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STATE OF NEW HAMPSHIRE
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT
DIVISION OF FORESTS AND LANDS
172 Pembroke Road P.O. Box 1856 Concord, New Hampshire 03302-1856

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October 29, 2013

Representative Mary Jane Wallner, Chairperson
Fiscal Committee of the General Court
State House
Concord, NH 03301
And
Her Excellency Governor Margaret Wood Hassan
and the Honorable Executive Council
State House
Concord, NH 03301

M. Wallner 11/22/13

Approved by Fiscal Committee Date

REQUESTED ACTION

- 1) Pursuant to RSA 14:30(a)(VI), authorization is requested for the Department of Resources and Economic Development, Division of Forest and Lands to accept a Federal grant up to \$9,100,000 and assign it directly to Plum Creek Maine Timberlands, L.L.C. to pay the purchase price for acquisition of a Conservation Easement on 22,991 +/- acres in the Towns of Cambridge, Errol and Wentworth Location in Coos County New Hampshire, known as the "Androscoggin Headwaters Forest Legacy Project" (the Project), Grant Award number 11-DG-11420004-162.
- 2) Pursuant to RSA 227-H:3, authorization is requested for the Department of Resources and Economic Development, Division of Forest and Lands, to accept the 22,991 +/- acres Conservation Easement, and enter into a Snowmobile Agreement, to protect its natural resource values and insure continued access to the property. **(100% Federal Funds)**.
- 3) Authorization is requested for the Department of Resources and Economic Development, Division of Forest and Lands, to reimburse Plum Creek Maine Timberlands, L.L.C. for the cost of a title insurance policy, in an amount not to exceed \$5,000, for the property on which the Conservation Easement will be acquired. Federal Forest Legacy administrative grant funds are available for this purpose, and are budgeted in Account Number 03-35-351010-35460000. **(100% Federal Funds)**.

EXPLANATION

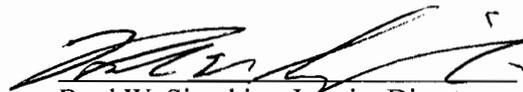
The Department of Resources and Economic Development, Division of Forest and Lands, has received a Federal Financial Assistance Award of \$9,100,000 under the State Grant Option of the Forest Legacy Program (Grant Number 11-DG-11420004-162) for the Project. The conservation of the 22,991 +/- acres, contained in two phases ("Property"), will protect a significant conservation and woodland resource. The Property contains productive forest soils, valuable wildlife habitat including high elevation forest and deer wintering area. and important water resources including over a half mile of frontage on the 276-acre



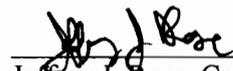
Akers Pond. The Property provides traditional public recreational opportunities including pedestrian public uses such as hiking, hunting and fishing, and contains state designated snowmobiling trails. The Property is part of the Mahoosuc Region Initiative to build landscape-scale connectivity for wildlife habitat and migration, and secure upland and lowland forest lands. The 22,991 +/- acre Androscoggin Headwaters Property helps connect the Umbagog Refuge, 13-Mile Woods Community Forest (a Forest Legacy Project), Pingree Easement, and Maine Bureau of Parks and Lands holdings around Grafton Notch and the Richardson Lakes.

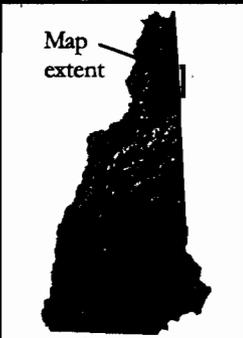
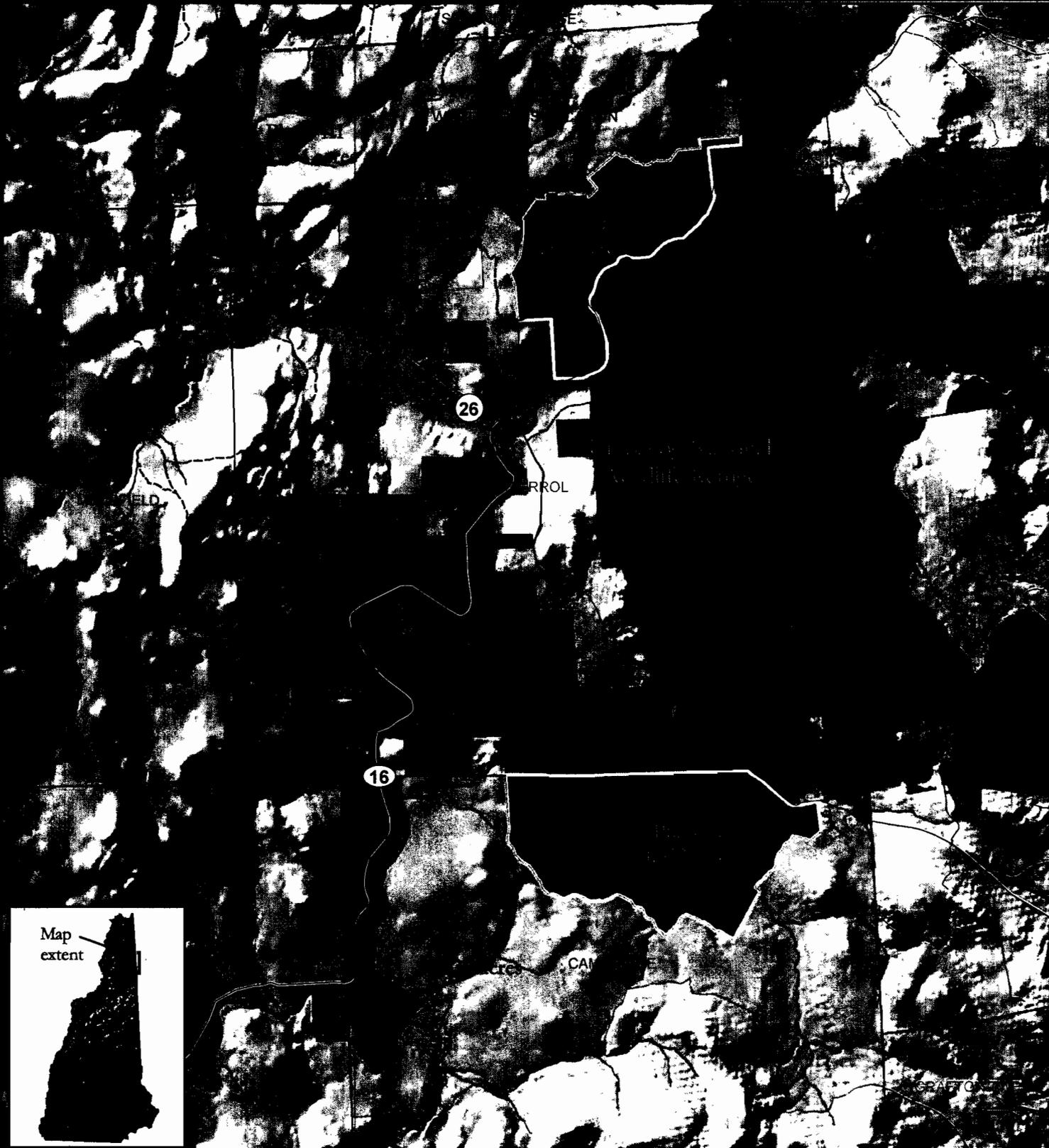
The Property is owned by a private landowner, Plum Creek Maine Timberlands, L.L.C. of Greenville Junction, ME, and is selling the Conservation Easement to the State of New Hampshire on north and south properties. The Conservation Easement language has been approved by the Attorney General's Office. The total Forest Legacy payment for the Conservation Easement will not exceed \$9,100,000 or the appraised value, as stipulated by Federal Forest Legacy Program Standards and Guidelines. The Plum Creek Maine Timberlands, L.L.C., has completed the title, survey, stewardship plan, baseline documentation and environmental due diligence. The Forest Legacy administrative grant funds will assist in purchasing title insurance, not to exceed \$5,000, to be paid from available administrative funds. Plum Creek Maine Timberlands, L.L.C. will contribute in excess of 25% matching funds through the donation of conservation easements on other conservation properties. There are no state monies contributing to the acquisition of the Project.

Respectfully submitted,


Brad W. Simpkins, Interim Director

Approved by, 


Jeffrey J. Rose, Commissioner



	Proposed Forest Legacy Easement		Umbagog National Wildlife Refuge
	Proposed Fee Sale to NH Fish & Game		Other Conservation Lands
	Phase I & II- completed 2011-2012		

0 0.5 1 2 Miles



Return to:
Bill Carpenter
Administrator
Land Management Bureau
DRED Forests and Lands
P.O Box 1856
Concord, New Hampshire 03302-1856

THIS IS A TRANSFER TO THE STATE
OF NEW HAMPSHIRE AND IS
THEREFORE EXEMPT FROM THE NEW
HAMPSHIRE REAL ESTATE TRANSFER
TAX PURSUANT TO RSA 78-B:2(I)

GRANT OF CONSERVATION EASEMENT
Androscoggin Headwaters

Towns of Errol and Wentworth's Location, Coos County, State of New Hampshire

PLUM CREEK MAINE TIMBERLANDS, L.L.C., a Delaware limited liability company with a mailing address of 999 Third Avenue, Suite 4300, Seattle, Washington 98104 ("Fee Owner" which word where the context requires includes the plural, and shall, unless the context clearly indicates otherwise, includes the Fee Owner, executors, administrators, legal representatives, successors and assigns), hereby grants with quitclaim covenants in perpetuity to the **STATE OF NEW HAMPSHIRE**, c/o the Department of Resources and Economic Development, with a mailing address of P.O. Box 1856, Concord, New Hampshire 03302-1856 ("Easement Holder" which word where the context requires includes the plural, and shall, unless the context clearly indicates otherwise, include the Easement Holder's executors, administrators, legal representatives, successors and assigns), the Conservation Easement ("Easement") hereinafter described with respect to a certain parcel of land being unimproved land situated in the Towns of Errol and Wentworth's Location, County of Coos, State of New Hampshire, more particularly described in Appendix A attached hereto and made a part hereof ("Property"). The underlying fee interest in the Property will be held and conveyed subject and subordinate to the Easement.

WHEREAS, the Property contains 10,354 acres, more or less, of high quality timber land in the Northern Forest that has been under continuous commercial forest management for many years; and

WHEREAS, the Property is an important resource for such recreational activities as hiking, hunting, fishing and snowmobiling; and

WHEREAS, there are numerous surface water resources on or adjoining the Property, including Larry's Brook, Corser Brook, Dustan Pond, Corser Pond, Akers Pond, and the surrounding wetlands; and

WHEREAS, the Property contains valuable wildlife habitat including high elevation forest and deer wintering area; and

WHEREAS, several State of New Hampshire threatened and endangered species have been known to occur on the Property, including American Marten and Common Loon; and

WHEREAS, the numerous streams and wetlands on the Property drain into Akers Pond, the Magalloway River, Clear Stream, the Swift Diamond River, and Greenough and Little Greenough Ponds, which are two of only three non-stocked ponds in New Hampshire that sustain naturally-reproducing brook trout populations.

NOW, THEREFORE, the Easement granted with respect to the Property is as follows:

1. PURPOSES

The Easement is granted pursuant to NH RSA 477:45-47 exclusively for the following conservation purposes (“Purposes”):

A. To protect and conserve open spaces and the resulting scenic values, particularly the conservation of the approximately 10,354 acres of productive forest land of which the Property consists, for the enjoyment and education of the general public; and

B. To provide for the continuation of traditional forest uses including commercial forest management and outdoor recreation; and

C. To protect and conserve waterfront, streams, riparian areas, wetlands, and the quality of groundwater and surface water resources, and the ecological processes that sustain these natural heritage features, and cultural resources; and

D. To provide public pedestrian access on the Property, which will allow the general public to hike, hunt, fish, trap, cross-country ski, observe wildlife, and participate in other low-impact outdoor recreational activities, and snowmobile on designated trails on the Property; and

E. To retain the Property in perpetuity as an economically viable and sustainable tract of land for the production of timber, pulpwood, and other forest products; and

F. To protect and conserve rare plants and exemplary natural communities, and significant fish and wildlife habitats, and the ecological processes that sustain these natural heritage features.

