**Exhibit 09**

[Code of Federal Regulations]

[Title 13, Volume 1]

[Revised as of January 1, 2006]

From the U.S. Government Printing Office via GPO Access

 **TITLE 13--BUSINESS CREDIT AND ASSISTANCE**

 **CHAPTER I--SMALL BUSINESS ADMINISTRATION**

**PART 121\_SMALL BUSINESS SIZE REGULATIONS**

**Sec. 121.501 What programs for sales or leases of Government property**

**are subject to size determinations?**

 Sections 121.501 through 121.512 apply to small business size

determinations for the purpose of the sale or lease of Government

property, including the Timber Sales Program, the Special Salvage Timber Sales Program, and the sale of Government petroleum, coal and uranium.

**Sec. 121.502 What size standards are applicable to programs for sales**

**or leases of Government property?**

 (a) Unless otherwise specified in this part--

 (1) A concern primarily engaged in manufacturing is small for sales

or leases of Government property if it does not exceed 500 employees;

 (2) A concern not primarily engaged in manufacturing is small for sales or leases of Government property if it has annual receipts not

exceeding $6.5 million.

 (b) Size status for such sales and leases is determined by the primary industry of the applicant business concern.

[61 FR 3286, Jan. 31, 1996, as amended at 67 FR 3056, Jan. 23, 2002; 70

FR 72594, Dec. 6, 2005]

**Sec. 121.503 Are SBA size determinations binding on parties?**

 Formal size determinations based upon a specific Government sale or

lease, or made in response to a request from another Government agency

under Sec. 121.901, are binding upon the parties. Other SBA opinions provided to contracting officers or others are only advisory, and are

not binding or appealable.

**Sec. 121.504 When does SBA determine the size status of a business**

**concern?**

 SBA determines the size status of a concern (including its affiliates) as of the date the concern submits a written self-certification that it is small to the Government as part of its initial

offer including price where there is a specific sale or lease at issue,

or as set forth in Sec. 121.903 if made in response to a request of

another Government agency.

**Sec. 121.505 What is the effect of a self-certification?**

 (a) A contracting officer may accept a concern's self-certification

as true for the particular sale or lease involved, in the absence of a

written protest by other offerors or other credible information which

would cause the contracting officer or SBA to question the size of the

concern.

 (b) Procedures for protesting the self-certification of an offeror

are set forth in Sec. Sec. 121.1001 through 121.1009.

**Sec. 121.506 What definitions are important for sales or leases of**

**Government-owned timber?**

 (a) Forest product industry means logging, wood preserving, and the manufacture of lumber and wood related products such as veneer, plywood, hardboard, particle board, or wood pulp, and of products of which lumber or wood related products are the principal raw materials.

 (b) Logging of timber means felling and bucking, yarding, and/or

loading. It does not mean hauling.

 (c) Manufacture of logs means, at a minimum, breaking down logs into rough cuts of the finished product.

 (d) Sell means, in addition to its usual and customary meaning, the

exchange of sawlogs for sawlogs on a product-for-product basis with or without monetary adjustment, and an indirect transfer, such as the sale

of the assets of a concern after it has been awarded one or more set-

aside sales of timber.

 (e) Significant logging of timber means that a concern uses its own

employees to perform at least two of the following: felling and bucking, yarding, and loading.

**Sec. 121.507 What are the size standards and other requirements for**

**the purchase of Government-owned timber (other than Special Salvage Timber)?**

 (a) To be small for purposes of the sale of Government-owned timber

(other than Special Salvage Timber) a concern must:

 (1) Be primarily engaged in the logging or forest products industry;

 (2) Not exceed 500 employees, taking into account its affiliates;

and

 (3) If it does not intend at the time of the offer to resell the timber--

 (i) Agree that it will manufacture the logs with its own facilities

or those of another business which meets the requirements of paragraphs

(a)(1) and (a)(2) of this section;

 (ii) Agree that if it eventually resells the timber, it will resell

no more than 30% of the sawtimber volume to other businesses which do

not meet the requirements of paragraphs (a)(1) and (a)(2) of this section; and

 (iii) Agree that if it becomes acquired or controlled by a business

which does not meet the requirements of paragraphs (a)(1) and (a)(2) of

this section, it will require as a condition of the acquisition or

change of control that the acquiring or controlling business resell at least 70% of the sawtimber volume to businesses which do meet the

requirements of paragraphs (a)(1) and (a)(2) of this section; or

 (4) If it intends at the time of offer to resell the timber--

 (i) Agree that it will not sell more than 30% of such timber (50% of

such timber if the concern is an Alaskan business) to a business which

does not meet the requirements of paragraphs (a)(1) and (a)(2) of this

section; and

 (ii) Agree that if it becomes acquired or controlled by a business

which does not meet the requirements of paragraphs (a)(1) and (a)(2) of

this section, it will require as a condition of the acquisition or

change of control that the acquiring or controlling business resell at

least 70% of the sawtimber volume (or at least 50% of the sawtimber

volume, if it is an Alaskan business) to businesses which meet the

requirements of paragraphs (a)(1) and (a)(2) of this section.

 (b) For a period of three years following the date upon which a

concern purchases timber under a small business set-aside (other than

through the Special Salvage Timber Sale program), it must maintain a

record of:

 (1) The name, address and size status of every concern to which it

sells the timber or sawlogs; and

 (2) The species, grades and volumes of sawlogs sold.

 (c) For a period of three years following the date upon which a

concern purchases timber, it must by contract require all small business purchasers of the sawlogs or timber it purchased under the small business set-aside to maintain the records described in paragraph (b) of this section.

**Sec. 121.508 What are the size standards and other requirements for**

**the purchase of Government-owned Special Salvage Timber?**

 (a) In order to purchase Government-owned Special Salvage Timber

from the United States Forest Service or the Bureau of Land Management

as a small business, a concern must:

 (1) Be primarily engaged in the logging or forest product industry;

 (2) Have, together with its affiliates, no more than twenty-five

employees during any pay period for the last twelve months; and

 (3) If it does not intend at the time of offer to resell the timber--

 (i) Agree that it will manufacture a significant portion of the logs

with its own employees; and

 (ii) Agree that it will log the timber only with its own employees

or with employees of another business which is eligible for award of a

Special Salvage Timber sales contract; or

 (4) If it intends at the time of offer to resell the timber, agree

that it will perform a significant portion of timber logging with its

own employees and that it will subcontract the remainder of the timber

logging to a concern which is eligible for award of a Special Salvage

Timber sales contract.