

SERVICE AGREEMENT

This Service Agreement (the "Agreement") is made and entered into as of 9/1, 2021, by and between Highlands Forest Management LLC, a Pennsylvania limited liability company (the "Company") located at 343 Diener Dr., Boyertown, PA, 19512, Berks County, and Bethlehem Authority (the "Customer"), an Organization with a principal place of Business located at Room B-311 – City Administration Bldg. 10 E. Church Street, Bethlehem, PA, 18018.

The Company is willing to provide the services including forestry consultation and forest management implementation specifically described below in Section 1 (the "Services") for the Customer, and the Customer desires to engage the Company to provide the Services.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and intending to be legally bound hereby, the Company and the Customer agree as follows:

1. Description of Services. The Company will perform the following Services (collectively, "the Project"):

As Forester for the Bethlehem Authority, various forestry and forestry consulting services will be provided including but not limited to inventory and sales preparation, herbicide application as required, tree planting, mapping, carbon project monitoring and related field work, research and interaction with carbon marketer.

Labor costs are listed as follows: Inventory and sale prep will be conducted at \$35/hr. Herbicide applications, Timber Stand Improvement or non-commercial thinnings will be done at \$40/hr. Tree planting will be done at \$1 per seedling or \$40/hr. for potted or bundled trees. Office work will be done at \$30/hr. whether writing sale proposals, researching information, writing management plans or participating in meetings. The federal rate for mileage will be paid for travel reimbursement.

2. Payment for Services. The Customer shall pay compensation to the Company for the Services in the amounts as listed above, plus cost of supplies (i.e. herbicide, paint, trees), on a monthly basis. Invoices will be listed by cost of labor and costs of supplies used.

3. Liability. The Company (Highlands Forest Management, LLC.) is fully insured. The company will maintain commercial liability insurance with a minimum limit for bodily injury/property damage of \$1,000,000 each occurrence and vehicle insurance with a per accident limit of \$500,000 for bodily injury, death, and/or property damage. As part of the mutual agreement, the Customer (Bethlehem Authority) will be listed as additional insured and will be regularly updated with current Certificates of Insurance.

4. **Term/Termination.** This Agreement shall continue in perpetuity until one party agrees to terminate this contract. The Customer may cancel the contract at any time with the obligation of paying for services rendered.

5. **Material Breach of Contract.** The occurrence of the failure to make a required payment when due in the time and manner provided for in this Agreement shall constitute a material breach of contract under this Agreement.

6. **Remedies for Breach of Contract.** In addition to any and all other rights a party may have available according to law, if a party breaches this contract by failing to substantially perform any provision, term, or condition of this Agreement (including the failure to make a monetary payment when due), the other party may terminate this Agreement by providing written notice to the defaulting party. This notice will describe with sufficient detail the nature of the breach. The party receiving such notice will have 10 days from the effective date of such notice to cure the breach. Unless waived by a party providing notice, the failure to cure the breach within the time period, shall result in the automatic termination of this Agreement.

7. **Confidentiality.** From time to time during the Term of this Agreement, each party (as the "Disclosing Party") may disclose or make available to the other party (as the "Receiving Party") information about its business affairs, services, confidential intellectual property, trade secrets, third-party confidential information and other sensitive proprietary information, whether orally or in written, electronic, or other form of media (collectively, "Confidential Information"). Confidential Information shall not include information that, at the time of disclosure: (i) is or becomes generally available to and known by the public other than as a result of, directly or indirectly, any breach of this Section by the Receiving Party; (ii) is or becomes available to the Receiving Party on a non-confidential basis from a third-party source, provided that such third-party is not and was not prohibited from disclosing such Confidential Information; (iii) was known by or in the possession of the Receiving Party before being disclosed by or on behalf of the Disclosing Party; (iv) was or is independently developed by the Receiving Party without reference to or use, in whole or in part, of any of the Disclosing Party's Confidential Information; or (v) is required to disclose under applicable federal, state, or local law, regulation, or a valid order issued by a court or governmental agency of competent jurisdiction. The Receiving Party shall: (a) protect and safeguard the confidentiality of the Disclosing Party's Confidential Information with at least the same degree of care as the Receiving Party would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care; (b) not use the Disclosing Party's Confidential Information, or permit it to be accessed or used, for any purpose other than to exercise its rights or perform its obligations under this Agreement; and (c) not disclose any such Confidential Information to any person or entity, except to the Receiving Party's representatives who need to know the Confidential Information to assist the Receiving Party to perform its obligations under this Agreement. The Receiving Party shall be responsible for any breach of this Section caused by any of its representatives.

8. **Performance of Services by Company.** The Company acknowledges and agrees that all Services provided by the Company will be provided by Rankin Smith or under the supervision of Rankin Smith.

9. **Severability.** If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

10. **Applicable Law.** All matters arising out of or relating to this Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Pennsylvania without giving effect to any choice or conflict of law provision or rule.

11. **Waiver of Breach.** No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

12. **Independent Contractor.** Both the Company and the Customer agree that Company and Rankin Smith will act as Independent Contractors in the performance of its duties under the Agreement. Accordingly, the Company shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Company's activities in accordance with the Agreement, including by way of illustration but not limitation, federal and state income tax, social security tax, unemployment insurance taxes, and any other taxes or business license fees as required. During contacts with third parties, representatives of the Company shall identify themselves as a contractor for the Customer and not as an employee. The Company does not have the power or authority to bind the Customer in any capacity. Company affirms that it is not bound by the terms of any other Agreements and is free to enter into the Agreement.

13. **Notice.** All communications and notices herein shall be in writing and shall be deemed to have been duly given if sent by United States Postal Service registered or certified mail, postage prepaid, return receipt requested, addressed to the Company at the address shown below:

Highlands Forest Management LLC
343 Diener Dr.
Boyertown, PA 19512
Attn: Rankin Smith

All communications and notices herein shall be in writing and shall be deemed to have been duly given if sent by United States Postal Service registered or certified mail, postage prepaid, return receipt requested, addressed to the Customer at the address shown below:

Bethlehem Authority
Room B-311 – City Administration Bldg.
10 E. Church Street
Bethlehem, PA 18018
Attn: Stephen Repasch

IN WITNESS WHEREOF, the Company and the Customer have executed this Agreement as of the date first above written.

Highlands Forest Management LLC.

By: RS Smith

Name: Rankin Smith

Title: Owner

Bethlehem Authority

By: _____

Name: _____

Title: _____