These Purposes are in accordance with the clearly delineated open space conservation goals and objectives as stated in the Forest Legacy Program as established in Section 1217 of Title XII of the Food, Agriculture, Conservation and Trade Act of 1990 (16 USC Section 2103C) which was created "to protect environmentally important forest lands threatened with conversion to non-forest uses", the State of New Hampshire "Assessment of Need"; NH RSA 79-A which states: "It is hereby declared to be in the public interest to encourage the preservation of open

space, thus providing a healthful and attractive outdoor environment for work and recreation of the state's citizens, maintaining the character of the state's landscape and conserving the land, water, forest, agricultural and wildlife resources;" and the Department of Resources and Economic Development's authority to acquire public forest lands (Title XIX-A Chapter 227-H).

All of these Purposes are consistent and in accordance with the U.S. Internal Revenue Code, Section 170(h).

2. USE LIMITATIONS (Subject to the Reserved Rights specified in Section 3 below)

2.A. Prohibited Uses. The Property shall be maintained in perpetuity as open space as defined in NH RSA 79-A:2, without any residential, industrial or commercial activities, being conducted thereon, except Agricultural and Forest Management Activities, as defined below, provided that the long-term capability of the Property to produce forest products shall not be degraded by on-site activities and provided that no more than twenty-five (25%) of the total Property area shall be in "compatible non-forest uses", which includes cultivated farmland, pasture, and grassland and open water, in accordance with Forest Legacy Program requirements.

i. Forest Management Activities. The term "Forest Management Activities" as used in this Easement shall mean all forest management practices including the cultivation, harvesting, and removal of any and all forest products by any and all current and future harvesting and removal techniques. Forest Management Activities shall include, but not be limited to, the following activities performed by the Fee Owner or its employees, contractors and agents, and the Fee Owner's management of the following activities and resources by the Fee Owner, its employees, contractors and agents:

a. Site preparation, including:

1. All standard silvicultural activities associated with site preparation;
2. Clearing for reforestation; and
3. Disposing of harvesting debris and conducting post-harvest or site recovery activities.

b. Regeneration, including:

1. All standard silvicultural activities associated with forest stand regeneration including planting.

c. Pre-commercial treatments, including:

1. All standard pre-commercial silvicultural treatments necessary for growing forest products;
2. Pruning, girdling, or trimming trees and other vegetation;
3. Trimming, cutting, removing, burning, or otherwise disposing of any trees or vegetation which are diseased, rotten, damaged or fallen; and
4. Conducting fire control and other forest protection activities to prevent or control losses or damage to forest crops or forest products.

- d. Harvesting, including:
 - 1. All standard commercial silvicultural treatments;
 - 2. Cutting, foraging, and harvesting of trees, forest products, and other vegetation for any purpose or application;
 - 3. Cutting and removing forest products, including but not limited to trees, logs, poles, posts, pulpwood, firewood, chips, seeds, stumps, seed cones, bark, shrubs, other vegetation, biomass, collection of sugar maple sap;
 - 4. Harvesting forest products with domestic animals or mechanical equipment; and
 - 5. Salvaging forest crops or forest products.

- e. Processing, including:
 - 1. Processing forest products with portable or temporary equipment designed for in-woods processing;
 - 2. Removing, loading, and transporting timber and other forest crops and products by any and all means of transportation, including, without limitation, motorized and mechanized vehicles and equipment on and over all portions of the Property in accordance with Section 2.D; and
 - 3. Collection and processing of all sugar maple products from sap collected on the property.

- f. Construction and Maintenance of Ancillary Structures, in accordance with Section 3.B, including:
 - 1. Construction, use, and maintenance of skid trails, skid roads, skidder bridges, log yards (defined as a site used for the collection, storage and processing of logs from multiple harvest areas comprising an area of at least five acres and maintained for at least two years), landing and staging areas, roads (including, without limitation, main gravel haul roads, secondary haul roads, winter haul roads, bridges culverts, and all structures needed to construct such roadways), or other paths, roads, or trails used to provide pedestrian, domestic animal, equipment, and motorized vehicular access to and from and within the Property in order to carry out permitted Forest Management Activities on the Property; and
 - 2. Trimming, cutting, removing, or otherwise disposing of any trees or vegetation as is necessary to construct or maintain fire lanes, footpaths, and any roads permitted under this Easement.

- g. Forest Management and Planning Activities, including:
 - 1. Conducting timber cruising, forest crop selection, forest research, and other forest resource evaluation activities;
 - 2. Marking timber and performing other activities to identify trees or areas for harvest; and
 - 3. Identifying and marking boundaries.

- h. Other Forest Practices, including:
 - 1. Applying in accordance with applicable statutes and regulations herbicides,

- pesticides, fungicides, rodenticides, insecticides, and fertilizers;
- 2. Prescribed burning;
- 3. Maintenance of existing fields and meadows; and
- 4. Maintaining and improving wildlife habitat.

ii. "Agriculture" and/or "Agricultural" shall be a "compatible non-forest use", and shall include land based practices such as animal husbandry, floriculture, and horticulture activities, the production of plant and animal products for domestic or commercial purposes, and the harvesting and sale of agricultural products grown on the Property (such as Christmas trees and pick-your-own fruits and vegetables), all of which utilize the productive capability of the Property and all as not detrimental to the purposes of the Easement.

Agriculture shall be performed in accordance with a written coordinated Agriculture Management Plan ("AMP") for the sites and soils of the Property. The AMP shall be prepared by the Fee Owner and approved by the Easement Holder, and may be included in the Stewardship Plan for the Property, as described in Section 2.E, or submitted as an independent document. Agricultural management activities shall be in accordance with the then-current scientifically based practices recommended by the UNH Cooperative Extension, U.S. Natural Resources Conservation Service, or other government or private, nonprofit natural resource conservation and management agencies then active and approved by the Easement Holder. Such management activities shall not be detrimental to the Purposes of the Easement, as described in Section 1 above.

2.B. Permitted Conservation Uses. The following non-commercial Conservation Activities (hereinafter "Conservation Activities") shall be allowed on the Property: Habitat Management, Natural Resource-Based Outdoor Education, and Outdoor Recreation all as defined below and as consistent with RSA 79-A, RSA 477:45-47, and Title 16 Conservation, Chapter 41, Section 2103c Forest Legacy Program.

i. "Habitat Management" shall mean the practical application of scientific and technical principles so as to maintain native plant and animal species and their habitats. Activities may include, but not be limited to, cutting, pruning, girdling, mowing, brush-hogging or burning of trees or other vegetation to improve habitat conditions for state-listed species or species of documented concern; installing denning or nesting structures for improving the utilization of natural resources and habitats by wildlife populations; controlling non-native and invasive species threatening native species through mechanical, chemical, or other means; and plant and animal habitat evaluation and planning.

ii. "Natural Resource Based Outdoor Education" shall mean outdoor activities intended to teach the general public about the environment and the natural resources on the Property and may include, the construction of blinds, observational platforms or signs; conducting experiments that do not involve the manipulation or modification of the Property; conducting tours or field walks; and the removal of an incidental amount of plant material.

iii. "Outdoor Recreation" shall mean low-impact, non-commercial nature-based pedestrian recreational activities pursued by the public including, but not limited to, hiking, nature study, bird watching, fishing, hunting, trapping, camping, walking, snow shoeing, hunting, and cross-country skiing both on and off unpaved paths and trails; riding mountain bicycles, and horses on designated trails; and constructing and maintaining unpaved paths and trails. The foregoing notwithstanding, riding snowmobiles shall be permitted as hereinafter provided, and other motorized recreational vehicles may be permitted upon written mutual agreement by the Fee Owner and Easement Holder. Outdoor Recreation shall also include pedestrian use of the Property by commercial guides, and by non-profit camping and educational and scientific institutions.

2.C. Stewardship Goals for the Property. All activities on the Property shall be managed so that the Stewardship Goals set forth in this Section are balanced and interpreted in the context of the traditional uses of the Property. The means to achieve the Stewardship Goals shall be set forth in the approved Stewardship Plan as required by Section 2.E hereof. The term "Stewardship Goals" shall mean the following goals for the Property:

- i. Maintenance of a "sustainable" (as defined in Section 2.H.iii) source of timber, pulpwood, and other commodity and non-commodity forest products;
- ii. Maintenance or improvement of the overall quality of forest resources through management that promotes the production of quality forest resources;
- iii. Regeneration of forest stands through silvicultural practices that promote forest types suited to site capability;
- iv. Maintenance of forest health through monitoring and control of fire, disease, and insect outbreaks;
- v. Long term maintenance of soil productivity;
- vi. Maintenance and protection of biological diversity and integrity through the promotion of a forest that reflects a diversity of stand ages and naturally occurring forest types in a majority of the forest, the conservation of rare and exemplary natural communities and the conservation and enhancement of native plant and animal species and their habitats; including establishment and retention across the Property of a range of sizes and types of downed woody debris, snag trees, cavity trees, very large/old trees, and early successional habitats;
- vii. Avoidance of the introduction of invasive plant and animal species and nonnative plant species;
- viii. Maintenance of a forest composed predominantly of plant species native to the northeastern United States and prevention, to the extent reasonably possible, of the introduction of non-native plant species;

- ix. Protection or enhancement of water quality and non-forested wetlands and conservation of forested wetlands, riparian areas and aquatic habitats;
- x. Conservation of unique historic archeological and cultural features;
- xi. Maintenance of traditional Outdoor Recreational and Natural Resource Based Outdoor Education Activities and the integration of Outdoor Recreation and Natural Resource Based Outdoor Education Activities with other uses of the Property;
- xii. Black Mountain Special Management Area Goal: To maintain spruce-fir habitat suitable for American marten as well as other wildlife species associated with high-elevation spruce-fir habitat; and
- xiii. Deer Wintering Special Management Area Goal: To perpetuate spruce-fir and hemlock dominated stands within deer wintering areas to provide core winter shelter for deer.

2.D. Management Standards for the Property.

- i. All activities on the Property, shall be performed:
 - a. In accordance with the Stewardship Goals (as set forth in Section 2.C.);
 - b. In compliance with the approved Stewardship Plan (as defined herein);
 - c. In accordance with RSA 485-A:17, Alteration of Terrain, which includes “Best Management Practices for Erosion Control On Timber Harvesting Operations in New Hampshire” (State of New Hampshire, Department of Resources and Economic Development) (“Timber Harvesting BMP’s”) and successor publications of the Timber Harvesting BMP’s as required by RSA 485-A:17 or successor statute (it being agreed that as of the date of execution of this Agreement adherence to successor publications is required by RSA 485-A:17). Should state law be altered or amended after the effective date of this Agreement to no longer require adherence to the Timber Harvesting BMP’s or successor publication, the Fee Owner shall thereafter be guided by the Timber Harvesting BMP’s and successor publications provided, however, that if the successor publication (other than those portions that may be required by law) is not acceptable to Fee Owner the provisions of Section 12 shall apply to resolve any such dispute. Until such dispute is resolved, Forest Management Activities on the Property shall continue to be in accordance with state law requirements and guided by the prior version of the Timber Harvesting BMP’s;
 - d. Guided by the “Best Management Practices for Erosion Control During Trail Maintenance and Construction” (State of New Hampshire, Department of Resources and Economic Development, Division of Parks and Recreation, Trails

Bureau, 2004), and successor publications provided, however, that if the successor publication (other than those portions that may be required by law) is not acceptable to Fee Owner the provisions of Section 12 shall apply to resolve any such dispute. Until such dispute is resolved, Forest Management Activities on the Property shall continue to be in accordance with state law requirements and guided by the prior version of the Best Management Practices for Erosion Control During Trail Maintenance and Construction; and

e. “Sustainably” as set forth in Section 2.H.iii hereof.

ii. In acknowledgement of the large size of the Property, to the extent reasonable and practicable, Forest Management Activities on the Property shall be guided by “Good Forestry in the Granite State: Recommended Voluntary Forest Management Practices for New Hampshire” (Division of Forests and Lands, Department of Resources and Economic Development and Society for the Protection of New Hampshire Forests, 2010) and successor documents provided that if the successor document is not acceptable to Fee Owner the provisions of Section 12 shall apply to resolve any such dispute (hereinafter referred to as “Good Forestry in the Granite State”). Until such dispute is resolved, Forest Management Activities on the Property shall continue to be guided by the prior version of the Good Forestry in the Granite State.

iii. The parties agree that the Easement Holder’s approval of the Stewardship Plan shall signify that the Forest Management Activities proposed in the Stewardship Plan meet:

a. The standard of “guided by” Good Forestry in the Granite State; and

b. The Purposes for and the Stewardship Goals of this Easement.

2.E. Stewardship Plan. The Fee Owner shall manage the Property in a manner that is in compliance with this Easement and in compliance with a written and approved forest and land management plan (as the same may be updated and/or amended from time to time pursuant to the terms hereof, as so updated or amended, the “Stewardship Plan”) signed by a professional forester licensed by the State of New Hampshire or other qualified persons approved in advance by the Easement Holder.

i. Content. The initial Stewardship Plan for the Property dated _____, 20____, was submitted by the Fee Owner and approved by the Easement Holder on _____, 20____ (the “Commencement Date”). An update to the Stewardship Plan shall be submitted by the Fee Owner to the Easement Holder at least 180 days prior to the tenth anniversary of the Commencement Date and at least once every ten (10) years thereafter (each an “Update”). The Stewardship Plan and all Updates shall be consistent with and specifically address how each of the Purposes and Stewardship Goals, as set forth in Section 1 and Section 2.C hereof are going to be achieved or progressed towards. The then current Stewardship Plan shall remain in effect until it is duly updated or amended pursuant to Section 2.E.ii and iii hereof. Information in the Stewardship Plan should be reasonably sufficient to assess that the Property is being managed “sustainably” (as defined in Section 2.H.iii) and in accordance with the Stewardship Goals. The

Stewardship Plan shall include at least the following elements:

- a. Maps, Descriptions and Management Considerations for the following resources:
 1. Forest types and/or natural communities including past management history, general tree growth rates and quality, insects and disease, access and operability;
 2. Management units into which the Property will be divided (“Treatment Units”);
 3. Geological attributes including topography, soils, aquifers, wetlands, ponds and streams;
 4. Known habitat features for wildlife, and rare, threatened or endangered animal species;
 5. Known exemplary natural communities and rare, threatened or endangered plant species;
 6. Known archeological, historic and cultural resources;
 7. Aesthetic resources;
 8. Forest access roads and trails;
 9. Improvements ancillary to Forestry, Agriculture and Conservation Activities;
 10. Outdoor recreational features including all roads, trails, primitive campsites, lean-to shelters, remote cabins, maintenance facilities, water access area and parking lots;
 11. Adjacent conserved land as it affects the Property; and
 12. Known aquifers, well-heads, and other public water features.

- b. Description and Discussion of the Fee Owner’s Goals and Objectives and Planned Activities for Management of the Property, including:
 1. Forest management goals including forest structure and composition goals for the Property;
 2. Agricultural management goals and objectives, including planned activities;
 3. Management objectives and planned activities for the Treatment Units, including but not limited to harvest volumes;
 4. Management objectives and planned activities for wildlife, and rare, threatened or endangered animal species;
 5. Management objectives and planned activities for the conservation of exemplary natural communities, and rare, threatened or endangered plant species;
 6. Management objectives and proposed structures and improvements for recreational uses of the Property;
 7. Proposed user fee system, if applicable;
 8. Management goals for aesthetic resources including consideration of visual impact of management activities on the Property;

9. Management objectives and proposed structures and improvements for Forestry, Agriculture and Conservation Activities on the Property;
10. Management goals and planned activities to provide access, to, on and across the Property; and
11. Proposed public access limitations.

c. Description and discussion of all of the Fee Owner's other proposed activities on and management of the Property.

ii. Amendment of Stewardship Plan. In its discretion, the Fee Owner may also submit to the Easement Holder for its approval amendments to the then current Stewardship Plan (each, an "Amendment"). Amendments shall be subject to the review described below. Amendments shall be required only in the event the Fee Owner proposes a Forest Management Activity, Agricultural Activity, Conservation Activity, other activities permitted in the Easement, or a user fee system not included in the then current Stewardship Plan. No such Amendment shall be required for any change in timing or sequence of treatments within a ten-year cycle described in an approved Stewardship Plan. Amendments may also be submitted in the discretion of the Fee Owner proposing an alternative treatment to treatments units substantially damaged by natural causes such as insect infestation, disease, fire, wind or ice.

iii. Approval of Updates and Amendments to the Stewardship Plan. The State Forester, on behalf of the Easement Holder, shall review and act to approve or disapprove Updates, or Amendments submitted by the Fee Owner within ninety (90)-days of the Easement Holder's receipt of each Update or Amendment. The 90-day review period may be extended upon the written agreement of both the Easement Holder and the Fee Owner. If the Easement Holder fails to act to approve or disapprove an Update or Amendment within the 90-day period or other mutually agreed upon extension period, such Update or Amendment shall be deemed approved. In acting to disapprove any Update or Amendment, or any provision thereof, the Easement Holder shall state in writing its reasons, referencing the specific provision or provisions of such Update, or Amendment with which it does not approve, and how such provision or provisions are inconsistent with the Purposes or Stewardship Goals. The Easement Holder may rely upon the advice and recommendations of the New Hampshire Fish and Game Department, the New Hampshire Natural Heritage Bureau, or their successor organizations, or other wildlife experts, conservation biologists, foresters or other experts as the Easement Holder may select to determine whether the Update or Amendment would be in accordance with the Purposes and Stewardship Goals identified in Section 1 and Section 2.C hereof. The then existing Stewardship Plan shall remain in full force and effect until such time as any Update or Amendment is approved.

When reviewing any Update or Amendment, the Easement Holder shall recognize that forest product markets have a great influence on the ability of the Fee Owner to practice Forest Management Activities and to meet timeframes and goals set forth in the Stewardship Plan.

iv. Failure to Provide Updates to the Stewardship Plan. The Easement Holder, in its sole discretion, may order that any and all activity by the Fee Owner on the Property be ceased in the event that the Fee Owner fails to timely submit an Update which contains all the necessary elements, subject to Section 2.E.iii; provided, however, if there is a good faith dispute as to whether the Update contains all of the required elements, then the Fee Owner can continue to carry out all activities allowed by this Easement, including Forest Management Activities, according to the terms of the then current Stewardship Plan until such dispute is resolved and a complying Update is approved.

2.F. Annual Operation Plan. By December 1 of each year, the Fee Owner shall submit an operation plan (the "Fee Owner's Annual Operation Plan") to the Easement Holder describing the planned implementation of the Stewardship Plan for the upcoming year. The Fee Owner's Annual Operation Plan shall be prepared by a New Hampshire licensed, professional forester or other qualified person approved in advance by the Easement Holder. The Fee Owner shall certify that the Fee Owner's Annual Operation Plan is consistent with the approved Stewardship Plan and the terms of this Easement. The parties hereto understand that Fee Owner's Annual Operation Plan is the Fee Owner's best estimate of where harvesting and other activities will occur, but understand and agree that based on weather conditions, fire, disease, pest outbreaks or market forces these activities may change. Fee Owner will use its best efforts to notify Easement Holder of these changes and will as part of each Fee Owner's Annual Operation Plan include the actual harvesting activity for the prior year. Operational deviation from the Fee Owner's Annual Operations Plan shall not constitute a default hereunder.

2.G. Special Management Areas. Certain areas of the Property shall be designated "Black Mountain Special Management Area" and "Deer Wintering Special Management Area", and collectively known as "Special Management Areas" or "SMA". The Special Management Areas consist of 202.4 acres of high elevation land along the Black Mountain ridgeline, and 423.2 acres of Deer Wintering Areas located in the southeastern and northeastern corners of the Property, for a total Special Management Area acreage of 625.6 acres. The locations of the Special Management Areas on the date of the Easement are identified in a plan included in the Stewardship Plan and Baseline Documentation (the "SMA Plan").

i. Adjustments. Either the Fee Owner or the Easement Holder may propose to the other party adjustments to the location and/or boundaries of the Special Management Areas, provided, however, that such adjustments shall occur only with the mutual consent of the parties. After any adjustment, certain areas previously designated as Special Management Areas may, with the mutual consent of the parties, no longer be deemed Special Management Areas and other areas may, with the mutual consent of the parties, be deemed Special Management Areas. Any such adjustment or additional acreage shall be reflected in an amendment to the SMA Plan of the Special Management Areas included in the Baseline Documentation and shall be incorporated in the Stewardship Plan. No adjustment shall reduce the Special Management Areas total acreage below what it is on the date of the Easement.

ii. Management of Special Management Areas. Special Management Areas shall be managed to protect the natural and/or cultural resource qualities associated with these areas as follows:

- a. In accordance with the Stewardship Goals set forth in Section 2.C.
- b. The Black Mountain High Elevation SMA shall be a no-cut area with forest management operations permitted only with the consent of the Easement Holder and the concurrence of the NH Fish and Game Department.
- c. In accordance with “Good Forestry in the Granite State”, and successor documents, as they apply to the qualities to be protected within the Special Management Areas. Provided, however, that the Fee Owner may, with the consent of the Easement Holder, take such actions or pursue such treatments of the Special Management Areas that are not in accordance with such publication if such actions or treatments continue to protect the special qualities of these areas and such actions and treatments are consistent with the Purposes and the Stewardship Goals.
- d. In accordance with “Erosion Control on Timber Harvesting” and successor documents.
- e. The Deer Wintering SMAs will include significant limitations on Forest Management Activities as are more specifically set forth in the SMA Plan that is a part of the Stewardship Plan.

iii. Management for wildlife, and rare, threatened or endangered animal species. The parties hereto acknowledge that as of the date of this grant, there exists on the Property certain “threatened and endangered animal species” which have been identified, in collaboration with the New Hampshire Department of Fish and Game, and are listed on the Baseline Documentation. For the purposes of this Easement and the Stewardship Plan, “threatened and endangered animal species” shall mean: animal species that are listed as such by the state of New Hampshire under NH RSA 212-A, or any successor statute, or by the US Fish and Wildlife Service under the Endangered Species Act. The parties hereto have developed standards that are operationally feasible and practical to implement in a working forest to conserve the habitat for these threatened and endangered species. These standards are included in the Stewardship Plan. In the event additional threatened and endangered species are identified by the Easement Holder or other wildlife agency, the Fee Owner agrees to work collaboratively with the New Hampshire Department of Fish and Game or its successor agency to develop a protocol that is operationally feasible and practical to conserve the necessary habitat on the Property. Should the parties be unable to develop a mutually acceptable protocol, then such dispute shall be resolved according to Section 12 hereof. Until such dispute is resolved, the Fee Owner shall continue to comply with the existing Stewardship Plan and in accordance with all state and federal laws governing the protection of wildlife.

iv. Management for the conservation of exemplary natural communities, and protected or listed plant species. The parties hereto acknowledge that at the date of this grant that the Property contains no known “exemplary natural communities” or “protected species” or “listed species” as defined by NH RSA ch 217-A (hereinafter “ch. 217-A”).

For purposes of this Easement and the Stewardship Plan, “exemplary natural

communities” shall mean the best remaining examples of New Hampshire’s biological diversity. For purposes of this Easement and the Stewardship Plan, “protected or listed species” shall mean any plant species designated as endangered or threatened under ch 217-A or the Endangered Species Act of 1973, Public Law 93-205, as amended.

In the event that any exemplary natural communities or rare, threatened or endangered plant species are identified by the Easement Holder or relevant state agency, the Fee Owner shall work in collaboration with the New Hampshire Natural Heritage Bureau, or its successor agency to develop a protocol that is operationally feasible and practical to implement in a working forest to conserve the exemplary natural communities and threatened and endangered species. Should the parties be unable to develop a mutually acceptable protocol, then such dispute shall be resolved according to Section 12 hereof. Until such dispute is resolved, the Fee Owner shall continue to comply with the existing Stewardship Plan and in accordance with all state and federal laws governing the protection of plants.

In addition, the parties expressly agree that subject to the terms of this Conservation Easement, the Fee Owner retains all customary exemptions and liability protections afforded to private landowners under New Hampshire Statutes, including RSA 217A:9 (“Native Plant Protection”) with regard to the inadvertent taking of undocumented exemplary natural communities or rare, threatened or endangered plant species. However, taking of a known exemplary natural community or rare, threatened or endangered plant species identified for protection in the Stewardship Plan by negligent or willful action on the part of Fee Owner or Fee Owner’s designee may be considered an easement violation.

2.H. Additional Restrictions. In addition to the requirements above, the following restrictions shall apply:

i. Compliance with Law. All activities on the Property shall be performed in compliance with all applicable local, state and federal laws and regulations.

ii. Licensed Forester. All timber harvesting activities shall be supervised by an agent of the Fee Owner who is a professional forester licensed by the State of New Hampshire, or other qualified persons approved in advance by the Easement Holder, to ensure compliance with the terms and conditions of this Easement.

iii. Sustainable Harvest Techniques. Sustainable harvest techniques shall mean:

a.. The parties acknowledge that prior to the grant of this Easement, the Property was managed using a mix of even-aged, and uneven-aged management techniques. The parties further acknowledge that the Property has historically been managed such that trees have generally been harvested at economic maturity according to a long range harvest plan with such short term deviations as were necessary to adjust for markets, weather and other natural phenomena. Accordingly, the inventory of timber on the Property as at the date of the grant of this Easement is not evenly divided between the various age classes.

b. The Fee Owner and Easement Holder agree that the Fee Owner may continue to manage portions of the Property as even-aged stands and that even-aged and uneven-aged forest management techniques are equally appropriate silvicultural practices for achieving the Stewardship Goals for the Property. The parties further agree, given the uneven division of age classes of timber on the Property, that timber harvests in any decade in the future may vary substantially depending on when the timber becomes economically mature.

c. The parties agree that "sustainable" shall mean that the Property is capable of being maintained over time while balancing environmental, social and economic factors to meet the needs of the present without compromising the ability of future generations to meet their needs.

While the parties acknowledge that levels of harvest in any decade may vary substantially as noted above, the parties agree that there shall be no "liquidation harvest practices". A "Liquidation Harvest Practice" shall be defined as timber harvesting on more than 35% of the acreage of the Property in each 10-year period (the "35% Test"), excluding those acres that are harvested for stand improvement purposes including improvement thinning or pre-commercial thinning. Overstory removal harvests in stands where a shelterwood harvest was previously done to establish regeneration within 10 years will not be double counted against the 35%. The 35% Test shall be conducted once every ten years commencing on the tenth anniversary of the Commencement Date and then in ten year intervals thereafter. Notwithstanding this provision, the Fee Owner shall have the right to cut and remove, by any Forest Management techniques allowable under law, dead, dying, and diseased trees which result from natural occurrences, including wildfire, disease, insect infestation, and blow down, to prevent or mitigate greater harm to forest health, or the scenic and recreational values of the Property. Notwithstanding the foregoing, the parties hereto agree that over a fifty year period, beginning on the Commencement Date and for each successive fifty year period harvest shall not exceed growth on the Property. (The parties hereto agreeing that a current growth rate on the Property shall be determined in the Stewardship Plan and shall be based on the best available data.)

2.I. Structures. No structure or improvement, including, but not limited to, a dwelling, portion of a septic system, tennis court, swimming pool, dock, aircraft landing strip, tower, telecommunications facilities, or mobile home, shall be constructed, placed, or introduced onto the Property. However, ancillary structures and improvements, including, but not limited to merchandizing yards, roads, dams, bridges, culverts, maple sugar houses, or sheds may be constructed, placed or introduced onto the Property, as allowed in Section 3.B ("Structures, Improvements and Trails"), and Section 3.H ("Water Resources Extraction") provided they:

- i. Are common and necessary in the accomplishment of the Forestry, Agriculture or Conservation Activities;
- ii. Meet the requirements of the Stewardship Plan and State and Federal law to protect

State or federally recognized threatened, or endangered species. The Easement Holder shall provide the Fee Owner with information on threatened and endangered species and best practices for protection based upon information from the New Hampshire Natural Heritage Bureau and/or the New Hampshire Fish and Game Department, Non-game Program, or the State agencies then-recognized by the State of New Hampshire as having responsibility for identification and/or conservation of such species, with consideration given to the full range of the Purposes of the Easement and the Stewardship Goals; and

iii Are in accordance with the Purposes and Stewardship Goals of the Easement as described in Section 1 (“Purposes”) and Section 2.C (“Stewardship Goals of the Property”) above.

2.J. Permitted Excavation. The mining, drilling, quarrying, excavation, or removal of rocks, minerals, natural gas, petroleum, gravel, sand, topsoil, or other similar materials, and the removal, filling, or other disturbances of soil surface, changes in topography, surface or subsurface water systems, or wetlands shall not be allowed on the Property unless such activities:

i. Are common and necessary in the accomplishment of the Forestry, Agriculture or Conservation Activities;

ii. Meet the requirements of the Stewardship Plan and State and Federal law to protect State or federally recognized threatened, or endangered species. The Easement Holder shall provide the Fee Owner with information on threatened and endangered species and best practices for protection based upon information from the New Hampshire Natural Heritage Bureau and/or the New Hampshire Fish and Game Department, Non-game Program, or the State agencies then recognized by the State of New Hampshire as having responsibility for identification and/or conservation of such species, with consideration given to the full range of the Purposes of the Easement and the Stewardship Goals;

iii. Are in accordance with the Purposes and Stewardship Goals of the Easement as described in Section 1 (“Purposes”) and Section 2.C (“Stewardship Goals for the Property”); and

iv. Are in compliance with and identified in the Stewardship Plan.

2.K. Subdivision. The Property shall not be subdivided; and the individual tracts which comprise the Property, shall be conveyed together as a whole. The Property shall not be used to meet any designated open space requirements as a result of the provisions of any subdivision approval or land use regulation process or in calculating allowable unit density.

2.L. Permits. Prior to commencement of any such activities, all necessary Federal, State and local permits and approvals shall be secured.

2.M. Signage. No outdoor advertising structures such as signs and billboards shall be displayed on the Property except as common and necessary in the accomplishment of Forestry, Agriculture or Conservation Activities on the Property or to advertise the land for sale or to

publicize the Forest Legacy Program, or to recognize the partnership that created the Easement. Any allowed advertising structure shall not be detrimental to the Purposes of this Easement. No advertising structure shall exceed thirty-two (32) square feet in size or be artificially illuminated.

2.N. Hazardous Materials. Except as specifically allowed in Section 2.A.i. Forest Management Activities or otherwise in this Easement, there shall be no:

- i. Dumping, injection, burning, spreading, storage or burial of hazardous materials on the Property; or
- ii. Dumping, injection, burning, spreading, storage or burial of manmade materials or municipally plowed snow.

2.O. Closure of Property. There shall be no posting of signs to or other limitations of public pedestrian access and Outdoor Recreation Activities to, on, or across on the Property, except as specifically allowed in Sections 3.C (“Signage”), and 5.E (“Public Access”).

2.P. Rights of Way. No rights-of-way or easements of ingress or egress in favor of any third party shall be created or developed into, on, over, or across the Property without prior written approval of the Fee Owner and the Easement Holder, except those of record as of the execution of this Easement and those specifically permitted in the provisions of the Easement.

3. RESERVED RIGHTS.

All acts and uses not prohibited or otherwise restricted in Section 2.A (“Prohibited Uses”) are permissible provided that such acts and uses do not materially impair the Purposes of the Easement as set forth in Section 1 (“Purposes”), are in accordance with the Stewardship Goals as set forth in Section 2.C (“Stewardship Goals of the Property”), and are set forth in and performed subject to and in compliance with the Stewardship Plan required under Section 2.E (“Stewardship Plan”). The Fee Owner retains all other customary rights and privileges accruing from the ownership of the Property which are not expressly prohibited or restricted by the Easement, including but not limited to the right to conduct Forest Management Activities as defined in Section 2.A.i., and the right to permit the following activities on the Property:

3.A. Conservation Activities. The right to conduct conservation activities as defined in Section 2.B (“Permitted Conservation Uses”) and subject to the Use Limitations in Section 2. (“Conservation Activities”) shall be conducted as not for profit activities. Fees may be charged for these activities provided that the fees cover only the cost of providing, maintaining, supervising, or enhancing the activity, are approved in writing by the Easement Holder, are in compliance with the Stewardship Plan, and are in accordance with the Goals and Purposes of the Easement. This right is an exception to Section 2.A (“Prohibited Uses”):

- i. Fees may be charged for the following Outdoor Recreational Activities provided to the public on the Property:
 - a. Nature walks and programs for outdoor educational purposes;

- b. Use of primitive campsites and lean-to shelters;
 - c. Equestrian access; and
 - d. Other Outdoor Recreation Activities as set forth in the Stewardship Plan or otherwise approved in advance and in writing by the Easement Holder;
- ii. All fees collected shall be comparable to fees charged for similar activities on other lands including fees on State lands and used exclusively to pay for costs directly associated with developing, maintaining and administering the Outdoor Recreation Activities; and
- iii. The right to charge fees may be assigned to a third party with the written approval of the Easement Holder.

3.B. Structures, Improvements, Trails.

- i. The development, construction, maintenance, installation, replacement and repair at any time and from time to time, of the following improvements as are reasonably necessary for Forest Management, Agriculture and Conservation Activities on the Property: roads, parking lots, dams, bridges, trails, culverts, merchandizing yards, gates, gatehouses, information kiosks, sheds and maple sugar houses for processing sap produced on the Property (collectively, the “Fee Owner Improvements”).
- ii. Fee Owner shall have the reserved right to excavate or alter the Property by removal (by quarrying or otherwise) and storage of rock, gravel, aggregate, sand and other similar construction materials (collectively, “Construction Materials”) in connection with:
 - a. Forest Management Activities on the Property;
 - b. Forest Management activities of Fee Owner on other lands owned by Fee Owner within the Androscoggin Headwaters Forest Legacy Project Area in Errol, Wentworth’s Location, and Cambridge;
 - c. Forest Management Activities on other lands owned on the date of this grant by Grantor in Dummer and Cambridge, Coos County New Hampshire, and that approximately 298 acres parcel in Grafton, Oxford County, Maine; or
 - d. The maintenance, construction, and use of roads on abutting properties not owned by Fee Owner but which are used by Fee Owner to access the Property or its Errol, Wentworth’s Location, Cambridge and Dummer lands for forest management purposes, as identified in the Stewardship Plan. Fee Owner’s excavation of Construction Materials, including any reclamation undertaken following such activities, shall be conducted in accordance with applicable laws, rules and regulations.
- iii. In addition, the Fee Owner may construct, maintain and replace unpaved paths and

trails for Natural Resource Based Outdoor Education and Outdoor Recreation. The Fee Owner may construct, maintain and replace primitive campsites and lean-to shelters for Outdoor Recreation. Campsites and lean-to shelter areas may contain tent platforms, pit or backcountry toilets, fire rings, picnic tables, and other rustic campsite improvements. This Section is an exception to Section 2.I (“Structures”) and must be performed in compliance with Section 2.J. (“Permitted Excavation”).

iv. The Fee Owner shall provide written notice to the Easement Holder thirty (30) days prior to any construction of the Fee Owner’s Improvements, provided however that no notice shall be required for the following:

- a. Routine maintenance, including, but not limited to road maintenance, development and maintenance of unpaved paths and trails, and other routine activities arising out of routine Forest Management Activities. Notwithstanding the foregoing, the Fee Owner shall give the Easement Holder informal courtesy notification by email if such routine maintenance is expected to last more than seven (7) days after its commencement; and
- b. Emergency actions required to protect public safety or natural resources, including closure of roads and trails and prohibition of access to portions of the Property, except that notice of such action shall be provided to the Easement Holder immediately and the affected road, trail, or portion of the Property shall not remain closed for greater than forty-eight (48) hours without the approval of the Easement Holder; provided, however, that if the Easement Holder’s approval is delayed for any reason, then a longer period shall be allowed as is necessary to protect public safety or natural resources.

v. The Fee Owner’s Improvements, if newly installed or constructed, shall be sited and constructed to the extent possible taking into consideration the function and location requirements of such improvements and in a manner that in the Easement Holder’s reasonable judgment is consistent with the Purposes and Stewardship Goals of the Easement. Such structures shall be identified in the Stewardship Plan.

