

**COLUMBIA FOREST PRODUCTS
TERMS AND CONDITIONS OF SALE**

(Effective December 20, 2018)

1. Terms and Acknowledgement.

A. These Terms and Conditions of Sale (“**Terms and Conditions**”) apply to all quotations, offers and agreements made by purchase orders accepted by Columbia Forest Products, Inc. and its subsidiaries (“**Seller**”). To the extent these Terms and Conditions conflict with or are different from those contained in any Buyer purchase order or other similar document, these Terms and Conditions will control, unless agreed to in writing by Seller. Buyer’s acceptance and payment for the goods is confirming assent to these Terms and Conditions.

B. These Terms and Conditions are subject to change by Seller without prior written notice at any time, in Seller’s sole discretion. The latest version of these Terms and Conditions will be posted on this website, and Buyer should review these Terms and Conditions before making any purchases. Buyer’s continued purchase after a posted change in these Terms and Conditions will constitute Buyer’s acceptance of and agreement to such changes.

2. Payment. Buyer shall pay Seller the amount shown on Seller’s invoice for all goods sold to Buyer within thirty calendar (30) days from Seller’s invoice date for the goods sold.

3. Prices and Taxes. All prices quoted or charged by Seller shall be F.O.B. Seller’s plant, unless otherwise agreed in writing. Prices do not include sales, excise, use, or other taxes measured by the sales price of the goods sold or arising under such sale. Buyer shall pay any and all such taxes.

4. Quantities Vary. Seller’s shipments of goods ordered by Buyer may increase or decrease by 10%. Shipments with such quantity variations of 10% shall be accepted by Buyer as compliant with Buyer’s order.

5. Delivery of Goods. Seller shall deliver the goods sold to Buyer by placing the goods with a carrier for delivery to Buyer and title and risk of loss pass to Buyer upon such transfer. Delivery dates are estimated only. In no event shall Seller be liable to Buyer or any third parties for any damages of any kind, direct or indirect, in the event of delay of delivery. In the event of any such delay, Seller shall have such additional time within which to perform its obligations as may reasonably be necessary under the circumstances.

6. Inspection, Shortages, and Acceptance. Buyer shall inspect the goods at the place of destination promptly upon arrival, or may inspect the goods at point of origin. Buyer must make shortage claims within five (5) days after delivery. Buyer’s acceptance of the goods will be conclusively presumed and any breach of warranty waived if Buyer fails to give Seller notice of defective or non-conforming goods within fifteen (15) days after delivery in the case of defects discoverable through inspection, and within fifteen (15) days after discovery in the case of defects not discoverable through inspection. The notice shall describe the rejected goods and the defects upon which the claims are based. Buyer shall set aside, protect, and hold such goods (without charge to Seller) until Seller has had a reasonable opportunity to inspect the allegedly defective goods and to investigate all claims. Repair or replacement of defective goods, or repayment of the purchase price, will be made only upon the return of the defective goods, which shall not be returned until Seller has consented to the return and has delivered to Buyer written shipping instructions.

7. Warranties. Seller warrants that if the goods sold are hardwood plywood, such hardwood plywood shall be in accordance with the specifications contained on Seller’s invoice and meet the applicable standards of ANSI, within allowable tolerances, in effect at the time of sale respecting such goods. Seller warrants that other goods sold are in accordance with the specifications contained on Seller’s invoice and meet any applicable grading agency standards, within allowable tolerances, in effect at the time of sale. Seller warrants that the goods sold comply with the Lacey Act, 16 U.S.C. § 3371 et seq., to the extent such act is applicable, and that any goods that are composite wood products meet the standards under Title VI of the Toxic Substances and Control Act (“**TSCA**”), 15 U.S.C. §

2697. **THERE ARE NO OTHER WARRANTIES OR REPRESENTATIONS, STATUTORY OR OTHERWISE, EXPRESS OR IMPLIED, OR ARISING BY USAGE OF TRADE, OR OTHERWISE, EXCEPT THOSE SPECIFIED IN THESE TERMS AND CONDITIONS.**

8. **DISCLAIMER OF WARRANTIES.** Seller does not warrant that applicable ANSI standards or other grading agency standards for the goods sold will meet any of Buyer's requirements. Seller does not warrant the goods to any third parties for any purpose or use whatsoever. **SELLER DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** To the maximum extent permitted by law, all such warranties are disclaimed by Seller and waived by Buyer.

9. **LIMITATIONS ON BUYER'S REMEDIES.**

A. EXCEPT AS OTHERWISE PROVIDED IN SECTION 9(C) BELOW, BUYER'S SOLE REMEDY WITH RESPECT TO ANY CLAIM ARISING OUT OF ANY ORDER OR SELLER'S PERFORMANCE IN CONNECTION THEREWITH INCLUDING, WITHOUT LIMITATION, ANY CLAIM ARISING OUT OF ANY DEFECT OR ALLEGED DEFECT IN ANY GOODS, SHALL BE EXCLUSIVELY (AT SELLER'S SOLE OPTION) THE RIGHT OF REPLACEMENT OR REPAIRS OF SUCH GOODS, OR REPAYMENT OF THE PURCHASE PRICE FOR SUCH GOODS.

B. WITHOUT LIMITING THE FOREGOING, IN NO EVENT SHALL SELLER BE LIABLE, WHETHER BASED IN CONTRACT, WARRANTY, INDEMNITY, TORT, STRICT LIABILITY OR ANY OTHER THEORY OF LAW OR EQUITY, FOR ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS, LOSS OF USE OF PROPERTY OR EQUIPMENT, DOWNTIME, LOSS OF THIRD PARTY CONTRACTS OR LOST PRODUCTION, REGARDLESS OF WHETHER BUYER WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. In addition, except as otherwise provided in Section 9(C) below, Seller's maximum aggregate liability (whether in contract, warranty, indemnity, tort, strict liability or any other theory of law or equity) for damages or loss, howsoever arising or caused, shall in no event exceed the amount Buyer paid to Seller for the goods to which the liability relates. The parties recognize that the pricing associated with goods reflects this allocation of risk and is the basis of the bargain between the parties. The foregoing limitations shall be valid and enforceable, notwithstanding any alleged failure of essential purpose of the limited remedies set forth in these Terms and Conditions. **Seller shall not be liable for any failure of ANSI standards or other applicable grading agency standards to meet Buyer's requirements.**

C. In the event of a successful claim against the Seller for breach of the warranty stated in Section 7 relating to goods complying with the Lacey Act or TSCA, Buyer will be entitled to actual compensatory damages in addition to the remedies set forth in Section 9(A) above.

10. **Limitation on Time to Bring Action.** Except for any Buyer's claim for a violation of TSCA by Seller, which claim shall extend to the applicable statute of limitations for a TSCA claim, any and all claims alleged by Buyer arising out of or relating to the goods sold will be barred unless a legal proceeding is commenced within one (1) year from the date of delivery of the goods to Buyer.

11. **Interest.** Interest shall accrue on all amounts past due at the rate of 1.50% per month (eighteen percent (18%) per annum) or the maximum amount allowed by law, whichever is less.

12. **Delays and Force Majeure.** Seller shall not be in default or otherwise responsible for any delay in performance or delay in delivery caused by circumstances beyond its control, including, but not limited to, an act of God, fires, floods, wars, government actions, accidents, labor troubles, labor shortages, delay by suppliers, unavailability of materials, unavailability of equipment, or unavailability of transportation. Seller may, without liability to Buyer or any third party, suspend its performance when Seller's performance is delayed or prevented by weather conditions, fires, floods, accidents, riots, acts of God, war, government interference, embargo, strikes, labor

disputes, shortage of labor, fuel, power, materials or supplies, transportation delays, or any other cause or causes (whether or not similar in nature to any of those specified above) beyond Seller's reasonable control. If such conditions continue for ninety (90) consecutive days, Seller may terminate its performance to Buyer.

13. **Seller's Remedies.** In the event Buyer defaults, Seller shall have all remedies afforded under the Uniform Commercial Code, and at law or in equity. Without limiting the foregoing, Seller may immediately accelerate all amounts due from Buyer to Seller, bring an action for the price, withhold further deliveries or terminate any order without notice, or stop in transit any shipment to Buyer or Buyer's designee. Seller shall have the power, but not the duty, of resale of any goods in Seller's possession for Buyer's account after seven (7) days' written notice thereof has been given to Buyer. Seller's remedies are cumulative.

14. **Indemnity.** Buyer assumes all liability (including, without limitation, liability for injury to person or property, economic loss, or business interruption) for all claims arising from the sale or use of the goods sold by Seller. Buyer will indemnify, defend, protect, and hold harmless Seller, at all times, for, from and against all claims, damages, actions, suits, proceedings, demands, assessments, adjustments, costs, and expenses (specifically including reasonable attorneys' fees and expenses of investigation and penalties) incurred by Seller as a result of or arising from (a) any goods sold by Seller to Buyer, (b) any use of the goods sold under these Terms and Conditions by Buyer or any third party, (c) any nonfulfillment of any covenant or agreement on the part of Buyer under these Terms and Conditions, and (d) any claim made by a third party, or the commencement of any action or proceeding by a third party, that would give rise to Seller's right of indemnification under these Terms and Conditions.

15. **Technical Assistance.** Unless otherwise expressly agree in writing: (a) any technical advice provided by Seller to Buyer with respect to the use and selection of goods shall be without charge; (b) Seller assumes no obligation or liability for any such advice or for any resulting claims for damages or any other relief; and (c) Buyer assumes sole responsibility for selection and specifications of the goods appropriate for Buyer's needs.

16. **General Provisions.**

A. Buyer may not assign Buyer's rights or obligations under these Terms and Conditions without Seller's prior written consent, which consent will not be unreasonably withheld. Any such attempted assignment will be void.

B. If any provision in these Terms and Conditions is found to be invalid, unlawful or unenforceable, the remaining provisions in these Terms and Conditions shall remain in full force and effect.

C. Waiver by Seller of any breach of any of these Terms and Conditions shall not be construed as a waiver of any other breach, and the failure of Seller to exercise any right arising from any breach by Buyer shall not be deemed to be a waiver of such right.

D. No employment, agency, joint venture, or similar arrangement is created or intended between Buyer and Seller.

E. Seller retains ownership of all records relating to goods provided to Buyer ("**Records**") and may disclose the Records pursuant to a court order or in the event disclosure of the Records becomes part of Seller's defense in a legal matter.

F. Buyer warrants that the invoiced goods will be used for commercial or agricultural purposes and are not for personal, family or household use.

G. These Terms and Conditions have been reviewed and negotiated by Buyer and Seller with the benefit of or the opportunity to seek the assistance of legal counsel, and shall not be construed against any party by presumption or rule of construction.

17. **Clerical Errors.** Stenographic, computer, mathematical computation, or other clerical errors made by Seller on either an acknowledgment or invoice issued to Buyer shall be subject to correction by Seller.

18. **Complete Agreement.** These Terms and Conditions and any sales agreement, credit application, invoice, price quotation, and/or other Seller document that incorporates these Terms and Conditions, constitute the

sole and entire agreement between Buyer and Seller with respect to any order or sale of goods to Buyer, superseding completely any prior or contemporaneous oral or written communications. These Terms and Conditions may not be modified or amended except in writing signed by Seller.

19. **Choice of Law.** These Terms and Conditions shall be governed by and construed under the laws of the State of Oregon and for claims under TSCA under federal law. The applicability of the UN Convention on Contracts for the International Sale of Goods is expressly waived by Seller and Buyer and it will not apply to these Terms and Conditions or any other agreement between Seller and Buyer.

20. **Arbitration and Attorney Fees.** Except for claims under TSCA, any and all disputes arising under these Terms and Conditions or arising from any sale of goods by Seller to Buyer, or otherwise, shall be resolved by binding, mandatory arbitration under the authority of the American Arbitration Association; provided, however, that Seller may obtain injunctive relief in any court of competent jurisdiction to enforce its security interest in goods sold. Any arbitration proceeding shall be conducted in Portland, Oregon. If Seller retains an attorney to collect payments due from Buyer, or to otherwise enforce these Terms and Conditions and any other agreement between Seller and Buyer, Buyer agrees to pay, in addition to all other amounts due to Seller, Seller's reasonable attorneys' fees, costs, and expenses.