 2-3, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on Camp 3 road prior to beginning operations. The road must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

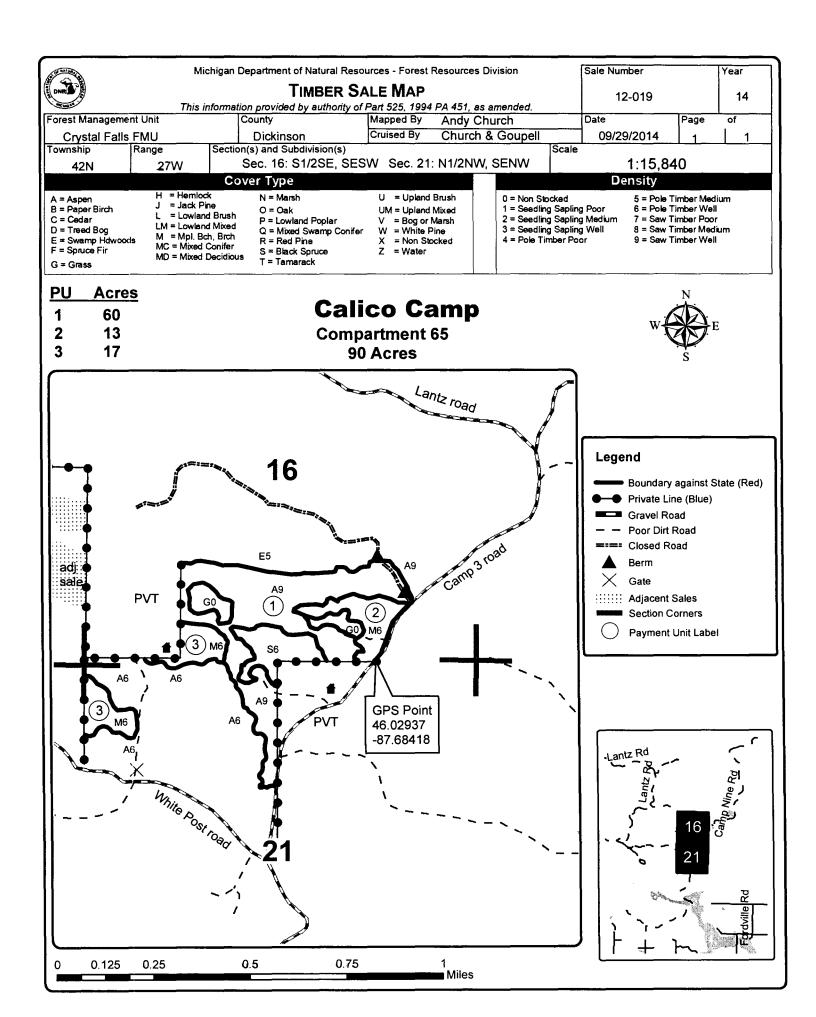
7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from Spruce Budworm. The Purchaser should harvest the wood as soon as possible. The Department of Natural Resources is held free of responsibility of any further damage or deterioration due to delay in harvesting.

Section Name: Sale Specific Current as of 10/23/2014 5:44:51PM



TIMBER SALE INFORMATION

BABY GROUSE SALVAGE (12-073-14-01)

T42N, R29W, SEC. 03; T42N, R29W, SEC. 04.

Dickinson County (Advertised Price \$28,509.05)

SALE NOTE: Best access is through private land. A phone number will be supplied at Crystal Falls.

Access may be through private land.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Pulpwood			
Mixed Aspen	377.00 Cords	\$	21.60 / Cord
Mixed Hardwood	319.00 Cords	\$	18.55 / Cord
Mixed Softwood	410.00 Cords	\$	24.05 / Cord
Tamarack	119.00 Cords	\$	19.20 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$2,303.10:

ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
7.20 MBF	\$	122.00 / MBF
8.70 MBF	\$	74.00 / MBF
38.00 Cords	\$	10.50 / Cord
19.00 Cords	\$	20.10 / Cord
	7.20 MBF 8.70 MBF 38.00 Cords	7.20 MBF \$ 8.70 MBF \$ \$

^{*} The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of **\$2,000.00** to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

- ,	5	3 . 3
PAYMENT UNIT NUMBER		PERCENT OF TOTAL SALE VALUE
01		22%
02		48%
03		30%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2018.

Sale Specific Conditions & Requirements

Sale Name: Baby Grouse Salvage Sale Number: 12-073-14-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary and Payment Unit boundaries are marked and identified red paint. Exterior sale boundary lines against state are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected unless marked with orange paint.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (6/14)

Within Payment Unit(s) #1, cut all tamarack trees that are two (2) inches or more at DBH in the north stand. Cut all spruce of any size to control the dwarf mistletoe parasite in this stand. Do not cut cedar, hemlock, red pine, white pine, cherry, oak, and elm if present in the stand. There are two leave areas in the stand marked in red boundary paint. In the south stand of unit one, cut all trees that are two inches or more at DBH except do not cut red pine, white pine, cedar, hemlock, cherry, oak, or elm if present and do not cut spruce or balsam that are 6 inches or less at a 4 inch stump. In unit 2, cut all trees that are two inches or more in diameter except do not cut red pine, white pine, cedar, hemlock, oak, elm, and cherry. There are also trees marked along the road with orange paint through the swamp to access units 2 and 3 that have been talleyed and should be taken to widen the road. There is a opening once you are through the swamp that can be used for decking.

2.1.3 - Cut tree marked unit(s) (12/08)

Within Payment Unit(s) # 3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. There is a corner and a few leave areas that will be protected. There are several steep hills present in this stand that will need some negotiation.

2.3 - Log Rule

2.3.1 - Log rule (12/08)

All board foot volumes of sawlog size products in this contract have been determined by the International ¼ Inch Log Rule.

4 - Transportation

4.1 - Construction

4.1.4 - Timber removed for construction (12/09)

Trees cut or damaged in the process of pre-approved road, landing or skid trail construction will be decked in an area separate from other Designated Timber and not removed until measured by the sale administrator. Payment will be made at the specified Purchase Unit Price.

4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

Hauling may be restricted on forest roads by the Unit Manager or his/her representative and is restricted to frozen ground conditions. The restriction is to keep the private road into the state land in good shape.

4.2.5 - Two wheel drive condition (2/04)

All existing trail roads on and adjacent to the sale area must be passable by two-wheel drive traffic for the duration of the sale.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the Purchaser. They are agreeable to the crossing which is the best access and a phone number can be obtained from the sale administrator for communication with landowner.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference on site or by phone between the Purchaser and sale administrator is required prior to beginning any operations a Payment Unit to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 10 days in advance to schedule the conference.

5.1.4 - Post-sale conference (6/11)

A post-sale conference on site between the Purchaser and sale administrator is required prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 36 inches in height.

5.2.1.14 - Chipping of slash (10/08)

If tops are chipped, they must be skidded to the landing separately from the bole section of the tree. Skidding of tops must be done in such a way as to minimize damage to the residual trees.

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) #'s 1, 2, and 3, unless changed by written agreement, cutting, skidding, and hauling are not permitted during the period of March 15 -December 1. This restriction is because of access being through private land.

5.2.38 - No decking against live trees (2/04)

Cut products may not be decked against unmarked or designated leave trees.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager or his/her representative who will notify the Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

Section Name: Sale Specific Current as of 12/9/2014 8:34:01AM



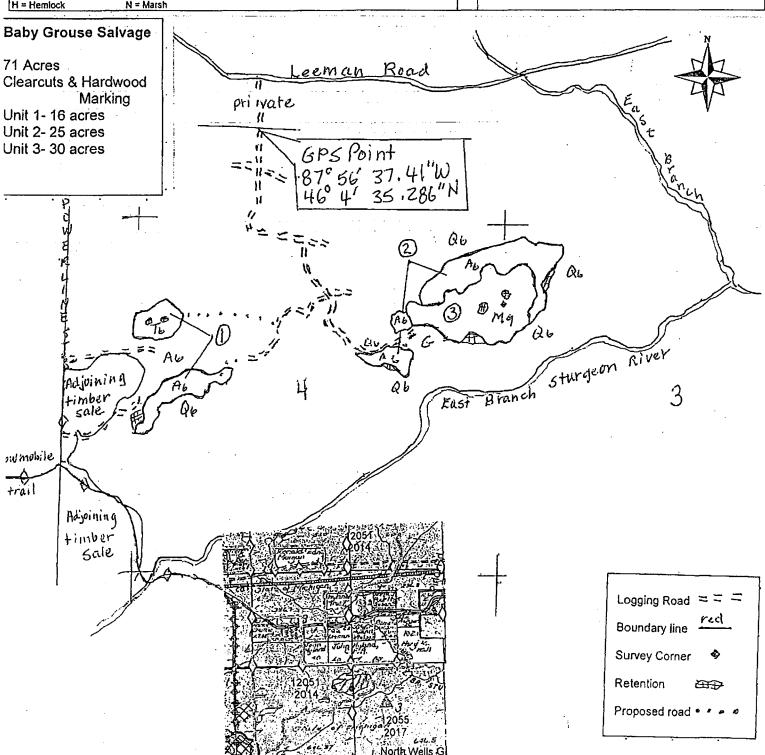
Michigan Department of Natural Resources - Forest Resources Division