3.C. Signage. The erection, maintenance, and replacement of signs to identify the interest of the Easement Holder or the Fee Owner, and regulatory signs, including trail directions, such as the Easement Holder or Fee Owner of the Property may deem necessary or desirable. To protect human safety, the Fee Owner may post signs prohibiting public access in the immediate vicinity of active road construction or timber harvesting operations. The prohibition shall end at the conclusion of those activities and all signs shall be removed. This Section is an exception in Section 2.O (“Closure of Property”) and subject to the limitations of Section 2.M (“Signage”).

3.D. Motor Vehicles. The use of motor vehicles is allowed by the Fee Owner as reasonably necessary for the practice of Forestry, Agriculture and Conservation Activities and for exercising any of the Fee Owner’s reserved rights, the use of snowmobiles on existing snowmobile trails and roadways as shown on the Plan. The use of other vehicles for the purposes

of Outdoor Recreation shall be permitted with written mutual agreement by the Fee Owner and Easement Holder, shall be in accordance with the Goals and Purposes of the Easement, and shall be approved in the Stewardship Plan.

3.E. Limitation of Public Access. The erection of gates and barriers and appropriate signage, except as may otherwise be provided in Section 5.F (“Snowmobile Use”) for the control of motorized or wheeled vehicles and equestrian access into, on, over, or across the Property.

3.F. Special Needs Access Permit. The Fee Owner reserves the right to issue permits for persons with special needs to allow them to access the Property by vehicular means, so long as the use is in accordance with the Stewardship Goals and Purposes of the Easement.

3.G. Historic Preservation. “Historic Preservation” shall mean the research, excavation, protection, restoration and rehabilitation of buildings, structures, objects, districts, areas and sites significant in the history, architecture, archeology or culture of this State, its communities, or the nation (RSA 227-C:1).

i. Archaeological Investigations: Fee Owner reserves the right to permit archaeological investigations on the Property after receiving written approval from the Easement Holder. Prior to permitting any such investigations, Fee Owner shall send written notice to the New Hampshire State Archaeologist (or other person or agency then recognized by the State as having responsibility for archaeological resources) for review and comment, and to the Easement Holder, such notice describing the nature, scope, location, timetable, qualifications of investigators, site restoration, research proposal, and any other material aspect of the proposed activity. The Fee Owner and Easement Holder shall request the State Archaeologist (or other person or agency, as above) to consider the proposal, to apply the standards as specified in rules implementing RSA 227-C:7 (Permits Issued for State Lands and Waters), and to provide written comments to the Fee Owner and Easement Holder. The Easement Holder may, in its sole discretion, approve the proposed investigations only if it finds that all of the following conditions are met:

- a. The archaeological investigations shall be conducted by qualified individuals and according to a specific research proposal;
- b. The proposed activities will meet the requirements of State and federal law to protect State or federally recognized endangered, or threatened species; and
- c. The proposed activities will not be materially detrimental to the purposes of the Easement.

3.H. Water Resources Extraction. Subject to written approval from the Easement Holder, the Fee Owner, including the Fee Owner’s designee, reserves the right to withdraw groundwater on a sustainable yield basis and to remove said groundwater from the Property only for the purpose of providing a public water supply system, as defined by NH RSA 485:1-a, XV, as may be amended from time to time. Withdrawal or removal of groundwater for private, commercial purposes is expressly prohibited. For the purposes hereof, permitted activities in

conjunction with said withdrawal and/or removal shall consist of: the installation, maintenance, monitoring, and replacement of temporary wells for exploratory and/or testing purposes, long-term water production wells, monitoring wells, underground water distribution piping, pumping stations, and ancillary improvements such as but not limited to gravel roads, signs, underground utilities, and security fencing; and the extraction and removal of groundwater from the Property. This provision is an exception to Section 2.I ("Structures") and Section 2.J ("Permitted Excavation") above. In its written approval, the Easement Holder shall assure that the impact to forest land is minimized.

4. NOTIFICATION OF TRANSFER, TAXES, MAINTENANCE

4.A. Notice of Transfer. The Fee Owner agrees to notify the Easement Holder in writing ten (10) days before the transfer of title to the Property.

4.B. Property Taxes. The Easement Holder shall be under no obligation to maintain the Property or pay any taxes or assessments thereon. All taxes and assessments are the sole responsibility of the Fee Owner.

4.C. Right of First Offer.

i. In the event Fee Owner desires to sell and convey the Property (the "Offered Property") to any department or agency of the United States of America (the "United States"), Fee Owner shall provide notice pursuant to Section 7 hereof to Easement Holder of Fee Owner's offer price for the Offered Property ("Offer Price"). Easement Holder shall have thirty (30) days following the date of such notice to elect to purchase or not purchase the Offered Property at the Offer Price. Such election shall be made by notice given pursuant to Section 7 hereof and the date of notice is herein referred to as the "Election Date".

ii. If Easement Holder elects to purchase the Property at the Offer Price or if Fee Owner and Easement Holder otherwise reach agreement with respect to the sale and purchase of the Offered Property, then within 60 days after the Election Date, Fee Owner shall execute and deliver to Easement Holder a Quit Claim Deed for the Property upon receipt of the Offer Price or such other price as agreed between the parties.

iii. If Easement Holder:

a. Elects not to purchase the Offered Property;

b. Fails to timely notify Fee Owner of its election, (in which event Easement Holder shall be deemed to have elected not to purchase the Offered Property); or

c. Fails to timely provide the Offer Price pursuant to Section 4.C (b), then Fee Owner shall be free to sell and convey the Offered Property to the United States at a price that is not less than the Offer Price. The foregoing notwithstanding, Fee Owner has the unfettered right to sell and convey the Property to any person or

entity other than the United States without an obligation to first offer such Property to Easement Holder.

5. BENEFITS, BURDENS AND ACCESS

5.A. Assignment. The burden of the Easement shall run with the Property and shall be enforceable against all future owners and tenants in perpetuity. The benefits of the Easement shall not be appurtenant to any particular parcel of land but shall be in gross and assignable or transferable only to a governmental entity, in accordance with the Forest Legacy Program (16 USC Section 2103c), which entity agrees to and is capable of enforcing the conservation purposes of the Easement. Any such assignee or transferee shall have similar authority to assign or transfer.

5.B. Access. The Easement Holder, at its sole risk, shall have reasonable access to, over, on and across the Property, including with motorized vehicles, for such inspection as is necessary to determine compliance with and to enforce the Easement and to exercise the rights conveyed hereby, fulfill the responsibilities, and carry out the duties assumed by the acceptance of the Easement.

5.C. Signage. The Easement Holder shall have the right to post signs on the Property (subject to the limitations of Section 2.M (“Signage”)) to identify the interest of the Easement Holder and in association with public access to the Property. The Fee Owner will be consulted with respect to design, size, and location of any signs.

5.D. Collection of Data. The Easement Holder, at its sole risk, shall have the right to enter the Property for the purpose of collecting data for studies and research for the purposes of understanding the status, trends and distribution of significant ecological, cultural, archaeological, recreational and wildlife resources provided such research does not interfere with the Forestry, Agriculture and Conservation Activities of the Fee Owner. This right of entry shall not entitle the Easement Holder to conduct any research or studies that involve the manipulation of or modification to the Property. Proprietary information related to economic values, earnings or profits resulting from studies and research shall not be released to the public without the written approval of the Fee Owner.

5.E. Public Access. Subject to Fee Owner's reserved rights set forth in Section 3 above:

i. The Easement Holder shall have the right to allow public pedestrian access to, on, over and across the Property for low-impact, non-commercial Outdoor Recreational and Natural Resource Based Outdoor Education activities such as hiking, hunting, fishing, trapping (by required state permit), cross country skiing, and snowshoeing. The Easement Holder has the right to allow snowmobile use as set forth in Section 5.F. (“Snowmobile Use”). Any other motorized Outdoor Recreation Activities shall be allowed only with the prior written approval of the Fee Owner, and shall be in accordance with the Goals and Purposes of the Easement. The Fee Owner may restrict or prohibit public access in areas involved in active timber harvesting and road construction. The Property may be posted against public access to, on and across the Property or otherwise

restricted by the Easement Holder in the interest of public safety or to prevent natural resource degradation.

ii. The Fee Owner and the Easement Holder agree to cooperatively monitor public access to and use of areas that are ecologically fragile or that contain exemplary natural communities or populations of rare species. The Easement Holder agrees to meet with the Fee Owner to discuss public access and use issues that may develop and consider management options including posting to limit or restrict public access to these areas. This Section is exception to Section 2.O (“Closure of Property”);

iii. The Easement Holder shall retain the right after consulting with the Fee Owner to grant permits for persons with special needs to allow them to access those portions of the Property that are appropriate for such special needs access as are specified in the Stewardship Plan, the Annual Operating Plan, or as is otherwise specified pursuant to such consultation. Such access may be by vehicular means, so long as the use is in accordance with the Goals and Purposes of the Easement. The Easement Holder shall collaborate with the Fee Owner to assure that Fee Owner is aware of any special needs access and such access will not interfere with the Fee Owner’s Forest Management Activities or other activities on the Property; and

iv. The Fee Owner and the Easement Holder may enter into a separate “Public Access Memorandum of Understanding” to further describe the rights and responsibilities of the parties related to public use of the Property.

5.F. Snowmobile Use. The Easement Holder shall have the right to allow the public to use and operate snowmobiles on the designated trails on the Property, and the Easement Holder shall have the right to maintain the designated trails as shown on the Plan (Appendix B. “Plan: Snowmobile Trail Map”). The Plan may be amended from time to time to relocate trails or to include additional snowmobile trails upon mutual written agreement of the Fee Owner and Easement Holder. Public use of these snowmobile trails and their maintenance by the Easement Holder shall be governed by a separate “Snowmobile Agreement” (Appendix C) between the Fee Owner and the Easement Holder. The Snowmobile Agreement may be amended from time to time with the mutual written consent of the Fee Owner and the Easement Holder. All amendments to the Snowmobile Agreement shall be recorded in the Coos County Registry of Deeds as provided in Section 13 (“Limitation on Amendment”) of the Snowmobile Agreement.

5.G. Third Party Liability. Nothing contained in the Easement shall create any liability on behalf of the Fee Owner or the Easement Holder to any third party or create any right, claim or cause of action on behalf of any party other than the Fee Owner or the Easement Holder and their successors and assigns.

5.H. Limitation on Liability. The Fee Owner specifically retains all protections from liability provided under New Hampshire Law to private owners of land, including, but not limited to, the protections contained in RSA 212:34, RSA 215:A34 II, or RSA 508:14 (or any successor or other statutory or regulatory provision then applicable). The Easement Holder

specifically retains all protections from liability provided under New Hampshire Law including those referenced above and sovereign immunity.

6. BREACH OF EASEMENT

6.A. Notice of Breach. When a breach of the Easement or conduct by anyone inconsistent with the Easement comes to the attention of the Easement Holder, it shall notify the Fee Owner in writing of such breach or conduct, delivered in hand or by certified mail, return receipt requested.

6.B. Response. The Fee Owner shall, within thirty (30) days after receipt of such notice or after otherwise learning of such breach or conduct, undertake those actions, including restoration, where practicable, which are reasonably calculated to immediately correct or cure the breach, or to terminate the conduct and to repair any damage. If the land cannot be restored because physical conditions have been changed to the extent that such restoration is not reasonably practicable, the Easement Holder and the Fee Owner may consider other remedies to the Property or compensation due to the Easement Holder. Monetary damages shall be limited to those ordered in connection with required replacement or restoration, as well as those monetary damages to eliminate economic benefits gained by Fee Owner from activities in violation of the terms of this Easement. If a court or other agreed upon decision maker finds that a violation was knowing, intentional or willful, the court or other agreed upon decision maker may award in addition to damages awarded in connection with required replacement or restoration, monetary damages up to and including twice the economic benefit gained by Fee Owner from activities in violation. The Fee Owner shall promptly notify the Easement Holder of its actions taken under this Section.

