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DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Release
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Subject

H-5450-1 AWARD OF CONTRACT

1. Explanation of Material Transmitted: This release transmits
BLM Manual H-5450-1 – Award of Contract, a new handbook which
sets forth basic procedural guidelines for the award of
forest product sale contracts.
2. Reports Required: None.
3. Material Superseded: None.
4. Filing Instructions: File as directed below, immediately
after the Manual Section.

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None

H-5450-1
(Total: 70 Sheets)

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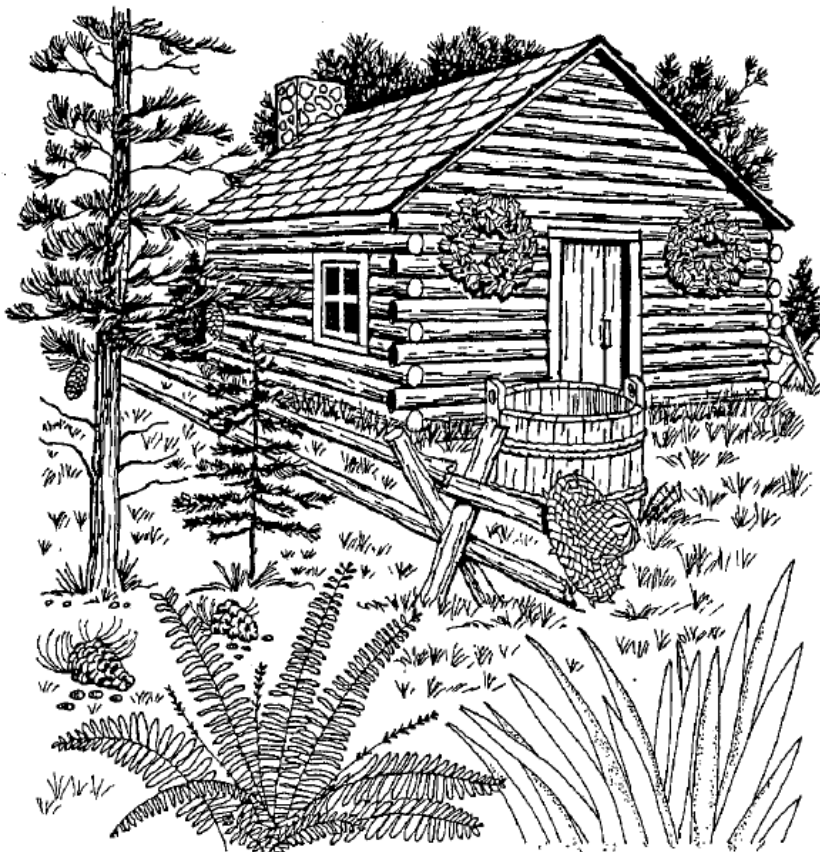


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Washington Office
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Forest Product Sale

Procedure Handbook Series

Award Of Contract



H-5450-1

H-5450-1 - AWARD OF CONTRACT

Table of Contents

| <u>Chapter</u> | | <u>Page</u> |
|----------------|---|-------------|
| I. | <u>Award of Contracts – General</u> | I-1 |
| | A. Protested Sales..... | I-1 |
| | 1. Protest Sustained..... | I-1 |
| | 2. Protest Denied..... | I-1 |
| | 3. Decision Appealed and Stay Requested..... | I-1 |
| | B. Qualifications to Purchase..... | I-1 |
| | 1. Qualifications..... | I-1 |
| | 2. Additional Information..... | I-1 |
| | C. Advertised Sales..... | I-2 |
| | D. Non-Advertised Sales..... | I-2 |
| II. | <u>Pre-Award Qualifications</u> | |
| | A. Determining Pre-Award Qualifications of Purchasers..... | II-1 |
| | 1. Qualifying Actions and Request for Qualifying Information | II-1 |
| | 2. Qualifying Documents Relating to Independent Bidding, Equal Opportunity, and Log Export Restrictions..... | II-4 |
| | 3. Receipt of Qualifying Information..... | II-4 |
| | B. Small Business Size Standard Protest..... | II-4 |
| | 1. Receipt of Protest..... | II-5 |
| | C. Failure to Qualify..... | II-5 |
| | 1. Regular Advertised Sales..... | II-5 |
| | 2. Set-Aside Sales..... | II-6 |
| | D. Records of Qualifying Information..... | II-6 |
| | 1. Operator’s Rating Record..... | II-6 |
| | 2. Disqualification Lists..... | II-6 |
| | 3. Small Business Size Classification Size Standards..... | II-7 |
| III. | <u>Performance Bond Requirements</u> | III-1 |
| | A. Types of Performance Bonds..... | III-1 |
| | 1. Bond of Corporate Surety..... | III-1 |
| | 2. Personal Surety Bond..... | III-1 |
| | 3. Cash Bond..... | III-2 |

H-5450-1 - AWARD OF CONTRACT

| | |
|---|-------|
| 4. Deposit of Negotiable Securities of the United States..... | III-3 |
| B. Minimum Level of Performance Bond..... | III-4 |
| C. Performance Bond in Excess of Minimum Level..... | III-4 |
| 1. Computation of Increased Bond..... | III-4 |
| IV. <u>Methods of Payment</u> | IV-1 |
| A. Cash Payment..... | IV-1 |
| 1. Form 5450-1..... | IV-1 |
| 2. Form 5450-5..... | IV-1 |
| 3. Form 5450-10..... | IV-1 |
| B. Installment Payments..... | IV-1 |
| 1. Computation of Amount of Installment..... | IV-1 |
| 2. Options..... | IV-2 |
| C. Application of Bid Deposits..... | IV-5 |
| 1. Cash Deposit..... | IV-5 |
| 2. Bid Bond or Cash Bid Bond..... | IV-5 |
| V. <u>Letter of Award</u> | V-1 |
| A. <u>Preparation of Letter</u> | V-1 |
| 1. Payment Options..... | V-1 |
| 2. Performance Bonds..... | V-1 |
| 3. Trespass Warning..... | V-1 |
| 4. Award Date..... | V-1 |
| B. Time Limit for Returning Signed Contract..... | V-1 |
| C. Set-Aside Sales..... | V-1 |
| VI. Execution of Contract..... | VI-1 |
| A. Contracting Officer Review..... | VI-1 |
| 1. Contract..... | VI-1 |
| 2. Performance Bond..... | VI-1 |
| 3. Payments..... | VI-2 |
| B. Extension of Time..... | VI-3 |
| C. Retention of Bid Deposit..... | VI-3 |

H-5450-1 –AWARD OF CONTRACT

| | |
|--|-------|
| 1. Cash Bid Deposit..... | VI-3 |
| 2. Bid Bond..... | VI-3 |
| 3. Cash Bid Bond..... | VI-3 |
| D. Offer and Award to Other High Bidder..... | VI-3 |
| VII. <u>Approval of Contract</u> | VII-1 |
| A. Contract Approval..... | VII-1 |
| B. Distribution of Contract..... | VII-1 |
| 1. District Copy..... | VII-1 |
| 2. Purchaser Copy..... | VII-1 |
| C. Contract Recordation..... | VII-1 |
| D. Reporting Requirements..... | VII-1 |
| E. Notice of Timber Sold..... | VII-2 |

Glossary of TermsIllustrations

1. Model of Letter to Protestant Regarding Decision on Protest, Appeal Rights and Appeal Procedures
2. Example of Citizenship Affidavit (Form 5450-9)
3. Example of Partnership Agreement
4. Example of Letter in Lieu of Partnership Agreement
5. Example of Articles of Incorporation
6. Example of Corporation By-Laws
7. Example of Corporate Resolution Authorizing Officers to Sign
8. Page 1, Example of Certificate of Corporate Commissioner for Out-of-State Corporation, Page 2, Example of Certificate of Incorporation for Corporations Organized Within State
9. Model Letter for Requesting Pre-Award Qualifying Information
10. Example of Financial Statement
11. Model Letter for Advising High Bidder or Prospective Purchaser of Outstanding Trespass Liability
12. Example of Independent Price Determination Certificate (Form 1140-6)
13. Example of Equal Opportunity Compliance Report Certification (Form 1140-8)
14. Example of Equal Opportunity Affirmative Action Program
15. Model Letter Advising that High Bidder Declared Ineligible to Receive Timber Sale Contract
16. Examples of Operator's Rating Record (Form OSO 5450-1 and Form DSC 5433-4a)
17. Model Letter Notifying Bidder of interdiction for Unsettled Trespass
18. Model Letter for Reinstating Bidder's Right to Purchase Timber
19. Example of Performance Bond for Corporate or personal Surety (SF-25)
20. Example of Power of Attorney for Corporate Surety Bond

H-5450-1 - AWARD OF CONTRACT

21. Example of Individual Surety for Personal Surety (SF-28)
22. Example of Cash Bond (Form 1822-4- Routine Use
23. Example of cash Bond (Form 1822-4) With Certified Check
24. Example of Cash Bond (Form 1822-4) With Irrevocable Letter of Credit
25. Format for Irrevocable Standby Letter of Credit-Performance Bond
26. Format for Assignment of Surety-Performance Bond
27. Example of Cash Bond (Form 2822-4) With Assignment of Surety
28. Example of Deposit of Negotiable Securities of the United States-Performance Bond (Form 5450-13)
29. Example of Increase or Decrease Rider (Form 5460-3)
30. Example of Payment Bond for Single Contract (Form 5450-11)
31. Example of Blanket Payment Bond (Form 5450-20)
32. Example of Deposit of Negotiable Securities of the United States-Payment Bond (Form 5450-15)
33. Letter of Cash Payment Bond (Form 5450-21) With Irrevocable Letter of Credit
34. Format for Irrevocable Letter of Credit-Payment Bond
35. Example of Cash Payment Bond (Form 5420-21) With Assignment of Surety
36. Format for Assignment of Surety-Payment Bond
37. Format for First Letter Including Sample Paragraphs
38. Model of Courtesy Letter Reminding Bidder to Execute and Return Contract Documents
39. Model Letter Authorizing Additional To Sign and Return Contract Documents
40. Model Letter Terminating Bidder's Right to Timber Sold; Retention of Bid Deposit
41. Model of Sight Draft
42. Format for Second Letter; Lump Sum Timber Sale Contract
43. Road Use Fees Paid Report (Form 5400-2)
44. Log Scale and Disposition of Timber Removed (Form 5460-15)
45. Certificate as to Non-substitution and the Domestic Processing of Timber (Form 5460-16)
46. Example of Timber Sale Index Card (Form DSC-5436-11)
47. Format for Notice of Timber Sold

H-5450-1 - AWARD OF CONTRACT

- I. Award of Contracts – General. The Contracting Officer is responsible for ensuring that an individual or firm meets the qualifications and requirements to purchase and that in the event of a protested sale, the protest has received proper consideration before a contract is awarded.
- A. Protested Sales
1. Protest Sustained – All bids will be rejected by the Contracting Officer.
 2. Protest Denied – The Contracting Officer will inform the protestant of the decision and whether or not he will give full force and effect and proceed with the award of the sale to the high bidder and implementation of the timber sale in accordance with 43 CFR 5003.3(f). The protestant should be advised of the right to appeal within 30 days, the appeal procedures, and that the successful bidder should be regarded as adverse parties to any such appeal. Also, inform the protestant of the right to petition the Office of Hearings and Appeals to stay the implementation of the decision in accordance with 43 CFR, Part 4, and that standing and reasons which support any request for a stay of the decision must be shown with the petition (See Illustration 1). At this time wait thirty days before awarding the sale or obtain confirmation of agreement from the State Director for immediate award.
 3. Decision Appealed and Stay Requested – Forward the notice of appeal and appeal file to IBLA and others according to the regulations. Draft a response to the statement of reasons and the request for stay. If there is not substantial likelihood that the appeal will succeed on its merits, so state, request that the stay be denied, and that the IBLA affirm the decision of the Contracting Officer. Also describe the adverse effect on the management of the resource which would result from a delay in the award of the sale. Further state the BLM will delay award of the timber sale to the high bidder, in accordance with 43 CFR, Part 5003, for another 30 days following the BLM's response to the request for stay to allow time for IBLA to review the appellant's request. If 30 days pass without a response from IBLA, initiate full force and effect by awarding the sale.
- B. Qualifications to Purchase
1. Qualifications. A Purchaser must be:
 - a. An individual who is a citizen of the United States,
 - b. A partnership composed wholly of such citizens,
 - c. An unincorporated association composed wholly of such citizens, or
 - d. A corporation authorized to transact business in the states in which the forest product is located.
 2. Additional Information. A Purchaser must, upon request of the Contracting Officer, furnish such additional information as is necessary to determine the ability of the bidder to perform the obligations of the contract. (See Chapter II.)

H-5450-1 - AWARD OF CONTRACT

- C. Advertised Sales. The contract shall be awarded to the high bidder unless the Contracting Officer finds that the bidder is not qualified or responsible or unless all bids are rejected. If the high bidder is not qualified or responsible, or fails to sign and return the contract together with the required performance bond and any required payment, the Contracting Officer sends notification by certified mail to the high bidder that any right or interest of the high bidder in and to the particular timber sale is revoked. The contract may then be offered and awarded for the amount of the high bid to the highest of the bidders who is qualified and responsible. (See Chapter II.C.)
- D. Non-advertised Sales. Prospective purchaser of non-advertised sales must meet the same qualifications to purchase as set forth herein.

H-5450-1 - AWARD OF CONTRACT

II. Pre-Award QualificationsA. Determining Pre-Award Qualifications of Purchasers.

Before awarding a forest product sale contract, the Contracting Officer must determine that the high bidder, or prospective purchase, is qualified to carry out the terms of the contract. For contracts written on Form 5450-5, Vegetative or Mineral Negotiated Cash Sale Contract, the certification on the contract form as to age and citizenship, when timber is purchased, meets the qualification criteria. For Christmas Tree Tags issued on Form 5450-10, no pre-award qualification is necessary. For contracts written on Form 5450-3, Contract for the Sale of Timber-Lump Sum Sale, Form 5450-4, Contract for the Sale of Timber-Scale Sale, and Form 5450-1, Contract for Sale of Vegetative Resources, the requirements of Chapter II apply.

1. Qualifying Actions and Request for Qualifying Information.

The Contracting Officer reviews the Operator Rating File to determine if the bidder or prospective purchaser has conducted business with the BLM previously. If so, the Contracting Officer proceeds with the normal procedures for award of contract. (See Chapter V.) If however, the files contain no record of bidder, or prospective purchaser, or reveals adverse information, the Contracting Officer must request evidence of qualifications as follows:

a. Operator Rating. The following information is required for a first time high bidder, or prospective purchaser, or for updating organizational changes:(1) For Individuals.

- (a) Citizenship Affidavit, Form 5450-9. (See Illustration 2.)

(2) For Partnerships and Unincorporated Association.

- (a) Citizenship Affidavit, Form 5450-9, for each member of partnership or association. (See Illustration 2.)
- (b) Partnership agreement showing the term of partnership, if limited, and the nature of business to be conducted. (See Illustration 3.)
- (c) If no formal written partnership agreement exists, a letter must be furnished which contains the information outlined in Paragraph II.A1a(2) (b), above. This letter must be signed by all partners. (See Illustration 4.)
- (d) If not provided in Paragraph II.A1a(2)(b) or paragraph II.A1a(2)(c) above, written authorization should be furnished for one partner to sign contracts and bonds on behalf of partnership. This must be signed by all partners.

H-5450-1 - AWARD OF CONTRACT

(3) For Corporations.

- (a) Certified copy of the articles of incorporation. (See Illustration 5.)
- (b) Certified copy of by-laws. (See Illustration 6.)
- (c) Certified copy of resolution of the corporate board of directors, authorizing certain officers to sign, Bureau of Land Management contracts and bonds for and in behalf of the corporation. (See Illustration 7.)
- (d) Original certificate from State Corporation Commission authorizing out-of-state corporation to do business in the State where forest product is located. (See Illustration 8, page 1.) Corporation organized with the State must furnish a Certificate of Incorporation. (See Illustration 8, page 2.)

(4) Submission of Data.

- (a) For advertised sales, operator rating information should be furnished by higher bidder within 15 days after the sale date. (See illustration 8.)
- (b) For non-advertised sales, operator rating information must be furnished by prospective purchaser prior to transmitting contract for completion.

b. Financial Statement. For a first time high bidder, or a high bidder with a history of a defaulted contract, the contracting office should request a financial statement. Financial statement request for a negotiated sale is discretionary with the Contracting Officer.

- (1) Preparation of Statement. To be acceptable, a financial statement must be prepared no earlier than 60 days prior to the sale date and must be certified. (See Illustration 10.)
- (2) Submission of Statement. Financial statements should be furnished by high bidder within 15 days of sale date.
- (3) Evaluation of Statement. As a general rule, the financial statement is evaluated by the State Director who will advise the Contracting Officer of the financial capability of the high bidder and whether to accept or reject the high bidder. Where the high bidder on an SBA set-aside sale appears to lack the financial capability to meet contract requirements, the State Director will advise the Contracting Officer to withhold awarding the contract to permit the high bidder to secure a Certificate of Competency from the Small Business Administration.
 - (a) Contracting Officer advises high bidder that award of contract is being withheld until a Certificate of Competency is obtained.

H-5450-1 - AWARD OF CONTRACT

- (b) Contracting Officer forwards to SBA Regional Office all pertinent available information concerning the company, the sale in question and a copy of the bid record for the sale.
- (c) SBA will normally make a decision within 15 working days of a request by BLM.
 - i. If SBA issues the certificate, Contracting Officer proceeds with award of contract.
 - ii. If SBA does not issue the certificate, bidder fails to qualify. (See Chapter II.C.)
- c. Evaluation of Prior Performance. If Bureau records reveal that a high bidder, or prospective purchaser, has been a notoriously poor performer or an irresponsible operator, (i.e., a history of repetitive BLM demands or suspensions to correct delinquent payments, or to complete contract requirements, or alleged violations of export rules;) but, the operator has not been interdicted, debarred, suspended, or otherwise disqualified from buying BLM forest product, the contract should not be awarded pending a review of the matter by the State Director. If the sale involved is an SBA set-aside tract, the high bidder will be advised to seek a Certificate of Competency from SBA. (See Paragraph II.A1b(3).)
 - (1) Disposition of Case.
 - (a) Except for set-aside sales, the District/Area manager forwards to the State Director a complete documentation of case histories and investigations made.
 - (b) State Director reviews the case with the Regional Solicitor and advises the Contracting Officer whether to accept or reject the high bidder or prospective purchaser.
- d. Unsettled Trespass. If the State Director has interdicted the high bidder, or prospective purchaser, for failure to settle a forest product trespass, the contract may not be awarded unless satisfactory arrangements are first made to satisfy the liability. (See Manual Section 9230.83.)
 - (1) Notification. Contracting Officer advises high bidder, or prospective purchaser, of outstanding liability and available options to settle the liability. (See Illustration 11.)
 - (2) Refusal to Settle. If a trespasser refuses to settle, Contracting Officer declares the trespasser ineligible to receive the contract, except in cases where State Director finds that contract should be awarded. (See Manual Section 9230.83E.)
 - (3) Timing. The unsettled trespass must be resolved before the Contracting officer begins the normal award of contract procedure.

H-5450-1 - AWARD OF CONTRACT

2. Qualifying Documents Relating to Independent Bidding, Equal Opportunity, and Log Export Restrictions. Administration of laws, executive orders, and regulations concerning independent price determination, and equal opportunity in employment require that operators furnish specific qualifying information in those subject areas prior to award of contract.
 - a. Independent Price Determination. Form 1140-6, Independent price Determination Certificate is required prior to award of all competitive sales. (See Manual Section 1145). For sealed bid sales, bidders must submit a properly executed certificate with their sealed bid. For oral auction sales, the high bidder must submit a properly executed certificate when requested by the Contracting Officer to complete and return form. (See Illustration 12.)
 - b. Equal Opportunity Program. Form 1140-8, Equal Opportunity Compliance Report Certification, and Form 1140-7, Equal Opportunity Affirmative Action Program Representation are required prior to the award of any contract in excess of \$10,000 in value. Allow 10 days for the prospective purchaser to complete and return the form. Upon receipt of the completed forms, the Contracting Officer reviews the entries made. (See Illustration 13 and 14.)
 - (1) If the prospective purchaser is in compliance with the EEO rules, proceed with normal award of contract procedures.
 - (2) If the prospective purchaser is not in compliance with the EEO rules and deficiencies cannot be resolved, the following action must take place:
 - (a) The Contracting Officer withholds awarding contract pending review by State Director.
 - (b) The District Manager forwards proposed contract, case history, and documentation of any investigations to State Director.
 - (c) The State Director arranges for appropriate interagency review and/or investigations. Upon completion of review, State Director advises Contracting Officer whether to accept or reject the high bidder, or prospective purchaser.
 3. Receipt of Qualifying Information. Upon receipt of valid qualification documents and information, Contracting Officer proceeds with the award of contract; provided, however, any questions concerning the qualifications of the high bidder, or prospective purchaser, not covered elsewhere in this chapter are referred to the State Director for resolution prior to the award of contract.
- B. Small Business Size Standard Protest. For advertised set-aside sales, a grace period of five working days must be allowed, extending from day of sale, prior to formally awarding the contract to the high bidder. During this period, the other qualified bidders may protest in writing the size standard of the high bidder.

H-5450-1 - AWARD OF CONTRACT

1. Receipt of Protest. In the event a written protest is received, the Contracting Officer must not award the contract pending a determination of the high bidder's qualifications by the SBA. The District/Area Manager forwards to the SBS Regional Office copies of the written protest and bid record for the sale. SBA then has the responsibility to make a size class determination pursuant to SBA rules and regulations. The processing procedure is as follows:
 - a. SBA notifies the high bidder that a size class determination must be made, and unless extended for cause, provides the high bidder three working days to submit necessary organizational data. Failure to respond may result in classification as "other than small business" by default.
 - b. SBA evaluates the information furnished by the high bidder together with information generated from their own resources and makes a size class determination. This decision will normally require up to ten working days.
 - c. SBA will notify the District/Area Manager in writing of the results of their determination.
 - (1) If the high bidder is classed as small business, Contracting Officer continues with award of contract procedure.
 - (2) Determination of "other than small business" makes the high bidder ineligible to receive the contract. Contracting Officer notifies the high bidder of disqualification, then proceeds pursuant to Chapter II.C.
- C. Failure to Qualify. If the information supplied by the high bidder, or prospective purchaser, indicates the high bidder or prospective purchaser is not qualified to meet the terms of the contract, the Government cannot enter into a contract and the District/Area Manager must notify the high bidder or prospective purchaser of ineligibility to receive a contract. Under such circumstances, the bid deposit of the high bidder shall be returned. The notice should be sent by certified mail. (See Illustration 15.)
 1. Regular Advertising Sales. If a high bidder on an advertised sale is declared ineligible, the Contracting Officer may offer the contract to the other qualified bidders who will meet that amount of the high bid.
 - a. Offering Contract to Other Bidders. In a typical situation, a large number of bidders may submit written bids on a tract, but only two or three may bid orally; thus, the contract is offered as follows:
 - (1) In descending order from the amount of their bids beginning with the next highest bid.
 - (2) If none of the bidders participating in the oral auction want the contract at the high bid price, each of the bidders who qualified to bid but did not participate in the oral auction must be contacted. If more than one bidder is interested in accepting the contract at the high bid price, the high bidder will be determined from among them by lot.

H-5450-1 - AWARD OF CONTRACT

- (3) If the bidder list is exhausted and no bidder accepts the contract for the amount of the high bid, the sale should be rescheduled for public auction.
 - (4) Any subsequent bidder who accepts the contract must meet all pre-award qualifications prior to award of the contract.
- 2. Set-Aside Sales. If a small business high bidder is declared ineligible, the contract is declared ineligible, the contract is offered to the remaining small business qualifiers pursuant to paragraph II.C1a. If another bidder is willing to accept the contract, the Contracting Officer must again provide for a grace period of 5 working days prior to awarding the contract. The grace period begins from date of notification of remaining bidders. (See Chapter II.B.) The Contracting Officer contacts all remaining bidders by letter or telephone, and advises that another bidder will be awarded the contract if the qualifications are met.
- D. Records of Qualifying Information. All qualifying records are maintained in permanent files to aid in determining qualification of high bidders, or prospective purchasers, and signing officers for subsequent sales. To be effective, qualifying records must be updated on a regular basis.
 - 1. Operator's Rating Record. Basic information is summarized on Form DSC 5433-4a, Operator's Rating Record Card (See Illustration 16). In addition, the card should be noted: (1) with the date of the last financial statement, if and when the operator is placed on the interdiction list, or otherwise disqualified from the purchase of BLM forest product.
 - a. Individual Purchaser. The responsible District/Area Clerk prepares Operator's Rating Record Card and files in its own rating file.
 - b. Partnership or Corporate Purchaser. As new information is received in the District/Area Office, it is forwarded to the State Director for recording and filing. The State Director prepares an Operator's Rating Card and distributes to the appropriate District/Area Office for their file card record.
 - (1) The cards must contain the necessary information as to citizenship, partnership agreements, corporation documents, and signing authority for timber sale contracts, bonds, and right-of-way agreements.
 - (2) As changes occur in partnerships and corporations, the State Director will issue a new card for each District.
 - 2. Disqualification Lists. These lists are developed, maintained, and monitored by the State Director. The information is furnished to the Districts via instruction memo, or some other form of current publication that is readily accessible to District/Area office sales personnel.

H-5450-1 - AWARD OF CONTRACT

- a. Interdiction List.
 - (1) Unsettled Trespass. State Director interdicts trespassers who fail to settle outstanding forest product trespasses. Such trespassers are listed only when settlement efforts have failed at all levels. (See Illustration 17.) Placement on this list does not prevent a trespasser from bidding on forest product sales, or initiating a negotiated sale, but satisfactory arrangements must be made to settle the trespass before a contract may be awarded. (See Paragraph II.Ald.)
 - (2) Irresponsible Operator. With recommendations from the District Manager and Regional Solicitor, the State Director may interdict operators with a history of poor performance or irresponsible conduct. If interdicted for this reason, an operator may be declared ineligible to receive a contract unless a satisfactory showing is made to the State Director that the problems leading to the interdict have been corrected. (See Paragraph II.Ald and Illustration 18.)
- b. Debarment List. The State Director compiles and monitors a list of operators suspended or debarred by the Secretary of the Interior from doing business with Interior agencies. Generally, suspensions and debarment by the Secretary are temporary and run for stipulated periods of time. Bids cannot be accepted from, nor forest product contracts of any nature awarded to, such operators during the periods of suspension or debarment. (See Manual Section 5450).
3. Small Business Size Classification Size Standards. The State Director classifies and lists all timber operators who operate within the State Director's area of jurisdiction as to large business, small business, and manufacturing capability in relation to SBA size definitions. This list must be updated periodically from information furnished by District/Area Office and SBA representatives. The record is used to:
 - a. Check against the small business qualifiers for set-aside sales.
 - b. Update or recomputed the small business base shares. (See (H-5410-1, Annual Timber Sale Plan, Chapter III.)
 - c. Monitor small business purchases.

H-5450-1 - AWARD OF CONTRACT

- III. Performance Bond Requirements. The required performance bond must be submitted by a prospective purchaser prior to approval of the sale contract by the authorized officer. Procedures for increasing the required performance bond to provide for cutting but no removal of forest product sold and use of payment bonds is discussed in Handbook 5460-1, Sales Administration, Chapter II.
- A. Types of Performance Bonds. Four types of performance bonds are acceptable to the Government as discussed herein. Selection of the type of bond is at the option of the purchaser.
1. Bond of Corporate Surety. This is a bond executed on GSA Standard Form 25 (see Illustration 19) by a surety company shown on the United States Treasury Department list entitled "Companies Holding Certificates of Authority has Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies." It must be accompanied by a power of attorney when the bond is executed by an agent or attorney-in-fact for the surety. (See Illustration 20.) The power of attorney must be executed by the corporate surety upon a date reasonably proximate to the date of the bond, or it must be accompanied by a certification of the surety to the effect that the power of attorney was in full force and effect upon a date reasonably proximate to the date of the bond.
 - a. List of Acceptable Sureties. The surety list described in Paragraph III.A1, is published annually as of July 1 by the Department of the Treasury in the *Federal Register*. It is updated periodically throughout the year. The State Director ensures that a copy of this list together with any appropriate update changes is available to the District/Area office.
 - b. Disposition of Bond. Three copies of a properly completed bond are required. Upon approval of the contract, the bonds are distributed as follows:
 - (1) The original SF-25, Performance Bond, is filed with the approved contract.
 - (2) First carbon is returned to Purchaser with his approved contract.
 - (3) Second carbon is returned to surety.
 2. Personal Surety Bond. A personal surety bond is a bond guaranteed by responsible individuals as sureties. The bond is executed on GSA Standard Form 25. When a personal surety bond is used, the sureties must be two responsible individuals. Each individual surety must submit an "Affidavit of Individual Surety" on GSA Standard Form 28. (See Illustration 21.)
 - a. Evaluation of Personal Surety Bond. Upon receipt of a completed SF-25, Performance Bond, together with the attendant SF-28's, Affidavit of Individual Surety, District/Area Manager with the advice and assistance of the State Director, makes a determination of financial competency of the two individual sureties.
 - b. Disposition of Bond. Four copies of a properly completed bond are required. Upon approval of the contract by the Contracting Officer, the bonds are distributed as follows:

H-5450-1 - AWARD OF CONTRACT

- (1) The original SF-25, Performance Bond, and the original each of SF-28, Affidavit of Individual Surety, are filed with the approved contract.
 - (2) First carbons of these bond forms are returned to the Purchaser with his approved contract.
 - (3) Second and third carbons of the bond forms are returned to the two individual sureties, respectively.
3. Cash Bond. This is a bond executed on Form 1822-4, Cash Bond. Two copies of a properly completed bond are required.
 - a. Monetary Requirements of Bond. The monetary requirements of the bond may be satisfied by any of the following methods:
 - (1) A cash deposit whereby the Purchaser submits an actual cash payment equal to the penal sum of the bond. Such cash deposits are deposited to a BLM suspense account. See Manual Section 1372 for specific instructions relating to such deposits. (See Illustration 22.)
 - (2) A certified check, made payable to the BLM from a bank or savings and loan association, in an amount equal to the penal sum of the bond, which the BLM agrees not to negotiate except in case of contract default. The certified check is to be retained by BLM in a locked cabinet or safe until cashed (in the event of default) and returned to the Purchaser. (See Illustration 23.)
 - (3) An irrevocable letter of credit (ILC) issued to the BLM by a bank in an amount equal to the penal sum of the bond. An ILC is similar to a cash deposit and the BLM may draw on the issuing bank up to the amount stated in the ILC. There is no standard BLM form for an ILC; rather an ILC is prepared by the issuing bank on its letterhead following a format prescribed by the BLM. When an ILC is submitted in lieu of cash with a cash performance bond, the Contracting Officer must review the ILC to assure that the minimal information specified for an ILC is met, that the information is accurate, and that no conflicting information has been added. The ILC shall be placed in a locked cabinet or safe until drawn upon (in the case of default) or returned to the issuing bank. (See Illustrations 24 and 25.)
 - (4) An Assignment of Surety is executed in triplicate by the purchaser and issuing institution and accompanied by an executed copy of Form 1822-4, Cash Bond. (See Illustration 26 and 27.) A Certificate of Time Deposit or Savings Account may be assigned. All owners of the surety on record must sign the assignment form. The assignment must be recorded and certified by an Officer from the issuing institution. The Assignment of Surety shall be placed in a locked cabinet or safe until drawn upon (in the case of default) or returned to the issuing bank. One copy of the Assignment of Surety is returned to the Purchaser with the Purchaser's copy of the contract and a second copy is returned to the issuing institution.
 - b. Disposition of Bond.
 - (1) The original is filed in the official contract file.

H-5450-1 - AWARD OF CONTRACT

- (2) The copy is returned to the Purchaser with the Purchaser's copy of the contract.

4. Deposit of Negotiable Securities of the United States.

Negotiable securities of the United States may be deposited by the Purchaser for a performance bond. BLM Form 5450-13, Deposit of Negotiable Securities of the United States Performance Bond is used to document the action. (See Illustration 28.) Together with this bond form, the Purchaser must submit the necessary securities with a cash or market value (rather than a face value) equal to or in excess of the penal amount of the bond requirement.

a. Identification of Acceptable Negotiable Securities.

Negotiable securities are written securities which may be transferred by endorsement and delivery, ie., securities which are transferable and payable to the bearer. Examples of such negotiable securities are U.S. Treasury Bonds, U.S. Treasury Notes and U.S. Certificates of Indebtedness. Nearly all U.S. Treasury obligations, except U.S. Savings Bonds, are negotiable. Negotiability of the document will be indicated on its face. The usual words of negotiability are "Pay to the order of ____" or "Pay to the bearer." The language of each security must be examined to assure negotiability.

- b. Disposition of negotiable Securities and Bond. Three copies of a properly completed bond are required. Upon approval of the contract, the bond forms and securities are distributed as follows.

- (1) The original Form 5450-13, Deposit of Negotiable Securities of the United States Performance Bond, together with the securities are forwarded by registered mail to the Branch of Financial Management Service Center for deposit with the Federal Reserve Bank for safekeeping and monitoring.
 - (a) Negotiable securities are the same as cash. The District must exercise the same safeguards in handling these securities as is exercised in the case of cash transactions.
 - (b) If any of the securities submitted require coupon clipping, etc., for the payment of interest, this will be handled by the Federal Reserve Bank.
- (2) First carbon of the bond is filed with the approved contract.
- (3) Second carbon of the bond is returned to the Purchaser with his approved contract.

H-5450-1 - AWARD OF CONTRACT

- B. Minimum Level of Performance Bond. The regulatory minimum performance bond requirements are as follows:

| If contract amount is: | and the contract payment is: | Minimum performance bond is required in the amount of: |
|------------------------|------------------------------|--|
| Under \$2500 | Cash | At discretion of Contracting Officer |
| | Installment | \$500 |
| Over \$2500 | Cash | 20% of total |
| | Installment | contract price to a maximum of \$500,000 |

Where the minimum bond requirements are expressed as a percentage of the contract value, the value thus computed shall be raised to the next highest \$100. For example, the bond required for a contract with a total contract purchase price of \$52,600 will be \$10,600 computed as follows:

$$\$52,600 \times .20 = \$10,520$$

$$\$10,520 \text{ raised to the next highest } \$100 = \$10,600$$

- C. Performance Bond in Excess of Minimum Level. Under normal circumstances, the minimum level of performance bond shall be the maximum level to protect the interests of the United States. If a situation should arise where the Contracting Officer believes that a level of binding higher than the minimum set forth in Chapter III.B is desirable to cover additional risk to the government, such increased level must be fully justified and submitted to the State Director for approval prior to advertising the sale.
1. Computation of Increased Bond. If the Contracting Officer determines that an increased performance bond is desirable to cover additional risk because of capital, improvements or special contract requirements, the increase shall be computed on the same basis as the minimum bond; i.e., 20 percent of the estimated cost of the required work raised to the next highest \$100. For example:

Appraisal Allowance for Road Construction – \$125,000
 Appraisal Allowance for Gross Yarding -----15,800
 Appraisal Allowance for Stream Clearance -----8,500
 Appraisal Allowance for Special Slash
 Disposal Measures -----23,600
 Total Cost of Special Requirements-----\$172,900
 Rate of Bond-----x .20
 Increased Bond Amount -----34,580
 Round to:-----\$ 34,600

Therefore, for the example shown, the timber sale notice for that tract must then stipulate that the performance bond required will be 20 percent of the total purchase price plus an additional amount of \$34,600 to cover improved investments.

H-5450-1 - AWARD OF CONTRACT

IV. Methods of Payment. The regulations and contract forms governing the sale of forest products provide for two basic ways to pay for forest products purchased: cash payments and installment payments. Cash payment is required in certain circumstances. Installment payments are permitted in certain circumstances. Rules governing each method are set out below.

A. Cash Payment. Cash payment means payment of the full amount of the contract purchase price prior to or at the time the Contracting Officer signs the contract. Cash payment is mandatory for all sales under \$500.00 in value; for all sales of minor forest products made in the field by authorized and bonded field personnel and for all sales of right-of-way timber to a permittee under 43 CFR Group 2800. Cash payment may be required for sales over \$500 at the discretion of the Contracting Officer. As a general rule, contracts written on the following contract forms require advance cash payment:

1. Form 5450-1, Contract for Sale of Vegetative Resources, except when value is over \$500.
2. Form 5450-5, Vegetative or Mineral Material Negotiated Cash Sale Contract (\$2,499 or less).
3. Form 5450-10, Christmas Tree Tag.

B. Installment Payments. Contracts written on Forms 5450-1 and 5450-3 permit payment by installments when the total purchase price is over \$500. While acceptance of installment payments on a contract is discretionary with the Contracting Officer, generally most sales over \$500 written on Forms 5450-1, 5450-3 and 5450-4 will provide for payment by installments.

NOTE: Advance payment (cash) is required for all sales of right-of-way timber to a permittee under 43 CFR Group 2800.)

1. Computation of Amount of Installment. For sales under \$500,000, the minimum installment shall not be less than 10 percent of the total purchase price. For sales of \$500,000 or more, installment payments shall be \$50,000. The computation process follows:

| Total Purchase Price | Amount of Installment |
|----------------------|--|
| \$500 to \$9,000 | 10% of total purchase price rounded to next highest \$100. |
| \$9,001 to \$499,999 | 10% of total purchase price rounded to next highest \$1,000. |
| \$500,000 and over | \$50,000 |

The amount of the installment payment is entered on the contract form prior to award of contract. Installment contracts automatically require payment in advance of forest products cutting or removal unless the Purchases makes prior arrangements to increase the performance bond or files a payment bond to permit cutting or removal in advance of payment.

H-5450-1 - AWARD OF CONTRACT

2. Options. Forest Products sold on an installment payment basis may be paid for under the following installment payment options:
 - a. Payment in Advance of Cutting.
 - (1) The first installment shall be paid prior to or at the time the Contracting Officer signs the contract. One half of this deposit shall be applied to the final payment under the contract and one half will be released to be applied against the purchase price when 60 percent of the total purchase price has been paid, or road construction required by the contract has been completed, the value of which, when added to installment payments made under the contract, equals 60 percent of the total purchase price.
 - (2) The second installment shall be paid prior to the cutting or removal of material sold.
 - (3) Each subsequent installment shall be due and payable without advance notice when the value of the material cut or removed equals the sum of all payments, not including the first installment, or one half of the first installment after half has been released as provided in (1) above.
 - (4) In the case of all contracts with a term 19 months or longer, the Purchaser is required by the first anniversary date to either:
 - (a) Pay no less than 20 percent of the total purchase price, or,
 - (b) Complete road construction required under the terms of the contract the value of which when combined with installment payments made is equal to no less than 20 percent of the total purchase price.
 - (5) In the case of all contracts with a term of 27 months or longer, the Purchaser is also required by the second anniversary date to either:
 - (a) Pay no less than 40 percent of the total purchase price, or,
 - (b) Complete road construction required under the terms of the contract the value of which when combined with installment payments made is equal to no less than 40 percent of the total purchase price. For the purpose of these computations, value of road construction completed will be based on BLM appraisal allowances.
 - (6) Payment in full of the total purchase price must be made prior to the expiration of time for cutting and removal set forth in the contract.

H-5450-1 - AWARD OF CONTRACT

b. Payment in Advance of Skidding, Yarding or Removal:

- (1) The first installment shall be paid prior to or at the time the Contracting Officer signs the contract. One half of this deposit shall be applied to the final payment under the contract and one half will be released to be applied against the purchase price when 60 percent of the total purchase price has been paid, or road construction required by the contract has been completed, the value of which, when added to installment payments made under the contract, equals 60 percent of the total purchase price.
- (2) Cutting in advance of payment shall be allowed if the Purchaser increases the minimum performance bond required under the terms of the contract by an amount equal to one or more installment payments. Form 5460-3, Increase or Decrease Rider, is used to document this increase. (See Illustration 29.) Cutting in advance of payment shall be permitted to a value level equal to the value of the increase in the performance bond. Cutting in advance of payment is not permitted until the Contracting Officer approves, in writing, the increased bond.
- (3) The second installment payment is due and payable before any timber is skidded or yarded to a loading point or removed from the contract area. Subsequent installment payments are due and payable without notice when the value of the forest products skidded or yarded to a loading point or removed equals the sum of all payments not including the first installment, or one half the first installment after half has been released as provided in (1) above.
- (4) In the case of all contracts with a term 19 months or longer, the Purchaser is required by the first anniversary date to either:
 - (a) Pay no less than 20 percent of the total purchase price, or;
 - (b) Complete road construction required under the contract the value of which when combined with installment payments made is equal to 20 percent of the total purchase price.
- (5) In the case of all contracts with a term of 27 months or longer, the Purchaser is also required by the second anniversary date to either:
 - (a) Pay no less than 40 percent of the total purchase price, or,
 - (b) Complete road construction required under the terms of the contract the value of which when combined with installment payments made is equal to no less than 40 percent of the total purchase price. For the purpose of these computations, value of road construction completed will be based on BLM appraisal allowances.
- (6) The Purchaser may elect to use or discontinue use of the increased performance bond procedure at any time during the term of the contract, provided that the contract is in good standing.

H-5450-1 - AWARD OF CONTRACT

- (7) Payment in full of total purchase price must be made prior to expiration of time for cutting and removal set forth in the contract.

c. Payment After Cutting and Removal.

- (1) The first installment shall be paid prior to or at the time the Contracting Officer signs the contract. One half of this deposit shall be applied to the final payment under the contract and one half will be released to be applied against the purchase price when 60 percent of the total purchase price has been paid, or road construction required by the contract has been completed, the value of which, when added to installment payments made under the contract, equals 60 percent of the total purchase price.
- (2) Cutting and yarding/removal of timber before payment shall be allowed if the Purchaser secures a payment bond in an amount equal to one or more installment payments. Cutting and/or removal is permitted up to a value level equal to the value of the payment bond. The Purchaser should be encouraged to file a bond of sufficient penal amount to cover the equivalent of two months anticipated cutting and removal to avoid contract violation situations. Cutting and/or removal in advance of payment is not permitted until the Contracting Officer approves, in writing, the payment bond. The following types of payment bonds are acceptable:
 - (a) Payment Bond for Single Contract (Form 5450-11) See Illustration 30.)
 - (b) Blanket Payment Bond (Form 5450-20). See Illustration 31.)
 - (c) Deposit of Negotiable Securities of the United States Payment Bond (Form 5450-15). (See Illustration 32.)
 - (d) Cash Payment Bond (Form 5450-21) supported by Irrevocable Letter to Credit-Payment Bond. (See Illustrations 33 and 34.)
 - (e) Cash Payment Bond (Form 5450-21) supported by an Assignment of Surety for Payment Bond. (See Illustrations 35 and 36.)
- (3) The Purchaser shall be billed monthly for the forest products skidded or yarded to a loading point or removed from the contract billing date shown on the billing form.
- (4) In the case of all contracts with a term 19 months or longer, the purchaser is required by the first anniversary date to either:
 - (a) Pay no less than 20 percent of the total purchase price, or;

H-5450-1 - AWARD OF CONTRACT

- (b) Complete road construction required under the contract the value of which when combined with payments made for material cut and/or removed is equal to 20 percent of the total purchase price.
- (5) In the case of all contracts with a term of 27 months or longer, the Purchaser is also required by the second anniversary date to either:
 - (a) Pay no less than 40 percent of the total purchase price, or,
 - (b) Complete road construction required under the terms of the contract the value of which when combined with payments made for material cut and/or removed is equal to no less than 40 percent of the total purchase price. For the purpose of these computations, value of road construction completed will be based on BLM appraisal allowances.
- (6) The Purchaser may reduce the amount of the payment bond to a value equal to the amount of "cut" forest products for which payment has not been received when operations cease for a period of 60 days or more. Before operations resume under this option, the bond must be increased to an amount equal to one or more installments as per IV.B2c(2). The Purchaser may elect to use or discontinue use of the payment bond procedure at any time during the term of the contract, provided that the contract is in good standing.
- (7) Payment in full of the total purchase price must be made prior to expiration of time for cutting and removal set forth in the contract.
- d. Combinations of Methods. Combinations of methods described in Paragraph IV.B2b and Paragraph IV.B2c, are permitted providing proper bonding has been secured by the Purchaser and approved by the Contracting Officer. A single blanket payment bond may be allocated to two or more contracts with the same Purchaser in the same District upon approval of the Contracting Officer.

C. Application of Bid Deposits.

1. Cash Deposit. When the bid deposit is submitted in the form of cash, money order, or cashier's check, the entire bid deposit will be retained until such time that the contract is approved by the Contracting Officer and applied toward payment requirements of the contract. If, after approval of the contract, the Purchaser so requests, any amount of the bid deposit in excess of one installment may be refunded to the Purchaser.
2. Bid Bond or Cash Bid Bond. When a corporate surety bid bond or cash bid bond (with irrevocable letter of credit or Assignment of Surety) has been used by a Purchaser to qualify for bidding, the bond will be retained by the Contracting Officer until all requirements for contract approval have been met. When the contract has been approved, these documents are to be returned to the Purchaser, in case of a corporate surety bid bond, and to the issuing bank, in the case of an ILC or an Assignment of Surety.

H-5450-1 - AWARD OF CONTRACT

- V. Letter of Award. The letter of award is the formal notice to the high bidder of award of contract together with clear instructions for executing the contract, the performance bond, and any other appropriate documents. The letter of award is oftentimes referred to as the "first letter."
- A. Preparation of Letters. The letter of award is prepared for the signature of the Contracting Officer after a determination has been made that the high bidder is qualified and responsible. The letter notifies the bidder of bid acceptance and sets forth payment options, proposed disposition of the bid deposit, and instructions for completing and return of the contract and bond forms. (See Illustration 37.)
1. Payment Options. The letter of award must contain instructions for payment of the contract amount. (See Chapter IV for specific instructions on payments.)
 2. Performance Bonds. The letter of award must contain instructions for completion of a performance bond, when required. (See Chapter III for instructions on performance bonds.)
 3. Trespass Warning. The letter of award must advise that the award of the contract does not authorize the Purchaser to initiate operations on the contract area and that any forest products cutting prior to approval of the contract constitutes forest products trespass.
 4. Award Date. The date of the letter of award is the date on which an offer is made by the high bidder is accepted by the Government, and it becomes the date the contract is made and entered into. The date of the letter of award and the date included in the preamble of the contract must be the same.
- B. Time Limit for Returning Signed Contract. The Purchaser shall be allowed 30 days to sign and return the contract together with the required performance bond and other requested documents. On 30-day extension of this time period may be permitted upon written request if filed with the Contracting Officer within the original 30-day period. (See Chapter VI.B.) A tickler file should be established to remind the Contracting Officer of the 30-day period for return of the executed contract, performance bond, and other documents. As a matter of courtesy, the high bidder should be contacted when 25 days have elapsed to notify that the executed contract and bond have not been received. Contact may be by phone and documented by letter. (See Illustration 38.)
- C. Set-Aside Sales. The Contracting Officer must wait five days from the sale date before awarding the contracting to the high bidder. If no protests are received, proceed with award; if, however, a protest on the size standard of the high bidder is received, proceed as described in Chapter II.B.

H-5450-1 - AWARD OF CONTRACT

- VI. Execution of the Contract. Execution of the contract is concerned with the actions of the successful bidder or prospective purchaser to complete and return a forest products sale or other vegetative contract preparatory to approval by the Contracting Officer. Principal actions by the high bidder or prospective purchaser include signing the contract, making required payments or deposits, and, if required, submitting a performance bond.
- A. Contracting Officer Review. Principal review action of the Contracting Officer is to determine that all documents submitted by the high bidder or prospective purchasers are complete, in proper order, and that any required payment or deposit is made.
1. Contract. All copies of the contract should be reviewed to make sure that all copies are complete and that all copies have been signed. The signature on the contract should be checked against the Operator's Rating Record to assure proper signature. For corporations, the signing officer must be identified by title, the signature certified by the corporation secretary or assistant secretary, and the corporate seal affixed.
 2. Performance Bond. Because the performance bond may be one of four different types, the items to review differ with bond type.
 - a. Corporate Surety Bond. Corporate surety bonds are written on Standard Form 25, Performance Bond. (See Illustration 19.) The Contracting Officer must verify the following:
 - (1) That all entries on the form have been made in accordance with the instructions set forth on the reverse side of the form;
 - (2) That a power of attorney accompanies the bond when the bond is signed by an agent or attorney-in-fact for the surety; and
 - (3) That the penal sum of the bond is for the correct amount.
 - b. Individual Surety Bond. Individual surety bonds are written on Standard Form 25, Performance Bond. In addition, the individual surety bond must be supported by Standard Form 28, Affidavit of Individual Surety, (see Illustration 21), from two or more individual sureties. The Contracting Officer must verify the following:
 - (1) That all entries on the bond form have been made in accordance with the instructions set forth on the reverse side of the form;
 - (2) That Affidavits of Individual Surety from each of the individual sureties have been properly completed in accordance with the instructions on the form; and
 - (3) That the penal sum of the bond is for the correct amount.
 - c. Cash Bond. Cash bonds are written on Form 1822-4, Cash Bond. (See Illustrations 22, 23, 24 and 27.) The Contracting Officer must verify the following:

H-5450-1 - AWARD OF CONTRACT

- (1) That all entries have been properly made in accordance with instructions for use of the form,
 - (2) That the penal sum of the bond is for the correct amount, and
 - (3) That the cash deposit received is for the correct amount and properly accounted for.
 - (4) If an irrevocable letter of credit (ILC) or an Assignment of Surety is used in lieu of a cash deposit, the Contracting Officer must verify the following:
 - (a) That the instrument conforms to the format and that no conflicting information has been added;
 - (b) That all parties to the instrument have been properly identified;
 - (c) That the amount of the penal sum is correctly stated;
 - (d) That the contract to which the instrument applies is properly identified; and
 - (e) That the instrument is signed by an authorized officer of the issuing bank.
- d. Negotiable Securities of the United States. The deposit of negotiable securities of the United States as a performance bond is documented on Bureau Form 5430-13, Deposit of Negotiable Securities of the United States. (See Illustration 28.) The Contracting Officer must verify the following:
- (1) That all entries have been properly made in accordance with instructions for use of the form.
 - (2) That the penal sum of the bond is for the correct amount.
 - (3) That the cash or market value (rather than face value) of the securities deposited equal or exceed the penal sum of the bond.
 - (4) That the deposited securities are properly accounted for.
3. Payments. Payment requirements differ with the type of sale, i.e., cash sale or installment sale. For cash sales written on Contract Forms 5450-1, Form 5450-3, and 5450-5, payment must be made in full prior to or at the time the Contracting Officer signs the contract. For installment sales written on Contract Forms 5450-1 and 5450-3, a deposit equal to one installment, as specified in the contract, must be made prior to or at the time the contract is signed by the Contracting Officer.

H-5450-1 - AWARD OF CONTRACT

- B. Extension of Time. If the successful bidder is not able to meet the 30-day requirement, an additional 30-day period may be requested. The application for the extension of time must be made in writing and granted in writing prior to expiration of the original 30-day period. While action on such a request is discretionary with the Contracting Officer, only in the most unusual case would the request be denied. (See Illustration 39.)
- C. Retention of Bid Deposit. When a successful bidder fails to sign and return a contract, together with any required performance bond and any required payment within the time provided, the rights and privileges of the successful bidder in and to such timber are terminated and the bid deposit retained as liquidated damages. The bidder shall be promptly notified by letter of this action and the letter shall include the right of appeal. (See Illustration 40.)
1. Cash Bid Deposit. In the event the amount of the bid deposit is in excess of the minimum deposit specified in the sale notice, the excess amount shall be refunded after the 30-day appeal period has passed and no appeal has been filed.
 2. Bid Bond. If the successful bidder submitted a corporate surety bid bond to qualify for bidding, demand shall be made upon the bonding company for liquidated damages after expiration of the 30-day appeal period and in the absence of an appeal.
 3. Cash Bid Bond. If the successful bidder submitted a cash bid bond supported by an irrevocable letter of credit (ILC) to qualify for bidding, demand shall be made upon the issuing bank for liquidated damages after expiration of the 30-day appeal period and in the absence of an appeal. Demand is accomplished by delivery of a sight draft (see Illustration 41) and letter explaining the reason for the sight draft.
- D. Offer and Award to Other High Bidder. When the successful bidder fails to sign and return the contract, and any required bond and payments, the contract may be offered and awarded for the amount of the high bid to the highest of the bidders who is qualified, responsible, and willing to accept the contract; provided, however, the 30-day appeal period has expired and no appeal has been filed by the high bidder. (See Paragraph II.C1a.)

H-5450-1 - AWARD OF CONTRACT

- VII. Approval of Contract. Approval of contract includes signing of the contract by the Contracting Officer, transmittal of the approved contract to the Purchaser, contract recordation, and notification of interested parties that forest products has been sold.
- A. Contract Approval. When the contract is in order, and required payments have been made, the contract shall be approved by the Contracting Officer. Each copy of the contract must be signed and dated. The date of signing is important because it is the date from which time for cutting and removal is measured. For negotiated sales, the approval date will be identical to the sale date (see H-5400-1.)
 - B. Distribution of Contract.
 - 1. District Copy. The original of the contract is retained in the official files of the Bureau.
 - 2. Purchaser Copy. The first copy of the contract is the purchaser's copy. The copy of the contract and pertinent documents are transmitted to purchaser by letter, commonly called 'second letter.' (See Illustration 42.) The letter should identify the Contracting Officer's Designated Representative. If field administration of the contract will be carried out by an individual other than the Contracting Officer's Designated Representative, such individual should also be identified. The letter should call attention to forms being transmitted and any action required of the purchaser before cutting can begin. Generally, the following forms are sent the Purchaser at this time:
 - a. Form 5450-8 Road Use Fees Paid Report. (See Illustration 43.)
 - b. Form 5460-15 Log Scale and Disposition of Timber Removed Report. (See Illustration 44.)
 - c. Form 5460-16 Certificate as to Non-substitution and Domestic Processing of Timber. (See Illustration 45.)
 - C. Contract Recordation. The basic data on the sale shall be recorded on Form DSC 5436-1, Contract Index Card. (See Illustration 46.) Index cards may be filed either by contract number, alphabetically by Purchaser, or by township, range, and section, or all of these, for ready review or analysis of the numbers, status, or location of current and past sales.
 - D. Reporting Requirements. Contract approval date entered in Oregon Timber Sale Information System, or Material Disposal System, whichever is applicable, no later than COB on Friday of the week following contract approval.

- E. Notice of Timber Sold. A Notice of Timber Sold (see Illustration 47) shall be mailed to any individual, agency, or other party that has a direct interest or probable involvement in the sale action, such as the following:
1. Private landowner over whose land or road timber from the sale will be removed.
 2. Protection agency responsible for fire protection in the sale area.
 3. County assessor.
 4. State Forester.

H-5450-1 - AWARD OF CONTRACT

Glossary of Terms

-A-

advertised sale: an offering or sale of forest products using competitive bidding procedures following formal publication and posting of a notice of the sale.

-C-

contract administrator: a BLM employee designated, in writing, to inspect and administer timber sale contracts.

contracting officer: The Bureau of Land Management official who would have authority to execute a forest product contract and delegate authority to take action in connection with such contract.

-D-

designated representative: any employee of the BLM who has been duly authorized to exercise certain rights and duties of the authorized officer.

-O-

operator rating file: a document summarizing the qualifications of an individual, partnership or corporation to enter into contracts for the sale of forest products.

-N-

non-advertised sale: a sale of forest products which is made without formal publication and posting notice of the sale and without use of competitive bidding procedures.

-P-

performance bond: a performance bond is an instrument which binds the parties executing the bond to pay a stated monetary penalty in the event one or more of the parties fails to perform its obligations under a particular contract.

-S-

substitution: the acquisition of unprocessed timber from Federal lands and engaging in exporting, or selling for export unprocessed timber originating from private lands within the same geographic and economic area.

-U-

unprocessed timber: trees or portions of trees or other roundwood not processed to standards and specifications suitable for end product use.

H-5450-1 - AWARD OF CONTRACT

“Unprocessed timber” does not include timber processed into any one of the following:

- (1) Lumber or construction timbers, except Western Red Cedar, meeting current American Lumber Standards Grades or Pacific Lumber Inspection Bureau Export R or N list grades, sawn on four sides, not intended for remanufacture.
- (2) Lumber, construction timbers, or cants for remanufacture, except Western Red Cedar, meeting current American Lumber Standards Grades or Pacific Lumber Inspection Bureau Export R or N list clear grades, sawn on four sides, not to exceed 12 inches in thickness.
- (3) Lumber, construction timbers, or cants for remanufacture, except Western Red Cedar, that do not meet the grades referred to in clause (2) and are sawn on four sides, with waness less than $\frac{1}{4}$ of any face, and not exceeding $8\frac{3}{4}$ inches in thickness.
- (4) Chips, pulp products.
- (5) Veneer or plywood.
- (6) Poles, post, or piling cut or treated with preservatives for use as such.
- (7) Shakes or shingles.
- (8) Aspen or other pulpwood bolts, not exceeding 100 inches in length, exported for processing into pulp.
- (9) Pulp logs or cull logs to be processed at domestic pulp mills, domestic chip plants or other domestic operations for the purpose of conversion of the log into chips.

H-5450-1 - AWARD OF CONTRACT

Model of Letter to Protestant Regarding Decision
on Protest, Appeal Rights and Appeal Procedures



United States Department of the Interior
BUREAU OF LAND MANAGEMENT



IN REPLY REFER TO:

(Date)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

(Protestant's Name and Address)

(Salutation)

Receipt of your letter of (Date), protesting the (Sale Name) timber sale, is acknowledged. We have already offered this tract for sale. The high bidder is the (Bidder's Name). Prior to the offering of this sale, prospective bidders were notified of the protest and informed that the Bureau of Land Management would proceed with normal bidding. Concurrently, prospective bidders were also advised that the decision to award the contract would not be made until your protest was answered.

I have given your protest serious consideration. What follows is a specific response to each of the reasons contained in the Statement of Reasons in your letter of protest.

RESPONSE TO STATEMENT OF REASONS

All issues requested for relief have been adequately addressed in this response to your protest. Having considered your protest, it is my decision that your protest of the (Sale Name) timber sale be denied. Therefore, I will proceed with the award of this sale to the highest bidder and the implementation of the timber sale decision in accordance with 43 CFR 5003.3(f). If you wish to appeal my decision to proceed with award of this timber sale, please follow the instruction in the following paragraph. The purchaser of this timber sale (and the Association of O&C Counties) must be included as adverse parties.

You have the right to appeal to the Office of Hearings and Appeals, Office of the Secretary, U.S. Department of the Interior, in accordance with the regulations contained in 43 CFR Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office within thirty (30) days of receipt of this letter for transmittal to the board. A copy of your notice of appeal and of any statement of reasons, written or briefs, must also be served upon the Regional Solicitor, (Pacific Northwest Region, U.S. Department of the Interior, 500 NE Multnomah Street, Suite 67, Portland, Oregon 97232) within the same time frame. In any appeal, you should consider the Association of O&C Counties and the high bidder on the sale, (Bidder's Name), as adverse parties to whom you must serve these documents. Their addresses are as follows: (Bidder's Name and Address) (and Association of O&C Counties, 486 Heydon Road, Roseburg, OR 97470). In taken an appeal, there must be strict compliance with the regulations.

H-5450-1 - AWARD OF CONTRACT

Model of Letter to Protestant Regarding Decision
on Protest, Appeal Rights and Appeal Procedures

2

According to 43 CFR, Part 4, you have the right to petition the office of Hearings and Appeals to stay the implementation of the decision; however, you must show standing and present reasons for requesting a stay of the decision.

Sincerely yours,

Area Manager

cc: OSO 931.1
Regional Solicitor
(Association of O&C Counties)

H-5450-1 - AWARD OF CONTRACT

Form 5450-009
(March 2010)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CITIZENSHIP AFFIDAVIT

TYPE OR PRINT
PLAINLY, IN INK

I, _____
(first) (middle) (last)

Telephone Number (include area code) Home _____ Business _____

am an ☐ individual ☐ partner doing business under the firm name of

do solemnly swear that I am a ☐ native-born ☐ naturalized citizen of the United States, being twenty-one years of age or over. If naturalized citizen, proof of naturalization *must* be furnished.

Signature _____ Date _____

Address (include zip code) _____

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et. Seq.) requires us to inform you that:

This information is being collected to determine your qualification to bid on or purchase the sale of timber.

This information is being used to determine whether native born or naturalized citizen of the United States.

Response to this request is mandatory (43 CFR 5441.1(a)1) to obtain the benefit of a timber sale contract or permit

H-5450-1 - AWARD OF CONTRACT

Example of Partnership Agreement

PARTNERSHIP AGREEMENT

THIS AGREEMENT, entered into on this 6th day on May, 1984 between Joe Doe and John Doe, both of the City on Jamestown, County of Coos, and State of Oregon.

WITNESSETH:

1. The parties hereby agree that they will become and be partners in business for the purpose and upon the terms hereinafter stated.
2. The firm name of the partnership shall be the "Doe Brothers Logging Co."
3. The business to be carried on by the partnership shall be that of general logging.
4. The place at which the partnership is to be carried on shall be the city of Jamestown, State of Oregon, or any other place within the State of Oregon agreed upon by the partners.
5. The partnership shall exist until terminated by death of a partner or by withdrawal of a partner as hereinafter provide.
6. The partnership property shall consist of a D-5 Caterpillar tractor, a 1982 GMC general logging truck, a Crown Super 3000W truck, mounted loader, power saws, fire tools, miscellaneous rigging, and other miscellaneous items together with other logging equipment that each of the partners shall contribute one-half of all partnership property and that the parties are to share profits and losses of the business in same proportion
7. Each of the aforementioned parties shall be general partners and as such have a right to execute any and all partnership contracts.
8. Each of the partners is to give his undivided time and attention to the business.
9. Books of account of the transactions of the partnership shall be kept by John Doe in Jamestown, Oregon. Each partner of all his dealings, receipts, and expenditures for or on account of said firm.
10. On the 10th day of each month after all bills and obligations of the partnership have been satisfied, the profits shall be divided equally between the partners.

Example of Partnership Agreement

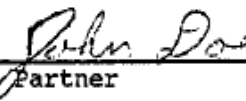
11. Either of the partners may retire from the partnership at any time upon giving his partner thirty (30) notice of his intentions so to do.

12. Upon the dissolution of the partnership, by reason of death, withdrawal, or other act of either partner, the remaining partner may continue the business and shall have right to purchase the interest of such partner in the business by paying the value of such interest as determined by an appraisal to be made by a body of three appraisers to be selected as follows: One appraiser to be selected by each partner as follows: One appraiser to be selected by each partner or his representative and the two appraisers so selected to select the third. Such payment shall be made within sixty (60) days from the date of the dissolution of the partnership.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this day and year first above written.



Partner



Partner

H-5450-1 - AWARD OF CONTRACT

Example of Letter in Lieu of Partnership Agreement

JONES SAWMILL COMPANY
Jamesburg, Oregon
97030

In compliance with your request relating to the partnership Agreement of Jones Sawmill Company, a co-partnership comprised of John Jones, Mary Jones, Williams Jones and Susie Jones, we wish to State the following:

- a. The term of partnership is unlimited.
- b. The nature of the business to be conducted is to be as following: To engage in the manufacturing, wholesaling and retailing activities of any and every kin, to buy, sell, mortgage, lease, let or otherwise deal in any type of real and personal property and to do any act which in any way might further the general business activities enumerated.
- c. Each partner is a general partner and as such may bind the partnership by his individual acts and deeds. One partner's signature will bind any transaction involving the partnership.
- d. In case of withdrawal or death of a partner, the surviving partner or partners shall continue the operation of the partnership until such partnership is either terminated or a new partnership is formed

Dated this 23rd of April, 1984.

H-5450-1 - AWARD OF CONTRACT

Example of Articles Incorporation

ARTICLES OF INCORPORATION

OF

JAMESTOWN LUMBER COMPANY

KNOW ALL MEN BY THESE PRESENTS, that we, JOHN DOE, BIL SMITH AND ARTHUR JONES, all residents of Portland, Multnomah County, Oregon, have this day associated ourselves together for the purpose of forming a private corporation under the general laws of the State of Oregon, and for the purpose do hereby make, adopt, execute and acknowledge, in triplicate, the following:

ARTICLES OF INCORPORATION

ARTICLE I

The name of this corporation shall be "JAMESTOWN LUMBER COMPANY."

ARTICLE II

The duration of this corporation shall be perpetual.

ARTICLE III

The enterprise, business, pursuit or occupation in which this corporation proposes to engage is:

1. To purchase, acquire, possess, own, hold, lease, construct, operate and maintain mills, factories and other facilities for the manufacture of lumber, lath, plywood, shingles and other wood products; to buy and sell logs, lumber, lath, plywood shingles and other wood products; and to engage generally in the manufacturing and disposition of such commodities.
2. To purchase, lease and otherwise acquire and to own, possess, hold, improve, mortgage, sell convey, or otherwise dispose of, timber and timber lands and other real and personal property.
3. To engage in the business of logging and to purchase, acquire, possess, own, hold, lease, construct, operate and maintain flumes, skid and logging roads, logging railroads, truck lines, water craft, and other transportation facilities.
4. To engage in the business of moving, storing booming and rafting logs, and to do and perform any and all acts and things necessary or desirable in such business, and to make changes for services and privileges in connection with such business.

Example of Articles of Incorporation

2

5. To carry on a general merchandising business, including the wholesale and retail sale of logs, lumber, lath, plywood, shingles and other wood products.
6. To erect, construct, build, purchase and maintain buildings, houses or structures, and to lease or rent any such buildings, houses or structures, and to lay out and plat any and all lands and real property belonging or owned by this corporation, or in which it has an estate, right, title or interest; and to dedicate streets, alleys and public places.
7. To subscribe for, purchase or otherwise acquire, and to hold land use with the same rights therefor as may be permitted to natural persons, shares of stock, bonds and obligations of this or any other corporation or association, and to mortgage, pledge, hypothecate and sell such shares of stock, bonds and obligations.
8. To guarantee contracts and obligations in which this corporation has or may have any interest, direct or indirect, to borrow money for the general or special purposes of this corporation, and to give as evidence thereof bonds, coupon notes, promissory notes or other evidence of indebtedness, and to mortgage, pledge and give or convey in trust any and all of the property, real, personal or mixed, of this corporation to secure the payment thereof.
9. To acquire, own, hold develop, maintain and operate water power, and to generate electrical energy for use in the business and operations of this corporation, and as an incident to such business and operations, to distribute, sell and otherwise dispose of electrical energy, but not as a public utility.
10. To do and perform any other act, matter or thing necessary proper or convenient for the accomplishment of carrying out of the enterprise, business, or occupation hereinabove specified.

