

ACCOUNT AGREEMENT – SALES TERMS AND CONDITIONS

- 1. GENERAL TERMS:** Sales by Timber Products Co. Limited Partnership and its subsidiaries and divisions; Timber Products Company, Timber Products Co., TP Sales Co., Timber Products Michigan LP, and TP Mississippi (collectively “Timber Products” or “Seller”), are governed by the terms and conditions set forth in this Account Agreement. The terms and conditions set forth herein, and the terms and conditions set forth on the face of Timber Products’ invoice shall constitute the entire contract between the parties hereto and may not be added to, modified or altered except by written instrument signed by Timber Products referring specifically to the terms to be added, modified or altered to the exclusion of any other terms. Purchaser or Buyer, from time to time, may buy wood products, other goods and services (“Goods”) from Timber Products and request Timber Products to ship Goods to Purchaser prior to Timber Products receiving payment for the Goods. In all such instances Timber Products shall deliver to Purchaser an invoice, which may consist of a computerized data transfer, for the relevant sale of Goods and said invoice shall set forth the description of the Goods and the specific terms for payment. In the event there is a conflict between terms and conditions of a Timber Products’ invoice with the terms and conditions set forth herein, the invoice shall control.
- 2. PAYMENT TERMS:** Terms of payment shall be as stated on Timber Products’ documentation acknowledging Purchaser's order and the invoice issued to Purchaser, and shall be binding on all parties. A monthly service charge of one and one-half percent (1½%) on the unpaid balance may be made on all past-due accounts. Should this rate exceed the maximum rate allowed by applicable law, that maximum lawful rate shall apply. Purchaser also agrees to pay Timber Products’ reasonable attorney fees and other costs incurred in the collection of any amount due on Purchaser’s account and in the event of any suit or action arising out of any transaction between Purchaser and Timber Products, including any proceeding involving insolvency, such reasonable attorney fees as shall be set by the trial court or courts on appeal. The price on all Goods provided for herein shall be Timber Products’ price in effect on date of shipment regardless of the initial quoted price unless otherwise agreed in a writing signed by Timber Products and the Purchaser. Unless Purchaser’s payment is accompanied by a statement detailed by Timber Products’ invoice number, Timber Products, in its sole discretion, may apply all payments it receives to Purchaser’s account in any manner it deems appropriate.
- 3. INTEGRATED CONTRACT:** If Purchaser's order requests or requires delivery of Goods in more than one installment, then the Goods involved in each delivery installment shall be deemed to be covered by a single contract, and Purchaser's default in payment for one or more deliveries or installments of the contract shall constitute a default of the entire contract thereby relieving Timber Products of its obligation to provide the balance of the required deliveries under the contract.
- 4. NONCANCELLATION:** Purchaser may not cancel or terminate its order for any reason except upon Timber Products’ written consent and only then upon payment of reasonable termination charges in an amount to be determined by Timber Products.
- 5. CREDIT TERMS:** Timber Products reserves the right at any time to suspend credit or to change credit terms provided herein, when in its sole opinion Purchaser’s financial condition so warrants. In such case, in addition to any remedies herein or provided by applicable law, cash payment or satisfactory security from Purchaser may be required by Timber Products prior to delivery of Goods. Failure to pay invoices when due or if the financial condition of Purchaser is such as to give Timber Products reasonable grounds for insecurity Timber Products may, at its sole discretion, deem all outstanding invoices immediately due and payable upon written notice to Purchaser, and Timber Products may withhold all subsequent deliveries until Purchaser’s account is fully paid. Timber Products’ acceptance of less than full payment due shall not be a waiver of any of its rights. No cash discount will be allowed on payments made by trade acceptances, notes, securities, postdated checks, etc., unless approved in writing by Timber Products.
- 6. PRODUCT PROTECTION:** To avoid warping, delamination, grain raise, mold growth; plywood, particleboard, other panel products and all dried wood products must be protected from moisture exposure during transit, storage, and use. Untreated green wood products will support mold growth.

