ROAD LICENSE AGREEMENT

This Road License Agreement ("Agreement") is entered into on **July 9th, 2026** ("Effective Date"), by and between SIERRA PACIFIC LAND & TIMBER COMPANY ("Company") and **Tehama County Administration** ("Licensee").

RECITALS

WHEREAS, Company owns certain real property in fee, as more particularly described in **Exhibit A** attached hereto and incorporated herein (the "Property"); and

WHEREAS, Licensee desires to maintain and use an existing roadway upon such Property for the purpose of: **Park Fire Restoration efforts located south of South Fork Antelope Creek Bridge.**

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and conditions, it is mutually agreed as follows:

1. NON-EXCLUSIVE REVOCABLE LICENSE.

Subject to the terms and conditions of this Agreement, Company hereby grants a license (the "License") to Licensee to use an existing roadway upon the Property (the "Road"). Licensee's right to use the Road is non-exclusive, and Company shall have the right to enter and use the Road and the Property for any purpose that will not unreasonably interfere with the rights granted to Licensee under this Agreement. This License is revocable by Company as provided in Section 2 of this Agreement. Licensee agrees that Company shall not be estopped to revoke this License, notwithstanding any expenditure, regardless of amount, that may be incurred by Licensee with respect to the Road or Property. Licensee further agrees that Licensee shall not contest Company's right to revoke this License.

Licensee agrees, promises and warrants that Licensee accepts all responsibility for safety arising out of any Activities of Licensee under this Agreement or of any third party hired by Licensee to perform services for Licensee on the Property or the Road. By accepting this responsibility, Licensee agrees, promises and warrants that Licensee shall indemnify Company for any and all defaults in performance of its responsibility for the safety of all such Activities against all claims, demands and suits, including those brought by third parties, Licensee's employees or by Company for indemnity under this Section 1.

Company and Licensee agree that Licensee's default in its responsibility for the safety of any Activities of Licensee under this Agreement or of any third party hired by Licensee to perform services for Licensee on the Property or the Road shall be deemed active negligence in any suit between Company and Licensee.

2. TERM.

This Agreement shall be effective **July 9th, 2026**, and shall automatically expire on **October 15th, 2026**; provided, however, that notwithstanding the foregoing, Company may revoke this License at any time by giving Licensee fifteen (15) days' written notice, and Licensee may terminate by giving written notice. This Agreement shall supersede any other license or lease agreement in effect between Licensee and Company on the Effective Date and any such agreement is hereby terminated with no further obligation on the part of Licensee or Company except for those obligations set forth herein. This Agreement shall automatically terminate on the occurrence of bankruptcy or insolvency of either party, or death or dissolution of either party.

3. NO CONSIDERATION; RECREATIONAL USE.

No fee or other consideration shall be payable by Licensee for Licensee's use of the Road. Licensee and Company acknowledge and agree that Licensee's use of the Road constitutes a recreational use within the meaning of California Civil Code Section 846, and that pursuant to such statute Company owes no duty of care to keep the Road or the Property safe for entry or use by Licensee or others for any recreational purpose or to give any warning of hazardous conditions, uses of, structures, or activities on the Road or the Property to Licensee or other persons entering the Road or the Property for a recreational purpose, except as otherwise provided in such statute.

4. EXPENSES OF LICENSEE.

Licensee shall pay the costs and expenses listed below to the extent incurred by Licensee in connection with the License granted hereunder and Licensee's use of the Road:

(a) Taxes. Licensee shall pay, before they become delinquent, any and all charges, fees, taxes or assessments of any kind whatsoever imposed on the Property by reason of (i) Licensee's activities on the Property, (ii) construction of any improvements on the Property by Licensee, or (iii) the placement of personal property on the Property by or on behalf of Licensee (such expenses described in items (i) through (iii) above collectively, the "Taxes"). Company shall have the right to pay any or all Taxes and upon demand by Company, Licensee shall immediately reimburse Company for such payments in accordance with Section 4(d) below.

(b) Other Expenses. In addition to the Taxes, and unless otherwise specified herein, Licensee shall bear all costs and expenses of whatever kind and nature that arise from this License, including, but not limited to, all expenses specified in in Section 5(b) below.

(c) Interest. Licensee agrees to pay to Company interest at the rate of the ten percent (10%) per annum upon any and all amounts whatsoever due to Company under this Agreement, including, but not limited to, the Taxes and reimbursements, from the date payment of each such amount is due until the date such amount is actually received by Company.

(d) Reimbursement to Company. If Company shall have made payments on behalf of Licensee for any Taxes or other costs or expenses described in this Section 4, Licensee shall reimburse Company within ten (10) days from the date Company verbally notifies Licensee of such payments. Company shall have a lien on any Licensee-owned property located upon the Property as security for repayment of said amount.

5. USE.

(a) Qualifications on Use. Licensee shall neither use nor permit any use of the Property for any purpose other than that set forth in Section 1 hereof. The License granted under this Agreement is subject to all easements, leases, liens, conditions, restrictions, encumbrances and claims of title that affect the Property. Licensee accepts the Property (including, without limitation, all Company-owned improvements) in its present condition and without any representation or warranty by Company as to the condition of such Property. Company shall not be responsible for or liable to Licensee for any defect or change of conditions in the Property or any damage occurring thereto or for the existence of any violation of any municipal, county, state or federal law, order, rule, regulation or ordinance. Unless previously agreed to in writing by Company, Licensee shall not do or permit any others to do any of the following on the Property at any time: (i) explore for, mine, extract or remove any minerals of any kind or character, including, without limitation, oil, natural gas, hydrocarbon substances, geothermal steam, brines or minerals in solution, quarry, stone, sand or gravel, (ii) create or leave any waste of any kind or nature whatsoever, (iii) remove any earth or soil, (iv) destroy, cut or remove any standing or lying timber, trees or firewood (except as otherwise provided in any applicable road use permit), (v) create or cause any nuisance, or (vi) commit any unlawful or immoral acts.

(b) Maintenance and Use of Roadway; Reconstruction and Alteration of Roadway.

(i) During periods when Licensee is the sole user of the Road, the Road shall be maintained and used in a good, safe and workmanlike manner at the sole cost and expense of the Licensee, except as hereinafter provided, so as to interfere with the use of the Property as little as possible and so as to cause no unnecessary damage to the Property. The slopes of road cuts shall be maintained at a stable angle. Licensee shall maintain adequate drainage facilities to protect the Road and Company's land adjacent thereto. If Licensee fails to maintain the Road as provided in this Agreement, Company shall have the right to maintain the Road and any improvements or appurtenances thereto and Licensee shall reimburse Company for all costs and expenses incurred by Company pursuant to Section 4(d) hereof. Licensee shall not repair (except for emergency repairs), reconstruct or alter the Road without Company's prior written consent.

(A) No later than October 15 of each calendar year in which Licensee conducts timber haul under this Agreement, Licensee shall restore the Road to as good condition or better as existed when its use thereof first commenced (damage by casualty excepted);

(B) Upon completion of use under this Agreement, Licensee shall restore the Road to as good condition or better as existed when its use thereof first commenced (damage by casualty excepted);

(C) Licensee shall contact Company no later than September 15 of each calendar year in which Licensee conducts timber haul under this Agreement, to inspect and approve field conditions under Section 5(b)(i) and Section 5(b)(ii) prior to being released from its maintenance obligations herein.

(ii) If Licensee is not the sole user of the Road, Company and its employees, licensees, lessees, agents, successors and assigns shall have the right to use the Road in common with Licensee without compensation to the Licensee except as hereinafter provided. All costs of maintenance shall be allocated on the basis of respective use of the Road and Licensee shall perform, or pay for, a share of maintenance proportionate to its use relative to other users.

(c) Reservation of Company's Rights. Company reserves the right to conduct the following activities upon the Property and the Road and/or retains the following rights during the term of this Agreement:

(i) to construct, reconstruct, maintain and use ditches, flumes, roads, trails, tracks, pipe, signal, telegraph, telephone, communication and power transmission lines and facilities in, upon and over the Property and the Road;

(ii) to use said Property and/or the Road for any and all purposes consistent with Licensee's construction, maintenance or use of the Road during the term of this Agreement.

(iii) to close the Property and/or the Road or restrict use thereof during periods of high fire danger, in Company's sole discretion.

(d) Gates. Company shall have the right to erect and maintain locked gates across the Road. Company shall provide a mechanism to Licensee to open Company gates for the duration of this term of this Agreement. Licensee shall keep all gates locked at all times when not actively entering or exiting a gated section of the Road.

(e) Damage or Destruction. If Licensee causes the destruction of any of Company's land, crops, grass, trees, livestock, improvements or other property on the Property, Licensee agrees to promptly repair or pay the full replacement value of such damaged property (regardless of amortization) to Company, at Company's reasonable discretion.

(f) Casualty Damage to Road. Except as otherwise provided in Section 5(b) above, Company shall not be obligated to repair, restore or maintain the Road to any particular standard in the event the Road is damaged by casualty. In the event of casualty damage not caused by acts or omissions of Company, Licensee or any other authorized user, Company and Licensee shall meet within thirty (30) days of Company's or Licensee's discovery of such damage, or later if mutually agreed, for the purpose of discussing and agreeing upon needed repairs of the Road, timing of such repairs, responsibility for performing such repairs or causing such repairs to be completed, and allocation of cost of such repairs among Company, Licensee and any other authorized user.

(g) Traffic Control. Licensee shall adhere to all traffic rules posted on roads being used under this agreement. Truck locations shall be called out on the designated CB channel at every half-mile marker. Loaded vehicles always have the right-of-way.

6. INSPECTION.

Company and its agents and employees shall have the right to enter in and upon the Property at any time to inspect Licensee's operations and confirm that Licensee is complying with this Agreement.

7. INSURANCE.

(a) At all times during the term of this Agreement, Licensee (or, if applicable, Licensee's contractor) shall procure and maintain, at its own expense, all of the following coverage and in the amounts described below:

(i) Workers' Compensation insurance, which includes a waiver of subrogation if jurisdictionally permissible, conforming to all applicable statutory requirements of the State of California;

(ii) Regardless of the minimum statutory requirements of the State of California, Employer's Liability coverage which includes a waiver of subrogation if jurisdictionally permissible, with minimum limits of no less than $1,000,000;

(iii) Commercial General Liability ("CGL") insurance shall be maintained with minimum limits of $2,000,000 each occurrence; and $2,000,000 General Aggregate. CGL insurance shall include a waiver of subrogation if jurisdictionally permissible, be written on ISO occurrence form CG 00 01 or equivalent and shall cover liability arising from premises, operations, independent contractors, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). Such CGL insurance shall name and include Company and all parents, subsidiaries and affiliates of Company, and their respective officers, directors, agents and employees (all of the foregoing collectively, the "Additional Insureds"), as additional insureds using ISO additional insured endorsement CG 20 10 04 13 or its equivalent;

(iv) Commercial Automobile Liability ("CAL") insurance shall be maintained with minimum limits of $2,000,000 per accident. CAL insurance shall include a waiver of subrogation if jurisdictionally permissible and shall include coverage for any owned, non-owned, leased or hired vehicle written on an insurance industry standard form (CA 00 01) or equivalent. Such CAL insurance shall name and include the Additional Insureds as additional insureds; and

(v) Loggers' Broad Form Property Damage ("LBF") insurance with minimum limits of $2,000,000 each occurrence. Such LBF insurance shall include a waiver of subrogation if jurisdictionally permissible, shall name and include the Additional Insureds as additional insureds using ISO additional insured endorsement CG 20 10 04 13 or its equivalent, which endorsement shall include coverage for the Additional Insureds with respect to liability arising out of the completed operations of Licensee, and shall be maintained for the benefit of the Additional Insureds for a period of one year following completion of any activities authorized by this Agreement.

(b) All policies and coverage procured by Licensee as required herein (collectively, "Policies") shall include a separation of insureds clause (except for workers' compensation coverage). The Policies shall not include a deductible in excess of $10,000 per loss without Company's written approval. The Policies shall be endorsed to include (i) a waiver of subrogation where required, (ii) for any coverage as to which any Additional Insured is named and included as an additional insured, a provision that specifies the Policies are primary and that any insurance or self-insurance maintained by Company or any other Additional Insured shall not contribute with it and (iii) that the applicable waiver of subrogation shall not affect the Company's right, or any other additional insured's right, to recover under such insurance policy. If Company or any other Additional Insured has other insurance that is applicable to any loss on an excess or contingent basis, the amount of Licensee's liability under the Policies cannot be reduced by the existence of such other insurance. Licensee shall provide Licensee's insurance agent or broker with a complete copy of all insurance requirements set forth in this Section 7.

(c) All Policies described shall be procured to the satisfaction of Company and shall be underwritten by an insurer acceptable to Company (must be rated A-: VII or better in the A.M. Best's Key Rating Guide and licensed to do business in the state in which the Property is located). At Company's election, Company shall be entitled to inspect original Policies or require complete certified copies of Policies at any time. Prior to entering the Property, Licensee shall furnish Company with certificates of insurance and endorsements of all required insurance for Licensee. Such certificate of insurance shall provide that the coverage required herein shall not be cancelled or reduced except by written notice to Company, giving at least thirty (30) days prior to the effective date of such cancellation or reduction. In the event the coverage evidenced by any such certificate is cancelled or reduced, Licensee shall procure and furnish to Company, before the effective date of such cancellation or reduction, a new certificate conforming to the above requirements. If Licensee has failed for any reason to secure the Policies to the satisfaction of Company upon execution of this Agreement, or if Company has not been furnished a certificate of insurance as aforesaid within twenty (20) days from the Effective Date, then Company shall have the right, in addition to any other remedy available to it, to (i) immediately terminate this Agreement on written notice to Licensee or (ii) secure any or all of said Policies and Licensee shall immediately reimburse Company for the cost of such Policies upon request by Company.

(d) If Licensee's CAL required by Section 7(a)(iv) above covers scheduled automobiles only, in no event shall Licensee operate, on any property owned by Company or any parent, subsidiary or affiliate of Company, any automobile that is not specifically listed on the schedule of insured automobiles issued by Licensee's insurer as required in this Section 7.

________ Initials by Licensee ________ Initials by Company

(e) Licensee shall require any subcontractors to maintain in full force and effect commercially reasonable insurance coverage substantially similar in form and substance to the insurance coverage required of Licensee in this Section 7, including applicable waiver of subrogation and additional insured requirements, as appropriate to the nature of subcontractors' operations, each with minimum limits of no less than $2,000,000 each occurrence and/or general aggregate, as applicable, unless otherwise agreed to by Company in writing. Licensee shall be solely responsible for monitoring compliance by such subcontractors with the aforementioned insurance requirements.

(f) Notwithstanding any other provision of this Agreement, and separate and apart from any obligation of Licensee to indemnify, if Licensee's insurance carrier fails or refuses to defend or indemnify pursuant to an additional insured endorsement because of a failure to obtain an additional insured endorsement, policy deductible, self-insured retention or unauthorized coverage deletion, Licensee shall stand in the place of its insurer and defend and indemnify to the same extent that an insurer issuing the coverage as required herein would under applicable law.

(g) All insurance certificates or other evidence of coverage required to be submitted to Company pursuant to this Section 7 shall be sent via e-mail and U.S. Mail to:

Sierra Pacific Land & Timber Company
c/o Sierra Pacific Industries Contracts Administrator
PO Box 496014
Redding, CA 96049
ATTN: Insurance Administrator
E-mail: insurance@spi-ind.com

8. COMPLIANCE WITH ALL APPLICABLE LAWS AND RULES.

(a) Licensee expressly understands and agrees that Licensee is responsible for abiding by and complying with all applicable federal, state, county and local laws, rules, regulations and ordinances, including, but not limited to, all "Hazardous Materials Laws" (as defined below) and all other laws related to forestry, logging and log hauling (if applicable); endangered species; wages and hours worked, including, but not limited to, the Fair Labor Standards Act of 1938, 29 U.S.C. § 201, et seq.; State Forest Practice Regulations; social security; unemployment insurance; workers' compensation; executive orders; OSHA; Cal/OSHA; labor code laws; migrant workers; seasonal workers; safety; environmental protection; and any other requirements set forth in this Agreement.

(b) For the purposes of this Agreement, "Hazardous Material Laws" shall include any and all federal, state and local laws, regulations, ordinances, codes and policies relating to substances, chemicals, wastes, sewage or other materials that are regulated, controlled or prohibited; or relating to pollution or protection of the environment, of natural resources or of public health and safety, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq.; the Federal Water Pollution Control Act, 33 U.S.C. § 1251, et seq.; the Clean Air Act, 42 U.S.C. § 7401, et seq.; the California Hazardous Waste Control Act, Cal. Health & Saf. Code § 25300, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Cal. Health & Saf. Code § 25249.8, et seq.; and the California Porter-Cologne Water Quality Control Act, Cal. Water Code § 13000, et seq.

(c) Licensee represents and warrants that it and all its employees, including, but not limited to, its supervisors, foremen, labor recruiters and haulers, are, and at all times shall remain, in complete compliance with the Migrant and Seasonal Agricultural Worker Protection Act, 29 U.S.C. § 1801, et seq. and the California Farm Labor Contractor Act, Cal. Labor Code § 1682, et. seq., and any and all other applicable federal, state and local laws, regulations and procedures governing employers, including, but not limited to, agricultural employers/farm labor contractors and migrant or seasonal agricultural workers, including all wage, overtime and deduction laws and regulations, health and safety laws and regulations, and bookkeeping and record-keeping requirements. Failure to comply with any of the laws, regulations or requirements described in this Section 8(c) shall be grounds for Company to immediately terminate the Agreement upon written notice to Licensee and without liability or further obligation of Company.

(d) **Licensee shall, to the extent they apply, abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin and require affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.** The applicable non-discrimination statutes of the state in which the Property is located are incorporated. To the extent applicable, 29 Code of Federal Regulations (C.F.R.) Part 471, Appendix A to Subpart A, as well as any E-Verify obligations described in FAR 52.222-54, are incorporated by reference. If Licensee is required by federal regulations to file Employer Information Report EEO-1 (standard form 100) or Federal Licensee Veterans' Employment Report VETS-4212, Licensee certifies that it has done so or will file such reports in accordance with applicable instructions and will continue to file such reports unless or until no longer required by law or regulation.

(e) Licensee shall strictly enforce with all its agents and employees "No Smoking" regulations throughout the entire time Licensee is maintaining and using the Road. Use of any tobacco product is strictly prohibited on any property owned by Company at which a manufacturing facility is operated and Licensee and its agents and employees shall strictly observe Company's "No Tobacco Products" policy and shall not use any form of tobacco products while upon such Company property.

(f) Licensee shall comply with all other regulations related to fire prevention, including, but not limited to, the location of fire tool caches and any other equipment that may be required by the United States Forest Service or California Department of Forestry and Fire Protection.

(g) Licensee shall make every reasonable effort to control and extinguish every fire immediately when Licensee becomes aware of such fire's existence, without waiting for instructions from a forester, warden or ranger, and Licensee shall continue to make every reasonable effort to control and extinguish such fire until it is extinguished. Provided Licensee is not at fault for the origination of any such fire, Company will compensate Licensee for such efforts at the equipment and operator rates specified in **Exhibit B** attached hereto and incorporated herein.

(h) Company reserves the right to close the Property to entry and/or prohibit the Activity during periods of high fire danger, in Company's sole discretion. Company shall communicate closures to Licensee orally or in writing.

(i) Licensee acknowledges that Company manages the Property for revenue producing renewable resource extraction, and that Company will periodically require temporary access restrictions during land management activities, such as road construction, forest stand management, timber felling and extraction, and other activities. Company reserves the right to close the Property to entry and/or prohibit the Activity during periods of such land management activities, in Company's sole discretion. Company shall communicate closures to Licensee orally or in writing not less than seven (7) days in advance of such activites, unless activities are emergency in nature.

(j) The Property shall not be used when continued use will result in excessive long-term resource damage due to weather or other conditions. Licensee shall repair, or cause to be repaired at its sole cost, that damage to the Property arising out of it's use which is in excess of that which it would cause through normal and prudent usage.

(k) Within ten (10) days after a request from the Company, Licensee shall furnish to Company a performance and payment bond ("Bond") in an amount that equals, in Company's reasonable discretion, all or part of Licensee's liabilities arising out of Licensee's performance under, and full compliance with, this Agreement, in a form and with surety satisfactory to Company. Modifications to this Agreement shall not affect the surety's liability on the Bond.

9. <u>INDEMNITY</u>.

Licensee ("Indemnitor"), to the fullest extent permitted under applicable law, shall indemnify and hold Company harmless ("Indemnitee," and including Company's successors, assigns, officers, directors, employees, agents, representatives, parents, subsidiaries and affiliates, the "Indemnitees") from and against all claims, liabilities, losses, damages or expenses arising out of or relating to Licensee's Activities under this Agreement, including all acts, failures to act or other conduct of Indemnitor (or Indemnitor's employees, agents, representatives, independent contractors, material and equipment suppliers and any other entity or individual for whom Indemnitor is responsible), whether occurring in connection with Indemnitor's completed or ongoing operations, including claims, liabilities, losses, damages, expenses or costs and attorney's fees incurred on such claims, including, without limitation, proving the right to indemnification, arising out of or relating in part to the active negligence or other fault of any one or any combination of the Indemnitees. This indemnity provision is not intended to and shall not in any way limit the extent of Licensee's obligations under Section 1 herein, nor any insurance coverage available to any of the Indemnitees under any insurance policy purchased and maintained by Indemnitor (even coverage for any one or any combination of the Indemnitees' sole active negligence).

Indemnitor agrees to being added to any arbitration or litigation with third parties in which Indemnitee alleges indemnification or contribution from Licensee, or any of its subcontractors. Indemnitor will ensure that all of its subcontractors will, in their subcontracts, also agree to this provision and, in the event they do not, the Licensee shall be liable in place of any such subcontractor(s).

10. LIENS.

Licensee shall not suffer or permit, and shall immediately remove or discharge, any lien, including, but not limited to, any mechanics', loggers' or lumbermen's lien, arising out of or related to, whether directly or indirectly, the Road or any materials used to repair, alter, reconstruct or maintain the Road, filed against the Property or any of Company's personal property for any reason whatsoever. Company has the right to post notices of non-responsibility upon the Property, and to otherwise notify, actually or constructively, any entity or persons supplying services or materials to the Property that Company is not responsible for the cost thereof.

11. SURRENDER OF PROPERTY.

Upon the termination or expiration of this Agreement, Licensee shall discontinue the use of the Property and, within sixty (60) days, remove all of Licensee's property from the Property. Licensee shall restore the Property to a substantially similar condition in which it existed on the Effective Date. Property of Licensee not removed from said Premises within sixty (60) days after the termination or expiration of this agreement shall become the property of Company. Licensee shall reimburse Company for the cost and expense incurred by Company in restoration of the Property and disposing of Licensee's property that Licensee did not timely remove. If Licensee fails to surrender possession of the Property upon termination or expiration of this Agreement, Company shall have the right, to the extent permitted by law, to re-enter the Property and remove Licensee and any person or entity claiming through Licensee from the Property.

12. DEFAULT; TERMINATION.

In addition to the rights of Company to terminate this Agreement under Section 2, 7(c) and 8(c), if Licensee fails to comply with each and every term and condition of this Agreement, Licensee shall be in default of this Agreement and, in that instance, Company shall have the right to do one or both of the following: (i) immediately terminate this Agreement upon written notice to Licensee and, upon such termination, the parties shall have no further obligation to one another, except for those obligations that survive the termination of this Agreement as expressly set forth herein; or (ii) pursue any and all other remedies provided by law or available in equity. A default of this Agreement shall constitute a default of all other agreements between Company and Licensee. Similarly, if Licensee is a party to any other agreement with Company and Licensee is in default of that agreement, then Company shall have the right to declare Licensee in default of this Agreement and may immediately terminate this Agreement upon written notice to Licensee. Upon such termination, the parties shall have no further obligation to one another, except for those obligations that survive the termination of this Agreement, as expressly set forth herein.

13. NOTICE.

Written notices from one party to the other shall be given by one of the following methods: (a) United States registered mail, return receipt requested, and said notice shall be deemed to have been given three (3) days after said notice is deposited into the United States mail; (b) personal delivery, and said notice shall be deemed given upon such delivery; or (c) recognized overnight courier service, and said notice shall be deemed given upon delivery by such service at the following addresses or at such other address of which either party shall advise the other in writing, by e-mail and U.S. Mail:

To Company:	Sierra Pacific Industries c/o Contracts Administrator PO Box 496014 Redding, CA 96049 ATTN: Contracts Administrator E-mail: contract.admin@spi-ind.com
With a copy to:	James M. Lynch General Counsel Sierra Pacific Industries 19794 Riverside Avenue Anderson, CA 96007 E-mail: jlynch@spi-ind.com
To Licensee:	**Tehama County Administration** **Attn: Tom Provine** **727 Oak Street** **Red Bluff, CA 96080**

14. INDEPENDENT CONTRACTOR.

Licensee expressly understands and agrees that Licensee is and shall be deemed to be an independent contractor. Nothing in this Agreement shall be construed as being or creating an employer-employee relationship, a partnership or a joint venture between the parties. Company shall have no responsibility with respect to Licensee's employees or agents, nor any control over them. Company shall not in any way control the means by which Licensee maintains the Road as contemplated in this Agreement. Licensee shall have no authority to and shall not represent that it has any authority to bind or obligate Company in any manner.

Licensee agrees to and does accept exclusive liability with respect to employment of persons in the maintenance and use of the Road and the performance of its obligations as contemplated in this Agreement, including employment of subcontractors, for the performance of any and all obligations imposed upon employers under any unemployment compensation, pension, social security, income tax or other similar and applicable federal, state or local laws now in force or which hereafter become effective or enacted, including the payment and/or deduction and remittance of any and all contributions, taxes, fees or charges under such laws, and Licensee agrees to fully comply with and to make all returns required by any and all such laws.

15. MEDIATION; ARBITRATION; WAIVER OF JURY TRIAL.

(a) The parties covenant to attempt in good faith to resolve all disputes or controversies that arise out of or relate to this Agreement. If the parties cannot in good faith resolve any such dispute or controversy, such dispute or controversy shall be submitted to mediation in accordance with the rules of the American Arbitration Association. In the event the parties are unable to finally resolve any dispute or controversy through such mediation within a commercially reasonable period of time, the parties shall submit any such dispute or controversy to arbitration in accordance with Sections 15(b) or 15(c) below, as applicable.

(b) In the event the parties are unable to resolve any dispute or controversy through mediation in accordance with Section 15(a) above, and the amount in controversy is $100,000 or less, such dispute or controversy shall be submitted to arbitration in accordance with the rules of the American Arbitration Association. With respect only to any such dispute or controversy that is in an amount of $100,000 or less, the parties to this Agreement (i) expressly waive their rights to utilize federal or state courts to resolve any such dispute or controversy and (ii) agree that the decision of the arbitrator shall be final and binding on all parties and may be entered as a judgment in court of competent jurisdiction.

(c) In the event the parties are unable to resolve any dispute or controversy through mediation in accordance with Section 15(a) above, and the amount in controversy is more than $100,000, such dispute or controversy may (i) if agreed by the parties, be submitted to binding or non-binding arbitration, as the parties may agree, in accordance with the rules of the American Arbitration Association or (ii) be submitted to any federal or state courts having jurisdiction to resolve any such dispute or controversy.

(d) If arbitration or court action is necessary to resolve any alleged dispute, breach, default or misrepresentation in connection with this Agreement, the "Prevailing Party" (as defined below) shall be entitled to recover reasonable attorneys' fees and costs in addition to any other relief to which the party may be entitled. Any such attorneys' fees and costs incurred by the Prevailing Party in enforcing this Agreement shall be recoverable separately from and in addition to any other amount included in such arbitration or court action, and such obligation to pay attorneys' fees and costs is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any judgment in favor of the Prevailing Party. If the dispute or controversy is resolved through arbitration, the "Prevailing Party" shall be the party determined to be the prevailing party by an arbitrator or arbitration panel.

(e) Notwithstanding the foregoing, nothing contained in this Section 15 shall prevent either party hereto from seeking and obtaining injunctive relief against the other party's activities in breach of this Agreement.

(f) Each of the parties hereto, to the fullest extent permitted by applicable law, hereby irrevocably waives all right to a trial by jury as to any issue relating hereto in any action, proceeding or counterclaim arising out of or relating to this Agreement.

16. SURVIVAL.

The provisions of Sections 4, 5(e), 9 through 16, 18 through 22, 24, 26 and 27 shall survive expiration or termination of this Agreement.

17. ASSIGNMENT.

This Agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties hereto, but this Agreement is not assignable without Company's prior written consent. Any assignment in violation of this provision shall be deemed null and void.

18. ENTIRE AGREEMENT AND MODIFICATION.

This Agreement, together with any and all attachments and Exhibits, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof. Any changes to this Agreement made by the parties shall be invalid unless executed in a writing signed by all parties.

19. GOVERNING LAW.

This Agreement shall be governed by and construed in all respects in accordance with the laws of the State of California, without giving effect to its choice of law rules.

20. HEADINGS.

The headings within this Agreement are inserted for convenience of reference only and not to define, describe or limit the scope or the intent of this Agreement or any term hereof.

21. COUNTERPARTS; ELECTRONIC TRANSMISSION.

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. This Agreement and any amendment hereto may be executed in the form of an electronic record utilizing electronic signatures, as such terms are defined in the Electronic Signatures in Global and National Commerce Act (15 U.S.C. § 7001 et seq.). Electronic signatures, or signatures transmitted by facsimile or electronically via PDF or similar file delivery method, shall each have the same effect as an original signature.

22. WAIVER.

No failure of either party to exercise any power given hereunder or to insist upon strict compliance with any obligations specified herein, and no custom or practice at variance with the terms hereof, shall constitute a waiver of any party's right to demand strict compliance with the terms hereof; provided, however, that any party may, at its sole option, waive any requirement, covenant or condition herein established for the benefit of such party without affecting any of the other provisions of this Agreement.

23. FURTHER ASSURANCES.

Licensee and Company each agree to execute and deliver to the other such further documents and instruments as may be reasonable and necessary in furtherance of and to effectuate the intent of the parties as expressed by the terms and conditions in this Agreement.

24. INTERPRETATION.

Licensee and Company acknowledge this Agreement has been negotiated at arm's length; each party has had an opportunity to review and revise this Agreement and has been extended an opportunity to have legal counsel review and revise this Agreement. No rule of construction that ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Agreement.

25. TIME IS OF ESSENCE.

Time is of the essence in this Agreement, and Licensee shall diligently perform all of its obligations hereunder.

26. SEVERABILITY OF PROVISIONS.

If any provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to any party. Upon any such determination, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible. Notwithstanding any other provision of this Agreement, the invalidation of any provision herein relating to the parties' remedies shall not be interpreted to prevent an injured party from seeking actual damages.

27. NO THIRD PARTY BENEFICIARY.

Nothing in this Agreement, express or implied, is intended to confer on any person other than the parties hereto and their respective successors and permitted assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

28. SIGNATURE AUTHORITY. Each signatory to this Agreement represents and warrants that such signatory has the authority to contractually bind the party on behalf of which such signatory is executing this Agreement.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

LICENSEE	**COMPANY**
Signature:	Signature:
_____________________________	_____________________________
By: **Tom Provine**	Sierra Pacific Industries, its Manager
Title: **Administrative Services Director**	By: **Chad Stout**
	Title: **Lassen District Manager**
	Division: **Forestry**

HAS THE FOLLOWING INFORMATION BEEN FILLED IN?

[ ] Effective Date – Introductory paragraph
[ ] Licensee Name – Introductory paragraph
[ ] Commencement Date and Expiration Date – Section 2
[ ] Company Notice Address – Section 13
[ ] Licensee Notice Address – Section 13
[ ] Description of Property – Exhibit A
[ ] Fire Suppression Compensation – Exhibit B

HAS THE FOLLOWING SECTION BEEN INITIALED?

[ ] Section 7(d)

EXHIBIT A

<u>Description of the Property</u>

Base Meridian	Township	Range	Sections	County
Mount Diablo	27N	02E	2, 3	Tehama
Mount Diablo	28N	02E	4, 5, 9, 10, 11, 12, 13, 14, 23, 14, 23, 24, 25, 26, 29, 33, 34, 35, 36	Tehama

District	County	Roads to be Used
Lassen District	Tehama County	N-Line
Lassen District	Tehama County	50P

EXHIBIT B

Fire Suppression Compensation

Licensee shall be compensated at the following rates for materials and labor expended in fire suppression efforts made in accordance with Section 8(f) hereof as follows: