

DECLARATION OF JOHN M. PRICE

I, John M. Price, declare, based on personal knowledge, as follows:

Introduction

1. I am the controlling owner and president of Silvicultural Management Associates, Inc. ("SMA"), established under the laws of the State of Arkansas in 2005, with its principal place of business located at 1915B West Main Street, Heber Springs, AR. SMA does business throughout the Southeastern United States.

Nature of Business

2. SMA was founded in 2005. Our largest client is Entergy Corporation, a Fortune 500 company that supplies electricity to nearly 3 million utility customers in Arkansas, Louisiana, Mississippi, and Texas. Under regulations from the Federal Energy Regulatory Commission ("FERC"), Entergy is required to keep the area under its electricity transmission and distribution lines clear from brush and trees. SMA, under contract with Entergy, ensures that brush and trees do not interfere with these transmission lines. Failure to meet these regulations with respect to lines under FERC jurisdiction can result in FERC imposing a \$1 million per day fine on Entergy. If SMA is unable to meet its contractual duties to Entergy because, for example, DOL did not process our H-2B paperwork in a timely manner and we were left without an adequate workforce, the contract imposes the cost of retaining a different silvicultural company on SMA.

3. Entergy contracts with SMA on a two-year basis to maintain the area under and around its transmission and distribution. During a two-year contract with Entergy, SMA

employees cover 15,700 miles of power lines. SMA's workers travel throughout Arkansas, Texas, Louisiana, and Mississippi, from Waco to New Orleans to Memphis, Tennessee, maintaining these lines. SMA workers stay in hotels or motels as they travel throughout the region. The current contract between Entergy and SMA expires this year and a new contract will be negotiated and signed in the coming months for 2013 and 2014.

Reliance on H-2B Program

4. Due to the itinerant nature of the work and the level of skill required of the workers to ensure compliance with FERC regulations, SMA has depended on the H-2B program to provide an adequate supply of workers. Although we hire as many domestic workers as we can, we have not been able to recruit a sufficient number to meet our contract obligations to our clients. In 2011, SMA had 30 domestic workers and 120 H-2B workers, and we anticipate a similar number of domestic workers and approximately 75-80 H-2B workers for the upcoming 2012 season. We plan to send our Application for Temporary Labor Certification to DOL's Chicago National Processing Center before the end of April 2012.

5. In light of the fundamental changes to the H-2B program contained in DOL's new rules, SMA is put in a position of negotiating a multiyear contract with its largest client (90% of our company's annual revenue) without knowing the full impact of those rules on our costs and expenses. The so-called three-quarter guarantee discussed below would make us an insurer of the weather. This uncertainty presents a very real and imminent threat to our business.

6. One of the most serious threats from the new H-2B program rules is the so-called "three-quarters guarantee," mandating that employers pay workers for three-quarters of the hours in every twelve-week period, based on the job order filed with the Department of Labor. Our business is at the mercy of the weather, and this new rule makes us a double guarantor of the

weather. Down time due to weather is a natural and expected part of this business given that our crews work near power lines which cannot be safely done when the weather is inclement.

7. As it is, we are not paid when weather prevents our crews from working. The new rule would amplify this compelling us to pay our workers for weather-related down time just as if they were working. For example, in January 2011, because of snow and temperature, our crews were unable to work for a month. As a result, the company was not paid for this time, and we provided free housing for our workers out of our own pockets. Under the new H-2B rules, if we encountered weather like this again, we would also be required to write checks to each worker for additional pay, an expense that may be too much for the company to bear. Indeed, if January 2011 weather repeats itself, the three-fourths guarantee provision would require us to write checks for an additional 10% or so of the wages that would have been paid during a quarter had there been no adverse weather and about 17% more in wages than justified by the actual hours worked taking weather into account. If the down time is longer, the additional payments would further increase while our income would further decrease.

8. Too little rain is also a serious risk to our business. If there is not enough rain, SMA will lose planting work and workers will stand idle. Again, SMA will be forced to make a large wage payment for work that was not performed.

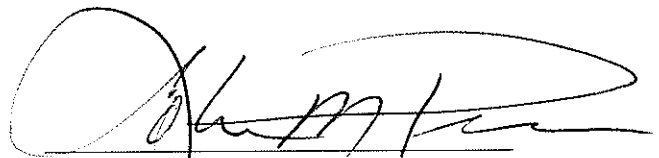
9. The new procedures for applying for temporary labor certifications from DOL include a pre-certification process and significant additional filing requirements. This creates a serious problem with delays in obtaining certifications and visas for H-2B workers. I understand that this process is similar in many respects to the one used in the H-2A program and it has led to long delays in that program. There is nothing to indicate that those same delays will not adversely affect the H-2B program. Any delay in workers arriving to perform on the company's

contracts with clients will result in serious harm to SMA, since we need these workers to begin on the date of need stated in the job order, not weeks later when the paperwork has cleared DOL and DHS and the consulate has issued the visas. SMA participates in the H-2B program because sufficient U.S. workers are not available during the period covered by the job order, and if the H-2B workers do not arrive on time, we will not be able to meet our contractual duties to our clients and we will lose customers.

10. These rule changes will be devastating to our small business and will have similar effects on all silviculture and forestry companies using the H-2B program. Our work is entirely subject to the weather and requires an experienced workforce that is willing to travel thousands of miles through all kinds of terrain for months at a time. Given the additional elements of the FERC regulations that govern our work and the multiyear contract between SMA and Entergy, we have no margin for error in completing our work. Any delays in obtaining workers, any unanticipated additional costs or expenses, or any other factor that impedes our work in maintaining these power lines will be disastrous – for SMA, for Entergy, and for millions of homes throughout the South.

I declare under penalty of perjury that the foregoing is true and correct.

Executed April 13, 2012

A handwritten signature in black ink, appearing to read 'John M. Price', is written over a horizontal line.

John M. Price
Owner and President
Silvicultural Management & Associates