7. DISCLAIMER OF WARRANTIES:

ALL PRODUCTS SOLD BY TIMBER PRODUCTS ARE NOT SUBJECT TO ANY REPRESENTATION OR WARRANTY OF ANY KIND AND ARE SOLD BY TIMBER PRODUCTS 'AS IS, WITH ALL FAULTS.' IN PARTICULAR, TIMBER PRODUCTS MAKES NO WARRANTY AS TO MERCHANTABILITY OF PRODUCTS DESCRIBED IN THIS PARAGRAPH OR AS TO THEIR FITNESS FOR ANY PURPOSE, OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED, ARISING BY OPERATION OF LAW. TIMBER PRODUCTS SHALL NOT BE LIABLE TO PURCHASER OR ANY THIRD PERSON FOR LOSS OF PROFITS OR ANY INJURIES OR DAMAGES TO PERSON OR PROPERTY, WHETHER IN CONTRACT, NEGLIGENCE OR TORT, OR FROM ANY OTHER CAUSE, OR FOR ANY INCIDENTAL INDIRECT OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY DEFECT OR ANY HANDLING, SALE OR USE OF PRODUCTS DESCRIBED IN THIS PARAGRAPH, EXCEPT TO THE EXTENT ALLOWED BY TIMBER PRODUCTS AS SET FORTH HEREIN. IN NO EVENT SHALL THE AMOUNT TO WHICH TIMBER PRODUCTS IS LIABLE TO PURCHASER OR ANY THIRD PERSON FOR SUCH CLAIMS OR DAMAGES EXCEED THE INVOICE PRICE OF GOODS SHIPPED OR THEIR REPLACEMENT COSTS.

TIMBER PRODUCTS EXPRESSLY DISCLAIMS ANY IMPLIED OR EXPRESS WARRANTY THAT A PRODUCT WILL NOT SUPPORT MOLD.

ANY ALTERATION OF THE GOODS SHIPPED HEREUNDER, WHETHER BY TREATMENT OR OTHERWISE, WITHOUT TIMBER PRODUCTS' PRIOR WRITTEN CONSENT, SHALL VOID ALL REPRESENTATIONS, GUARANTIES OR WARRANTIES GIVEN BY TIMBER PRODUCTS HEREIN.

ALL WARRANTIES GIVEN BY TIMBER PRODUCTS RUN SOLELY TO THE INITIAL PURCHASER HEREUNDER; THEY ARE NOT INTENDED TO, AND DO NOT, RUN TO ANY SUBSEQUENT PURCHASER, NOR MAY THEY BE TRANSFERRED TO ANY OTHER PERSON, UNLESS OTHERWISE SPECIFICALLY STATED IN A WRITING SIGNED BY TIMBER PRODUCTS.

PURCHASER WILL FAMILIARIZE ITSELF WITH ALL INFORMATION AND PRECAUTIONS DISCLOSED IN SAFETY AND HEALTH INFORMATION, INCLUDING, BUT NOT LIMITED TO, ANY SAFETY DATA SHEET (SDS) TRANSMITTED TO PURCHASER BY TIMBER PRODUCTS, OR ANY OTHER INFORMATION SUPPLIED TO PURCHASER BY TIMBER PRODUCTS OR OTHERWISE AVAILABLE TO PURCHASER FROM TIMBER PRODUCTS AT ANY TIME.

- 8. REMEDIES:** In the event any relevant Goods sold to the Purchaser are found not to meet the foregoing warranty, Timber Products shall furnish replacement Goods conforming to said warranty or, at its sole election, provide Purchaser with a credit in an amount equal to the purchase price of said Goods provided Purchaser delivers to Timber Products timely notice, as stated in the next paragraph, of its claim under the applicable warranty. Under no circumstances is material to be returned to Timber Products unless Purchaser receives written consent from Timber Products.