ARTICLE IV

The principal office and place of business of this corporation shall be located at Jamestown, County of Coos, State of Oregon.

ARTICLE V

The capital stock of this corporation shall be one hundred thousand Dollars (\$100,000), divided into ten thousand (10,000) shares of the par value of ten dollars (\$10) per share.

H-5450-1 - AWARD OF CONTRACT

Example of Articles of Incorporation

3

IN WITNESS WHEREOF, the parties above named have hereunto set their hands and seals in triplicate this 6th day of August, 1980.

Executed in the presence of :

/s/ Susie Cue

/s/ Joe Doe (Seal)

/s/ Kenneth Johnson

/s/ Bill Smith (Seal)

/s/ Arthur Jones (Seal)

STATE OF OREGON)

County of Multnomah) as

August 6, 1980

Personally appeared the above named JOHN DOE, BILL SMITH, AND ARTHUR JONES, and acknowledge the foregoing instrument to be their voluntary act and deed.

Before me:

NOTARY
SEAL

Notary Public for Oregon
My commission expires July 5, 1980

I certify the foregoing to be a true and correct copy of the Articles of Incorporation of Jamestown Lumber Company.

January 31, 1983

CORPORATE
SEAL

Donald Rogers, Secretary

H-5450-1 - AWARD OF CONTRACT

Example of Corporation By-Laws

BY-LAWS
of
JAMESTOWN LUMBER COMPANY

ARTICLE I

STOCKHOLDERS

Section 1. The annual meeting of the stockholders of this Corporation shall be held at the office of the corporation in Jamestown, Oregon, on the second Monday in February of each year, for the purpose of electing directors and for the transaction of each other business as may be brought before the meeting.

Section 2. Special meetings of the stockholders may be held at any time, within or without the State of Oregon, whenever called by the president or by the board of directors.

Section 3. Notice of the annual meeting and of any special meeting shall be mailed by the secretary at least five days prior to the meeting to each stockholder at his address as the same appears on the books of the corporation.

Section 4. At all the meetings of the stockholders each stockholder shall be entitled to one vote in person or by proxy for each share of the capital stock held by him and standing in his name on the books of the company. All proxies or powers of attorney to vote must be in writing and filed with the secretary before or at the time of the meeting.

Section 5. At any meeting of the stockholders the holders of a majority of the shares issued and outstanding being present in person or represented by proxy, shall constitute a quorum for all purposes. If there be no quorum at such meeting, a majority of the stockholders attending in person or by proxy may adjourn the meeting from time to time, without notice, until a quorum shall attend.

ARTICLE II

BOARD OF DIRECTORS

Section 1. The business and affairs of the corporation shall be managed and controlled by a board of not less than three directors to be elected from the stockholders. A majority of the directors shall constitute a quorum, but if a majority shall not be present at any meeting, a less number may adjourn such meeting from time to time, without notice, until a quorum shall attend.

Section 2. At each annual meeting of the stockholders full board of directors shall be elected to serve for one year and until their successors shall have been elected and shall have qualified. In case if any vacancy in the board of directors through death, resignation, removal, failure to qualify, or disqualification of any directors, the remaining directors by a majority vote may fill such vacancy.

Section 3. Immediately after each annual election of directors, the newly elected directors shall attend meeting for the purpose of organization, the election of officer, and the transaction of other business. No notice of such meeting shall be required.

H-5450-1 - AWARD OF CONTRACT

Example of Corporation By-Laws

2

Section 4. Special meetings of the board of directors may be held at any time, within or without the State of Oregon, when called by the president telephone, telegraphy, or United States mail. Any business authorized or required to be transacted by the directors may be transacted as such special meeting.

ARTICLE III

OFFICERS

Section 1. The officers of this corporation shall be a president, a vice president, a secretary, and a treasurer, and such subordinate officers as hold office at the pleasure of the board and until their successors are elected and qualified.

Section 2. It shall be the duty of the president preside at all meetings of the stockholders and of the board of director, to sign all certificates of stock, bonds, deeds, or other documents made or entered into by or in behalf of this corporation requiring the corporate seal, as the board of directors may direct, and in general to perform the usual duties pertaining to his office.

Section 3. Vice President. In the absence of the president or in the event of his inability to act, it shall be the duty of the vice-president to perform the duties of the president.

Section 4. Secretary. The secretary shall be ex-officio clerk and shall give notice of all meetings of the stockholders and of the board of directors. He shall keep the minutes of all meetings and make due record thereof, shall countersign all certificates of stock and other documents requiring the seal of the company, and shall perform such other duties as are incident to the office of the secretary, and shall have the custody of the corporate seal. In the absence of the secretary from any meeting of the stockholder or directors, the minutes may be kept by a temporary secretary appointed for that purpose. The president, vice-president, or the treasurer may also hold the office of secretary.

Section 5. Treasurer. The treasurer shall have custody of all funds and securities of the corporation which shall come into his possession, and he shall perform such duties as are incident to the office of the treasurer. The president, vice-president or secretary may also hold the office of treasurer.

ARTICLE IV

SIGNING CHECKS

All checks, drafts, notes and other obligations and evidence of indebtedness shall be signed and countersigned in such manner as the board of directors may determine.

ARTICLE V

WAIVER OF NOTICE

Any stockholder or director may waive any notice required to be given under these by-laws.

H-5450-1 - AWARD OF CONTRACT

Example of Corporation By-Laws

3

ARTICLE VI

AMENDMENTS

These by-laws may be amended at any regular meeting of the board of directors or at any special meeting called for that purpose.

ARTICLE VII

CORPORATE SEAL

The seal of this corporation shall be as shown by the impression on the margin hereof.

I hereby certify this to be a true and correct copy of the by-laws of Jamestown Lumber Company.

CORPORATE
SEAL

January 29, 1983

Secretary

H-5450-1 - AWARD OF CONTRACT

Example of Corporate Resolution Authorizing Officers to Sign

RESOLUTION OF BOARD OF DIRECTORS
Of Jamestown Lumber Company

I HEREBY CERTIFY THAT I am the duly elected and qualified Secretary of Jamestown Lumber Company and that the following is a true and correct copy of said corporation, held at its office at 1234 James Building; on August 6, 1984.

“Resolved that the President and Secretary of the Jamestown Lumber Company be and they are hereby authorized and empowered in the name and on behalf of Jamestown Lumber Company under its corporate seal to make sign, and execute all timber sale contracts, performance bonds and other instruments necessary and requisite in order to consummate the purchase of timber from the Bureau of Land Management, United States Department of the Interior; and the President and Secretary of the Jamestown Lumber Company be and they are hereby authorized and empowered in the name and on behalf of Jamestown Lumber Company under its corporate seal to make, sign and execute right-of-way permits, easements and deeds by or between said corporation and the Bureau of Land Management, United States Department of the Interior.

“This resolution shall constitute a continuing authority to said officers to act on behalf of the Jamestown Lumber Company and such authority as hereinabove described shall continue until revoked by the Board of Directors of Jamestown Lumber Company and formal written notice given of such revocation.”


CORPORATE
SEAL

September 29, 1984

Donald Rogers, Secretary

H-5450-1 - AWARD OF CONTRACT

Example of Certificate of Corporate Commissioner
for Out-of-State Corporation


State of Oregon
Department of Commerce
Corporation Division


I, **Frank J. Healy**, Corporation Commissioner and Custodian of the Seal of the Corporation Division of the Department of Commerce of the State of Oregon, DO HEREBY CERTIFY:

That AMERICAN FAN COMPANY
_____ a corporation organized and formed under
and by virtue of the laws of the State of New Jersey
business in this state on the 12th day of July, 1967, and is at the date
of this certificate duly authorized to transact business within this state as a foreign
corporation and is in good standing, having filed all reports and made all payments to
this Department that are required by the Laws of this State.

In Testimony Whereof, I have hereunto set my hand and
affixed hereto the seal of the Corporation Division of
the Department of Commerce of the State of Oregon
this 26th day of September, 1967.

Frank J. Healy
Corporation Commissioner

By Helen K. Ruggen
Clerk



BLM MANUAL

Rel. 5-149
6/18/92

H-5450-1 - AWARD OF CONTRACT

Example of Certificate of Incorporation for
Corporations Organized within State

State of Oregon
Department of Commerce
Corporation Division
Certificate of Incorporation

OF

BUTTEVILLE LUMBER CO.

The undersigned, as Corporation Commissioner of the State of Oregon, hereby certifies that one original and one true copy of Articles of Incorporation, duly signed and verified pursuant to the provisions of the Oregon Business Corporation Act, have been received in this office and are found to conform to law.

Accordingly, the undersigned, as such Corporation Commissioner, and by virtue of the authority vested in him by law, hereby issues this Certificate of Incorporation, and attaches hereto a true copy of the Articles of Incorporation.

In Testimony Whereof, I have hereunto set my hand and affixed hereto the seal of the Corporation Division of the Department of Commerce of the State of Oregon this
10th day of June, 1902.

Frank J. Healy
Corporation Commissioner
[Signature]
Chief Clerk



C-11-5450
11 01



United States Department of the Interior
BUREAU OF LAND MANAGEMENT



IN REPLY REFER TO:

(Date)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

(Bidder's Name)

(Business Address)

(Salutation)

INTRODUCTION PARAGRAPH

On _____ (date) _____, you were declared high bidder on timber sale tract (tract number and name). Before we can accept your bid and award the contract, we are required by regulations to verify your qualifications as a bidder and purchaser of timber.

USE IF OPERTAOR RATING INFORMATION REQUIRED

According to our records, this is the first time you have done business with this Bureau under the name in which you bid.

USE IF RATING DATA REQUIRED OF INDIVIDUAL

You indicated on the Deposit and Bid For Timber that you were in business as an individual. Therefore, it will be necessary for you to verify your citizenship by completing and returning the enclosed Form 5450-9, Citizenship Affidavit.

USE OF RATING DATA REQUIRED FOR PARTNERSHIP

You indicated on the Deposit and Bid For Timber that your firm is a partnership. Therefore, it will be necessary for you to submit the following information:

1. A Citizenship Affidavit for each partner of your firm. Enclosed are copies of Form 5450-9, Citizenship Affidavit, for this purpose.
2. A copy of your partnership agreement, or if you have no federal partnership agreement please furnish us with a letter showing the nature of the business conducted by the partnership, the partnership term, and the name of the partner or partners who are authorized to execute timber sale contracts and performance bonds on behalf of the partnership. The partnership agreement, or the letter with the above information, must be signed by all partners.

Model Letter for Requesting Pre-award Qualifying Information

2

USE IF RATING DATA REQUIRED FOR CORPORATION

You indicated on the Deposit and Bid for timber that your firm is a corporation organized under the laws of (Identify state). Therefore, it will be necessary for you to furnish the following information:

1. A certified copy of the articles of incorporation and by-laws.
2. A certified copy of the resolution of your board of directors authorizing your officers to sign timber sale contracts and performance bonds on behalf of the corporation.
3. An original certificate from the Corporation Commission authorizing you to transact business in the State of Oregon

USE IF FINANCIAL STATEMENT REQUIRED OF INDIVIDUAL

We request that you submit a financial statement for your firm. We will accept a financial statement prepared no earlier than 60 days prior to (sale date). Your financial statement must be sworn to before a notary public.

USE IF FINANCIAL STATEMENT OF PARTNERSHIP

We request that you submit a financial statement for your firm. We will accept a financial statement prepared no earlier than 60 days prior to (sale date). Your financial statement must be signed by all partners and sworn to before a notary public.

USE IF FINANCIAL STATEMENT REQUIRED OF CORPORATION

We request that you submit a financial statement for your firm. We will accept a financial statement prepared no earlier than 60 days prior to (sale date). Your financial statement must be certified by the Treasurer or the Secretary-Treasurer of your corporation and the corporate seal affixed.

USE IF CERTIFICATE NOT COMPLETED AT THE TIME OF SALE

You must complete the enclosed Independent Price Determination Certificate, Form 1140-6, as a condition of award.

USE IF EXPORT DETERIORATION NOT COMPLETED AT TIME OF SALE

Please complete the enclosed Export Determination, Form 5450-17.

USE IF EXPORT SALE OCCURRED 12 MONTHS PRIOR TO SALE

Your completed Export Determination, Form 5450-17, indicates your last export sale occurred twelve months prior to sale of this tract.

Model Letter for Requesting Pre-Award Qualifying Information

3

USE IF EEO FORMS NOT COMPLETED AT TIME OF SALE

It is required that you complete the enclosed Equal Opportunity Affirmative Action Program Representation, Form 1140-7, and the Equal Opportunity Compliance Report Certification, Form 1140-8.

CLOSING PARAGRAPH

Please return the requested information to this office within fifteen (15) days from the date of this letter. Advise us promptly if you should require additional time, or have any questions. Award of the contract depends upon receipt and evaluation of the information requested.

Sincerely yours,

District Manager

Enclosure

H-5450-1 - AWARD OF CONTRACT

Example of Financial Statement

| JOHN SMITH LUMBER COMPANY | | | |
|--|---------------|-------------------|-----------------------|
| Jamestown, Oregon | | | |
| BALANCE SHEET | | | |
| September 30, 1984 | | | |
| A S S E T S | | | |
| CURRENT ASSETS | | | |
| Cash in Bank | | \$498,912.25 | |
| Accounts Receivable | \$117,411.17 | | |
| Less Reserve for Bad Debts | <u>958.22</u> | 116,452.95 | |
| Inventories | | 236,477.28 | |
| Advance on Logs | | 7,454.17 | \$859,296.67 |
| FIXED ASSETS | | | |
| Land | | \$ 7,742.00 | |
| Timber | | 55,098.25 | |
| Logging Roads | | 10,295.04 | |
| Buildings and Equipment | \$344,321.07 | | |
| Less Reserve for Depreciation | 108,654.07 | 235,667.00 | 308,802.29 |
| PREPAID INSURANCE | | | <u>3,337.39</u> |
| Total Assets | | | <u>\$1,171,436.33</u> |
| L I A B I L I T I E S | | | |
| CURRENT LIABILITIES | | | |
| Accounts Payable - Trade | | \$ 59,259.28 | |
| Contracts Payable | | 21,604.69 | |
| Payroll and Payroll Taxes payable | | 69,712.58 | |
| Property and Income Taxes Payable | | <u>162,584.23</u> | \$323,160.78 |
| OTHER LIABILITIES | | | |
| Notes Payables - Officers | | \$ 23,000.00 | |
| Due Brown Lumber Company | | 50,614.32 | |
| Property and Income Taxes Payable | | <u>162,584.23</u> | 134,182.59 |
| NET WORTH | | | |
| Capital Stock Issued | | \$150,000.00 | |
| Retained Earnings | | 574,091.96 | 724,091.96 |
| Total Liabilities | | | <u>\$1,171,436.33</u> |
| (Note: <u>Individuals</u> and <u>Partnerships</u> must sign the Financial Statement before a Notary Public. <u>Corporate</u> officers must have signatures certified by the Corporate Secretary and the corporate seal affixed.) | | | |

H-5450-1 - AWARD OF CONTRACT

Model Letter for Advising High Bidder or Prospective
Purchaser of Outstanding Trespass Liability



United States Department of the Interior
BUREAU OF LAND MANAGEMENT



IN REPLY REFER TO:

(Date)

CERTIFIED MAIL
RETURN RECEIPT REQUEST

(Bidder's Name)

(Business Address)

(Salutation)

By certified letter dated (____ date ____), the Bureau of Land Management's Oregon State Director advised you that no lease, permit, or license will be issued to you and no sale of timber or materials will be made to you by the Bureau of Land Management until you make arrangements to satisfy your liability associated with timber trespass (OR-08-XXXX, located in Sec. XX, T. X. R. X E., W.M. The full amount of the trespass damage is (Dollar Amount)).

On (____ date ____), you were declared high bidder on timber sale tract (Tract Number and Name). Before we can proceed with the award of the timber sale contract, you must settle the trespass case as follows:

1. Submit payment in full; or
2. Submit a promissory note for the full amount of damage; or
3. Submit a trespass bond covering the full amount of damage.

If you elect to submit a promissory note or bond, please contact this office and the appropriate forms will be sent to you.

You have fifteen (15) days from your receipt of this letter to submit an offer of settlement to this office. If not received by that time, you will be declared ineligible to receive the contract.

Please advise if you have any questions in this matter.

Sincerely,

District Manager

H-5450-1 - AWARD OF CONTRACT

Example of Independent Price Determination Certificate

Form 5430-011
August 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Timber Sale Number

Timber Sale Name

Sale date

INDEPENDENT PRICE DETERMINATION CERTIFICATE

| | |
|--|--|
| Bidder or Offeror (Name) | Address (include zip code) |
| <p>A. By submission of this bid or proposal, each bidder or offeror certifies, and in the case of a joint bid or proposal, each party thereto certifies as to its own organization, that in connection with this sale:</p> <p>1. The prices in this bid or proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices, with any other bidder or offeror or with any competitor;</p> <p>2. Unless otherwise required by law, the prices which have been quoted in this bid or proposal have not been knowingly disclosed by the bidder or offeror and will not knowingly be disclosed by the bidder or offeror prior to opening, in the case of a bid, or prior to award, in the case of a proposal, directly or indirectly to any other bidder or offeror or to any competitor; and</p> <p>3. No attempt has been made or will be made by the bidder or offeror to induce any other person or firm to submit or not to submit a bid or proposal for the purpose of restricting competition.</p> <p>B. Each person signing this bid or proposal certifies that:</p> <p>1. He is the person in the bidder's or offeror's organization responsible within that organization for the decision as to the prices being bid or offered herein and that he has not participated, and</p> | <p>will not participate, in any action contrary to A. 1 through 3 above; or</p> <p>2. (i) He is not the person in the bidder's or offeror's organization responsible within that organization for the decision as to the prices being bid or offered herein but that he has been authorized in writing to act as agent for the persons responsible for such decision in certifying that such persons have not participated, and will not participate, in any action contrary to A. 1 through 3, above, and as their agent does hereby so certify; and</p> <p>(ii) He has not participated, and will not participate, in any action contrary to A. 1 through 3, above.</p> <p>C. This certification is not applicable to a foreign bidder or offeror submitting a bid or proposal for a contract which requires performance or delivery outside the United States, its possessions, and Puerto Rico.</p> <p>D. A bid or proposal will not be considered for award where A. 1, 3, or B., above, has been deleted or modified. Where A. 2, above, has been deleted or modified, the bid or proposal will not be considered for award unless the bidder or offeror furnishes with the bid or proposal a signed statement which sets forth in detail the circumstances of the disclosure and the head of the agency, determines that such disclosure was not made for the purpose of restricting competition.</p> |
| (Authorized Signature of Bidder) | Name and Title (type or print) |

INSTRUCTIONS

Submit a properly completed and signed original copy of this form, with offers or bids for sales of all government-owned property to Bureau of Land Management as follows:

- A. Include with sealed bids, written quotations and written offers.
- B. At auction, at close of bidding and before award of spot bid sale.

H-5450-1 - AWARD OF CONTRACT

Form 1140-8
(June 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

EQUAL OPPORTUNITY
COMPLIANCE REPORT CERTIFICATION

FORM APPROVED
OMB NO. 1004-0071
Expires: April 30, 1985

Bid, invitation or other identification number
(include company miscellaneous and sale no.)

In accordance with 41 CFR 60-1.7(b) and Executive Order No. 11246 of September 24, 1965, as amended, the following certification will be completed by prospective contractors and subcontractors.

1. Have you participated in any contractual agreement which contained the Equal Opportunity Clause? ☐ Yes ☐ No
(If "yes," answer question 2)
2. Were you required pursuant to the regulations on Equal Opportunity (41 CFR 60-1) to file a compliance report * as a result of such contractual agreements? ☐ Yes ☐ No (If "yes," answer question 3)
3. Did you file the compliance report as required? ☐ Yes ☐ No

In the event any work under this proposed contractual agreement is subcontracted, I will secure this same certification (paragraphs 1 through 3 hereof) from proposed subcontractors prior to award of any subcontract.

(Name of Bidder)

(Signature of Authorized Officer)

(Title)

(Date)

*All employers with 50 or more employees who are covered by Executive Order No. 11246, i.e., holders of Federal Government contracts, subcontracts, or Federally assisted construction contracts or subcontracts, amounting to more than \$50,000;

and holders of Federal Government bills of lading, depositories of Federal Government funds, or issuing and paying agents of U.S. Savings Bonds and Notes in any amount are required to file SF-100.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

The Paperwork Reduction Act of 1980 (44 U.S.C.-3501, et seq.) requires us to inform you that:

Information is collected to comply with Regulations in 41 CFR 60.
Information is used to confirm compliance with those regulations.
Applicant must respond to obtain a benefit.

GPO 435 - 674

H-5450-1 - AWARD OF CONTRACT

Example of Equal Opportunity Affirmative

Action Program Representation

Form 1140-7
(June 1982)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

EQUAL OPPORTUNITY
AFFIRMATIVE ACTION PROGRAM REPRESENTATION

FORM APPROVED
OMB NO. 1004-0071
Expires: April 30, 1985

Solicitation, Serial, or Company
Miscellaneous and Sale Number.

BIDDER, OFFEROR, OR APPLICANT REPRESENTS THAT:

1. ☐ He has developed and has on file;
☐ He has not developed and does not have on file at each establishment, affirmative action programs as required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2); *

OR

2. ☐ He has not previously had a contract, lease, license, or permit subject to the affirmative action program requirement of the rules and regulations of the Secretary of Labor. *

The above representation need be checked only if this is a solicitation for a nonconstruction purchase contract in excess of \$10,000; or an application for a lease, license, or permit; or a bid on a sale of mineral materials or forest or vegetative products; wherein the total value of royalties or other payments to the Government will be in excess of \$10,000.

* Written affirmative action programs are required of nonexempt firms having 50 or more employees; and (a) a nonconstruction purchase contract of \$50,000 or more, or (b) a lease, license, permit, or sales contract with a total value of royalties or other payments to the Government of \$50,000 or more.

(Name of Bidder)

(Signature of Authorized Officer)

(Title)

(Date)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501, et seq.) requires us to inform you that:

This information is collected to comply with regulations in 41 CFR 60.

This information is used to confirm compliance with those regulations.

Applicant must respond to obtain a benefit.

GPO 828-479

H-5450-1 - AWARD OF CONTRACT

Model Letter Advising That High Bidder Declared
Ineligible to Receive Timber Sale Contract



United States Department of the Interior
BUREAU OF LAND MANAGEMENT



IN REPLY REFER TO:

(Date)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

(Bidder's Name)

(Business Address)

(Salutation)

Based upon an evaluation of your financial statement submitted in connection with your high bid on set-aside timber sale (tract number and name), you were directed to obtain a Certificate of Competency from the Small Business Administration.

Subsequently, by letter (____ date ____) the Small Business Administration advised that a Certificate of Competency cannot be issued to your firm.

Regretfully, I must inform you the Bureau of Land Management considers you financially unable of carrying out the terms of the timber sale; therefore, your company is declared ineligible to receive the contract.

We have requested a refund of your cash bid deposit of (amount). You should receive the refund in about two weeks.

Sincerely,

District Manager

cc: SBA

H-5450-1 - AWARD OF CONTRACT

Examples of Operator's Rating Record

| | | |
|---------------------------|--|---------|
| OS0 5450-1 (June 1977) | DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT Operator's Rating Records | 3-22-84 |
|---------------------------|--|---------|

| | |
|---|---|
| Smith Brothers Logging Co. Jamestown, Oregon | Individual <input type="checkbox"/> Partnership <input type="checkbox"/> |
|---|---|

Citizenship Affidavit: John Smith Route 1, Box 34, Jamestown, Oregon
Mary A. Smith Route 1, Box 34, Jamestown, Oregon

Signing Authority: John Smith is authorized to sign timber sale
contracts and bonds on behalf of the partnership.

Partnership Agreement: Agreement letter dated 3-7-84

| | | |
|--|---|---------|
| UNITED STATES DSC 5433-4a June, 1976 | DEPARTMENT OF INTERIOR Bureau of Land Management | 3-22-84 |
|--|---|---------|

John Doe Lumber Co.
Doeville, Oregon

Articles of Incorporation; x
By-laws: x
Authority to do Business in State of



Signing Authority:
For timber sale contracts & bonds:
President
or Vice-president
Secretary shall attest

(Officers: President, Vice-president, Secretary, Treasurer)

For right-of-way agreements:
Same as above

H-5450-1 - AWARD OF CONTRACT

Model Letter Notifying Bidder of Interdiction
for Unsettled Trespass

| | | |
|---|--|---|
|  | <p>United States Department of the Interior</p> <p>BUREAU OF LAND MANAGEMENT</p> |  |
| | | IN REPLY REFER TO: |
| <p>(Date)</p> | | |
| <p>CERTIFIED MAIL RETURNED RECEIPT REQUESTED</p> | | |
| <p>(Bidder's Name)</p> | | |
| <p>Business Address)</p> | | |
| <p>(Salutation)</p> | | |
| <p>You are hereby notified that you have failed to make satisfactory arrangements and it now appears that it is your intention not to satisfy your liability to the United States resulting from a timber trespass (<u>trespass number</u>) on federal lands located in the (<u>legal description</u>).</p> | | |
| <p>No lease, permit or license will be issued to you and no sales of Timber or materials will be made to you by the Bureau of Land Management until you make arrangements to satisfy your liability According to 42 Code of Federal Regulations 9239.0-9.</p> | | |
| <p>Sincerely yours,</p> | | |
| <p>State Director</p> | | |
| <p>cc: DMs</p> | | |

H-5450-1 - AWARD OF CONTRACT

Model Letter for Reinstating Bidder's Right
to Purchase Timber



United States Department of the Interior
BUREAU OF LAND MANAGEMENT



IN REPLY REFER TO:

(Date)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

(Bidder's Name)

(Business Address)

(Salutation)

By your letter of (____ date _____), you requested the Bureau of Land Management to reconsider its notice that it would be forced to reject the future high bids of (name of company) unless the financial condition of the corporate improved or a Certificate of Competency was obtained. You have also discussed this matter with personnel of this office and the office of the Regional Solicitor during a meeting on (____ date _____).

Based upon this discussion, the BLM has decided to withdraw its decision contained in our letter of (____ date _____. In the event (name of company) is the high bidder on any future timber sale, a separate determination of the corporation's responsibility and ability to perform that contract shall be made in accordance with the provisions of 43 CFR 5450.1(a).

If you have any questions concerning this letter, please let me know.

Sincerely yours,

State Director

cc: Regional Solicitor
BLM Districts

H-5450-1 - AWARD OF CONTRACT

Example of Performance Bond for Corporate
or Personal Surety

| | | | | | | | | | |
|--|-------------------------------|---|--|---|-----------------|----------|-----------|----------|-------|
| STANDARD FORM 25 <small>JUNE 1982 EDITION GENERAL SERVICES ADMINISTRATION FED. PROC. REG. (41 CFR) 1-16.601</small> | | PERFORMANCE BOND <i>(See Instructions on reverse)</i> | | DATE BOND EXECUTED <i>(Must be same or later than date of contract)</i> | | | | | |
| PRINCIPAL <i>(Legal name and business address)</i> | | | TYPE OF ORGANIZATION <i>(Check one)</i> <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> JOINT VENTURE <input type="checkbox"/> CORPORATION STATE OF INCORPORATION | | | | | | |
| | | | | | | | | | |
| SURETY(IES) <i>(Name(s) and business address(es))</i> | | | PENAL SUM OF BOND <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; border-bottom: 1px solid black;">MILLIONS</td> <td style="width: 25%; border-bottom: 1px solid black;">THOUSANDS</td> <td style="width: 25%; border-bottom: 1px solid black;">HUNDREDS</td> <td style="width: 25%; border-bottom: 1px solid black;">CENTS</td> </tr> </table> | | | MILLIONS | THOUSANDS | HUNDREDS | CENTS |
| | | | MILLIONS | THOUSANDS | HUNDREDS | CENTS | | | |
| CONTRACT DATE CONTRACT NO. | | | | | | | | | |
| <p>KNOW ALL MEN BY THESE PRESENTS, That we, the Principal and Surety(ies) hereto, are firmly bound to the United States of America (hereinafter called the Government) in the above penal sum for the payment of which we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally: <i>Provided</i>, That, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" as well as "severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sum only as is set forth opposite the name of such Surety, but if no limit of liability is indicated, the limit of liability shall be the full amount of the penal sum.</p> <p>THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the Principal entered into the contract identified above;</p> <p>NOW, THEREFORE, if the Principal shall:</p> <p>(a) Perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term of said contract and any extensions thereof that may be granted by the Government, with or without notice to the Surety(ies), and during the life of any guaranty required under the contract, and shall also perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the Surety(ies) being hereby waived; and</p> <p>(b) If the said contract is subject to the Miller Act, as amended (40 U.S.C. 270a-270e), pay to the Government the full amount of the taxes imposed by the Government which are collected, deducted, or withheld from wages paid by the Principal in carrying out the construction contract with respect to which this bond is furnished; then the above obligation shall be void and of no effect.</p> <p>IN WITNESS WHEREOF, the Principal and Surety(ies) have executed this performance bond and have affixed their seals on the date set forth above.</p> | | | | | | | | | |
| PRINCIPAL | | | | | | | | | |
| Signature(s) | | 1. _____ | | 2. _____ | | | | | |
| | | (Seal) | | (Seal) | | | | | |
| Name(s) & Title(s) (Typed) | | 1. _____ | | 2. _____ | | | | | |
| | | | | Corporate Seal | | | | | |
| INDIVIDUAL SURETY(IES) | | | | | | | | | |
| Signature(s) | | 1. _____ | | 2. _____ | | | | | |
| | | (Seal) | | (Seal) | | | | | |
| Name(s) (Typed) | | 1. _____ | | 2. _____ | | | | | |
| | | | | | | | | | |
| CORPORATE SURETY(IES) | | | | | | | | | |
| SURETY A | Name & Address | | STATE OF INC. | | LIABILITY LIMIT | | | | |
| | Signature(s) | | 1. _____ | | 2. _____ | | | | |
| | | | (Seal) | | (Seal) | | | | |
| | Name(s) & Title(s) (Typed) | | 1. _____ | | 2. _____ | | | | |
| | | | | Corporate Seal | | | | | |

25-105

H-5450-1 - AWARD OF CONTRACT

Example of Performance Bond for Corporate
of Personal Surety

| CORPORATE SURETY(IES) (Continued) | | | | |
|-----------------------------------|--------------------------------|---------------|-----------------|----------------|
| | Name & Address | STATE OF INC. | LIABILITY LIMIT | |
| SURETY B | Signature(s) | 1. | 2. | Corporate Seal |
| | Names(s) & Title(s) (Typed) | 1. | 2. | |
| | | | | |
| SURETY C | Signature(s) | 1. | 2. | Corporate Seal |
| | Names(s) & Title(s) (Typed) | 1. | 2. | |
| | | | | |
| SURETY D | Signature(s) | 1. | 2. | Corporate Seal |
| | Names(s) & Title(s) (Typed) | 1. | 2. | |
| | | | | |
| SURETY E | Signature(s) | 1. | 2. | Corporate Seal |
| | Names(s) & Title(s) (Typed) | 1. | 2. | |
| | | | | |
| SURETY F | Signature(s) | 1. | 2. | Corporate Seal |
| | Names(s) & Title(s) (Typed) | 1. | 2. | |
| | | | | |
| SURETY G | Signature(s) | 1. | 2. | Corporate Seal |
| | Names(s) & Title(s) (Typed) | 1. | 2. | |
| | | | | |

| | | | |
|--------------|---|-------------------|-------|
| BOND PREMIUM | ▶ | RATE PER THOUSAND | TOTAL |
| | | \$ | \$ |

INSTRUCTIONS

1. This form is authorized for use in connection with contracts for construction work or the furnishing of supplies or services. There shall be no deviation from this form without approval by the Administrator of General Services.

2. The full legal name and business address of the Principal shall be inserted in the space designated "Principal" on the face of this form. The bond shall be signed by an authorized person. Where such person is signing in a representative capacity (e.g., an attorney-in-fact), but is not a member of the firm, partnership, or joint venture, or an officer of the corporation involved, evidence of his authority must be furnished.

3. (a) Corporations executing the bond as sureties must be among those appearing on the Treasury Department's list of approved sureties and must be acting within the limitations set forth therein. Where more than a single corporate surety is involved, their names and addresses (city and State) shall be inserted in the spaces

(Surety A, Surety B, etc.) headed "CORPORATE SURETY(IES)", and in the space designated "SURETY(IES)" on the face of this form only the letter identification of the Sureties shall be inserted.

(b) Where individual sureties execute the bond, they shall be two or more responsible persons. A completed Affidavit of Individual Surety (Standard Form 28), for each individual surety, shall accompany the bond. Such sureties may be required to furnish additional substantiating information concerning their assets and financial capability as the Government may require.


4. Corporations executing the bond shall affix their corporate seals. Individuals shall execute the bond opposite the word "Seal"; and, if executed in Maine or New Hampshire, shall also affix an adhesive seal.

5. The name of each person signing this performance bond should be typed in the space provided.

U.S. GOVERNMENT PRINTING OFFICE : 1967 O - 288-184 (806)

H-5450-1 - AWARD OF CONTRACT

Example of Power of Attorney for Corporate Surety Bonds



ST. PAUL FIRE AND MARINE INSURANCE COMPANY
85 Washington Street, St. Paul, Minnesota 55101

GENERAL POWER OF ATTORNEY - CERTIFIED COPY
(Original on File at Home Office of Company. See Certification.)

CERTIFICATE OF AUTHORITY NO.
014605

KNOW ALL MEN BY THESE PRESENTS: That St. Paul Fire and Marine Insurance Company, a corporation organized and existing under the laws of the State of Minnesota, and having its principal office in the City of St. Paul, Minnesota, does hereby constitute and appoint:

Howard W. Wease and Fred E. Lindgren, individually,
Portland, Oregon

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise.

NOT TO EXCEED IN PENALTY THE SUM OF TWENTY FIVE MILLION (\$25,000,000)

and the execution of all such instrument(s) in pursuance of these presents, shall be as binding upon said St. Paul Fire and Marine Insurance Company, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.


This Power of Attorney is executed, and may be certified to and may be revoked, pursuant to and by authority of Article V-Section 6(C), of the By-Laws adopted by the Board of Directors of ST. PAUL FIRE AND MARINE INSURANCE COMPANY at a meeting called and held on the 23rd day of January, 1970, of which the following is a true transcript of said Section 6(C):

"The President or any Vice President, Assistant Vice President, Secretary or Resident Secretary shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and
- (2) To appoint special Attorneys-in-fact, who are hereby authorized to certify to copies of any power-of-attorney issued in pursuance of this section and/or any of the By-Laws of the Company, and
- (3) To remove, at any time, any such Attorney-in-fact or Special Attorney-in-fact and revoke the authority given him."

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 6th day of May, 1959, of which the following is a true excerpt:

"Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached."




STATE OF MINNESOTA
County of Ramsey

ST. PAUL FIRE AND MARINE INSURANCE COMPANY

[Signature]
Vice President

On this 15th day of May, 1981, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said that he/she is the therein described and authorized officer of St. Paul Fire and Marine Insurance Company; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his/her signature were duly affixed by order of the Board of Directors of said Company.




IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal, at the city of St. Paul, Minnesota, the day and year first above written.

Lois O. Smith
LOIS O. SMITH, Notary Public, Ramsey County, MN
My Commission Expires September 29, 1987

CERTIFICATION

I, the undersigned officer of St. Paul Fire and Marine Insurance Company, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON FILE IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.



IN TESTIMONY WHEREOF, I have hereunto set my hand this
27th day of March, 1984.

Jerome H. Harkin
Secretary

Only a certified copy of Power of Attorney bearing the Certificate of Authority No. printed in red on the upper right corner is binding. Photocopies, carbon copies or other reproductions of this document are invalid and not binding upon the Company.

ANY INSTRUMENT ISSUED IN EXCESS OF THE PENALTY AMOUNT STATED ABOVE IS TOTALLY VOID AND WITHOUT ANY VALIDITY.

For verification of the authenticity of the Power of Attorney, you may telephone toll free 800-325-9821 and ask for the Power of Attorney Clerk. Please refer to the above Certificate of Authority No. and the above named individual(s).

29550 Rev. 11-82 Printed in U.S.A.

H-5450-1 - AWARD OF CONTRACT

Example of Individual Surety for Personal Surety

| STANDARD FORM 28 <small>JUNE 1944 EDITION GENERAL SERVICES ADMINISTRATION PRO. PROC. REG. 141 CH2 1-14,681</small> | | AFFIDAVIT OF INDIVIDUAL SURETY <small>(See Instructions on Reverse)</small> | | | | | | | | | | | | | | | |
|--|---|---|-----------------------|--|----------|--|-------|---|-------|--|-------------------------------|--|-------|---|-------|--|----------|
| STATE OF _____ | | COUNTY OF _____ | } ss. | | | | | | | | | | | | | | |
| <p>I, the undersigned, being duly sworn, depose and say that I am one of the sureties to the attached bond; that I am a citizen of the United States (or a permanent resident of the place where the contract and bond are executed as provided in paragraph 3 of the instructions on reverse), and of full age and legally competent; that I am not a partner in any business of the principal on the bond or bonds on which I appear as surety; that the information herein below furnished is true and complete to the best of my knowledge. This affidavit is made to induce the United States of America to accept me as surety on the attached bond.</p> | | | | | | | | | | | | | | | | | |
| 1. NAME (First, middle, last) (Type or print) | 3. HOME ADDRESS (Number, Street, City, State, ZIP Code) | | | | | | | | | | | | | | | | |
| 5. TYPE AND DURATION OF OCCUPATION | 4. NAME OF EMPLOYER (If self-employed, so state) | | | | | | | | | | | | | | | | |
| 5. BUSINESS ADDRESS (Number, Street, City, State, ZIP Code) | 6. TELEPHONE NO: HOME— BUSINESS— | | | | | | | | | | | | | | | | |
| <p>7. THE FOLLOWING IS A TRUE REPRESENTATION OF MY PRESENT ASSETS, LIABILITIES, AND NET WORTH AND DOES NOT INCLUDE ANY FINANCIAL INTEREST I HAVE IN THE ASSETS OF THE PRINCIPAL ON THE ATTACHED BOND:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">a. Fair value of solely owned real estate*</td> <td style="width: 20%; text-align: right;">\$ _____</td> </tr> <tr> <td>b. All mortgages or other encumbrances on the real estate included in Line a</td> <td style="text-align: right;">_____</td> </tr> <tr> <td>c. Real estate equity (subtract Line b from Line a)</td> <td style="text-align: right;">_____</td> </tr> <tr> <td>d. Fair value of all solely owned property other than real estate*</td> <td style="text-align: right;">_____</td> </tr> <tr> <td>e. Total of the amounts on Lines c and d</td> <td style="text-align: right;">_____</td> </tr> <tr> <td>f. All other liabilities owing or incurred not included in Line b</td> <td style="text-align: right;">_____</td> </tr> <tr> <td>g. Net worth (subtract Line f from Line e)</td> <td style="text-align: right;">\$ _____</td> </tr> </table> <p><small>*Do not include property exempt from execution and sale for any reason. Surety's interest in community property may be included if not so exempt.</small></p> | | | | a. Fair value of solely owned real estate* | \$ _____ | b. All mortgages or other encumbrances on the real estate included in Line a | _____ | c. Real estate equity (subtract Line b from Line a) | _____ | d. Fair value of all solely owned property other than real estate* | _____ | e. Total of the amounts on Lines c and d | _____ | f. All other liabilities owing or incurred not included in Line b | _____ | g. Net worth (subtract Line f from Line e) | \$ _____ |
| a. Fair value of solely owned real estate* | \$ _____ | | | | | | | | | | | | | | | | |
| b. All mortgages or other encumbrances on the real estate included in Line a | _____ | | | | | | | | | | | | | | | | |
| c. Real estate equity (subtract Line b from Line a) | _____ | | | | | | | | | | | | | | | | |
| d. Fair value of all solely owned property other than real estate* | _____ | | | | | | | | | | | | | | | | |
| e. Total of the amounts on Lines c and d | _____ | | | | | | | | | | | | | | | | |
| f. All other liabilities owing or incurred not included in Line b | _____ | | | | | | | | | | | | | | | | |
| g. Net worth (subtract Line f from Line e) | \$ _____ | | | | | | | | | | | | | | | | |
| <p>8. LOCATION AND DESCRIPTION OF REAL ESTATE OF WHICH I AM SOLE OWNER, THE VALUE OF WHICH IS INCLUDED IN LINE (a), ITEM 7 ABOVE</p> <p style="text-align: center; margin-top: 10px;"><small>Amount of assessed valuation of above real estate for taxation purposes: _____</small></p> | | | | | | | | | | | | | | | | | |
| <p>9. DESCRIPTION OF PROPERTY INCLUDED IN LINE (a), ITEM 7 ABOVE (List the value of each category of property separately)</p> | | | | | | | | | | | | | | | | | |
| <p>10. ALL OTHER BONDS ON WHICH I AM SURETY (State character and amount of each bond; if none, so state)</p> | | | | | | | | | | | | | | | | | |
| 11. SIGNATURE _____ | | 12. BOND AND CONTRACT TO WHICH THIS AFFIDAVIT RELATES <small>(If here appropriate)</small> | | | | | | | | | | | | | | | |
| SUBSCRIBED AND SWORN TO BEFORE ME AS FOLLOWS: | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="3" style="text-align: center;">DATE OATH ADMINISTERED</th> </tr> <tr> <td style="width: 33%; text-align: center;">MONTH</td> <td style="width: 33%; text-align: center;">DAY</td> <td style="width: 33%; text-align: center;">YEAR</td> </tr> </table> | | DATE OATH ADMINISTERED | | | MONTH | DAY | YEAR | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">CITY</td> <td style="width: 50%; text-align: center;">STATE (Or other jurisdiction)</td> </tr> </table> | | CITY | STATE (Or other jurisdiction) | | | | | | |
| DATE OATH ADMINISTERED | | | | | | | | | | | | | | | | | |
| MONTH | DAY | YEAR | | | | | | | | | | | | | | | |
| CITY | STATE (Or other jurisdiction) | | | | | | | | | | | | | | | | |
| NAME AND TITLE OF OFFICIAL ADMINISTERING OATH <small>(Type or print)</small> | | SIGNATURE | MY COMMISSION EXPIRES | | | | | | | | | | | | | | |
| <i>Official Seal</i> | | | | | | | | | | | | | | | | | |

H-5450-1 - AWARD OF CONTRACT

Example of Individual Surety for Personal Surety

CERTIFICATE OF SUFFICIENCY

I Hereby Certify, That the surety named herein is personally known to me; that, in my judgment, said surety is responsible, and qualified to act as such; and that, to the best of my knowledge, the facts stated by said surety in the foregoing affidavit are true.

NAME (Type/print)

SIGNATURE

OFFICIAL TITLE

ADDRESS (Number, Street, City, State, ZIP Code)

INSTRUCTIONS

1. This form shall be used whenever sureties on bonds to be executed in connection with Government contracts are individual sureties, as provided in governing regulations (see 41 CFR 1-10.203, 1-16.801, 101-45.3). There shall be no deviation from this form except as so authorized (see 41 CFR 1-1.009, 101-1.110).

2. A corporation, partnership, or other business association or firm, as such, will not be accepted as a surety, nor will a partner be accepted as a surety for co-partners or for a firm of which he is a member. Stockholders of a corporate principal may be accepted as sureties provided their qualifications as such are independent of their stockholdings therein. In arriving at the net worth figure in Item 7 on the face of this affidavit an individual surety will not include any financial interest he may have in the assets of the principal on the bond which this affidavit supports.

3. An individual surety shall be a citizen of the United States, except that if the contract and bond are executed in any foreign country, the Commonwealth of Puerto Rico, the Virgin Islands, the Canal Zone, Guam, or any other territory or possession of the United States, such surety need only be a perma-

nent resident of the place of execution of the contract and bond.

4. The individual surety shall show net worth in a sum not less than the penalty of the bond by supplying the information required on the face hereof, under oath before a United States commissioner, a clerk of a United States Court, or notary public, or some other officer having authority to administer oaths generally. If the officer has an official seal, it shall be affixed, otherwise the proper certificate as to his official character shall be furnished.

5. The certificate of sufficiency shall be signed by an officer of a bank or trust company, a judge or clerk of a court of record, a United States district attorney or commissioner, a postmaster, a collector or deputy collector of internal revenue, or any other officer of the United States acceptable to the department or establishment concerned. Further certificates showing additional assets, or a new surety, may be required to assure protection of the Government's interest. Such certificates must be based on the personal investigation of the certifying officer at the time of the making thereof, and not upon prior certifications.

(Back of SF 28 June 66)

GPO 1966 OF-316-148 (10-6)

H-5450-1 - AWARD OF CONTRACT

Example of Cash Bond – Routine Use

Form 1822-4
(September 1987)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CASH BOND
(Assured Payment)

Contract Number

OR080-TS4-000

Date Contract Approved

06/01/1984

KNOW ALL MEN BY THESE PRESENTS, That ☐ I ☒ We John Doe Lumber Company

of Street Address, City, State of Oregon

doing business as an ☐ individual ☐ partnership ☒ corporation organized and existing under the laws of the State of Oregon as Principal, is held and firmly bound unto the United States of America

in the penal sum of Twenty-five Thousand and no/100 dollars (\$ 25,000.00),

lawful money of the United States, for the payment of which, well and truly to be made, I bind myself, my heirs, executors, administrators, successors and assigns, jointly and severally, as a further guarantee of which a cash deposit or assured payment has been made with the Bureau of Land Management at (District Address)

in the form of a Cashier's Check in the amount of \$ 25,000.00.

A _____ shall not be negotiated unless the principal, his successors or assigns, fails to comply with all of the provisions of the above-cited contract. (As used herein, the term "contract" includes all agreements between the Bureau of Land Management and any individual, partnership or corporation for use of the public lands or their resources.)

THAT, The said Principal does hereby constitute and appoint the Secretary of the Interior as his attorney, to transfer and apply the said deposit, as security for the faithful performance of any and all of the conditions or stipulations as set out in the above-noted contract made under the Act of

and the regulations thereunder set forth in 43 CFR, Part 5400, upon conditions therein expressed, and it is agreed that, in case of any default in the performance of any condition or stipulation of such contract, the said attorney shall have full power to assign, appropriate, transfer, and apply said deposit or any part thereof, without notice, and to apply the proceeds of such collection in whole or in part to the satisfaction of any

damages or deficiencies, arising by reason of such default, as said attorney may deem best.

The said Principal hereby ratifies and confirms whatever his said attorney shall do by virtue of these presents.

If the said Principal, his successors or assigns shall fully comply with all the provisions of the above-described contract and shall make all payments due under said contract as therein provided, then and in that event the above obligation shall be null and void and the deposit shall be released and returned to the Principal. Otherwise, said obligation shall remain in full force and effect.

(Continued on page 2)

IF INDIVIDUAL OR PARTNERSHIP, SIGN HERE:

IN THE PRESENCE OF TWO WITNESSES:

IF CORPORATION, SIGN HERE:

THE UNITED STATES OF AMERICA

Signed and Approved: _____

By _____
(Name)

District Manager

(Title)

CORPORATION CERTIFICATE

If Purchaser is a corporation, the following certificate shall be executed by the Secretary or Assistant Secretary of the Corporation.

I, Jack Jones, certify that I am the Assistant Secretary of the corporation named as Purchaser herein; that John Doe, who signed this contract, was then President of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

(Corporate Seal)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
Information is being collected to obtain surety information relevant to the operation of this timber sale contract.
Information will be used to guarantee performance under the terms of this timber sale contract.
Response to this request is mandatory (43 CFR 5450) to fulfill the requirements of a timber sale contract.

(Form 1822-4, page 2)

H-5450-1 - AWARD OF CONTRACT

Example of Cash Bond with Certified Check

Form 1822-4
(September 1987)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CASH BOND
(Assured Payment)

Contract Number

OR080-TS4-000

Date Contract Approved

05/16/1984

KNOW ALL MEN BY THESE PRESENTS, That ☐ I ☒ We John Doe Lumber Company

of Street Address, City, State of Oregon

doing business as an ☒ individual ☐ partnership ☐ corporation organized and existing under the laws of the State of Oregon as Principal, is held and firmly bound unto the United States of America in the penal sum of One Thousand and no/100 dollars (\$ 1,000.00),

lawful money of the United States, for the payment of which, well and truly to be made, I bind myself, my heirs, executors, administrators, successors and assigns, jointly and severally, as a further guarantee of which a cash deposit or assured payment has been made with the Bureau of Land Management at (District Address) in the form of a Certified Check in the amount of \$ 1,000.00.

A certified check shall not be negotiated unless the principal, his successors or assigns, fails to comply with all of the provisions of the above-cited contract. *(As used herein, the term "contract" includes all agreements between the Bureau of Land Management and any individual, partnership or corporation for use of the public lands or their resources.)*

THAT, The said Principal does hereby constitute and appoint the Secretary of the Interior as his attorney, to transfer and apply the said deposit, as security for the faithful performance of any and all of the conditions or stipulations as set out in the above-noted contract made under the Act of August 28, 1937 (50 Stat. 874) and the regulations thereunder set forth in 43 CFR, Part 5400, upon conditions therein expressed, and it is agreed that, in case of any default in the performance of any condition or stipulation of such contract, the said attorney shall have full power to assign, appropriate, transfer, and apply said deposit or any part thereof, without notice, and to apply the proceeds of such collection in whole or in part to the satisfaction of any

damages or deficiencies, arising by reason of such default, as said attorney may deem best.

The said Principal hereby ratifies and confirms whatever his said attorney shall do by virtue of these presents.

If the said Principal, his successors or assigns shall fully comply with all the provisions of the above-described contract and shall make all payments due under said contract as therein provided, then and in that event the above obligation shall be null and void and the deposit shall be released and returned to the Principal. Otherwise, said obligation shall remain in full force and effect.

(Continued on page 2)

of Cash Bond with Certified Check

H-5450-1 - AWARD OF CONTRACT

Example of Cash Bond with Irrevocable Letter of Credit

Form 1822-4
(September 1987)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CASH BOND
(Assured Payment)

Contract Number

OR080-TS4-000

Date Contract Approved

07/02/1984

KNOW ALL MEN BY THESE PRESENTS, That ☐ I ☒ We John Doe Lumber Company

of Street Address, City, State of Oregon

doing business as an ☐ individual ☐ partnership ☒ corporation organized and existing under the laws of the State of Oregon as Principal, is held and firmly bound unto the United States of America

in the penal sum of Thirty-five Thousand and no/100 dollars (\$ 35,000.00),

lawful money of the United States, for the payment of which, well and truly to be made, I bind myself, my heirs, executors, administrators, successors and assigns, jointly and severally, as a further guarantee of which a cash deposit or assured payment has been made with the Bureau of Land Management at (District Address)

in the form of a Irrevocable Letter of Credit in the amount of \$ 35,000.00

A Sight Draft shall not be negotiated unless the principal, his successors or assigns, fails to comply with all of the provisions of the above-cited contract. *(As used herein, the term "contract" includes all agreements between the Bureau of Land Management and any individual, partnership or corporation for use of the public lands or their resources.)*

THAT, The said Principal does hereby constitute and appoint the Secretary of the Interior as his attorney, to transfer and apply the said deposit, as security for the faithful performance of any and all of the conditions or stipulations as set out in the above-noted contract made under the Act of Aug. 28, 1937 (50 stat. 874)

and the regulations thereunder set forth in 43 CFR, Part 5400, upon conditions therein expressed, and it is agreed that, in case of any default in the performance of any condition or stipulation of such contract, the said attorney shall have full power to assign, appropriate, transfer, and apply said deposit or any part thereof, without notice, and to apply the proceeds of such collection in whole or in part to the satisfaction of any

damages or deficiencies, arising by reason of such default, as said attorney may deem best.

The said Principal hereby ratifies and confirms whatever his said attorney shall do by virtue of these presents.

If the said Principal, his successors or assigns shall fully comply with all the provisions of the above-described contract and shall make all payments due under said contract as therein provided, then and in that event the above obligation shall be null and void and the deposit shall be released and returned to the Principal. Otherwise, said obligation shall remain in full force and effect.

(Continued on page 2)

H-5450-1 - AWARD OF CONTRACT

Format For Irrevocable Letter of Credit-Performance Bond

(Letterhead of Issuing Bank)

IRREVOCABLE STANDBY LETTER OF CREDITPERFORMANCE

Date: _____

Letter of Credit Number: _____

Beneficiary:

United States Department of the Interior
Bureau of Land Management
(District Office Name)
(P.O. Box or Street Address)
(City, State Zip Code)

Amount: \$ _____

Gentlemen:

We hereby establish this irrevocable standby letter of credit in your favor for
Account of: (Name and Address of BLM Purchaser)

up to the aggregate amount of _____ Dollars (\$ _____)
available by your drafts drawn on the issuing bank at the sight accompanied by the
following documents:

A signed statement from Bureau of Land Management, United States Department of
the Interior stating the following:

“We hereby certify that (Name of BLM Purchaser) has failed to perform in
Accordance with the terms and conditions of (BLM Sale Name and Contract Number).”

SPECIAL CONDITIONS

Partial drawings are permitted.

This credit initially expires at the counters of the issuing bank on (one year
after contract expiration date). It is a condition of this credit that it shall
automatically extend for an additional one year period(s) from the present or any
future expiry date, without amendment, unless 120 days preceding any such expiry
date the issuing bank notifies the beneficiary by registered mail that such
extension will not take place and that the credit is considered to expire on the
then in force expiry date. Upon receipt by the beneficiary of such notice, under
this provision, the beneficiary may make immediate demand for payment by
presentation of the draft as specified above accompanied by the following signed
statement:

“We hereby certify that Name of BLM Purchaser continue to have liability for
Non-performance under (BLM Sale Name and Contract Number).”

This credit is subject to the “Uniform Customs and Practice for Documentary
Credits, (1974 Revision”, International Chamber of Commerce, Publication
No. 290, or any further revision thereof.

Format for Irrevocable Letter of Credit-Performance Bond

2

We hereby engage with drawers, endorsers and bona fide holders that drafts and Documents will be duly honored upon presentation.

(Name of Issuing Bank)

By: _____
(Signature)

(Title)

Instructions:

A Irrevocable Standby Letter of Credit-Performance Bond must include the Following:

1. An identifying number.
2. a clear statement that it is irrevocable.
3. the purpose of the letter, i.e., performance bond
4. Name of the bank's customer, that is, the purchaser.
5. The maximum limit of credit. This limit must equal or exceed the amount of the penal sum of the bond.
6. An authorization to draw sight drafts upon the bank in favor of the BLM.
7. A clear statement that the tract number or sale name appearing on the sight draft is sufficient for honoring the draft.
8. An Irrevocable Standby Letter of Credit-Performance Bond must Specify only one timber sale.

H-5450-1 - AWARD OF CONTRACT

Format for Assignment of Surety – Performance Bond

ASSIGNMENT OF SURETY FOR PERFORMANCE BOND

The undersigned Owner, and Co-owner, if any, of the herein described Certificate of Time Deposit/Savings Account ("deposit") hereby assigns his or their right, title and interest in, to or under said "deposit" to the U.S. Department of the Interior, Bureau of Land Management in the amount of Ten Thousand and 00/100 Dollars (\$10,000).

Such amount shall be for the purpose of surety in lieu of a performance bond by a surety company required by Name OROOO-TS4-100 awarded to owner. The Bureau of Land Management, U.S. Department of Interior shall be authorized to charge against the described "deposit" for any unpaid claims arising out of and pertaining to said contract.

Any interest earnings shall remain the property of the Owner. It is agreed the issuing institution will hold the "deposit" in trust for the uses and purposes stated above until released by the Bureau of Land Management, U.S. Department of the Interior. Time deposits shall be automatically renewable at maturity dates at the rates and terms in effect at the time of renewal.

Type Deposit Certificate of Time Deposit

Number _____ Effective date: _____

Signature(s) Guaranteed: _____
(Owner)

Title: Asst. Vice President & Manager
(Co-Owner)

Acknowledge & Recorded: _____
Institution: North zone State Bank 1111 N. 2nd St.
Anywhere, Oregon
(Address)

By: _____

Title: Asst. Vice President & Manager

RELEASE OF ASSIGNMENT

The Bureau of Land Management, U.S. Department of the Interior hereby releases All rights, title and interest in, to an under the form of deposit described in Above Assignment.

Date: _____

Bureau of Land Management
U.S. Department of the Interior

By: _____

Name: _____

Title: _____

cc: Owner
Issuing Institution

H-5450-1 - AWARD OF CONTRACT

Example of Cash Bond – With Assignment of Surety
for Performance Bond

Form 1822-4
(September 1987)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CASH BOND
(Assured Payment)

Contract Number

OR000-TS4-100

Date Contract Approved
06/01/1986

KNOW ALL MEN BY THESE PRESENTS, That ☐ I ☒ We John doe Lumber Company

of Street Address, City, State of Oregon

doing business as an ☐ individual ☐ partnership ☒ corporation organized and existing under the laws of the
State of Oregon as Principal, is held and firmly bound unto the United States of America

in the penal sum of Ten Thousand and no/100 dollars (\$ 10,000.00),

lawful money of the United States, for the payment of which, well and truly to be made, I bind myself, my heirs,
executors, administrators, successors and assigns, jointly and severally, as a further guarantee of which a cash
deposit or assured payment has been made with the Bureau of Land Management at District

in the form of a Assignment of Surety in the amount of \$ 10,000.00.

A charge shall not be negotiated unless the principal, his successors or assigns, fails to comply
with all of the provisions of the above-cited contract. (As used herein, the term "contract" includes all agreements
between the Bureau of Land Management and any individual, partnership or corporation for use of the public lands or
their resources.)

THAT, The said Principal does hereby constitute
and appoint the Secretary of the Interior as his attorney,
to transfer and apply the said deposit, as security for
the faithful performance of any and all of the conditions
or stipulations as set out in the above-noted contract
made under the Act of August 28, 1937 (50 Stat. 874)
and the regulations thereunder set forth in 43 CFR,
Part 5400, upon conditions therein expressed, and it
is agreed that, in case of any default in the performance
of any condition or stipulation of such contract, the said
attorney shall have full power to assign, appropriate,
transfer, and apply said deposit or any part thereof,
without notice, and to apply the proceeds of such
collection in whole or in part to the satisfaction of any

damages or deficiencies, arising by reason of such
default, as said attorney may deem best.

The said Principal hereby ratifies and confirms
whatever his said attorney shall do by virtue of these
presents.

If the said Principal, his successors or assigns
shall fully comply with all the provisions of the above-
described contract and shall make all payments due
under said contract as therein provided, then and in
that event the above obligation shall be null and void
and the deposit shall be released and returned to the
Principal. Otherwise, said obligation shall remain in
full force and effect.

(Continued on page 2)

H-5450-1 - AWARD OF CONTRACT

Example of Deposit of Negotiable Securities of the
United States – Performance Bond

| UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT | | INSTRUCTIONS | | | | | | | | | |
|--|-------------|--|------------------|------------|------------|----------------------------------|-------------|-------------|--------------------|-------------|-------------|
| DEPOSIT OF NEGOTIABLE SECURITIES OF THE UNITED STATES PERFORMANCE BOND | | Purchaser submits in triplicate. Upon approval, the Authorized Officer sends original, with securities by registered mail, to SC-610, 1 copy to Contract File and Purchaser. | | | | | | | | | |
| <p>KNOW ALL MEN BY THESE PRESENTS That the undersigned has executed a contract for the sale of timber from United States lands which contract is dated July 2, 1984 and numbered OR080-TS4-000</p> <p>A deposit of the following negotiable securities of the United States is hereby made to the Authorized Officer as Performance Bond for the faithful performance of the above-described contract:</p> <table border="1"><thead><tr><th>Title and Series</th><th>Serial No.</th><th>Face Value</th></tr></thead><tbody><tr><td>U.S. Certificate of Indebtedness</td><td>4-27321-040</td><td>\$50,000.00</td></tr><tr><td>U.S. Treasury Note</td><td>6-72831-227</td><td>\$50,000.00</td></tr></tbody></table> <p>This deposit is made upon the following terms and conditions:</p> <p>In the event of default in the performance of the terms and conditions of the above-described contract, the Authorized Officer is hereby empowered and directed to collect said securities, or any part thereof, and to sell, assign, and transfer the same on behalf of the undersigned without notice, at public or private sale, free from any equity of redemption, and to apply the proceeds derived therefrom, or so much thereof as is required, to compensate the United States for the damages resulting from such default.</p> <p>NOW, THEREFORE, if the undersigned shall fully comply with the terms and conditions of the above-described contract and applicable timber sale regulations, then in that event the securities delivered herewith shall be returned to the undersigned.</p> | | | Title and Series | Serial No. | Face Value | U.S. Certificate of Indebtedness | 4-27321-040 | \$50,000.00 | U.S. Treasury Note | 6-72831-227 | \$50,000.00 |
| Title and Series | Serial No. | Face Value | | | | | | | | | |
| U.S. Certificate of Indebtedness | 4-27321-040 | \$50,000.00 | | | | | | | | | |
| U.S. Treasury Note | 6-72831-227 | \$50,000.00 | | | | | | | | | |
| (Continued on reverse) | | Form 5450-13 (December 1991) | | | | | | | | | |

H-5450-1 - AWARD OF CONTRACT

Example of Deposit of Negotiable Securities
of the United States - - Performance Bond

IN WITNESS WHEREOF this document was executed upon this 9th day of July, 19 84

IF DEPOSITOR IS INDIVIDUAL OR
PARTNERSHIP, SIGN HERE

IF CORPORATION, SIGN HERE

| | |
|---|--|
| <p>_____ (Name of Firm)</p> <p>_____ (Name)</p> <p>_____ (Address)</p> <p>_____ (Name)</p> <p>_____ (Address)</p> | <p>John Doe Lumber Company (Name of Corporation)</p> <p>John Doe (Name)</p> <p>President (Title)</p> |
|---|--|

(If Depositor is a corporation, the following certificate must be executed by the Secretary or Assistant Secretary of the corporation)

I, James Jones, CERTIFY that I am the Assistant Secretary of the corporation named as Depositor herein; that John Doe who signed the bond, was then of said corporation; that said bond was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

/s/ James Jones [Corporate Seal]

Receipt of the above-described securities is hereby acknowledged, to be held under the terms and conditions above mentioned.

THE UNITED STATES OF AMERICA

District Manager

(Name)

District Manager

(Title)

July 12, 1984

(Date)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction,

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that: Information is being collected to obtain surety information relevant to the operation of this timber sale contract. Information will be used to guarantee performance under the terms of this timber sale contract. Response to this request is mandatory (43 CFR 5450) to fulfill the requirements of a timber sale contract.

U.S. GOVERNMENT PRINTING OFFICE: 1992-836-152

H-5450-1 - AWARD OF CONTRACT

Example of Increase or Decrease of Rider

Form 5460-003
(April 2010)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

INCREASE OR DECREASE RIDER

☐ Blanket Payment Bond or ☐ Performance Bond

Timber Sale Contract (No.)

OR120-ts-123

INSTRUCTIONS

Principal submits *in triplicate* to increase or decrease either a *Performance Bond* or *Blanket Payment Bond*. Upon acceptance by the Contracting Officer attach original to bond and retain in District file. Send copy to Surety and Principal.

To be attached to and form a part of Bond Number BND-000-00, dated July 3, 1989, issued by ABC Surety Co., as Surety, on behalf of Hokey Logging Co., as Principal, in favor of UNITED STATES OF AMERICA as Obligor, in the original penal sum of Thirty-eight thousand five hundred forty dollars (\$ 38,540.00).

IT IS HEREBY AGREED that, effective 12/10/1989, 20____, the penal sum of the attached bond or any modification of said penal sum is ☒ increased ☐ decreased from Thirty eight thousand five hundred forty dollars (\$ 38,540.00) to Fifty eight thousand five hundred forty dollars (\$ 58,540.00) for losses occurring thereafter.

PROVIDED, HOWEVER, that the attached bond shall be subject to all the agreements, limitations, and conditions put forth therein except as herein expressly modified, and further that the liability of the Surety under the attached bond and the attached bond as modified by this rider shall not be cumulative.

IN WITNESS WHEREOF, above parties have executed this instrument under their seals on December 10, 2089, the name and corporate seal of each corporate party being affixed and these presents duly signed by the undersigned representative pursuant to authority of its governing body.

INDIVIDUAL PRINCIPAL OR PARTNERSHIP

CORPORATE PRINCIPAL

(Signature)

(Signature)

(Signature)
ACCEPTED

Hokey Logging Co. [SEAL]
By _____
(Authorized Signature)

President
(Title)

UNITED STATES OF AMERICA

By _____
(Authorized Officer)

District Manager
(Title)

SURETY

ABC Surety Co. [SEAL]
By _____
(Authorized Signature)

Attorney-in-Fact
(Title)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:
Information is being collected to obtain surety information relevant to the operation of this timber sale contract.
Information will be used to guarantee performance under the terms of this timber sale contract.
Response to this request is mandatory (43 CFR 5450) to fulfill the requirements of a timber sale contract.

H-5450-1 - AWARD OF CONTRACT

Example of Payment Bond for Single Contract

Form 5450-11
(September 1983)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

PAYMENT BOND FOR SINGLE CONTRACT

| | |
|---|-------------|
| FORM APPROVED OMB NO. 1004-0112 Expires: April 30, 1985 | |
| Bond Executed (date) | Bond Number |
| 10-13-89 | BND-050-90 |
| District (Identify) | |

| | |
|--|---------------------------------|
| Principal <u>Slow Poke Lumber Co.</u> | Surety <u>Gamblers, Inc.</u> |
|--|---------------------------------|

Penal Sum of Bond (express in words and figures)

Fifty thousand and no/100

(\$50,000.00)

KNOW ALL MEN BY THESE PRESENTS, That we, the Principal and Surety above-named, are held and firmly bound unto the UNITED STATES OF AMERICA, acting through the Bureau of Land Management, United States Department of the Interior, hereinafter called "the Government," in the penal sum of the amount stated above, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, by these presents.

THIS BOND is made with the understanding that the Principal has entered a certain contract with the Government for the sale of timber within the above-named District of the Bureau of Land Management and which is identified as Contract No. dated

NOW, THEREFORE, if the Principal shall make timely payments to the Government, as provided in the said contract of the amounts due for timber cut prior to payment pursuant to 43 CFR 5451.4, and any related road maintenance fees under said contract and any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the Surety is hereby waived, then this obligation shall be void; otherwise, it shall remain in full force and effect.

IT IS UNDERSTOOD AND AGREED:

- (1) The Surety will make payment, including any accrued interest thereon, to the Government within sixty (60) days after demand therefor by the Government whenever the Principal shall fail to make timely payment under the said contracts.

- (2) Beginning the 10th day of NOV, 1989, this bond covers all timber cut prior to payment under said contract pursuant to 43 CFR 5451.4, and any related road maintenance fees, and shall continue until cancelled in accordance with paragraph (4) below.

- (3) In no event shall the aggregate liability exceed the penal sum as specified.

- (4) This bond may be cancelled, but only as to any liability hereunder arising subsequent to the effective date of cancellation, as follows:

- (a) By the Principal or the Surety, at any time, ninety (90) days after the Government's receipt of written notice of cancellation from the Principal or the Surety; or
(b) By the Surety, following the Government's demand for payment under this bond or any other payment bond of the same Principal and Surety, ten (10) days after the Government's receipt of written notice of cancellation from the Surety.

IN WITNESS WHEREOF, above parties have executed this instrument on , 19 , the name and corporate seal of each corporate party being affixed and these presents duly signed by the undersigned representative pursuant to authority of its governing body.

INDIVIDUAL PRINCIPAL OR PARTNERSHIP

CORPORATE PRINCIPAL

[SEAL]

| | |
|----------------|--------------------------|
| (Name of Firm) | <u>Slow Poke Logging</u> |
| (Address) | (Name of Corporation) |
| (Signature) | (Address) |
| (Signature) | <u>Idaho</u> |
| (Signature) | (State of Incorporation) |
| (Signature) | By _____ |
| (Signature) | (Authorized Signature) |
| (Signature) | <u>President</u> |
| (Signature) | (Title) |

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

I, _____, CERTIFY That I am the Secretary of the Corporation named as Purchaser herein; that the Payment Bond was then that said Payment Bond was duly signed for and in behalf of said Corporation by authority of its governing body, and is within the scope of its corporate powers.

(Continued on reverse)

H-5450-1 - AWARD OF CONTRACT

Example of Payment Bond for Single Contract

ACCEPTED

UNITED STATES OF AMERICA

SURETY

By Signature Gamblers, Inc [SEAL]
 (Authorized Officer)

District Manager
 (Title)

October 13, 1989
 (Date)

By /s/
 (Attorney-in-fact)

Attorney-in-Fact
 (Title)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

INSTRUCTIONS

1. Principal submits original to district whenever Payment Bond is furnished under timber sale contract provisions. Authorized Officer sends machine copies to: (a) Contract file, (b) Principal, and (c) Surety.
2. Surety on bond may be any corporation authorized by the Secretary of the Treasury to act as Surety in the state(s) in which the covered timber sale contract is to be performed.
3. If Principal is a partnership, bond shall be executed by all partners unless a written partnership agreement provides for authorized signature(s) by other than all partners.
4. The corporate party to the bond shall be executed and attested under the corporate seal.
5. The person(s) executing the bond for the Principal, if a corporation, shall be certified by the Secretary or Assistant Secretary. In lieu of such certification, there will be attached to the bond copies of corporate records showing the official title and authority of the signing officer, duly certified to be a true copy by the Secretary or Assistant Secretary under the corporate seal.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

Information is being collected to obtain surety information relevant to the operation of this timber sale contract. Information will be used to guarantee performance under the terms of this timber sale contract. Response to this request is mandatory (43 CFR 5450) to fulfill the requirements of a timber sale contract.

Remarks

GPO 841-068

U.S. GOVERNMENT PRINTING OFFICE 2001-773 00140238

H-5450-1 - AWARD OF CONTRACT

Example of Blanket Payment Bond

Form 5450-20
(April 1986)
(formerly OR 5450-4)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
BLANKET PAYMENT BOND

| | |
|----------------------|-------------|
| Bond Executed (Date) | Bond Number |
| 1-23-90 | BND-009-00 |
| District | |
| Any District | |

| | |
|--------------------------|-------------------|
| Principal | Surety |
| <u>Slick Logging Co.</u> | <u>ABC Surety</u> |

Penal Sum of Bond (express in words and figures)

Five thousand four hundred and no/100 ----- (\$5,400.00)

KNOW ALL MEN BY THESE PRESENTS, That we, the Principal and Surety above named, are held and firmly bound unto the UNITED STATES OF AMERICA, acting through the Bureau of Land Management, United States Department of the Interior, hereinafter called "the Government," in the penal sum of the amount stated above, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, by these presents.

THIS BOND is made with the understanding that the Principal has entered into certain contracts with the Government for the sale of timber within the above-named District of the Bureau of Land Management which are identified on the list on the reverse side hereof, and contemplates entering into other such contracts for timber within said District, which shall be added to said list only upon written application by the Principal to the Government, approval by the Government, and written notification by the Government to the Surety of such addition. It is further understood that contracts will be removed by the Government from said list when security for payments thereunder by this bond is no longer necessary or desirable, upon written notice by the Government to the Principal and Surety of such removal. Said list, as it may hereafter be amended, is hereby incorporated in this bond by reference.

NOW, THEREFORE, if the Principal shall make timely payments to the Government, as provided in the said contracts listed on the reverse side hereof, of the amounts due for timber cut prior to payment pursuant to 43 CFR 5451.4, and any related road maintenance fees under said contracts and any and all duly authorized modifications of said contracts that may hereafter be made, notice of which modifications to the Surety is hereby waived, then this obligation shall be void; otherwise, it shall remain in full force and effect.

IT IS UNDERSTOOD AND AGREED:

- (1) The Surety will make payment, including any accrued interest thereon, to the Government within sixty (60) days after demand therefor by the Government whenever the Principal shall fail to make timely payment under any of the listed contracts.
- (2) Beginning the 23rd day of January, 19 90 this bond covers all timber cut prior to payment under said contracts pursuant to 43 CFR 5451.4, and any related road maintenance fees, and shall continue until cancelled in accordance with paragraph (4) below.
- (3) In no event shall the aggregate liability exceed the penal sum as specified.
- (4) This bond may be cancelled, but only as to any liability hereunder arising subsequent to the effective date of cancellation, as follows:
 - (a) By the Principal or the Surety, at any time, ninety (90) days after the Government's receipt of written notice of cancellation from the Principal or the Surety; or
 - (b) By the Surety, following the Government's demand for payment under this bond or any other payment bond of the same Principal and Surety, ten (10) days after the Government's receipt of written notice of cancellation from the Surety.

IN WITNESS WHEREOF, above parties have executed this instrument on January 23, 19 90, the name and corporate seal of each corporate party being affixed and these presents duly signed by the undersigned representative pursuant to authority of its governing body.

INDIVIDUAL PRINCIPAL OR PARTNERSHIP

CORPORATE PRINCIPAL

[SEAL]

Slick Logging Co.

(Name of Firm)

(Name of Corporation)

New Forestry Lane, Desolation, OR 97000

(Address)

(Address)

/s/

(Signature)

(State of Incorporation)

/s/

(Signature)

By

(Authorized Signature)

(Signature)

(Title)

| | | |
|---|-----------------------------|------------------------|
| I, _____ | CERTIFY That I am the _____ | Secretary of the _____ |
| Corporation named as Purchaser herein; that | | who signed _____ |
| the Payment Bond was then | | of said Corporation, |
| that said Payment Bond was duly signed for and in behalf of said Corporation by authority of its governing body, and is within the scope of its corporate powers. | | |

(Continued on reverse)

H-5450-1 - AWARD OF CONTRACT

Example of Blanket Payment Bond

ACCEPTED

UNITED STATES OF AMERICA

SURETY

By Signature ABC Surety [SEAL]
(Authorized Officer)

Area Manager By _____
(Title) (Attorney-in-fact)

January 23, 1990 Attorney-in-Fact
(Date) (Title)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

LIST TIMBER SALE CONTRACTS COVERED BY THIS BLANKET PAYMENT BOND

Bond Number

| CONTRACT NUMBER | DATE | | |
|-----------------|-------------|----------------------|--------------------------|
| | CONTRACT | ADDITION OF CONTRACT | LETTER DELETING CONTRACT |
| OR000-TSO-001 | Lost Creek | May 28, 1990 | |
| OR000-TS1-009 | Found Creek | Oct. 13, 1990 | |
| OR000-TS1-110 | Gone Creek | Oct. 25, 1990 | |

INSTRUCTIONS

- Principal submits original to district whenever Payment Bond is furnished under timber sale contract provisions. Authorized Officer sends machine copies to: (a) Contract file, (b) Principal, and (c) Surety.
- Surety on bond may be any corporation authorized by the Secretary of the Treasury to act as Surety in the state(s) in which the covered timber sale contract is to be performed.
- If Principal is a partnership, bond shall be executed by all partners unless a written partnership agreement provides for authorized signature(s) by other than all partners.
- The corporate party to the bond shall be executed and attested under the corporate seal.
- The person(s) executing the bond for the Principal, if a corporation, shall be certified by the Secretary or Assistant Secretary. In lieu of such certification, there will be attached to the bond copies of corporate records showing the official title and authority of the signing officer, duly certified to be a true copy by the Secretary or Assistant Secretary under the corporate seal.
- Upon written notice from the Principal, the Authorized Officer will make the necessary additions and deletions of contracts covered by this bond. Machine copies of the original bond showing changes in contracts covered by this Blanket Payment Bond are mailed immediately to the Principal and Surety.

U.S. Government Printing Office: 1988-481-441/54107

H-5450-1 - AWARD OF CONTRACT

Example of Deposit of Negotiable Securities
of the United States - Payment Bond

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEPOSIT OF NEGOTIABLE SECURITIES OF THE UNITED STATES
PAYMENT BOND

INSTRUCTIONS

Purchaser submits in *triplicate*. Upon approval, the Authorized Officer sends original, with securities by registered mail, to DSC (D-800); 1 copy to Contract File and Purchaser.

KNOW ALL MEN BY THESE PRESENTS That the undersigned has executed a contract for the sale of timber from United States lands which contract is dated July 2, 1984 and numbered OR120-TS4-84. A deposit of the following negotiable securities of the United States is hereby made to the Authorized Officer as Payment Bond for the faithful payment in accordance with the terms and conditions of the above-described contract of the amounts due for timber cut prior to payment pursuant to 43 CFR 5451.4, and any related road maintenance fees:

| Title and Series | Serial No. | Face Value |
|----------------------------------|-------------|-------------|
| U.S. Certificate of Indebtedness | 4-29684-578 | \$30,000.00 |
| U.S. Treasury Note | 5-6879-587 | \$20,000.00 |

This deposit is made upon the following terms and conditions:

In the event the undersigned fails to make the above-described payments in a timely manner, the Authorized Officer is hereby empowered and directed to collect said securities, or any part thereof, and to sell, assign, and transfer the same on behalf of the undersigned without notice, at public or private sale, free from any equity of redemption, and to apply the proceeds derived therefrom, or so much thereof as is required, to compensate the United States for the damages resulting from such default.

NOW, THEREFORE, if the undersigned makes all of the above-described payments then in that event the securities delivered herewith shall be returned to the undersigned.

Form 5450-15 (April 1973)

H-5450-1 - AWARD OF CONTRACT

Example of Deposit of Negotiable Securities
of the United States - Payment Bond

IN WITNESS WHEREOF this document was executed upon this 9th day of July, 19 84.

IF DEPOSITOR IS INDIVIDUAL OR
PARTNERSHIP, SIGN HERE

IF CORPORATION, SIGN HERE

| | |
|-------------------------|---|
| _____ (Name of Firm) | <u>John Doe Lumber Company</u> (Name of Corporation) |
| _____ (Name) | _____ (Name) |
| _____ (Address) | <u>President</u> (Title) |
| _____ (Name) | |
| _____ (Address) | |

(If Depositor is a corporation, the following certificate must be executed by the Secretary or Assistant Secretary of the corporation)

I, James Doe, CERTIFY that I am the Assistant Secretary of the corporation named as Depositor herein; that John Doe, who signed the bond, was then President of said corporation; that said bond was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

James Jones [Corporate Seal]

Receipt of the above-described securities is hereby acknowledged, to be held under the terms and conditions above mentioned.

THE UNITED STATES OF AMERICA

By District Manager
(Name)

District Manager
(Title)

July 12, 1984
(Date)

H-5450-1 - AWARD OF CONTRACT

Example of Cash Payment Bond With
Irrevocable Letter of Credit

Form 5450-21
(April 1986)
(formerly OR 5450-5)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CASH PAYMENT BOND

Contract Number
OR000-TS9-001
Date Contract Approved
July 2, 1989

KNOW ALL MEN BY THESE PRESENTS, That ☐ I ☒ We John Doe Lumber Co.
of Brownsville, State of Oregon
doing business as an ☐ individual ☐ partnership ☒ corporation organized and existing under the laws of the State
of Oregon, as Principal, is held and firmly bound unto the United States of America in the penal sum
of Fifty thousand and no/100 dollars (\$ 50,000.00).
lawful money of the United States, for the payment of which, well and truly to be made, I bind myself, my heirs, executors,
administrators, successors and assigns, jointly and severally, as a further guarantee of which a cash deposit or assured payment
has been made with the Bureau of Land Management at District Address in the form of
a Irrevocable Ltr of Credit in the amount of \$ 50,000.00
A sight draft shall not be negotiated unless the principal, his successors or assigns, fails to comply
with the payment provisions of the above-cited contract. (As used herein, the term "contract" includes all agreements between the
Bureau of Land Management and any individual, partnership or corporation for use of the public lands or their resources.)

THAT, The said Principal does hereby constitute and
appoint the Secretary of the Interior as his attorney, to transfer
and apply the said deposit, as security for the faithful
performance of the payment conditions or stipulations as set
out in the above-noted contract made under the Act
of Aug 28, 1937 (50 Stat the regulations
thereunder set forth in 43 CFR, Part 5400, upon con-
ditions therein expressed, and it is agreed that, in case of any
default in the performance of any payment condition or
stipulation of such contract, the said attorney shall have full
power to assign, appropriate, transfer, and apply said deposit
or any part thereof, without notice, and to apply the proceeds
of such collection in whole or in part to the satisfaction of any
damages or deficiencies, arising by reason of such default,

as said attorney may deem best.

The said Principal hereby ratifies and confirms whatever
his said attorney shall do by virtue of these presents.

NOW, THEREFORE, if the said Principal, shall make
timely payments to the Government, as provided in the said
contract of the amounts due for timber cut prior to payment
pursuant to 43 CFR 5451.4, and any related road maintenance
fees under said contract and any and all duly authorized
modifications of said contract that may hereafter be made, then
this obligation shall be void; otherwise, it shall remain in full
force and effect.

H-5450-1 - AWARD OF CONTRACT

Example of Cash Payment Bond With
Irrevocable Letter of Credit

Signed, sealed, and delivered this 1st day of July, 19 89.

IF INDIVIDUAL OR PARTNERSHIP, SIGN HERE:

IN THE PRESENCE OF TWO WITNESSES:

| | |
|-----------------|--------------------------------|
| _____ | _____ (Witness) |
| By _____ (Name) | _____ (Address) |
| _____ (Address) | _____ (Witness) |
| _____ (Name) | _____ (Address) |
| _____ (Address) | |
| _____ (Name) | |
| _____ (Address) | |
| | IF CORPORATION, SIGN HERE: |
| | <u>John Doe Lumber Company</u> |
| _____ (Name) | By <u>/s/</u> _____ (Name) |
| _____ (Address) | <u>President</u> _____ (Title) |

THE UNITED STATES OF AMERICA

Signed and Approved: July 2, 1989

By /s/ _____ (Name)
Area Manager _____ (Title)

CORPORATION CERTIFICATE

If Purchaser is a corporation, the following certificate shall be executed by the Secretary or Assistant Secretary of the Corporation.

I, Jack Jones, certify that I am the Assistant Secretary of the corporation named as Purchaser herein; that John Doe, who signed this contract, was then President of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

(Corporate Seal)

Title 18, U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

H-5450-1 - AWARD OF CONTRACT

Format for Irrevocable Letter of Credit-Payment Bond

| | |
|--|--|
| (Letterhead of Issuing Bank) | |
| <u>IRREVOCABLE STANDBY LETTER OF CREDIT-PAYMENT BOND</u> | |
| Date: _____ | |
| Letter of Credit Number: _____ | |
| <u>Beneficiary</u> | |
| United States Department of the Interior Bureau of Land Management <u>(District Office Name)</u> <u>(P.O. Box or Street Address)</u> <u>(City, State, Zip Code)</u> | |
| Amount: \$ _____ | |
| Gentlemen: | |
| We hereby establish this irrevocable standby letter of credit in your favor for account of: <u>(Name and Address of BLM Purchaser)</u> | |
| up to the aggregate amount of _____ Dollars (\$ _____) available by your drafts drawn on the issuing bank at sight accompanied by the following documents: | |
| A signed statement from Bureau of Land Management, United States Department of the Interior stating the follows: | |
| “We hereby certify that <u>(Name of BLM Purchaser)</u> has failed to make payments in Accordance with the terms and conditions of <u>(BLM Sale Name and Contract Number).</u> ” | |
| <u>SPECIAL CONDITIONS:</u> | |
| Partial drawings are permitted. | |
| This credit expires at the counters of the issuing bank on <u>(six months after</u> <u>Contract expiration date).</u> | |
| This credit expires at the counters of the issuing bank on <u>(six months after</u> <u>contract expiration date).</u> | |
| This credit is subject to the “Uniform Customs and Practice or Documentary Credits (1974 Revision)” International Chamber of Commerce, Publication No. 290 To any other further revisions thereof. | |
| We hereby engage with drawers, endorsers and bona fide holders that drafts and Documents will be duly honored upon presentation. | |
| <u>(Name of Issue Bank)</u> | |
| By: _____ (Signature) | |
| _____ (Title) | |

Format for Irrevocable Letter of Credit-Payment Bond

Instructions:

An Irrevocable Standby Letter of Credit-Payment Bond must include
The following:

1. An identifying number
2. A clear statement that it is irrevocable.
3. The purpose of the letter, i.e., payment bond.
4. Name of the bank's customer, that is, the purchaser.
5. The maximum limit of credit. This limit must equal or exceed the amount specified on the Cash Payment Bond. (Form OR 5450-5).
6. An authorization to draw sight drafts upon the bank in favor of the BLM.
7. A clear statement that the trace number or sale name appearing on the sight draft is sufficient for honoring the draft.
8. an Irrevocable Standby Letter of Credit-Payment Bond must specify only one timber sale.

H-5450-1 - AWARD OF CONTRACT

Example of Cash Payment Bond with Assignment of Surety

Form 5450-21
(April 1986)
(formerly OR 5450-5)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CASH PAYMENT BOND

Contract Number

OR100-TS9-000

Date Contract Approved

December 15, 1989

KNOW ALL MEN BY THESE PRESENTS, That ☐ I ☒ We John Doe Lumber Co.

of _____, State of _____

doing business as an ☒ individual ☐ partnership ☐ corporation organized and existing under the laws of the State

of Oregon as Principal, is held and firmly bound unto the United States of America in the penal sum

of Fifty thousand and no/100 dollars (\$ 50,000.00).

lawful money of the United States, for the payment of which, well and truly to be made, I bind myself, my heirs, executors,

administrators, successors and assigns, jointly and severally, as a further guarantee of which a cash deposit or assured payment

has been made with the Bureau of Land Management at (District address) in the form of

a Assignment of Surety in the amount of \$ 50,000.00

A charge shall not be negotiated unless the principal, his successors or assigns, fails to comply

with the payment provisions of the above-cited contract. (As used herein, the term "contract" includes all agreements between the Bureau of Land Management and any individual, partnership or corporation for use of the public lands or their resources.)

THAT, The said Principal does hereby constitute and appoint the Secretary of the Interior as his attorney, to transfer and apply the said deposit, as security for the faithful performance of the payment conditions or stipulations as set out in the above-noted contract made under the Act of 1947 (61 Stat 871) and the regulations thereunder set forth in 43 CFR, Part 5400, upon conditions therein expressed, and it is agreed that, in case of any default in the performance of any payment condition or stipulation of such contract, the said attorney shall have full power to assign, appropriate, transfer, and apply said deposit or any part thereof, without notice, and to apply the proceeds of such collection in whole or in part to the satisfaction of any damages or deficiencies, arising by reason of such default,

as said attorney may deem best.

The said Principal hereby ratifies and confirms whatever his said attorney shall do by virtue of these presents.

NOW, THEREFORE, if the said Principal, shall make timely payments to the Government, as provided in the said contract of the amounts due for timber cut prior to payment pursuant to 43 CFR 5451.4, and any related road maintenance fees under said contract and any and all duly authorized modifications of said contract that may hereafter be made, then this obligation shall be void; otherwise, it shall remain in full force and effect.

H-5450-1 - AWARD OF CONTRACT

Format for Assignment of Surety Performance Bond

ASSIGNMENT OF SURETY PAYMENT BOND

The undersigned Owner, and Co-owner, if any, of the herein described Certificate of Time Deposit/Savings Account ("deposit") hereby assigns his of their right, title and interest in, to or under said "deposit" to the U.S. Department of the Interior, Bureau of Land Management in the amount of Fifty Thousand and 00/100 Dollars (\$50,000).

Such amount shall be for the purpose of securing payment in accordance with the terms and conditions of the timber sale contract No. OR000-TS6-122 executed for the sale of the timber from United States lands. The Bureau of Land Management, U.S. Department of the Interior shall be authorized to charge against the described "deposit" for failure to make timely payment under the above described contract for timber cut and removed prior to payment pursuant to 43 CFR 5451.4 and any related road maintenance fees.

Any interest earnings shall remain the property of the Owner. It is agreed the issuing institution will hold the "deposit" in trust for the uses and purposes stated above until released by the Bureau of Land Management, U.S. Department of the Interior. Time deposits shall be automatically renewable at maturity dates at the rates and terms in effect at the time of renewal.

Type Deposit Certificate of Time Deposit

Number 00-000000 Effective date: _____

Signature(s) Guaranteed: _____
(Owner) (SEAL)

Title: _____ 1111 N. 2nd St.

Institution: North Zone State Bank Anywhere, Oregon
(Address)

By: _____

Title: Asst. Vice President & Manager

RELEASE OF ASSIGNMENT

The Bureau of Land Management, U.S. Department of the Interior hereby releases all right, title and interest in, to and under the form of deposit described in above Assignment.

Dated: _____

Bureau of Land Management
U.S. Department of the Interior

By: _____

Name: _____

Title: _____

cc: Owner
Issuing Institution

H-5450-1 - AWARD OF CONTRACT

Format for First Letter Including Sample Paragraphs



United States Department of the Interior
BUREAU OF LAND MANAGEMENT



IN REPLY REFER TO:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

(Bidder's Name)

(Business Address)

(Salutation)

OPENING PARAGRAPH – ALL CONTRACTS WITH BOND REQUIRED:

Your bid of \$ _____ submitted on (month, day, year), for the purchase of timber in Sec. _____, T. _____, R. _____ W., W.M., is accepted. Please execute all copies of the enclosed timber sale contract and performance bond and return all of the completed forms to this office with 30 days after receipt of this letter. If you cannot comply with these requirements within the time allowed, please Advise us promptly. Extension of this time must be requested in writing and Granted in writing prior to expiration of the 30-day period.

USE FOR INSTALLMENT CONTRACTS, BID BOND PROVIDED:

Payment of the total purchase price may be made by installments as in the timber sale contract. A sale deposit of \$ _____ must accompany the executed contract and bond forms. The first installment of \$ _____ must be paid prior to the cutting or removal of any timber sold under the contract. Each subsequent installment shall be due and payable without notice whenever the value of the timber cut shall equal the sum of all payments made less the deposit until the total purchase price is paid.

USE FOR INSTALLEMENT PAYMENT SALES WHERE BID DEPOSIT IS LESS THAN REQUIRED SALE DEPOSIT:

Payment of the total purchase price may be made by installments as provided in the timber sale contract. Your bid deposit will be applied upon the sale deposit. To complete payment of the sale deposit of \$ _____, your check for \$ _____ must accompany the executed contract and bond forms. The first Installment of \$ _____ must be paid prior to the cutting or removal of any Timber sold under the contract. Each subsequent installment shall be due and Payable without notice whenever the value of the timber cut shall equal the sum Of all payments made less the sale deposit until the purchase price is paid.

USE FOR INSTALLMENT PAYMENT SALES WHERE BID DEPOSIT IS MORE THAN THE SALE DEPOSIT:

Payment of the total purchase price may be made in installments of \$ _____ each. Your bid deposit of \$ _____ will be applied upon the sale deposit, with the balance of \$ _____ to be applied toward partial payment of the first installment. The balance of \$ _____ to complete the first installment must be paid prior to the cutting or removal of any timber sold under the contract. Each subsequent installment shall be due and payable without notice whenever the value of the timber cut shall equal the sum of all payments made less the sale deposit until the total purchase price is paid.

Format for First Letter Including Sample Paragraphs

2

USE FOR INSTALLMENT PAYMENT SALES:

Sec. 3(c) of the contract allows you to increase the performance bond as permitted by Sec. 38(b). If you so elect, cutting the timber of a value not in excess of the increase in value of such bond may be permitted prior to payment of the first subsequent installment, provided however, that no timber may be skidded or yarded to a loading point or removed from the contract area prior to payment of installments which would otherwise be due.

Sec. 3(d) of the contract allows you to provide a payment bond. If you so elect, cutting and/or removal of timber of a value not in excess of the penal sum of such bond may be permitted prior to payment of the first subsequent installments. You would then be billed monthly for timber skidded or yarded to a loading point or removed from the contract area.

Please advise upon return of the executed contract and performance bond if you wish increase-decrease performance bond rider forms or payment bond forms for your use in the event you elect to use one or both of the above two optional bonding provisions of the contract.

USE FOR INSTALLMENT PAYMENT SALES, 36-MONTH SALES:

A partial payment of no less than 40 percent of the total purchase price must be made by second anniversary of the timber sale contract. The value of completed road constructions, based on the Bureau of Land Management's appraisal allowance and sale deposit of \$_____, may be credited against the 40 percent requirement. However, such credit for road construction shall not reduce the total purchase price of the timber sales contract. The total purchase price must be paid not later than the expiration of the time for cutting and removal as set forth in the contract.

USE FOR INSTALLMENT PAYMENT SALES, LESS THAN 36-MONTH SALES

The total purchase price must be paid not later than the expiration of the time for cutting and removal as set forth in the contract.

USE FOR CASH SALE UNDER \$500 AND BID DEPOSIT IS LESS THAN TOTAL PURCHASE PRICE

Contracts for the sale of timber for less than \$500 must be paid in full prior to the cutting or removal of any timber. Your bid deposit has been applied upon the purchase price; consequently, you are requested to submit the balance of the purchase price, \$_____, along with the executed contract (and performance bond).

USE FOR CASH SALE AND BID DEPOSIT EQUALS TOTAL PURCHASE PRICE:

Your bid deposit of \$_____ has been accepted and credited as cash payment of the purchase price on the contract. (A performance bond in the amount of \$_____ is required.

H-5450-1 - AWARD OF CONTRACT

Format for First Letter Including Sample Paragraphs

3

USE WHEN UNSETTLED TRESPASS EXISTS AND STATE DIRECTOR HAS NOTIFIED
SUCCESSFUL BIDDER PRIOR TO SALE THAT RESTRICTIONS SET FORTH IN
43 CFR 9239.0-9 HAVE BEEN IMPOSED:

Records of the bureau of Land Management show an unsettled obligation of \$_____ due the United States as a result of unauthorized (typed of trespass, case number). Notice was previously given to you concerning your involvement in this matter, but satisfactory arrangements have not been made to settle this obligation. We are not authorized to execute this timber sale contract until such arrangements are made. Please contact this office to work out the details of the settlement.

COURTESY REMINDER OF STATE LAW REQUIREMENTS:

In accordance with the terms of a July 6, 1972, agreement between the BLM and the Oregon State Board of Forestry, the application filed by you for a permit to operate power driven machinery under CRS 477.625 will serve to inform the State Forester of operations on your BLM timber sale area. Your cooperation in providing such notice to the State in a timely manner will be appreciated. You should also be advised that the BLM has interposed any objection to the collection by the State of forest products harvest taxes on timber removed from the government's land. However, the BLM is not involved in this process and any questions you may have concerning such taxation should be directed to the appropriate State officials.

CLOSING PARAGRAPH:

If you have any questions concerning the execution of this contract or the accompanying forms, or the performance of any portion of the contract, please inquire at this office. It is to our mutual interest that you have a clear understanding of your rights and obligations concerning this sale. We caution you that you may not cut any of the timber purchased prior to receipt of the executed timber sale contract signed by the Authorized Office of the Government. Any Cutting prior to that time will be considered a trespass.

Sincerely,

Area Manager

Enclosures

H-5450-1 - AWARD OF CONTRACT

Model of Courtesy Letter Reminding Bidder to
Execute and Return Contract Document



United States Department of the Interior
BUREAU OF LAND MANAGEMENT



IN REPLY REFER TO:

(Date)

CERTIFIED MAIL
RETURNED RECEIPT REQUESTED

(BIDDER'S OR Purchaser's Name)

(Business Address)

(Salutation)

The contract and performance bond forms for the cedar salvage sale Contract (number) which you purchased on (date), were Mailed to you on (date). Those forms, together with any Other material requested must be completed and returned to this Office within 30 days.

The 30-day period expires on (day of week and date). As stated in our contract award letter, if you cannot comply with these requirements within the time allowed, please advise us promptly. Extensions of this time must be requested in writing and state the need for the extension and extensions must be granted in writing prior to expiration of the 30-day period.

If you fail to comply with the above requirement, your bid deposit shall be retained as liquidated damages and the contract may be offered and awarded for the amount of the high bid to the highest of the bidders who qualified, responsible, and willing to accept the contract.

Sincerely yours,

Area Manager

H-5450-1 - AWARD OF CONTRACT

Model Letter Authorizing Additional Time to Sign
and Return Contract Documents



United States Department of the Interior
BUREAU OF LAND MANAGEMENT



IN REPLY REFER TO:

(Date)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

(Bidder's Name)

(Business Address)

(Salutation)

On (____ date ____) you received our letter advising that your bid for purchase of timber in (legal description or tract number and name) was accepted. You were requested to execute all copies of the contract and performance bond and return the completed forms together with required payment to this office within 30 days.

Your written requested dated (____ date ____) for a 15-day extension of time to complete and return contract (number) and performance bond, because of unexpected delay in obtaining a corporate surety bond, is approved.

All copies of the contract and performance bond must be executed and returned to this office together with required payment, not later than (____ date ____).

Sincerely yours,

District Manager

H-5450-1 - AWARD OF CONTRACT

Model Letter Terminating Bidder's Rights to
Timber sold; Retention of Bid Deposit



United States Department of the Interior
BUREAU OF LAND MANAGEMENT



IN REPLY REFER TO:

(Date)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

(Bidder's Name)

(Business Address)

(Salutation)

We have not received the executed contract and performance bond with the required deposit for the purchase of the United States timber described in contract (number). More than 30 days have elapsed since these documents were made available to you.

All rights and privileges of (bidder's name) in and to such timber are hereby terminated.

In accordance with the timber sale regulations (43 CFR 5450.1(b)) and the language of the Deposit of Bid for Timber, the bid deposit of (amount) which was submitted in support of your offer to buy this timber on (date), is hereby retained by the United States as liquidated damages.

You are allowed the right of appeal to the Board of Land Appeals in the Office of Hearings and Appeals, Department of the Interior, in accordance with the regulations in 43 CFR Part 4. See enclosure. If an appeal is taken, a notice of an appeal must be filed with this office within 30 days from your receipt of this letter. In taking any appeal there just be strict compliance with the regulations.

Sincerely yours,

District Manager

Enclosure
Form 1842-1

H-5450-1 - AWARD OF CONTRACT

Model of Sight Draft

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management

SIGHT DRAFT

AMOUNT: _____ DATE: _____

AT SIGHT UPON PRESENTATION, PAY TO THE ORDER OF THE UNITED STATES
DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT THE SUM OF

(\$ _____) UNDER
IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER _____ OF THE
_____ OF _____
(ADDRESS)

UNITED STATES DEPARTMENT OF THE
INTERIOR, BUREAU OF LAND MANAGEMENT

BY: _____
SIGNATURE

TITLE

DRAFT NO. _____ SALE NO. _____

H-5450-1 - AWARD OF CONTRACT

Format For Second Letter - Lump Sum Timber Sale Contract

(District Address)

(Date)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

(Purchaser's Name)
(Business Address)

(Salutation)

OPENING PARAGRAPH

Enclosed is your copy of timber sale contract OR080-TS4-000 and bond. Your bid bond is also returned herewith. Also enclosed are two copies of Form 5460-15, Log Scale and Disposition of Timber Removal Report on which you will be required to submit the net scale of the logs removed from the contract area. When you have completed removal of logs from this contract area, please complete and return one copy to this office. The scale submitted is for administrative purposes only, and in no event will be used as a basis for adjustment of the total amount bid. The scale report will become a part of the public record. A record of all sales or transfers of logs from the sale area must be available for BLM inspection and use for a period of three years from the contract termination date.

USE THIS PARAGRAPH IF ACCESS PURSUANT TO TBLM RIGHTS OF WAY
AGREEMENT IS PROVIDED

Additionally, should you elect to exercise the right to use access furnished by the Bureau of Land Management pursuant and subject to agreement M-44 between the United States and Kettle Lid Forest Industries for the removal of timber from the contract area, you will be required to furnish to the Authorized Officer a copy of the executed license agreement prior to commencement of operations. (You will be required to complete and return one copy of Report of Road Use Fees Paid, Form 5450-8, to this office prior to termination of the contract.)

USE THIS IF ALL OR PART OF THE FIRST INSTALLMENT REMAINS UNPAID

If you do not elect to cover this contract with a blanket payment bond) (no) No cutting will be authorized until the first installment payment of \$_____ is received in this office. After this payment, cutting may proceed in accordance with the terms of the contract. If you wish to avail yourself of the provisions of Sec. 3© of the contract, please contact this office for approval of a performance bond increase.

BLANKET PAYMENT BOND

We have amended the list of timber sales coverable under the Blanket bond No. _____ by the addition of timber sale No. _____ as requested in your letter of _____. A copy is enclosed to verify the addition of this sale to your Blanket Payment Bond (Form 5450-20). You may proceed with the cutting of the timber in accordance with terms of this contract.

H-5450-1 - AWARD OF CONTRACT

Format for Second Letter - Lump Sum Timber Sale Contract

USE THIS PARAGRAPH IF ONE OR MORE INSTALLMENTS HAVE BEEN PAID

You may proceed with the cutting of the timber in accordance with terms this contract. If you wish to avail yourself of the provisions of Section 3© of the contract, please contact this office for approval of a performance bond increase.

ALL

A pre-work conference between you representative and a representative of the Bureau of Land Management must be held at a location designated by the Authorized Officer before the logging plan will be approved.

While you are operating under this contract, please be sure to obtain from the Authorized Officer any permission or instructions required by the terms of this Contract.

USE THIS PARAGRAPH IF THE CONTRACT CONTAINS LOG EXPORT
RESTRICTIONS FOR W. OREGON SALES ONLY

In the event you elect sell restricted timber to domestic buyers, have the buyer complete both copies of Form 5450-16, Certificate as to Non-substitution and the Domestic Processing of Timber, and then forward the original to this office.

IDENTIFY THE FORRESTER WHO WILL ADMINISTER CONTRACT
FOR THE AUTHORIZED OFFICER

Before commencement of operations on the contract area, or at any time after an extended shutdown; please notify this office as to the date you plan to start or resume operations. If you intend to cease operations for any extended period, please notify this office pursuant to Section 23 of this contract. Pursuant to Sec. 35 of this contract, Forest Manager/Timber Manager, _____ is designated as my representative for administration of this contract. He/she has assigned _____ the responsibility to administer the portions of this contract dealing with logging operations. _____ will administer the road construction (and maintenance) operations on the sale, and _____ will administer logging residue reduction.

We will be glad to confer with you regarding terms of this contract or any related problems.

Sincerely,

Area Manger
_____ Resource Area

(No.) Enclosures
Contract #OR080-TS4-000
Bid Bond, Performance Bond,
Payment Bond # 000000
Form 5460-15, Form 5460-16,
Form 5450-8, Logging Plan
(2 copies each)

cc: ABC Insurance Co. w/copy of contract and bonds

(Continued on reverse)

H-5450-1 - AWARD OF CONTRACT

Log Scale and Disposition of Timber Removed Report

| UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT | | | | | | |
|---|-------------|---|-----|--|-----------------------|-------------|
| LOG SCALE AND DISPOSITION OF TIMBER REMOVED REPORT | | | | | Contract Number | |
| This report is required by law, Act of April 12, 1926 (77 Stat 272), as amended. Failure to comply can result in withholding the Timber Sale Contract. | | | | | Date | |
| Purchaser's Name | | | | Address (include zip code) | | |
| <p>In compliance with requirements of the above-numbered Timber Sale Contract, we hereby submit the following log scale for the total volume of timber removed from the contract area covered by said contract.</p> | | | | | | |
| Name of processor: | | | | | | |
| SPECIES | GROSS SCALE | VOLUME OF TIMBER REMOVED - CHECK ONE: <input type="checkbox"/> MBF <input type="checkbox"/> CCF | | | | |
| | | SOUND LOGS* | | | OTHER THAN SOUND LOGS | |
| | | NET SCALE BY DISPOSITION CATEGORY** | | | GROSS SCALE | |
| | | (1) | (2) | (3) | CULL PEELERS | OTHER CULLS |
| | | | | | | |
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| TOTALS | | | | | | |
| Name of Processor: | | | | | | |
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| TOTALS | | | | | | |
| Name of Processor: | | | | | | |
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| TOTALS | | | | | | |
| GRAND TOTALS | | | | | | |
| <p>*Sound logs are defined as logs containing 33 1/3 percent of gross scale (50 percent of gross scale in the case of peeler blocks) in sound wood volume after deductions have been made for defect.</p> | | | | | | |
| SCALED BY <input type="checkbox"/> Company employee <input type="checkbox"/> Scaling Bureau <input type="checkbox"/> Other (specify) _____ | | SCALING METHODS Log scale rule used _____ Maximum length without taper _____ Taper allowance _____ | | **DISPOSITION CATEGORIES 1. Timber processed in the United States by purchaser 2. Timber sold to a third party for processing in the United States 3. Excepted and unprocessed timber sold or transported for export from the United States | | |
| Comments | | | | | | |

(Continued on reverse)

Form 5460-15 (December 2004)

H-5450-1 - AWARD OF CONTRACT

Log Scale and Disposition of Timber Removed Report

CERTIFICATION STATEMENT

I CERTIFY That the above statement is true and that it is to the best of my knowledge, a complete statement of the volume and disposition of all timber removed under said contract.

If Individual or Partnership, sign here

If Corporation, sign here:

| | |
|--------------------------------|--------------------------------|
| _____ | _____ |
| (Name of Firm) | (Name of Corporation) |
| _____ | _____ |
| (Signature of Signing Officer) | (Signature of Signing Officer) |
| _____ | _____ |
| (Business Address) | (Title) |
| _____ | _____ |
| (Signature of Signing Officer) | (Date) |
| _____ | |
| (Business Address) | |
| _____ | |
| (Date) | |

If Purchaser is a Corporation, the following certificate must be executed by the Secretary or Assistant Secretary.

I, _____, certify that I am the ☐ Secretary ☐ Assistant Secretary of the Corporation named as purchaser herein, that _____ who signed the certification was the _____ of said corporation, that said certification was duly signed for and in behalf of said Corporation by authority of its governing body, and is within the scope of its corporate powers.

[Corporate Seal]

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: The Act of April 12, 1926 (77 Stat 272), the Export Administration Act of 1979 (50 U.S.C. 01 et seq.), the Morse Amendment to the Foreign Assistance Act of 1968, the annual Interior Department Appropriations Act, and the Small Business Act of July 18, 1958 (72 Stat 384).

PURPOSE: The information is to be used to determine that firms in the export trade are not exporting Bureau of Land Management timber and to determine volume of timber purchased by small business and sold to large business.

ROUTINE USE: Analysis of timber sales to determine if BLM timber is being exported and the quantities of timber resold to large business.

EFFECT OF NOT PROVIDING INFORMATION: Filing of information is mandatory only if the purchaser wishes to continue purchasing timber from Bureau of Land Management land.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

H-5450-1 - AWARD OF CONTRACT

Form 5460-016
(May 2010)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Contract Number

Date

**CERTIFICATE AS TO NONSUBSTITUTION AND
THE DOMESTIC PROCESSING OF TIMBER**

Between Purchaser (name)

Address (include zip code)

and the United States of America, acting through the Bureau of Land Management, expressly requires that all timber sold thereunder:

A. Except for exempted grades and species, is restricted from export from the United States in the form of unprocessed timber. For the purpose of this contract, unprocessed timber is defined as: (1) any logs except those of utility grade or below, such as sawlogs, peeler logs, and pulp logs; (2) cants or squares to be subsequently remanufactured exceeding eight and three quarters (8 - 3/4) inches in thickness; (3) split or round bolts or other roundwood not processed to standards and specifications suitable for end product use; (or) (4) western red cedar lumber which does not meet lumber of American Lumber Standards grades of number 3 dimension or better, or Pacific Lumber Inspection Bureau R-List grades of number 3 common or better. Timber manufactured into the following will be considered processed; (1) lumber and construction timbers, regardless of size, manufactured to standards and specifications suitable for end product uses; (2) chips, pulp and pulp products; (3) green or dry veneer and plywood; (4) poles and piling cut or treated for use as such; (5) cants, squares, and lumber cut for remanufacture of eight and three quarters (8 - 3/4) inches in thickness or less; (6) shakes and shingles.

As a buyer of "unprocessed timber" as defined above originating from the contract area of said contract, I agree to abide by the terms and conditions of said contract with respect to the restrictions regarding the export of unprocessed timber from the United States.

B. Will not be used as a substitute for exported private timber. For the purpose of this contract, substitution is defined as "the purchase of a greater volume of Federal timber by an individual purchaser than has been his historic pattern within twelve (12) months of the sale for export by the same purchaser of a greater volume of his private timber than has been his historic pattern during the preceding twelve (12) months, exclusive of Federal timber purchased by negotiated sale for right-of-way purposes."

As a buyer of "timber" as defined above originating from the contract area of said contract, I agree to the terms and conditions of said contract with respect to the restrictions regarding substitution as defined above.

(Name of Firm)

(Signature of Signing Officer)

(Title)

(Date)

INSTRUCTIONS

This form is for use with sales offered for sale after adoption of rules on nonsubstitution.

Purchaser shall forward original of certificate to the authorized officer and retain carbon.

Whenever purchaser of timber sold under a Bureau of Land Management contract wishes to sell or exchange any or all of the timber restricted from export in the form of unprocessed timber, he shall require each party receiving such timber to execute this certificate.

H-5450-1 - AWARD OF CONTRACT

Example of Timber Sale Index Card

T. 22S ,R. 5W ,Sec.3 ,_____.M. Contract No.

Subdivisions: SW ¼ Status: O&C

Purchaser: John Doe Lumber Co. Cutting Area,
Ac.: 99 acres

County: Douglas Res. Area
District: Roseburg M. Unit: Douglas

| <u>Species</u> | <u>Volume</u> <u>M bd. ft.</u> | <u>Appr. Price</u> <u>/M bd. ft.</u> | <u>Sale Price</u> <u>/M bd. ft.</u> | <u>Total Appr. Price</u> |
|----------------|-----------------------------------|---|--|---|
| D. Fir | 4138.0 | \$64.10 | \$136.75 | \$267,203.40 |
| Hemlock | 64.0 | 32.15 | 32.15 | |
| | | | | <u>Total Sale Price</u> \$567,929.10 |

Sale Date: 1/28/84 Cutting Rights Expire: 2/28/87

Approval Date: 2/28/84 Contract Terminated:

DSC 5436-1 UNITED STATE
DEPARTMENT OF THE INTERIOR
Bureau of Land Management

Contract Index Card

Instructions: Contract index cards of this kind are to be prepared for all types of timber sale contracts. These cards will be filed by townships, range, and section and will be used in conjunction with card indexes filed by contract number and alphabetically by purchaser. Any essential information not called for on the reverse hereof may be places on this side of the card.

H-5450-1 - AWARD OF CONTRACT

Format for Notice of Timber Sold

In Reply Refer To:

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management

(District Address)

(Date)

Gentlemen:

This is to inform you that timber sale Contract No. _____

With _____

(legal description)

Was sold on _____
(Sale Date)

Sincerely yours,

Area Manager