

TIMBER SALE CONTRACT
PAYMENT SCHEDULE
Form 2400-005A Rev. 5-20

Timber Sale Contract Number Property Code – Sale #
Timber Sale Name: _____

The Purchaser agrees to submit payments for timber removed under this Contract in the full amount(s) required and in accordance with all conditions of the Contract and this payment schedule. Payment shall be in the form acceptable to the Seller and shall be made in advance of removal of timber from the sale area unless otherwise specifically authorized in writing by the Seller's representative administering the sale.

A. PAYMENT SCHEDULE (select one)

Advanced Stumpage Payment

No cut forest products shall be hauled from the sale area until they have been paid for. Cut forest products will be scaled on the sale area by the Seller, and stumpage due will be billed and paid prior to hauling. As an alternative, cut forest products can be hauled using pre-purchased Forest Product Hauling Permits. In this case, Seller will determine a per-ticket, per-load price by determining a weighted average product price (pulpwood, logs, biomass, whole tree, etc.) and an average volume/weight per load. Forest Product Hauling Permits can then be pre-sold, at the established per-ticket price. This method will require reconciliation between the actual mill-scaled volume and value, versus the pre-paid amount, at appropriate intervals determined by the Seller.

Deferred Stumpage Payment

Purchaser agrees to make stumpage payments, to be received at the Seller's post office box in Milwaukee within 30 days of billing, unless otherwise specified in the payment schedule.

Late interest penalty – Purchaser agrees to pay a late interest penalty of 1.5% for every 30 days on past due stumpage in excess of the 30-day period. (e.g. Payment on day 40 for a \$5,000 bill would be 10 days late. Late interest penalty would be calculated as follows: $5,000.00 \times .015 \times 10/30 \text{ days} = \25.00 and would be added to the balance due).

In addition, failure to pay within the 30-day period will result in the Purchaser having to prepay for the remainder of the sale.

Two such payment breaches, even on separate state or state-administrated national forest sales (GNA-Good Neighbor Authority), will also result in the Purchaser being required to prepay on State of Wisconsin or GNA timber sales for a two-year duration. Failure to pay as scheduled may warrant suspension of harvest activities (including hauling) until payment is secured.

Lump Sum Sale Pre-Payment (Pre-payment is required for all timber sales sold as lump sum)

Payment shall be made for each cutting unit prior to hauling, as identified on the Sale Area Map or within the Contract, in the amount specified below prior to removal of timber from that unit. A Sale Area shall typically include no more than 10 cutting units. The Purchaser may request that the cutting unit(s) be further subdivided; however, approval is at the sole discretion of the Seller.

- Unit A –
- Unit B –
- Unit C –
- Unit D –

B. SOLD VOLUME AND VALUE (need to double click on excel table and insert volumes & price)

Species	Product	Estimated Volume	Price Per Unit	Total Value of Estimated Volumes	Grand Total
				\$ -	\$ -
				\$ -	\$ -
				\$ -	\$ -
				\$ -	\$ -
				\$ -	\$ -
				\$ -	\$ -
				\$ -	\$ -
				\$ -	\$ -
				\$ -	\$ -

C. FIELD SCALING REQUIREMENTS

1. All cordwood shall be piled for scaling. Piles shall be level and square with at least _____ cords per pile. At least _____ cord equivalents shall be decked before scale is requested.
2. All sawlogs shall be yarded and separated from cordwood for scaling. If sawlogs are decked/piled, the small end of the logs must be orientated to face the same direction. Log piles should be separated by length. If logs are piled in random lengths, the log length must be marked on the small end of each log with lumber crayon. Decks shall be no higher than six (6) feet. At least _____MBF (thousand board feet) of sawlogs will be skidded and yarded, before scale is requested.
3. All wood shall remain on the premises until scaled.
4. Other conditions (if none, write NONE):

D. MILL SCALE REQUIREMENTS (Applicable to Deferred Stumpage Payment and Advance Stumpage Payment Sales)

1. Ticket books will be issued to the Purchaser or provided by the Seller at the timber sale location when harvesting commences and/or prior to hauling, and periodically thereafter as needed. Tickets are issued for the Contract specified on the cover of the ticket book and shall not be used for any other Contract. It shall be the responsibility of the Purchaser to provide Purchaser’s truckers with tickets and/or make them aware of ticket location and requirements to complete and deposit tickets prior to removing cut forest products from the sale area. When tickets are issued directly to the Purchaser, all tickets must be accounted for prior to sale close-out
2. Lock boxes for depositing load tickets will be placed on the premises by the Seller. Each time a load of cut timber leaves the sale area, the appropriate portion of the ticket shall be clearly and completely filled out and deposited in the lock box. Failure to deposit tickets in the lock box each time a load of cut timber leaves the sale area shall be considered a breach of Contract.
3. When transporting timber from the sale area, the Purchaser shall ensure that the truck driver has in his/her possession the appropriate portion of the ticket applicable to the load.
4. The Purchaser agrees to request from the mill that the second portion of the haul permit and associated mill scale be returned to the Seller by the mill, unless other arrangements are made with the Seller. Further, the Purchaser shall immediately notify the Seller if the mill refuses to provide the second portion of the haul permit and associated mill scale to the Seller.
5. The Purchaser is responsible for ensuring that mill scales are received by the Seller within 30 days of hauling/removal from the sale area. Failure to ensure that mill scales are returned to the Seller within this timeframe may be considered a breach of contract. If Purchaser has a mill scale that is lost and cannot be found, the Seller will invoice for the load of wood removed at the highest received mill scale for that species/product from the sale. The Purchaser refusing to turn in mill scales shall be considered a breach of Contract (par. 37a pf the Contract).

6. When loads of mixed species/products are hauled and the estimated volume, percent of split load, and species are not clearly defined by the Purchaser, the Seller will use the greater value and volume of the species hauled on the load ticket when determining the billing.
7. The Seller may check scale and scale tickets at any time.
8. Truck Delivery: The appropriate portion of the ticket shall be detached at the point where the timber is scaled and attached to a duplicate copy of the scale slip and then immediately returned to the Seller.
9. Rail Car Shipment to a Mill: The appropriate portion of the ticket shall be attached to the bill of lading for the car. At the mill, the ticket(s) shall be attached to a copy of the scale slip, then immediately returned to the Seller.
10. Other conditions (if none, write NONE):

E. LUMP SUM REQUIREMENTS

1. Volume to be cut is estimated but not guaranteed. If the volume of timber exceeds the estimate, as a whole or by species, the Purchaser has the obligation to cut and remove it. If there is less timber than estimated, there is no obligation to the Seller to make up the deficiency.
2. Forest products and stumpage remaining on the sale area at expiration or termination of the Contract revert to ownership of the Seller.
3. Hauling on the same day from both this sale and a scaled timber sale located on land owned by the Seller or owned by the U.S. Forest Service and administered by the Seller, without authorization from the Seller, will be considered a breach and repudiation of this Contract by the Purchaser.
4. The volume of timber included under this Contract includes all live and dead trees and portions thereof that meet the utilization specifications under Timber Sale Contract Par. 10 and designated for harvest according to Contract Par. 9. Additional timber may be designated for harvest, at the Seller's discretion, after signing of the Contract to account for road and landing construction needs, Purchaser's operational needs, or timber damaged by Purchaser in logging, as long as any such trees are marked and designated for removal by Seller before Purchaser has completed skidding operations in the sale area. Additional designated timber shall be scaled by the Seller based either on a standing volume estimate or a cut products measurement. The Purchaser shall be invoiced and pay for the additional scaled volume based on the Contract price per unit.
5. Other conditions (if none, write NONE):



WISCONSIN DEPARTMENT OF NATURAL RESOURCES NOTICE OF FINAL GUIDANCE & CERTIFICATION

Pursuant to ch. 227, Wis. Stats., the Wisconsin Department of Natural Resources has finalized and hereby certifies the following guidance document.

DOCUMENT ID

FO-20-0003

DOCUMENT TITLE

Timber Sale Payment Schedule, Form 2400-005A

PROGRAM/BUREAU

Public and Private Forestry/Forestry Field Operations

STATUTORY AUTHORITY OR LEGAL CITATION

s. 28.05 Wis. Stats. & NR 1.24, Wis. Admin. Code

DATE SENT TO LEGISLATIVE REFERENCE BUREAU (FOR PUBLIC COMMENTS)

5/4/2020

DATE FINALIZED

6/08/2020

DNR CERTIFICATION

I have reviewed this guidance document or proposed guidance document and I certify that it complies with sections 227.10 and 227.11 of the Wisconsin Statutes. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is not explicitly required or explicitly permitted by a statute or a rule that has been lawfully promulgated. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is more restrictive than a standard, requirement, or threshold contained in the Wisconsin Statutes.

6/2/2020

Signature

Date