The remedies provided above shall be subject to and available only if the following claims procedures are followed by Purchaser: (a) Purchaser must provide Timber Products with a reasonable opportunity to inspect the Goods subject to any such claim in an unaltered condition so as to permit Timber Products to evaluate Purchaser's claim in accordance with procedures customary within the industry; and (b) shipment of the Goods shall be held intact and specification of objections, accompanied with tally of objectionable material, shall be submitted directly to Timber Products in writing within thirty (30) days after arrival or the claim shall be deemed waived. Timber Products' sole responsibility and Purchaser's sole and exclusive remedy in all claims covered by the applicable warranty shall be limited to replacement Goods or, at the sole election of Timber Products evidenced by a writing signed by an authorized representative of Timber Products, a credit or payment of the purchase price of the nonconforming Goods.

Any legal action Purchaser initiates against Timber Products for breach of this agreement, including the warranty granted herein, must be instituted within one year after delivery of the Goods that are the subject of any such legal action.

Claims of defect in Goods herein described shall not entitle Purchaser to deduct any sum from the invoice therefore, unless authorized, in writing by Timber Products, and such invoice shall be paid in full in accordance with the terms of sale. In the event of subsequent allowance of any such claim, Timber Products shall promptly make payment to Purchaser for the amount so allowed.

- 9. DELIVERY AND FREIGHT:** Timber Products may assist the Purchaser in arranging freight and delivery. If freight is prepaid and Timber Products arranges the freight, any increase in delivery costs resulting from a change in Purchaser's instructions and any extra costs of utilizing substitute methods of delivery, when the intended type of carrier or loading or unloading facilities become unavailable, or a change of tariff affecting transportation rates or charges prior to shipment and assessed to Timber Products by the shipper shall be assessed to Purchaser's account for immediate payment. If freight is collect, then Purchaser shall arrange and pay freight. Any increase in freight rates and all demurrage shall be borne by Purchaser.

Claims for shortages or incorrect goods must be made in writing to Timber Products within 30 days after receipt of shipment. Failure to give such notice shall constitute an unqualified acceptance and waiver by Purchaser of all claims for such shortages or incorrect goods. Failure of Purchaser to take exceptions against the carrier for shortages or damages while in transit shall constitute a waiver of such claims. Timber Products may assist Purchaser with processing claims against the carrier without accepting any liability for such claims.

- 10. TITLE AND RISK:** Timber Products warrants it has title and will convey good and marketable title to all Goods manufactured or distributed and sold by Timber Products to the Purchaser. Irrespective of any provisions concerning freight or price, title and risk of loss or damage shall pass to Purchaser upon delivery of Goods to any carrier at Timber Products' location or other designated shipping point. Any terms issued by Purchaser to Timber Products that are inconsistent with the foregoing shall be deemed null and void.

- 11. SHIPPING DATE; DELAYS; CANCELLATION:** Every effort will be made to effect delivery at the desired time, but delivery dates are not guaranteed. Unless Timber Products provides Purchaser with a written guarantee of the shipping date, advance information concerning the date of shipment is an estimate only. Timber Products reserves the right to cancel or extend time for delivery in the event performance is rendered more difficult by reason of a mill closure, mill production curtailments, epidemic, delays of carriers, fire, flood, windstorm, or other act of God, labor disturbance, civil disturbance, shortage of raw materials, energy, or transportation, including, but not limited to, railcar shortages or any cause whether or not similar to the causes listed above that are beyond Timber Products' reasonable control. In no event shall Timber Products be obligated to purchase material from others to enable Timber Products to deliver goods to Purchaser hereunder.

- 12. SECURITY INTEREST:** Purchaser grants Timber Products a security interest in all Goods Purchaser acquires from Timber Products, as specifically identified on Timber Products' invoices to Purchaser, together with all documents relating to the acquisition of said Goods, including all proceeds there from and products thereof, to secure all existing or hereafter arising indebtedness of Purchaser to Timber Products. Purchaser hereby authorizes Timber Products to execute on behalf of Purchaser and file any documents necessary to perfect Timber Products' security interest or to continue perfection of Timber Products' security interest. Timber Products may, at any time, file this document, or a copy thereof, as a financing statement.