TIMBER SALE MAP

Sale Number Year 120731401 14

Forest Manage		County	Mapped By L. Lindberg	Date	Page	of
Crystal Fa	lls	Dickinson	Cruised By L. Lindberg	9/12/2014	1	1
Township	Range	Section(s) and Subd		Scale		
42N	29W	3 W1/2NW; 4 W1/2N	IW, E1/2NE,SWNE; SENE, SENW	4 inches = 1 mile)	

WEST MOSES	Cove	er Type	2000年 特殊提供	San De	nsity
A = Aspen B = Paper Birch C = Cedar D = Treed Bog E = Swamp Hardwoods F = Spruce/Fir G = Grass H = Hemlock	J = Jack Pine K = Rock L = Lowland Brush LM = Lowland Mix Forest M = Maple, Beech, Birch MC = Mixed Conifer MD = Mixed Deciduous N = Marsh	R = Red Pine	U = Upland Brush UM =Upland Mix Forest V = Bog or Marsh W = White Pine X = Non Stocked Y = Sand Z = Water	0 = Non Stocked 1 = Seedling Sapting Poor 2 = Seedling Sapting Medium 3 = Seedling Sapting Well 4 = Pole Timber Poor	5 = Pole Timber Medlum 6 = Pole Timber Well 7 = Saw Timber Poor 8 = Saw Timber Medium 9 = Saw Timber Well



Page 16 of 22

equipment and staffing subject to my control.

BID FORM

CRYSTAL FALLS MANAGEMENT UNIT CRYSTAL FALLS OFFICE

ISLANDS IN THE SWAMP (12-017-14-01) T42N, R27W, SEC. 17, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on April 1, 2015, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

PRODUCTS & SPECIES	ESTIMATED UNITS*	AD\	/ERTISED PRICE	BID P	RICE	
Pulpwood						
Mixed Aspen	670.00 Cords	\$	22.85 / Cord	\$	/ Cord	
Mixed Hardwood	134.00 Cords	\$	19.65 / Cord	\$	/ Cord	
Mixed Softwood	239.00 Cords	\$	25.45 / Cord	\$	/ Cord	
In addition, the successful bidder	agrees to purchase the following sp	oecies at t	he indicated advertise	d price for a to	otal value of \$240.00	:
PRODUCTS & SPECIES	ESTIMATED UNITS*	AD\	VERTISED PRICE			
Pulpwood						
Misc. Sp.	48.00 Cords	\$	5.00 / Cord			
* The total volume is statistically	estimated within plus (+) or minus (-) 10.57 pe	ercent. The estimated i	units are final	and not subject to ad	justment.
Prospective bidders are urged to	examine this timber and to make th	eir own es	stimates of quantity an	d quality.		
•	nay be rejected. All bids must be sign awarding a contract will be based	•				

	FEDERAL ID:	or SOCIAL SEC	CURITY NUMBER:					
	Company or individual bidding:							
	Company representative's name:							
	Address:							
	City:	State:	Zip:					
F AVAIL	F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.							
ndividual	or company representative's signature: Date:							



Title

Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525 of Act 451 of 1994, as amended.

FOR DEPARTMENT USE ONLY	
Sale Number (XX – XXX – XX – XX)	
Forest Management Unit:	

	VERIFICATION OF WOR	RKER'S DISABILI	Y COMPENSATION A	CT COMPLIANCE				
•	This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.							
•	In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract.							
٠	All Information must be typed or printed e	xcept for written sig	natures.					
Ple	ease Check Appropriate Categories:							
1.	 My business is organized as (you must check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation 							
2.	 You must check one of the boxes below: A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws. B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195). C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award. 							
3.	If you have checked item 2(A) or 2(B), ye than yourself, including family members							
	Full-time En	nployees	-	Part-time Employees				
Nam	ne of Business		Federal ID (or) Social Security	No.				
Addı	Address Telephone ()							
City		State	ZIP					
000	ereby certify that the above information is our in factors affecting my coverage during							

Date

BID FORM

CRYSTAL FALLS MANAGEMENT UNIT

CRYSTAL FALLS OFFICE

<u>CALICO CAMP (12-019-14-01)</u> T42N, R27W, SEC. 16; T42N, R27W, SEC. 21, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on April 1, 2015, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

PRODUCTS & SPECIES	ESTIMATE	D UNITS*	AD\	/ERTISED PRICE	BID PRI	<u>CE</u>
Sawlogs						
Basswood	17.90	MBF	\$	158.00 / MBF	\$	/ MBF
Sugar Maple	6.90	MBF	\$	684.00 / MBF	\$	/ MBF
Pulpwood						
Mixed Aspen	693.00	Cords	\$	31.50 / Cord	\$	/ Cord
Mixed Hardwood	381.00	Cords	\$	25.60 / Cord	\$	/ Cord
Mixed Softwood	434.00	Cords	\$	32.65 / Cord	\$	/ Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,475.25:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADV	ERTISED PRICE
Pulpwood			
Basswood	105.00 Cords	\$	14.05 / Cord

^{*} The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

I understand that any or all bids may be rejected. All bids must be signed and all bid items must be bid or the bid form may be rejected. I also understand that consideration and awarding a contract will be based upon my past performance and ability to complete the contract based upon equipment and staffing subject to my control.

	FEDERAL ID:	or SOC	IAL SECURITY NUMBER:_				
	Company or individual bidding:						
	Company representative's name:						
	Address:						
	City:	State:	Zip:				
IF AVAIL	F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.						
Individual	I or company representative's signature: Date:						
Phone nu	ımber :		Email (optional):				



Title

Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525 of Act 451 of 1994, as amended.

FOR DEPARTMENT USE ONLY
Sale Number (XX – XXX – XX – XX)
Forest Management Unit:

	VERIFICATION OF WORKER'S	DISABILI	TY COM	PENSATION	ON ACT COMPLIANCE		
•	This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.						
•	In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract.						
•	All Information must be typed or printed except for	r written si	gnatures.				
Ple	ease Check Appropriate Categories:						
1.	 My business is organized as (you must check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation 						
2.	 You must check one of the boxes below: A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws. B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195). C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award. 						
3.	If you have checked item 2(A) or 2(B), you mus t than yourself, including family members and act					s, other	
	Full-time Employees	î.		-	Part-time Employees	i	
Nam	e of Business		Federal ID	(or) Social Se	Security No.		
Addı	ress		Telephone ()			
City	State		ZIP				
000	hereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that cour in factors affecting my coverage during any of my present and future operations. Signature of Owner or Authorized Representative						
	The state of the s						

Date

CRYSTAL FALLS MANAGEMENT UNIT CRYSTAL FALLS OFFICE

BABY GROUSE SALVAGE (12-073-14-01) T42N, R29W, SEC. 03; T42N, R29W, SEC. 04, Dickinson County

BID FORM

In response to the notice of sale to be held 3:00 p.m. (local time) on April 1, 2015, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE	BID PRICE
Pulpwood			
Mixed Aspen	377.00 Cords	\$ 21.60 / Cord	\$ / Cord
Mixed Hardwood	319.00 Cords	\$ 18.55 / Cord	\$ / Cord
Mixed Softwood	410.00 Cords	\$ 24.05 / Cord	\$ / Cord
Tamarack	119.00 Cords	\$ 19.20 / Cord	\$ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$2,303.10:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE	<u>;E</u>
Sawlogs			
Basswood	7.20 MBF	\$ 122.00 / MBF	
Mixed Hardwood	8.70 MBF	\$ 74.00 / MBF	
Pulpwood			
Basswood	38.00 Cords	\$ 10.50 / Cord	
Paper Birch	19.00 Cords	\$ 20.10 / Cord	

^{*} The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

I understand that any or all bids may be rejected. All bids must be signed and all bid items must be bid or the bid form may be rejected. I also understand that consideration and awarding a contract will be based upon my past performance and ability to complete the contract based upon equipment and staffing subject to my control.

	FEDERAL ID:	or SOCIAL SEC	URITY NUMBER:				
	Company or individual bidding:						
	Company representative's name:						
	Address:						
	City:	State:	_ Zip:				
F AVAIL	VAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.						
ndividual	or company representative's signature: Date:						
Phone nu	ımber :	Email	(optional):				



Title

Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525 of Act 451 of 1994, as amended.

FOR DEPARTMENT USE ONLY	
Sale Number (XX – XXX – XX – XX)	
Forest Management Unit:	

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE			
 This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract. 			
In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract.			
All Information must be typed or printed except for written signatures.			
Please Check Appropriate Categories:			
 My business is organized as (you must check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation 			
 You must check one of the boxes below: A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws. B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195). C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 			
days of the contract award. 3. If you have checked item 2(A) or 2(B), you must indicate the number of both full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0"). Full-time Employees Part-time Employees			
Name of Business		Federal ID (o	or) Social Security No.
Address		Telephone ()	
City	State	ZIP	
I hereby certify that the above information is occur in factors affecting my coverage durin Signature of Owner or Authorized Representative			o notify the Michigan DNRE of any changes that ure operations.

Date