6.C. Right to Cure. If the Fee Owner fails to take such proper action under the preceding paragraph, the Easement Holder shall, as appropriate to the purposes of the Easement, undertake any actions that are reasonably necessary to cure such breach or to repair any damage in the Fee Owner's name or to terminate such conduct. The cost of such action, including the Easement Holder's reasonable expenses, court costs, and legal fees shall be paid by the Fee Owner provided that the Fee Owner is directly or primarily responsible for the breach.

6.D. Breach Caused by Others. Notwithstanding the foregoing paragraphs, nothing contained in the Easement shall be construed to entitle either party to bring any action against the other for any injury to or change in the Property resulting from causes beyond either party's control, including, but not limited to, unauthorized actions by third parties, natural disasters such as fire, flood, storm and earth movement, or from any prudent action taken by either party under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes.

6.E. Third Party Claims. The Easement Holder and the Fee Owner reserve the right, separately or collectively, to pursue all legal remedies against any third party responsible for any actions detrimental to the Purposes of the Easement.

6.F. Best Management Practices. Best Management Practices include a wide variety of

techniques that, due to the significant variation of harvest site conditions on the Property, require judgment and flexibility in applying those practices that most appropriately and effectively meet the intent of the BMP principles set forth in Section 2.D.i.c and 2.D.ii hereof (a "BMP"). Accordingly, if the Easement Holder notifies the Fee Owner that in its opinion, a BMP has not been applied appropriately pursuant to Section 6.A, then the Easement Holder will first collaborate with the Fee Owner to develop a mutually agreed approach to that BMP. If that collaboration does not result in a mutually agreed upon solution, then the parties hereto shall attempt to resolve such dispute pursuant to Section 12 hereof. If, no resolution is achieved pursuant to Section 12, the Easement Holder may then seek to enforce this Easement pursuant to Section 6. B. and C.

7. NOTICES

All notices, requests and other communications, required or permitted to be given under the Easement shall be in writing, except as otherwise provided herein, and shall be delivered in hand, sent by certified mail, postage prepaid, return receipt requested to the appropriate address set forth on page 1 of this Easement, or at such other address, or by facsimile, as the Easement Holder or the Fee Owner may hereafter designate by notice given in accordance herewith. Notice shall be deemed to have been given when hand delivered or delivered by facsimile; or, if delivered by mail, three business days after such notice has been placed in the mail for delivery. The Fee Owner shall provide the Easement Holder with notification of any activities on the Property that require legal notices to abutters or to the public under New Hampshire law. Notwithstanding the foregoing, notices under Section 3.B. may be given by email communication and shall be deemed delivered when sent. The parties hereto agree to update email addresses for such notification at least as often as each Annual Meeting as provided in Section 8 below.

8. ANNUAL MEETING

The Fee Owner and the Easement Holder shall meet annually at a date, time and place convenient for both. The annual meeting shall provide an opportunity for the parties to discuss any questions or concerns regarding the Property and the exercise of the rights by either party under the Easement and the Stewardship Plan. The parties may mutually agree to forego the meeting or hold additional meetings for such purposes as they deem necessary.

9. SEVERABILITY

If any provision of the Easement, or its application to any person or circumstance, is found to be invalid by a court of competent jurisdiction or otherwise, the remainder of the provisions of the Easement or the application of such provision to persons or circumstances other than those to which it is found to be invalid, as the case may be, shall not be affected thereby.

10. CONDEMNATION

10.A. Full Damages. Whenever all or part of the Property is taken in exercise of eminent domain by public, corporate, or other authority so as to abrogate the Easement in whole or in part

or whenever all or a part of the Property is lawfully sold without the restrictions imposed hereunder in lieu of condemnation or exercise of eminent domain, the Fee Owner and the Easement Holder shall thereupon act jointly to recover the full damages resulting from such taking or lawful sale with all incidental or direct damages and expenses incurred by them to be paid out of the damages recovered.

10.B. Apportionment of Damages. The balance of the land damages recovered from such taking or lawful sale in lieu of condemnation or exercise of eminent domain shall be divided between the Fee Owner and the Easement Holder in proportion to the fair market value, at the time of such taking or lawful sale in lieu of condemnation or exercise of eminent domain, of their respective interests in that part of the Property condemned. The values of the Easement Holder's and Fee Owner's interests shall be determined by an appraisal prepared by a qualified appraiser licensed in the State of New Hampshire in conformance with the Uniform Appraisal Standards for Federal Land Acquisition, at the time of condemnation.

10.C. Use of Easement Holder's Share. The Easement Holder shall use its share of the proceeds in a manner consistent with and in furtherance of one or more of the Purposes set forth herein subject to the provisions of Section 14 ("Easement Conversion").

11. ADDITIONAL EASEMENT AND RIGHTS

The Fee Owner shall not convey, grant, exchange, or otherwise grant permanent rights such as rights-of-way, or other easements into, on, over, under, or across the Property without the prior written permission of the Easement Holder. The Fee Owner shall be allowed to grant temporary access rights not to exceed one year in duration across existing roads to third parties for any purpose, including, but not limited, for the hauling of forest products, not inconsistent with the Goals and Purposes of the Easement.

No permanent rights-of-way, easements of ingress or egress, driveways, roads, utility lines or other easements shall be constructed, developed, or maintained into, on, over, under, or across the Property without the prior written permission of the Easement Holder, except as may be otherwise specifically permitted in the Easement. The Easement Holder may grant permission if it determines, in its sole discretion, that any such interest would be in accordance with the Purposes of the Easement.

12. DISPUTES

12.A. Non-Binding Mediation. The Fee Owner and the Easement Holder shall have the right to have any dispute arising under the Easement determined by the Coos County Superior Court or submitted to mediation in accordance with this Section. In this Section, any reference to "mediation" shall mean non-binding mediation. The parties agree that mediation shall not operate to stay any proceedings that either party may institute in the Superior Court. If either party requests that mediation of a particular matter or matters be undertaken and if that matter is not at the time of the request the subject of an action in the Superior Court, or if it does not become the subject of an action in the Superior Court during the course of the mediation, then the parties shall agree that the matter will be submitted to mediation. The agreement for

mediation shall be in writing, signed by both parties, and include a statement of the matter or matters that are the subject of the mediation.

12.B. Selecting a Mediator. If mediation is requested in a manner consistent with Section 12.A, the Fee Owner and the Easement Holder shall choose a mediator within fifteen (15) days of the date of the written agreement for mediation. The mediator shall be notified, in writing, that he or she has been chosen as a mediator. The fees and costs for the mediator shall be agreed to, in writing, by the parties and the mediator. Each party shall pay one-half the total fees and costs of the mediator.

12.C. Scheduling Mediation. When the mediator has been selected, he or she shall, with the agreement of the parties, schedule a date or dates for the mediation hearing as soon as practicable. The mediator shall be present for the mediation hearing. The mediation hearing date may only be postponed for good cause accepted by all parties involved.

12.D. No Waiver of Action. The Easement Holder does not waive or forfeit the right to take action as may be necessary to insure compliance with the Easement by any prior failure to act and the Fee Owner hereby waives any defense of laches with respect to any delay, omission, or any past failure to act by the Easement Holder, its successors or assigns, with respect to enforcement of any restriction or exercise any rights under the Easement, any such delay or omission shall not impair the Easement Holder's rights or remedies or be construed as a waiver.

12.E. Avoidance of Disputes. The parties hereto desire to avoid disputes in the interpretation and implementation of this Easement, the Stewardship Plan and the Annual Operating Plan. Accordingly, the parties agree to act reasonably and in good faith when taking any required action or in making any decision required by this Easement, the Stewardship Plan, and the Annual Operating Plan.

13. LIMITATION ON AMENDMENT

The Fee Owner and the Easement Holder may, by mutual written agreement, jointly amend the Easement provided that no amendment shall be made that will adversely affect the qualifications of the Easement or the status of the Easement Holder under any applicable laws including Section 170(h) of the Internal Revenue Code and the Forest Legacy Program (16 USC Section 2103c) and NH RSA 477:45-47, and must be reviewed by the Charitable Trust Division of the New Hampshire Department of Justice. Any amendment shall be in accordance with the Purposes of the Easement, shall not affect its perpetual duration, shall not permit any residential or any commercial development of the Property, and shall not permit any impairment of the conservation values of the Property. Any amendment shall be recorded in the Coos County Registry of Deeds after all approvals required by law have been obtained. Nothing in this Section shall require the Fee Owner and the Easement Holder to agree to any amendment or to consult or negotiate regarding any amendment.

14. EASEMENT CONVERSION

The Easement Holder acknowledges that the Easement was acquired with Federal funds

under the Forest Legacy Program (16 USC Section 2103c) and the interest acquired cannot be sold, exchanged or otherwise disposed of, except as provided in Section 5.A (“Assignment”), unless the United States is reimbursed the fair market value of the interest in the land at the time of disposal. Provided, however, the Secretary of Agriculture may exercise discretion to consent to such sale, exchange, or disposition upon the State of New Hampshire’s tender of equal valued consideration acceptable to the Secretary.

15. MERGER

The Fee Owner and the Easement Holder agree that the terms of the Easement shall survive any merger of the fee and easement interest in the Property.

16. BASELINE DOCUMENTATION.

The originals of the Baseline Documentation are on file at the offices of the Easement Holder and consist of descriptions, maps, and other documentation that the parties acknowledge and agree in writing (the “Acknowledgement”) and provide, collectively, the parties’ best efforts to assemble an accurate representation of the Property as reasonably known by them upon the execution of the Easement, and certain other material referenced in the Easement. The Acknowledgement must be signed at, or prior to, the closing. The Baseline Documentation is intended to serve as an objective, although not exclusive, information baseline for monitoring compliance with the terms of the Easement.

17. BINDING EFFECT

The Easement Holder and Fee Owner, by signing and recording the Easement, agree to be bound by, observe, and enforce its provisions and assume the rights and responsibilities herein granted to and incumbent upon them, all in the furtherance of the Purposes for which the Easement is delivered.

18. STATE LAW CONTROLLING

This agreement shall be governed by the laws of the State of New Hampshire as it applies to matters wholly arising within the state and by relevant federal laws.

[Signatures on following pages]

IN WITNESS WHEREOF, we have hereunto set our hands this ____ day of _____, 20__.

Attest/Witness

PLUM CREEK MAINE TIMBERLANDS,
L.L.C., a Delaware limited liability
company

By: _____
Sheri L. Ward, Asst. Sect

By: _____
Rick R. Holley, Pres & CEO
Duly Authorized

**STATE OF WASHINGTON
COUNTY OF KING**

This instrument was acknowledged before me on this ____ day of _____, 20__, by Rick R. Holley and Sheri L. Ward, to me known to be the President and CEO and Assistant Secretary of Plum Creek Maine Timberlands, L.L.C., the limited liability company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed as said limited liability company for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument on behalf of the limited liability company and that the seal affixed is the seal of said limited liability company.

Washington

Notary Public/ in and for the State of

My Commission expires:_____

(seal)

**THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF RESOURCES
AND ECONOMIC DEVELOPMENT**

By: _____
Name: Jeffrey J. Rose
Title: Commissioner
Duly Authorized

**STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK**

This instrument was acknowledged before me on this ____ day of _____, 20__,
by Jeffrey J. Rose, Commissioner of the Department of Resources and Economic Development
of the State of New Hampshire, on behalf of the State of New Hampshire.

Justice of the Peace/Notary Public
My Commission Expires _____

Approved by Governor and Council: Date: _____, Agenda Item: _____

(seal)

Approved as to form, substance, and execution by the Office of the Attorney General

Date

Anthony Blenkinsop
Senior Assistant Attorney General

APPENDIX C
SNOWMOBILE AGREEMENT

This Snowmobile Agreement ("Snowmobile Agreement") is made this _____ day of _____, 201_, for consideration paid, by and between PLUM CREEK MAINE TIMBERLANDS, L.L.C., a Delaware limited liability company, its agents, employees, successors and assigns ("Fee Owner"), with a mailing address of with a mailing address of 999 Third Avenue, Suite 4300, Seattle, Washington 98104, and the State of New Hampshire, acting through the Department of Resources and Economic Development and its agents, employees, successors and assigns ("DRED"), with a mailing address of P.O. Box 1856, Concord, New Hampshire 03302-1856.

1. **PURPOSE.** By Conservation Easement Deed dated _____, 201_ ("Conservation Easement"), the Fee Owner has granted to DRED a perpetual Conservation Easement on certain lands in the towns of Errol and Wentworth's Location, Coos County, State of New Hampshire (the "Property") of which this Snowmobile Agreement is a part. The Conservation Easement grants to DRED, the right to construct, maintain and use, and to permit the public to use, snowmobile trails on the Property (the "Trails"). Management and use of the Trails shall be consistent with the terms of the Conservation Easement. The purpose of this Snowmobile Agreement is to set forth the terms, conditions and obligations under which DRED will manage the Trails. DRED and the Fee Owner acknowledge that this Snowmobile Agreement is to provide the public with access for Snowmobile use consistent herewith only, and is not intended to provide access for use by "4-wheelers", All Terrain Vehicles or any type of Off-highway recreational vehicles other than snowmobiles, except for otherwise provided in the Conservation Easement.

2. **OBLIGATIONS OF THE PARTIES.** DRED shall have the right to construct, maintain and use, and permit the public to use, snowmobile trails only on the Property, along the routes established and within the corridors designated and depicted on the Plan.

The right to construct, maintain and permit the public to use the snowmobile trails shall be subject to the following terms and conditions:

- A. The Trails shall be adequately marked by DRED in accordance with the "Trail Signing Handbook: Guidelines for Signing Snowmobile Trails" (State of New Hampshire, Department of Resources and Economic Development, Division of Parks and Recreation, Trails Bureau), or such successor standard, to indicate location of the Trails, to restrict snowmobile use to within the designated Trail corridors, and to restrict access by vehicles other than snowmobiles. All spur, side or connecting trails will be posted to indicate snowmobile access and use thereon is prohibited. DRED shall work cooperatively with the Fee Owner to do such things as are reasonably necessary and practicable (including the use of gates and barriers and appropriate official signs) to keep snowmobile use on the Trails and within the Trail corridors and to restrict access by vehicles other than snowmobiles.
- B. Limit the corridor within which Trails may be constructed and maintained to a total

width of no greater than twenty (20 feet), which shall include the travel way, and as necessary, clearing and drainage structures on either side of the travel way.

- C. DRED shall promptly close any Trail or portion thereof to the general public upon the request of the Fee Owner whenever active forestry activities or road construction along or in proximity to the trail corridor create a hazard to the public. In the event DRED chooses to temporarily relocate a Trail or a portion thereof as a result of forestry activities, the Fee Owner and DRED shall work together to designate an alternate route, to be constructed and maintained by DRED at its sole expense.
- D. No less than annually, and within ninety (90) days of the closing of the Trails at the end of the winter season, DRED shall conduct a general clean-up of the Trails to remove litter, trash and manmade debris, and promptly respond to the Fee Owner's request for additional litter and trash removal directly related to the rights granted in this Snowmobile Agreement.
- E. DRED shall maintain the Trails using best management practices as described in "Best Management Practices for Erosion Control During Trail Maintenance and Construction" (State of New Hampshire, Department of Resources and Economic Development, Division of Parks and Recreation, Trails Bureau) or such successor standard. DRED and its agents shall have the right to enter the Property with persons and equipment for purposes of maintaining the Trails. Maintenance activities shall include, but not be limited to, installation and replacement of bridges and culverts, rocks and stump removal, smoothing the trail surface, placement of gravel and natural fill, installation of broad based dips, water bars and ditches, removal of fallen trees, cutting back encroaching vegetation and wintertime grooming. Except for wintertime grooming and removal of fallen trees, all maintenance activities shall be done in consultation with the Fee Owner.
- F. The Fee Owner shall notify DRED in writing should the Fee Owner determine that the Trails or portions thereof require maintenance. DRED shall, within thirty (30) days of receipt of such notice, respond to the Fee Owner, indicating DRED's determination of trail maintenance needs and the timing of such maintenance. Nothing in this Agreement shall require DRED to perform maintenance necessitated by or resulting from the Fee Owner's activities on the Property, including Forestry.
- G. DRED shall, at its discretion, but in consultation with the Fee Owner, close the Trails when weather, snow cover and ground conditions make the Trails unsuitable for snowmobile use.
- H. Bridges and other trail improvements shall be designed and constructed for multi-use and multi-season recreational use and shall be maintained by DRED. Bridge design shall be reviewed with the Fee Owner and DRED shall make reasonable efforts to incorporate Fee Owner's suggestions into the design. To the extent that a bridge is designed and constructed at the request of the Fee Owner for uses other than snowmobile crossing, the Fee Owner and DRED shall allocate the cost of construction accordingly. If a portion of the Trails are permanently relocated or abandoned, DRED shall consult with the Fee

Owner and shall remove all bridges the Fee Owner requests be removed there from. DRED shall not be responsible for any actions or use of the Trails taken by or on behalf of the Fee Owner.

- I. DRED shall obtain all necessary Federal, State and local permits and approvals, and remain in compliance with and abide by the terms of those permits and approvals, and all Federal, State, and local laws and regulations regarding the construction, maintenance and supervision of use upon the Trails.

3. MONITORING TRAIL USE. Fee Owner and DRED agree to cooperatively monitor snowmobile usage on the Property to ensure that the current ecological conditions and the Purposes of the Conservation Easement are not diminished or degraded by snowmobile use and that snowmobile use is limited to the designated Trails and is done in compliance with then existing state laws, administrative rules and this Agreement. DRED agrees to meet with the Fee Owner at least annually, and more often at the request of either party, to discuss snowmobile use issues that may develop and consider management options, including posting to limit or close access to some Trails to address those issues within the context and Purposes of the Conservation Easement.

4. DISPUTE RESOLUTION. The Fee Owner and DRED shall have the right to resolve any dispute arising hereunder by the same means as provided in Section 12 of the Conservation Easement Deed referred to in Paragraph 1 above.

5. RIGHT TO RECORD. DRED shall record this Agreement in the Coos County Registry of Deeds. DRED shall record any Amendment hereto, including any change in the location of the Trails that would result in the change to Conservation Easement Deed, Appendix B.

6. LIMITATION OF LIABILITY. Nothing in the Snowmobile Agreement shall be a basis for any liability on the part of the Fee Owner with respect to personal injury or property damage sustained by any person. The Fee Owner and DRED are entitled to the protections of RSA 508:14, RSA 215:34(II) and RSA 212:34. DRED shall name the Fee Owner as a named insured in any and all general liability insurance policy obtained by DRED for the Property and for activities undertaken by DRED hereunder. Notwithstanding and in addition to the foregoing, DRED claims all of its rights and protections under the doctrine of sovereign immunity.

7. ASSIGNMENT AND TRANSFER. This Snowmobile Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto, their successors, heirs or assigns. The rights, interests or obligations hereunder may be assigned by DRED, but compliance with the terms of this Agreement shall remain the responsibility of State of New Hampshire.

8. AMENDMENT. This Snowmobile Agreement represents the final agreement of the parties. This Snowmobile Agreement can be amended only by a writing signed by both parties and recorded in the Coos County Registries of Deeds. Any attempted oral modification of this Snowmobile Agreement shall be of no force and effect.

9. GOVERNING LAW. This Snowmobile Agreement shall be governed by, construed by, and enforced in accordance with the laws of the State of New Hampshire. The rights granted herein are subject to the laws, rules and regulations governing the use of snowmobile trails by the public.

IN WITNESS WHEREOF, the parties have executed this Snowmobile Agreement as of the date first written.

IN WITNESS WHEREOF, we have hereunto set our hands this ____ day of _____, 20__.

Attest/Witness

PLUM CREEK MAINE TIMBERLANDS,
L.L.C., a Delaware limited liability
company

By: _____
Sheri L. Ward, Asst. Sect

By: _____
Rick R. Holley, Pres & CEO
Duly Authorized

**STATE OF WASHINGTON
COUNTY OF KING**

This instrument was acknowledged before me on this ____ day of _____, 20__, by Rick R. Holley and Sheri L. Ward, to me known to be the President and CEO and Assistant Secretary of Plum Creek Maine Timberlands, L.L.C., the limited liability company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed as said limited liability company for the uses and purposes their in mentioned, and on oath stated that they were authorized to execute said instrument on behalf of the limited liability company and that the seal affixed is the seal of said limited liability company.

Notary Public/ in and for the State of
Washington
My Commission expires: _____

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF RESOURCES
AND ECONOMIC DEVELOPMENT

By:
Name: Jeffrey J. Rose
Title: Commissioner
Duly Authorized

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

This instrument was acknowledged before me on this _____ day of _____, 20____,
by Jeffrey J. Rose, Commissioner of the Department of Resources and Economic Development
of the State of New Hampshire, on behalf of the State of New Hampshire.

(seal)

Justice of the Peace/Notary Public

My Commission Expires _____

Approved by Governor and Council:
Date: _____, Agenda Item: _____

**FEDERAL FINANCIAL ASSISTANCE
AWARD OF DOMESTIC GRANT 11-DG-11420004-162**
Between The
**NEW HAMPSHIRE DEPARTMENT OF RESOURCES AND ECONOMIC
DEVELOPMENT**
And The
USDA, FOREST SERVICE
NORTHEASTERN AREA STATE AND PRIVATE FORESTRY

Project Title: Androscoggin Headwaters

Upon execution of this document, an award to the New Hampshire Department of Resources and Economic Development, hereinafter referred to as "the recipient," in the amount of \$4,100,000, is made under the Cooperative Forestry Assistance Act of 1978, P.L. 95-313, as amended; Food Agriculture Conservation and Trade Act of 1990, as amended P.L. 101-624. The New Hampshire Department of Resources and Economic Development accepts this award for the purpose described in the application narrative. Your application for Federal financial assistance, dated July 1, 2011, and the attached U.S. Forest Service provisions, 'U.S. Forest Service Award Provisions,' are incorporated into this letter and made a part of this award.

The Grantee shall adhere to the final draft recording keeping policy as outlined in Attachment "C" by keeping "State" held mandatory and recommended documents and providing the Grantor, upon grant close-out, copies of the mandatory and recommended acquisition documents identified under "Forest Service" and "Program" sections. The Grantee is responsible to monitor periodically, not less than annually, the lands or interests in land acquired under this grant.

This is an award of Federal financial assistance and is subject to OMB Circular A-102, as implemented by regulations 7 CFR 3016, 2 CFR 225, and OMB Circular A-133 as implemented by USDA regulation 7 CFR 3052. All Federal and Recipient matching/cost-share contributions are subject to all relevant OMB Circulars and Code of Federal Regulations.

The OMB Circulars are available on the internet at http://www.whitehouse.gov/omb/grants_default/. Electronic copies of the CFRs can be obtained at the following internet site: <http://www.gpoaccess.gov/cfr/index.html>. If you are unable to retrieve these regulations electronically, please contact your Grants and Agreements Office at Linda Haenn, 610-557-4238.

Effective October 1, 2010, recipients are required to report information on subaward and executive total compensation, as required by the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282), as amended by section 6202 of Public Law 110-252, hereinafter referred to as "the Transparency Act." See the award terms in Attachment B: 2 CFR Part 170.

The following administrative provisions apply to this award:



- A. **LEGAL AUTHORITY.** The recipient shall have the legal authority to enter into this award, and the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the project, which includes funds sufficient to pay the nonfederal share of project costs, when applicable.
- B. **PRINCIPAL CONTACTS.** Individuals listed below are authorized to act in their respective areas for matters related to this award.

Principal Cooperator Contacts:

Cooperator Program Contact	Cooperator Administrative Contact
Name: Brad Simpkins Telephone: 603-271-2214 Email: brad.simpkins@dred.state.nh.us	Name: Same Telephone: Email:

Principal U.S. Forest Service Contacts:

U.S. Forest Service Program Manager Contact	U.S. Forest Service Administrative Contact
Name: Neal Bungard Telephone: 603-868-7719 Email: nbungard@fs.fcd.us	Name: Linda Haenn Telephone: 610-557-4238 Email: lhaenn@fs.fed.us

- C. **AVAILABILITY OF FUNDS.** U.S. Forest Service funds in the amount of \$4,100,000 are currently available for performance of this award through September 30, 2012. The U.S. Forest Service's obligation for performance of this award beyond this date is contingent upon the availability of appropriated funds from which payment can be made. No legal liability on the part of the U.S. Forest Service for any payment may arise for performance under this award beyond September 30, 2012 until funds are made available to the U.S. Forest Service for performance and until the recipient receive(s) notice of availability to be confirmed in a written modification by the U.S. Forest Service.

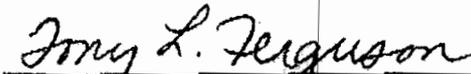
Payments must be requested and approved by the Forest Legacy Program Manager at least 60 days in advance of acquisition closing date and are limited to the minimum amount needed to carry out the approved purpose of the grant and shall be timed as close as is administratively feasible to the actual disbursement.

- D. **REIMBURSABLE PAYMENTS – FINANCIAL ASSISTANCE.** See provision "L" in the attachment, 'U.S. Forest Service Award Provisions.'
- E. **PRE-AWARD COSTS FOR STATE, LOCAL, AND INDIAN TRIBAL GOVERNMENTS** Pursuant to OMB Circular A-87, Attachment B, No. 31, pre-award costs incurred as of May 15, 2011, are hereby authorized under this award.

- F. PROGRAMMATIC CHANGES. The recipient shall obtain prior approval for any change to the scope of objectives of the approved project, key personnel, or transfer of substantive programmatic work to another party.
- G. MODIFICATIONS. Modifications within the scope of this award shall be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized, signatory officials, prior to any changes being performed. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change. The U.S. Forest Service is not obligated to fund any changes not properly approved in advance.
- H. COMMENCEMENT/EXPIRATION DATE. This award is executed as of the date of the last signature and is effective through September 30, 2012 at which time it will expire, unless extended by an executed modification, signed and dated by all properly authorized, signatory officials.
- I. AUTHORIZED REPRESENTATIVES. By signature below, each party certifies that the individuals listed in this document as representatives of the individual parties are authorized to act in their respective areas for matters related to this award. In witness whereof, the parties hereto have executed this award as of the last date written below.

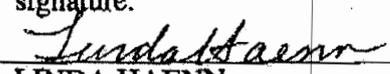


 BRAD SIMPKINS, Interim Director
 New Hampshire Department of Resources and
 Economic Development 8/30/11
Date



 TONY L. FERGUSON, Area Director
 U.S. Forest Service
 Northeastern Area State and Private Forestry 8/26/2011
Date

The authority and format of this award have been reviewed and approved for signature.



 LINDA HAENN
 U.S. Forest Service
 Grants & Agreements Specialist 8/26/11
Date



USDA Forest Service

OMB 0596-0217
FS-1500-19

MODIFICATION OF GRANT OR AGREEMENT

PAGE	OF PAGES
1	2

1. U.S. FOREST SERVICE GRANT/AGREEMENT NUMBER: 11-DG-11420004-162	2. RECIPIENT/COOPERATOR GRANT or AGREEMENT NUMBER, IF ANY:	3. MODIFICATION NUMBER: A1
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4. NAME/ADDRESS OF U.S. FOREST SERVICE UNIT ADMINISTERING GRANT/AGREEMENT (unit name, street, city, state, and zip + 4): Tony L. Ferguson, Area Director Northeastern Area State & Private Forestry 11 Campus Blvd., Suite 200 Newtown Square, PA 19073 vcaldwell@fs.fed.us/(610)-557-4131	5. NAME/ADDRESS OF U.S. FOREST SERVICE UNIT ADMINISTERING PROJECT/ACTIVITY (unit name, street, city, state, and zip + 4): Jada Jackson USDA Forest Service, Northeastern Are 11 Campus Blvd., Suite 200 Newtown Square, PA 19073 jsjackson@fs.fed.us/(610) 557-4135
---	--

6. NAME/ADDRESS OF RECIPIENT/COOPERATOR (street, city, state, and zip + 4, county): Mr. Brad Simpkins Interim Director NH DRED 172 Pembroke Road Concord, NH 03302	7. RECIPIENT/COOPERATOR'S HHS SUB ACCOUNT NUMBER (For HHS payment use only): G42192309002 - \$5,000,000
---	--

8. PURPOSE OF MODIFICATION

CHECK ALL THAT APPLY:	This modification is issued pursuant to the modification provision in the grant/agreement referenced in item no. 1, above.
<input checked="" type="checkbox"/>	CHANGE IN PERFORMANCE PERIOD: This action changes the ending date to September 30, 2013
<input checked="" type="checkbox"/>	CHANGE IN FUNDING: This action adds Federal funding in the amount of \$5,000,000
<input type="checkbox"/>	ADMINISTRATIVE CHANGES:
<input type="checkbox"/>	OTHER (Specify type of modification):

Except as provided herein, all terms and conditions of the Grant/Agreement referenced in 1, above, remain unchanged and in full force and effect.

9. ADDITIONAL SPACE FOR DESCRIPTION OF MODIFICATION (add additional pages as needed):

Additional funding in the amount of \$ 5,000,000 is made under the authority of the Cooperative Forestry Assistance Act of 1978, 16 U.S.C. 2101, et. seq., as ammended by the 1990 Farm Bill, Section 1217 of Title XII of the Food, Agriculture, Conservation and Trade Act of 1990, Public Law 101-624, 104 Stat. 3359, 16 U.S.C. 2103c; later ammended by the 1996 Farm Bill, Federal Agricultural Improvement and Reform Act of 1996; Public Law 104-127; Title III, Conservation; Subtitle G Forestry; Section 374, Optional State Grants for Forest Legacy Program, for the above project and accepted for the purposes described in the attached narrative. The Application for Federal Assistance dated May 30, 2012, submitted by you is incorporated and made a part of the award. By acceptance of this supplemental award, the grantee agrees to comply with the applicable Federal requirements for agreements and to the prudent management of all expenditures and actions affecting the award, as outlined in the original award documents.

NEW PROCEDURE: Attachment C is a comprehensive listing of award conditions for this program which now requires signatures from both the Area Director and the recipient as a way of acknowledging acceptance of these terms and conditions.

10. ATTACHED DOCUMENTATION (Check all that apply):

<input type="checkbox"/>	Revised Scope of Work
<input type="checkbox"/>	Revised Financial Plan
<input checked="" type="checkbox"/>	Other: ATTACHMENT C

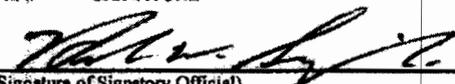
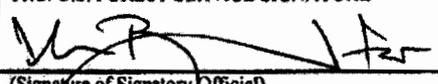
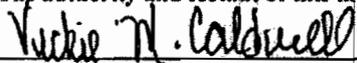
11. SIGNATURES

AUTHORIZED REPRESENTATIVE: BY SIGNATURE BELOW, THE SIGNING PARTIES CERTIFY THAT THEY ARE THE OFFICIAL REPRESENTATIVES OF THEIR RESPECTIVE PARTIES AND AUTHORIZED TO ACT IN THEIR RESPECTIVE AREAS FOR MATTERS RELATED TO THE ABOVE-REFERENCED



USDA Forest Service

OMB 0596-0217
FS-1500-19

GRANT/AGREEMENT.			
11.A. SIGNATURE  (Signature of Signatory Official)	11.B. DATE SIGNED	11.C. U.S. FOREST SERVICE SIGNATURE  (Signature of Signatory Official)	11.D. DATE SIGNED 6-12-12
11.E. NAME (type or print): Brad W. Simpkins		11.F. NAME (type or print): TONY L. FERGUSON	
11.G. TITLE (type or print): Interim Director		11.H. TITLE (type or print): Area Director	
12. G&A REVIEW			
12.A. The authority and format of this modification have been reviewed and approved for signature by:  VICKIE M. CALDWELL U.S. Forest Service Grants & Agreements Specialist			12.B. DATE SIGNED 6/11/12



MODIFICATION OF GRANT OR AGREEMENT

PAGE	OF PAGES
1	2

1. U.S. FOREST SERVICE GRANT/AGREEMENT NUMBER: 11-DG-11420004-162		2. RECIPIENT/COOPERATOR GRANT or AGREEMENT NUMBER, IF ANY:		3. MODIFICATION NUMBER: A2	
4. NAME/ADDRESS OF U.S. FOREST SERVICE UNIT ADMINISTERING GRANT/AGREEMENT (unit name, street, city, state, and zip + 4): Tony L. Ferguson, Area Director Northeastern Area State & Private Forestry 11 Campus Blvd., Suite 200 Newtown Square, PA 19073 vcaldwell@fs.fed.us/(610)-557-4131			5. NAME/ADDRESS OF U.S. FOREST SERVICE UNIT ADMINISTERING PROJECT/ACTIVITY (unit name, street, city, state, and zip + 4): Jada Jackson USDA Forest Service, Northeastern Area 11 Campus Blvd., Suite 200 Newtown Square, PA 19073 jsjackson@fs.fed.us/(610) 557-4135		
6. NAME/ADDRESS OF RECIPIENT/COOPERATOR (street, city, state, and zip + 4, county): Mr. Brad Simpkins Interim Director NH DRED 172 Pembroke Road Concord, NH 03302			7. RECIPIENT/COOPERATOR'S HHS SUB ACCOUNT NUMBER (For HHS payment use only):		

8. PURPOSE OF MODIFICATION

CHECK ALL THAT APPLY:	This modification is issued pursuant to the modification provision in the grant/agreement referenced in item no. 1, above.
<input checked="" type="checkbox"/>	CHANGE IN PERFORMANCE PERIOD: This action changes the ending date to September 30, 2014
<input type="checkbox"/>	CHANGE IN FUNDING:
<input type="checkbox"/>	ADMINISTRATIVE CHANGES:
<input type="checkbox"/>	OTHER (Specify type of modification):

Except as provided herein, all terms and conditions of the Grant/Agreement referenced in 1, above, remain unchanged and in full force and effect.

9. ADDITIONAL SPACE FOR DESCRIPTION OF MODIFICATION (add additional pages as needed):

Jada Jackson, Forest Legacy Program Coordinator, approves this request for extension until September 30, 2014.

10. ATTACHED DOCUMENTATION (Check all that apply):

<input type="checkbox"/>	Revised Scope of Work
<input type="checkbox"/>	Revised Financial Plan
<input type="checkbox"/>	Other:

11. SIGNATURES

AUTHORIZED REPRESENTATIVE: BY SIGNATURE BELOW, THE SIGNING PARTIES CERTIFY THAT THEY ARE THE OFFICIAL REPRESENTATIVES OF THEIR RESPECTIVE PARTIES AND AUTHORIZED TO ACT IN THEIR RESPECTIVE AREAS FOR MATTERS RELATED TO THE ABOVE-REFERENCED GRANT/AGREEMENT.

11.A. SIGNATURE 	11.B. DATE SIGNED 10/29/13	11.C. U.S. FOREST SERVICE SIGNATURE 	11.D. DATE SIGNED 10/29/13
11.E. NAME (type or print): Brad W. Simpkins		11.F. NAME (type or print): TONY L. FERGUSON	
11.G. TITLE (type or print): Interim Director		11.H. TITLE (type or print): Area Director	



12. G&A REVIEW

12.A. The authority and format of this modification have been reviewed and approved for signature by:

Vickie M. Caldwell

VICKIE M. CALDWELL

U.S. Forest Service Grants & Agreements Specialist

12.B. DATE
SIGNED

10/29/13



-  Androscoggin Headwaters Phase III
-  Forest Roads and Private Roads
-  Federal Land
-  State Land
-  Municipal Land
-  Snowmobile Trails
-  Local Club Trail
-  NH Corridor Trail System
-  NH Primary Trail System

Map created by
Trust for Public Land
in August 2011
Map data from
USGS and
other sources
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