- 13. DEFAULT:** Failure of Purchaser to timely pay Timber Products any sum or perform any obligation due under this agreement shall constitute a default under this agreement and, at the sole discretion of Timber Products, all such other agreements now existing or hereafter arising between Purchaser and Timber Products. Purchaser's dissolution, termination of existence, discontinuance, insolvency, consolidation or merger of Purchaser's business, shall also constitute a default under this agreement and all such other agreements now existing or hereafter arising between Purchaser and Timber Products.

Upon Purchaser's default, Timber Products may, at its option, without prejudice to any of its other rights and remedies, and without demand for payments past due, (1) make shipments subject to payment of cash in advance, (2) terminate this agreement and declare immediately due and payable the obligations of Purchaser for Goods previously shipped, notwithstanding any other provision in these sales terms and conditions, (3) demand reclamation, and/or suspend any further deliveries until the default is corrected, without releasing Purchaser from its obligations under this agreement.

- 14. ORDER VARIANCES:** Unless an order expressly requires exact quantities, Timber Products shall have the right to increase or decrease the quantity specified by Purchaser, provided such increase or decrease does not vary more than ten percent (10%) from the quantities ordered by Purchaser.

- 15. CLERICAL MISTATEMENTS:** Errors in the extension of footage of items or in the extension of prices, in any order or invoice, are subject to correction.

- 16. TAXES:** All sales tax, excise taxes, or other forms of taxes levied against this transaction, exclusive of income taxes assessed to Timber Products, shall be paid by Purchaser over and above all other sums Purchaser is or may become obligated to pay hereunder. In order to comply with the majority of state and local sales tax law requirements, Timber

Products must have in its files a properly executed exemption certificate from all Purchasers who claim a sales tax exemption. If Timber Products does not have this certificate, it is obligated to collect the tax for the state in which the Goods or service is delivered. If the Purchaser is entitled to sales tax exemption, it is the Purchaser's responsibility to provide Timber Products with a sale and use tax exemption certificate.

- 17. MUTUALITY:** All debts and obligations of Purchaser and Timber Products to each other are mutual and subject to setoff. For purposes of this paragraph, "Purchaser" and "Timber Products" shall be deemed to include each party's respective subsidiaries and affiliates which directly or indirectly control or are controlled by that party through 100% equity ownership.
- 18. WAIVER:** A waiver of any of the provisions of this agreement will not constitute a waiver of any other provision, nor will it constitute a continuing waiver.
- 19. GOVERNING LAW AND VENUE:** All issues concerning the formation, performance, or interpretation of any contract regarding this sale shall be governed by the laws of the state of Oregon. Venue for any arbitration, suit, or other form of legal proceeding shall be, at the sole discretion of Timber Products, in Lane County, Oregon.
- 20. THIRD PARTY BENEFICIARIES:** No provision of this agreement is intended to confer any benefit upon any third party and no third party will have the right to enforce any of the provisions of this agreement.
- 21. CONSTRUCTION:** This agreement will be interpreted without regard to any presumption against the party that was responsible for its drafting and in an even-handed manner rather than against the drafting party.
- 22. SEVERABILITY:** If any provision of this agreement is held invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions will not in any way be affected or impaired thereby.
- 23. CAPTIONS AND SECTION HEADINGS:** Captions and section headings are for convenience only, are not a part of this agreement, and will not be used in construing it.
- 24. ENTIRE AGREEMENT; AMENDMENT; CONFLICT:** This agreement, together with the terms of any invoice issued by Timber Products, constitutes the final agreement between the parties with regard to the purchase and sale of Timber Products' Goods to Purchaser and supersedes all prior understandings and agreements, oral or written, between the parties. No amendment or modification of this agreement will be binding unless it is in writing and signed by an authorized representative of Timber Products and the Purchaser. Should any conflict or inconsistency arise between the terms of this agreement and the terms of any document provided by Purchaser (such as a purchase order), the terms of this agreement shall control.
- 25. SUCCESSION:** This agreement shall inure to the benefit of and be binding on the successors and assigns of the parties.

Name (Please Print):	
Company (Please Print)	
Signature:	
Title:	Date: