The Department offers for sale sawtimber and pulpwood stumpage on approximately 182 acres of Fort Indiantown Gap National Guard Training Center property, portions located East of Muir Army Airfield and South of Fisher Ave, along Air Guard Road & Cavalry Road, in Union Township, Lebanon County.

VOLUME ESTIMATE

<table>
<thead>
<tr>
<th>Species</th>
<th>Sawtimber</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>Pulpwood</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Species</td>
<td>MBF</td>
<td>Tons</td>
<td>Species</td>
<td>Tons</td>
<td>Species</td>
<td>Tons</td>
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</tr>
<tr>
<td>Green Ash</td>
<td>102.41</td>
<td>538.20</td>
<td></td>
<td>Hardwood</td>
<td>2,370</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Green Ash (Dead)</td>
<td>7.05</td>
<td>36.640</td>
<td></td>
<td>Softwood</td>
<td>3</td>
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<td></td>
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</tr>
<tr>
<td>Black Walnut</td>
<td>3.17</td>
<td>19.350</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Black Walnut (Dead)</td>
<td>0.38</td>
<td>2.380</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Shagbark Hickory</td>
<td>0.12</td>
<td>0.770</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northern Red Oak</td>
<td>0.14</td>
<td>0.950</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northern Red Oak (Dead)</td>
<td>0.81</td>
<td>4.860</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Black Cherry (Dead)</td>
<td>0.05</td>
<td>0.340</td>
<td></td>
<td></td>
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<tr>
<td>Yellow Poplar</td>
<td>0.48</td>
<td>2.570</td>
<td></td>
<td></td>
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<tr>
<td>Black Birch (Dead)</td>
<td>0.09</td>
<td>0.600</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>114.7</td>
<td></td>
<td></td>
<td></td>
<td>606.660</td>
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</tr>
</tbody>
</table>

Volumes are based on International ¼" Kerf Log Rule. A 100% cruise was performed for sawtimber and a 10% cruise was performed for pulpwood trees for all blocks. Trees greater than or equal to 14" DBH were tallied as sawtimber. Stand and stocking tables were created for this timber sale. The tables can be found online at www.dmva.state.pa.us. The species and block volumes may vary from said estimates. Volumes are not guaranteed. No volume adjustments will be made. No logs will be scaled. Bidder should bid based on his/her own estimate of merchantable volume.
EXPIRATION OF CONTRACT:

This contract will expire on February 28, 2018

PERFORMANCE DEPOSIT:

Successful Bidder must furnish as guarantee for performance of their bid commitment a certified check payable to the Commonwealth of Pennsylvania. Negotiable securities, including letter of credit, bank savings account or bank investment certificate may be furnished in lieu of the above. PERSONAL CHECK, PERSONAL MONEY ORDER, CORPORATE CHECK, OR CASH WILL NOT BE ACCEPTED AS BID DEPOSIT. This performance deposit must be equal to a minimum of 25% of the bid plus the road and seeding costs.

PAYMENTS (Applies to Tonnage & Lump Sum):

The sale is divided in 5 (five) cutting blocks. Payment is to be made on a per block basis in accordance with the harvest schedule.

- Block 2 - 11% of bid amount
- Block 3 - 5% of bid amount
- Block 4 - 12% of bid amount
- Block 5 - 9% of bid amount
- Block 6 - 11% of bid amount

Payment of no less than the estimated value of Block 5 and, according to the Departments estimated volume and the successful bid will be furnished by the Buyer at the time the performance deposit is furnished.

Payment for proceeding blocks must be made before harvesting occurs.

Payments must be made by certified check payable to the Commonwealth of Pennsylvania.

Tonnage Sale Only:

When approximately 50% of the timber sale is complete, weight slips will be tallied and a true value for timber harvested will be found. If there is a credit in the account, the Buyer will have the option of being refunded the credit amount or putting the credit towards the payment of the next block. If there is more volume removed than estimated the Buyer will furnish payment for excess volume.

After harvesting is complete, but before end of contract, weight slips will be tallied and a true value for timber harvested will be found. If there is credit in the account the Buyer will be refunded the credit amount. If there is more volume removed than estimated the Buyer will furnish payment for excess volume before end of contract.

Payments must be made by certified check payable to the Commonwealth of Pennsylvania.

WEIGHT SLIPS (Applies to Tonnage Bids Only):

Weight slips will be furnished to the Buyer by the Department. The Buyer will be responsible for completing the weight slip. The white copy of the completed weight slip along with a certified scale ticket must be returned to the Department within ten business days of the load leaving the sale area. The pink copy is to be placed in a drop box, which will be furnished by the Department and put on site. The load copy (the heavy card stock paper attached to the back of the weight slip) will be attached to every load before leaving the sale area.

CURRENCY:

All bids, bid deposits, performance deposits, sales tax and other payments related to this project must be in United States dollars only.

SALES TAX:
Department will collect sales tax only for the timber which Buyer will consume for his own use and not sell or process for sale to others.

**EXECUTION OF CONTRACT:**

The successful bidder will be required to execute the Department's Tree Estimate Timber Stumpage Sale contract. The buyer must furnish a satisfactory performance deposit and Block 1 payment by the date specified in the cover letter, which will accompany the contract when it is mailed to the buyer for execution. The contract may be examined in the Forest Program Manager’s office.

If the accepted qualified Bidder fails to accept and execute the contract or provide a satisfactory performance deposit as required, said Bidder will forfeit bid deposit to Department as liquidated damages and the timber will be offered at the highest bid to the other qualified Bidders in the order of descending bids, or negotiated or re-advertised as appropriate.

The consequence of such a default may also subject the Bidder to further sanctions under the statewide Contractor Responsibility Program in accordance with Management Directive 215.9 Amended, as issued by the Governor’s Office. Such Contractor Responsibility action may result in finding the Bidder non-responsible in subsequent timber sales and preclude an award to the Bidder in those sales.

**PAYMENT FOR TIMBER DAMAGES:**

The value of timber damaged by Buyer will be computed as stated under Section 14, entitled Timber Damage, of the Tree Estimate Timber Stumpage Sale Contract Form 300.

**HARVEST SCHEDULE**

This sale is divided into 6 (six) cutting blocks. The order of cutting blocks is optional with buyer. Before logging operations may be started on any cutting block, the stumpage on that block must be paid for in full. Logging operations, including cleanup, must be completed to the satisfaction of the Department on one block before logging operations may be started on another block unless modified in writing by the Department. Payment for all cutting blocks to be purchased must be made by certified check payable to the Commonwealth of Pennsylvania.

**FELLING OF TREES:**

- **Block 1:** All trees marked with red paint are to be felled.
- **Blocks 2-6:** All trees marked with orange paint are to be felled. All trees marked with yellow paint are to be felled by hand only.
- **All Blocks:** All save trees marked with a spot of blue paint above DBH and a spot of blue paint below stump height must not be felled. All sale boundary and block boundary trees marked with two bands of blue paint at DBH and a spot of blue paint below stump height are reserved and must not be felled.

**UTILIZATION AND REMOVAL OF TIMBER:**

Prospective Buyer shall buck trees, remove from sale area, and include for scaling all merchantable timber.

**MERCHANTABILITY TIMBER:**

Minimum Pulpwood Standards:
- Units Per Tree – 1
- Length Feet – 8
- Diameter Inside Bark at Small End – 4”

Sawtimber Standards
- Units Per Tree – 1
- Length Feet – 8
• Diameter Inside Bark at Small End – 12”

Stems that meet Sawtimber Standards but have poor form or excessive defect may be utilized as pulpwood.

LOGGING RESTRICTIONS:

Mechanical harvesting is approved. Whole tree harvesting is approved. Whole tree skidding of saw timber is approved.

The following are prohibited: The use of equipment which in the opinion of the Forest Program Manager results in abnormal damage to the residual stand.

TOPS AND SLASH:

Tops and slash shall be moved back 25 feet from streams, roads, spring seeps and trails. Tops and slash must be removed 30 feet from the sale boundary (marked with two bands of blue paint at DBH and a spot of blue paint below stump height) and sale corners (marked with three bands of blue paint at DBH and a spot of blue paint below stump height).

HAUL ROADS:

There is 1 (one) unpaved, access road (Cavalry Road) that runs through Block 3 and borders Blocks 4, 5 & 6, that the Buyer will be able to utilize to access all landings in all the blocks. Equipment may be driven on unpaved trails between the blocks. Bordnersville Road will be used to access Cavalry Road into Block 3. Quartermaster Road may be utilized to access the landing in Block 2. Equipment will not have to be trailered to any blocks. Road work will require the following: stoning and grading, stabilization of wet spots, and clearing of vegetation as needed. The Department requires #1 limestone at all road entrances continuing a minimum of 50 ft. up the haul road. Buyer must grade, crown, ditch, and retire haul road as specified by the Forest Program manager.

Unless required by the Department to control environmental impacts, any and all improvements to the existing haul road system is at the bidder’s discretion. Improvements made will be at the bidder’s expense.

All materials utilized for haul road improvements will remain the property of the Commonwealth and must be approved by the Forest Program Manager. Any improvements required to control environmental impacts shall be applied and located as specified by the Forest Program Manager.

Plowing of DMVA roads is prohibited unless authorized in writing by the Forest Program Manager. All DMVA roads must be kept passable at all times for use by passenger automobiles.

The Department does not guarantee the successful Bidder the use of roads maintained by the PA Department of Transportation, municipalities, or other agencies or owners. The bidders must contact the PA Dept. of Transportation posted highway coordinator and officials of other said roads for possible weight or other restrictions that would prevent use.

OPERATION OF SALE RESTRICTED

Due to the proximity of the timber sale blocks to seasonally wet areas, the operation of this sale is prohibited from March 1 through April 30. Operation in this time period may be granted at the discretion of the Forest Program Manager if favorable environmental conditions exist.

Additionally due to the recent threatened status of the Northern Long Eared Bat, logging operations are restricted from June 1 through July 31.

SEEDING SALE AREAS:

The following area(s) must be seeded for this sale: Approximately 4 (four) acres of haul road, skid trail, disturbed area and landings must be seeded for this sale. Prior to sale termination, Buyer must purchase and spread on prepared seedbed the following materials: 75% creeping red fescue, 25% Perennial Ryegrass, at 40 pounds/acre; 2 tons/acre of lime; 2.5 tons/acre straw mulch; 300 lbs/acre of 10/20/20 fertilizer. Seeding must be between March 1 – June 1 or August 30 – November 1, or as specified by the Forest Program Manager.
ENVIRONMENTAL PROTECTION:

Buyer must take whatever precautions are necessary, in the opinion of the Forest Program Manager, to prevent soil erosion, water pollution and any other conditions detrimental to the environment on Commonwealth and private land, and must correct immediately at his own expense and to the satisfaction of the Department any conditions detrimental to the environment which results from the operation of this sale.

SAWMILL SETS:

Sawmill sets are prohibited for this sale.

MILITARY MISSION DELAYS:

Operations will be postponed and sale area closed due to military training at times. Buyer may ask for extension of contract for the amount of time delayed by training.

METAL CONTAMINATION:

Some timber in this sale may be contaminated with bullets and/or shell fragments. Metal contamination is not expected to be more than 5 trees per 100 for any significant portion of the sale. If Buyer feels the minimum contamination level has been exceeded there will be an examination of the timber. If Forest Program Manager is in agreement with Buyer the area in question may be removed from sale area or a negotiation of unit price for that area can occur. Negotiations will not be considered in a lump sum sale.

EXTENSION OF EXPIRATION DATE OF CONTRACT:

The expiration date of this contract may be extended at the discretion of the Department. When the Forest Program Manager suspends sale operation in writing for any reason other than Buyer non-compliance, the contract can be extended at no cost to Buyer for a period equal to the period of suspension. If for any other reason an extension beyond the contract expiration date becomes necessary, Buyer must submit a written request thirty (30) days prior to contract expiration date to the Forest Program Manager stating the period of extension requested in months and reasons why the contract cannot be completed by the expiration date. For each month of the requested extension period, Buyer will pay to the Department five (5) percent of the value of all cutting blocks not released by the Forest Program Manager. Payment in full for each extension in the form of a certified check payable to the Commonwealth of Pennsylvania must accompany the request for extension. If the extension is granted and sale operations are completed prior to the end of the extension period, no refunds will be made.

If sale operations have not been completed by the contract expiration date and the Department has not approved a contract extension, sale operations will be suspended. If an extension is subsequently approved, Buyer must make payment as outlined above to include the period of suspension.

US DEPARTMENT OF AGRICULTURE QUARANTINES:

Quarantines of forest products against the spread of emerald ash borer (entire state), pine shoot beetle (entire state) and gypsy moth (entire state) are now in effect in Pennsylvania. The buyer is responsible for understanding and complying with all applicable quarantines.

Please contact the regional office of U.S. Department of Agriculture, 401 East Louther St., Suite 102, Carlisle, PA 17013, telephone 717-241-0705 or see their website: http://www.aphis.usda.gov/plant_health/plant_pest_info/index.shtml for further information on regulations, inspections and certification to move regulated articles out of quarantined areas.

NON-DISCRIMINATION CLAUSE:

The Commonwealth of Pennsylvania is an Equal Opportunity Employer and requires conformance with Title 16 Pennsylvania Code, Chapter 49, Contract Compliance Regulations.

SAFETY:
The Buyer, his employees and sub-contractors are required to perform all logging operations in a safe manner as required by applicable laws and regulations. The Department expects the Buyer to ensure that logging crewmembers dress in protective attire and perform their duties with equipment in accordance with standards established by the logging industry and the Occupational Safety and Health Administration (OSHA).
BID FOR DMVA RED HORSE
TIMBER STUMPAGE SALE

I, We ____________________________________________________________

(Print or type name above line)

__________________________ __________________________
(Print or type street or rural route number, city, state, and zip code above line)

I offer a (check one) □ LUMP SUM BID of $_____________ or □ PER TON BID of $_____________

per ton for sawtimber and $_____________ per ton for pulpwood for the marked and/or designated
timber stumpage described in prospectus of the Pennsylvania Department of Military and Veterans Affairs
for the above timber sale.

Enclosed is certified check number ________________________ for $________________

payable to the Commonwealth of Pennsylvania as liquidated damages if I am/we are the successful Bidder and should fail to execute contract,
furnish a satisfactory performance deposit, and make initial payment in full, within thirty (30) days from date of
Forest Program Manager letter which will accompany contract when it is forwarded to me/us for execution.

Personal check or personal money order will not be accepted.

If you are high bidder for this sale, what should be done with your bid deposit? □ applied to initial payment

□ applied only to a cash performance □ returned, after contract is executed

If you are high bidder for this sale, what type of performance deposit will be used?

□ Certified Check □ letter of credit

Contact Name: _________________________________ Telephone No. ______________

WITNESS: __________________________________________

SIGNATURE OF BIDDER:

__________________________ __________________________

By ____________________________

__________________________ __________________________

By ____________________________

__________________________ __________________________

By ____________________________

Attest:

__________________________ __________________________

By ____________________________ (Seal)

All signatures must be written in ink. All other information must be typed or written in ink. If Bidder is a
partnership, each partner must sign. If bidder is a corporation, President must sign and Secretary must
sign attest and imprint corporation seal.

The Department of Military and Veterans Affairs reserves the right to reject any or all bids, also to waive
any technical defects which might arise in connection with this bid.