

**SERVICE AGREEMENT
WITH
BACKWOODS CUSTOM MILLING, INC.**

Contract made _____ (Day) _____ (Date)
between

Name: Harvey G. Saul
Address: 150 S. Camas Rd.
Camas Valley, Oregon 97416
here referred to as owner/operator.

And

Name: _____
Address: _____

Phone #: _____

here referred to as customer.

RECITALS

A. Owner/operator owns and operates a Portable Sawmill business. Owner desires to perform the following services at the customer's location.

B. Owner/operator agrees to perform these services for customer under the terms and conditions set forth in this contract.

In consideration of the mutual promises set forth in this contract, it is agreed by and between Owner/operator and customer:

**SECTION ONE.
DESCRIPTION OF WORK**

The work to be performed by owner/operator includes all services generally performed by Backwoods Custom Milling, Inc. in company's usual line of business, including, but not limited to, the following:

- Milling of logs owned by the customer (at Customer's Site or -- Owner/operators property) to customer's desired dimensions that are based on log size and quality provided.
- Stacking of tailings where off bared from the mill.
- Dry stacking of lumber where off bared from the mill.
- Our production goal is 1500 board foot a day.

OTHER SERVICES AVAILIABLE

These services are performed at additional cost.

- Decking of logs, (Customer must provide support equipment with liability insurance to cover operator)
- Handling, (other than off bearing) and stickering of lumber. (Customer must provide stickers)
- All chainsaw work including but not limited to bucking, trimming, notching, and carving.
- Any milling that requires excessive handling of the log including but not limited to Blocking, Notching, Quarter sawing, Rift sawing, logs under 8' long or over 20' long, and reclaiming lumber.

SECTION TWO PAYMENT

1. Owner/operator agrees to cut Customer's log at:

Location: _____

(Customer's Site or -- Owner/operator property) for **\$30.00 per hundred board foot** of lumber cut. Charges are based on actual lumber cut rather than scaled volume.

(Note: Net usable lumber will be greater than scale. A board foot of lumber is defined as 12" x 12" x 1".)

2. In addition to above, Customer shall pay Owner/operator:

\$1 per mile for delivery and location setup of sawmill. Also, if Owner/operator is required to relocate sawmill on site, there shall be an additional charge of **\$25.00** per move. In the event a saw blade is broken or damaged by foreign matter (nail, rock, metal, etc.) in Customer's log, there is a charge of **\$30.00 per damaged blade**.

3. All other services available, Customer shall pay Owner/operator:

Decking of logs, handling and stickering of lumber, all chainsaw work, and excessive handling of the log, will be billed at a rate of **\$60.00 per hour**.

4. Payment in full shall be made as follows: _____

SECTION THREE. RELATIONSHIP OF PARTIES

Owner/operator is not to be considered an agent or employee of customer for any purpose, and the employees of owner/operator are not entitled to any of the benefits that customer provides for customer's employees.

It is understood that owner/operator is free to contract for similar services to be performed for other customers while under contract with customer.

SECTION FOUR. LIABILITY

It is understood by the customer that log handling and cutting may be hazardous. Customer shall be responsible for conduct of helpers and observers and agrees to hold owner/operator harmless for any injury or damage whatsoever to helpers or observers arising out of operation of the mill and the handling of logs and lumber. It shall be customer's duty and obligation to keep all children and observers out of the work area. Customer represents that he is the owner of the logs and/or has the authority to enter into this agreement on behalf of all interested parties.

In the event that support equipment is required to move or transport the mill (customer must provide support equipment) to the milling location, the customer is responsible for the mill during the duration of time that the equipment is on, loading, unloading, attached, connecting, or disconnecting to the mill.

Owner/operator assumes all responsibility for the condition of tools and equipment owned by Backwoods Custom Milling, Inc. in the performance of this contract. Owner/operator will carry, for the duration of this contract, public liability insurance. Customer agrees to hold owner/operator harmless for deterioration, damage, or theft of product after off bearing from mill.

**SECTION FIVE.
DURATION**

**Owner/operator will arrive at Designated location (Section two of this contract) at _____ o'clock
_____ M. on (Date) _____ to start operation. Customer may choose to assist or provide a helper for
loading and unloading logs and lumber at their own risk. All logs shall be stacked in location of mill to
allow continuous loading of mill by rolling logs to mill loading arms (section one of this contract). Lumber
shall be dry stacked at mill location to allow continuous cutting operation. Unless other services are
requested or required, (section two of this contract).**

Customer Signature _____

Owner/operator Signature _____