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## Holdings USA LLC Terms and Conditions

1. Abbreviations Used: The Term "Seller" or "THUSA LLC" refers to Timber Holdings USA LLC. The Term "Buyer" refers to Customer as designated on any Sales Agreement.
2. Incorporation: These Terms and Conditions are posted publically on Sellers website and referenced to in Seller transactional documents, sections 1-24, are incorporated into and part of the terms and conditions of any Proposal/Estimate/Quotation/Confirmation/Purchase Orders/Sales Agreement between Seller and Buyer.
3. Confirmation: All orders must be confirmed in writing to Seller with an authorized Buyer submitting a purchase order or by signing a sales order confirmation provided by Seller. Verbal orders are not accepted by Seller. Changes or cancellations can be made without charge, to any order within one working day (Monday-Friday) of placing the order. Changes and cancellations must be verified in writing in addition to verbal confirmation. Any change order or cancellations thereof, not received within one working day (Monday-Friday) of placement, will be subject to a 25% restocking charge unless otherwise agreed to and confirmed in writing by Seller. If any document provided by Seller is designated as a Proposal/Quote then it is firm for the number of days listed but not to exceed thirty (30) days without reconfirmation. Seller agrees to be bound only if Seller receives Buyers written acceptance of the Proposal/Quote within the number of days listed but not to exceed thirty (30) days from the date of the Proposal/Quote without reconfirmation. Upon such receipt Buyer is bound. If any document provided by Seller is designated as an Estimate, then Seller is not bound unless Buyer first provides Seller with Buyers acceptance and Seller thereafter delivers to Buyer, Sellers Confirmation that Seller has received Buyers acceptance and that Seller agrees to be bound by Sellers Confirmation.
4. Pre-Bid Data And Information: The data and information which is the basis of a Proposal/Estimate/Quotation/Confirmation/Purchase Orders/Sales Agreement has been furnished to Seller from Buyer. If the information furnished to Seller as to the conditions of the contract shall vary from the conditions actually encountered during the performance of the contract, then Seller reserves the right to modify the scope of materials and adjust contract prices, and Buyer agrees to pay Seller, in addition to the contract amended price any additional expense incurred by Seller as a result of such variance. Seller will pay such additional expense to Seller at sellers cost plus 15 percent (15%).

5. Prior And Future Negotiation: Negotiations and information exchanged between Buyer and Seller are superseded by these Terms and Conditions. No statement of agreement, oral or written, made prior to issuance of a sales agreement shall vary or modify these terms and conditions. Neither, Buyer or Seller shall claim any amendment, modification, or release from any provision hereof by mutual agreement or otherwise unless such mutual agreement is in writing, signed by the other party and specifically states that it is an amendment to these Terms and Conditions.
6. Payment Terms: Payment for materials is due as per terms agreed in the sales contract and is payable in full, without offset, claim or counterclaim, at the address of Seller set forth on the invoice. Late payments shall bear a finance charge from the due date thereof at the rate of 1 ½ percent per month. Buyer shall also reimburse Seller for attorney's fees, Court costs and other out-of-pocket costs incurred by Seller in collecting any delinquent payment of Buyer. Seller reserves the right to pursue any and all options to secure payments provided by law. Any and all warranties, guarantees, discounts, rebates, Co-Op marketing funds, etc. will be considered void if the payment terms agreed to in the sales contract are not met by the Buyer.
7. Variation For Buyers Account: All contracts between Seller and Buyer for materials not in Sellers US inventory are based on the foreign exchange rates against the U.S. dollar on the date of Order Confirmation. Buyer agrees that any variation in the exchange rate which negatively affects the variation in exchange rate in excess of 1% between time of order confirmation and time of delivery or pick up will automatically trigger a price adjustment in the sell price in the percentage amount of the variation.
8. Tolerances: Except as otherwise specified by the Buyer and expressly agreed to in writing by Seller, the materials furnished hereunder are produced in accordance with standard manufacturing practices. All materials are subject to mill tolerances and variations consistent with normal manufacturing practice with respect to the dimension, weight, straightness, section, composition and surface condition. The Seller is not responsible for any deterioration in quality which may result from processing operations or improper use by the Buyer.
9. Schedule And Procedure of Delivery: The work outlined and the scope of any sales agreement is based upon Buyer presenting to Seller the reasonable opportunity to perform the delivery in one continuous operation without interruptions or other delays by others or by Buyer, so that Seller can perform the delivery in one mobilization-demobilization. Should Buyer or others delay or interrupt Sellers delivery so that it cannot be performed on a continuous basis, Buyer will pay to Seller or reimburse Seller, all additional costs thereby

created for Seller including charges for additional mobilization-demobilization, freight and storage as required. Seller will do all within our power or which can be reasonably expected of Seller to perform the work as set forth in any sales agreement. If the Buyer is unable for any reason to accept delivery of completed materials, the Seller will place them in storage either at the Seller's plant or elsewhere and the Buyer shall, upon Seller's demand, pay the Seller for such materials and reimburse the Seller for all expenses and charges which the Seller will incur or may reasonably impose for storing, caring for, handling and disposing of materials. If, because of continued storage, or for any other reason not the fault of the Seller, it becomes necessary to clean, repaint or rework the materials, the cost of this additional cleaning, repainting or reworking shall be paid for by the Buyer. Each shipment shall be construed as regards to deliveries and terms of settlement as separate and independent contract. If YOU do not accept and pay for any shipment, then Seller may without prejudice to other lawful remedies, defer further shipments until settlement or terminate the agreement or treat such failure as a breach and default of the entire agreement. Seller's failure to exercise any right under this agreement shall not be deemed a waiver thereof.

10. Delay/Force Majeure: Seller shall not be liable for any delay or failure on its part to deliver the materials or perform the work if caused by (including but not limited to) subcontractors failure to perform, war, acts of God, fire, flood, embargos, labor strikes, changes in government policies, actions of governmental agencies, currency fluctuation, accidents for which we were not responsible, or other contingencies beyond our reasonable control. Seller will not be responsible or liable for interruptions or delays or failures of timely completion which may result from interruptions or delays caused by Buyer or others. Buyer will extend to Seller a reasonable extension of time within to complete Sellers work at no additional charge to Seller for delays by Buyer or by others beyond Sellers reasonable control.
  
11. Inspection and Claims: The Buyer agrees to carefully check material against shipping papers upon unloading at destination. All claims for shortages or for improper, defective or damaged materials will be deemed waived by the Buyer unless written notice specifying in detail the nature and extent of the shortage, defect or damage is mailed to Seller's address within five (5) days from the later of unloading or the earliest possible date the shortage, defect or damage could have been detected by Buyer. Seller shall have no liability for work or repairs performed by Buyer without Seller's prior approval. As per wood industry standards a maximum of 5% subgrade product will be allowed per shipment. Seller may at its option deliver materials in multiples of lengths specified or material over-length at no additional cost to Buyer.

12. Warranty and Limitation of Remedies: Buyers application and use of Sellers products and/or designs is beyond Sellers control. Seller is not responsible for the performance of Sellers products and/or designs once materials are repackaged, reprocessed, coated or installed. Seller's liability shall be limited solely to replacement, or at Sellers option, to refunding the purchase price applicable to defective material or material not meeting specifications. Seller shall in no event be liable for any consequential or incidental damages or for loss, damages or expenses directly or indirectly arising from the use of the material including without limitation, warehousing, labor, handling, and service charges not expressly authorized by Seller. This warranty is in lieu of and excludes all other warranties (except for any warranty furnished by any supplier which runs directly in favor of buyer), guarantees or representations, express or implied, by operation of law or otherwise, including any warranty of merchantability or fitness for a particular purpose. We shall have no liability arising from design or installation furnished by others or from architects errors or omissions. Buyer shall return all defective material to Seller after inspection by Seller, or at Seller's election, subject to inspection by Seller's representative. The material returned must be returned in the same condition as when received by the Buyer. Defective material so returned shall be replaced or repaired by the Seller without an additional charge or, in lieu of such replacement or repair, Seller may at its option, refund the purchase price applicable to such material. Seller agrees to pay return transportation charges not exceeding those which would apply from original destination on all defective material not meeting specification. However, Seller shall not be obligated for such charges when material returned proves to be free from defect and to meet specifications in which case materials shall be held by Seller for shipping instructions. Buyer shall furnish such instructions promptly upon request.
13. Taxes/Duties: All taxes/duties of any sort now or hereafter imposed by any federal, state, municipal or the other governmental agency that maybe levied against this transaction at any time now or in the future are not included in this Proposal/Estimate/Quotation/Confirmation/Purchase Orders/Sales and are for the Buyer's account unless otherwise agreed in writing. Buyer will pay the tax, duties or other governmental charges directly to the taxing or charging authority or if unable to do so, then you pay that amount to US in addition to the contract price specified herein.
14. Lien Rights: Seller will retain any and all rights conferred upon suppliers by the lien statutes of any government, municipal authority.
15. Errors: Clerical or mathematical errors contained herein may be corrected any time by the Seller.

16. Risk of Loss: Buyer assumes and shall bear the entire risk of loss and damage to the materials from any and every cause whatsoever upon delivery of materials from Seller to Buyer or Buyers Agents. No loss or damage to the materials, in whole or in part, shall impair any obligation of Buyer under this Agreement, which shall continue in full force and effect.
17. Patents: If any material shall be sold by Seller to meet Buyer's specifications or requirements and is not a part of Seller's standard line offered by it to the trade generally in the usual course of Seller's business, Buyer agrees to defend, protect and save harmless Seller against all suits at law or in equity and from all damages, claims and demands for actual or alleged infringement of any United States or foreign patent and to defend any suits or action which may be brought against Seller for any alleged infringement because of the sale of any such material.
18. Waiver: No waiver by the Seller of any breach of any provisions hereof shall constitute a waiver of any other breach of such provision. Seller's failure to object to provisions in any communications from the Buyer shall not be deemed an acceptance of such provisions or as a waiver of the provisions of this contract.
19. Default: Seller shall retain a security interest in all materials until the same has been fully paid for. If Buyer shall fail to timely perform any of its obligations hereunder or under any other agreement with Seller or if any proceeding shall be instituted by or against Buyer under any bankruptcy or similar law, or if Buyer becomes insolvent or makes an assignment for the benefit of creditors, or if a judgment is rendered against Buyer and is not dismissed within 30 days thereafter or if any levy or attachment occurs on any property of Buyer or if a receiver is appointed for Buyer or any of its assets, or if Buyer shall dissolve or its existence shall be terminated, then Seller may, in addition to any and all other remedies available to Seller hereunder at law or in equity:
- a) Take possession of any of the materials, wherever located, without demand notice, Court order or other process of law (and Buyer agrees to pay the costs of taking possession and waives any claim for loss or damage occasioned by such taking and agrees not to impede any such taking of possession);
  - b) Cease performing any of the work;
  - c) Declare all other charges then or thereafter owing to Seller hereunder or otherwise immediately due and payable without notice or demand.
  - d) Sue for and recover all storage, handling, freight and other charges then or thereafter accrued with respect to any or all of the materials or otherwise;

- e) Terminate this Agreement as to any or all of the materials or work; and/or
- f) Pursue any other remedy available to Seller hereunder at law or in equity. Notwithstanding any repossession or other act of Seller, Buyer shall remain liable for the full performance of all of Buyer's obligations to Seller hereunder. All remedies of Seller are cumulative and may be exercised concurrently or separately. Any default by Buyer hereunder shall constitute a default by Buyer under all other agreements between Buyer and Seller.
20. Assignment: Buyer shall not by operation of law or otherwise, assign, pledge, transfer or hypothecate this Agreement, any part thereof or any interest therein. Seller may assign, pledge or transfer this Agreement in whole or in part and/or sublet any of the Work without notice by Buyer, in which event Buyer shall not be relieved of any of its obligations hereunder.
21. Indemnification: Buyer unqualifiedly agrees to indemnify and hold harmless Seller from and against any and all claims, costs, damages, expenses, liabilities, actions and causes of action (collectively, Claims) including, without limitation, court costs and attorneys' fees, relating to arising out of, resulting from, incident to or in any manner connected with directly or indirectly, Buyer's possession, use, maintenance, storage or control of any of the materials, or any death, injury, damage or destruction caused or allegedly caused by any of the materials and/or any actual or alleged act of failure to act of Buyer or any person or entity acting through, under on behalf of Buyer, including Claims resulting in part from Seller's negligence and/or product defect, but excluding Claims resulting from Seller's sole negligence or willful misconduct. Buyer shall defend Seller against any and all claims, unless Seller shall notify Buyer in writing that Seller will defend itself, and in either case Buyer shall be liable for, pay and /or reimburse Seller for all fees, costs and expenses of such defense including, without limitation, attorneys' fees and any settlement costs, judgments and/or other resolutions of any Claims.
22. Binding Arbitration: Should any dispute arise between Buyer and Seller both parties agree to binding arbitration.
23. Uniform Commercial Code: Uniform Commercial Code Article 2 Guidelines shall guide any dispute resolution between Buyer and Seller and are to be considered incorporated herein.
24. Miscellaneous: This Agreement (a) constitutes the entire agreement between the parties with respect to the subject matter hereof, supersedes all prior negotiations with respect thereto and may not be amended except by a writing signed by both parties. Buyer waives and releases any terms and conditions of any proposal purchase order or other document submitted by Buyer to Seller which are in addition to, inconsistent with or



different from the terms and conditions hereof (b) shall be interpreted in accordance with the laws of the state of New Hampshire and Buyer expressly consents to the jurisdiction of the state of New Hampshire in any legal proceeding and (c) shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and permitted assigns. If any provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable, all other provisions thereof shall remain in full force and effect to the fullest extent and shall in no manner be affected, altered, impaired or invalidated. Each of the section headings are for convenience only. Any notice required hereunder shall be in writing and shall be sent to the party for whom intended at its address on the first page hereof by overnight mail or courier or by U.S. certified mail, return receipt requested, postage prepaid.