

# Standard Terms & Conditions of Sale

We aim to treat our customers fairly and so we developed these Standard Terms and Conditions of Sale (Terms) for wood, decorative products and all other products purchased from the seller. Please carefully review this document. A mutual understanding of these Terms benefits both parties and is fundamental to our relationship. These Terms apply to each and every sale made by us to our customers. These terms also apply to credit and collection decisions and are part of each invoice for products sold.

## **CONTRACT**

Although products sold to our customers can be confirmed by Sierra Forest Products, Inc. (Seller) with an Order Acknowledgement (OA), the verbal or written agreement of sale and these Standard Terms & Conditions of Sale (Terms) are binding. No changes to any of the Terms are valid unless both parties have otherwise agreed in writing. This means a customer's PO terms will not unilaterally vary these Terms. Orders will be invoiced using Seller's process prevailing at the time of order. Sales contracts are binding in the place of sale.

## **CLAIMS**

Claims for shortages, defects, nonconforming products or shipment errors must be made within 5 days of receipt of goods. Customer must submit a detailed, written proof of claim. Quantity tolerances: Unless the order specifically requires loading of exact quantities, all orders are subject to under-runs and over-runs of not more than 10 percent. Applicable industry standards will govern in the event of a dispute. The exclusive remedy and maximum amount paid for claims is either return of the products to Seller for refund or replacement, at Seller's option.

## **ONE YEAR STATUTE OF LIMITATIONS**

Customers have a maximum of one year from date of receipt of shipment of products to commence litigation concerning products purchased from Seller.

## **SELLER'S LIABILITY IS LIMITED TO PURCHASE PRICE AND DISCLAIMER OF WARRANTY**

Seller's products will be of merchantable quality and satisfy applicable industry and grade standards. Seller shall pass through to Buyer, to the extent available, any manufacturer written warranties associated with the products purchased from Seller. Seller provides no warranty as to the fitness for use of any products sold to a customer. Each Customer must rely solely on its own judgment and investigation to determine

whether a product is fit for the use intended and in the place and environment used. Seller's maximum or aggregate liability arising out of or related to any sale to a customer, regardless of whether a claim based in contract, tort, product liability or otherwise is limited to purchase price paid. Seller shall not be liable for loss of profits or any consequential economic injury or any other damage to persons or property.

## **TITLE AND RISK**

Irrespective of any provisions concerning freight or price, equitable title and risk of loss or damage shall pass to the customer upon delivery of goods to any carrier, except a motor vehicle operated by Seller, at Seller's plant or other shipping point. Seller reserves the right to route all shipments, and may assist Customer in processing claims against carriers, without incurring liability therefor.

## **CUSTOMER ASSUMES RISK AFTER DELIVERY**

Customers assume all risks and liabilities related to the proper storage, use, performance, installation or care of the products shipped at the time of delivery. Seller specifically disclaims any liability for fading or color change of any wood product.

## **FORCE MAJEURE**

Seller is not responsible for loss or damages resulting from failure to ship within the specified time when such failure is due to fire, strike, boycott, flood, earthquake, windstorm, war, riot or revolution, act of terrorism, government restriction or prohibition.

## **TIME AND PLACE OF SHIPMENT**

Unless the indicated shipping date has been expressly guaranteed, advance information as to date of shipment is an estimated delivery date, based upon Seller's best judgment at the time. Unavoidable delays caused by weather, illness, accident, traffic or mechanical failure will excuse late delivery by Seller.

**SUBJECT TO CREDIT APPROVAL, ALL ORDERS WILL BE SOLD ON A CASH BEFORE DELIVERY BASIS.**

**COLLECTION OF CUSTOMER INFORMATION**

Customer and/or its Principal(s) (hereafter collectively "Customer") authorize Seller to collect and retain Customer's personal and corporate financial information for the purpose of extending credit and collecting amounts owing from the Customer in accordance with these Terms. Customer authorizes Seller to share and collect this information with suppliers, financial institutions, credit reporting agencies and members for this purpose.

**CUSTOMER REPRESENTATIONS AND WARRANTIES**

Customer represents and warrants that: (i) The information provided herein is true, accurate and complete; (ii) Each Principal has the authority to bind Customer; (iii) Customer is not currently seeking or subject to bankruptcy protection; and, (iv) Customer has had the opportunity to review this Agreement and obtain independent legal advice before acceptance.

**SELLER'S RIGHT TO CANCEL AND ACCELERATE DEBT AND VOID INCENTIVES**

Customer acknowledges Seller has no obligation to grant or maintain any credit facility for Customer and Seller may, on reasonable grounds, cancel, suspend or amend such credit facility at any time without notice. Customer agrees Seller invoices shall be due and payable according to the invoiced terms, failing which all amounts outstanding on Customer's account shall become due and payable in full at the sole discretion of Seller.

All incentives, credits and discounts issued by Seller are personal to the account holder and are not transferable or assignable. If Customer fails to abide by the Terms contained herein, Seller reserves the right to discontinue any price discounts or sales incentives offered to or in place with Customer for unpaid and future sales.

**INTEREST CHARGES**

Interest shall be due and payable on any overdue amount from the date such amount becomes overdue until such amount is paid, whether before or after demand or judgment. The current rate of interest is 2% per month, 24% per annum, subject to change on written notification from Seller and to local legal requirements.

**NO WAIVER**

A waiver by Seller of a breach of any Terms of the contract between Customer and Seller will not signify waiver of any subsequent breach.

**COLLECTION**

Customer will pay all costs of collection, including, but not limited to, reasonable attorney fees and actual court costs necessary to collect any invoices over 30 days past due. Seller retains legal title to products until payment has been made in full.

Seller shall be entitled to charge Customer's credit card number to collect outstanding payables owing until all amounts owed have been paid in full and the credit facility has been cancelled by Seller. Seller has the right to set-off to the fullest extent possible, against any indebtedness owed by Seller to Customer. No extensions, indulgences, discounts or waivers granted by Seller shall prejudice the rights of Seller hereunder and shall ensure to the benefit of successors, assigns, agents, related companies and subsidiaries of Seller and shall apply with respect to Material supplied by any of them.

The laws of the location of sale govern the interpretation of the Terms and Conditions herein. Customer consents to the venue and jurisdiction of State of Utah, being the exclusive venue and jurisdiction for any disputes arising hereunder.

**CUSTOM OR SPECIAL ORDERS**

Although Seller does not always require a deposit payment for a custom milling or special order, this does not relieve Customer from the obligation to pay for such order. A custom or special order is not subject to cancellation once the product has been processed to any extent. Customer may not return product(s) specially ordered or custom made.

**ELECTRONIC COPY**

An electronic copy of these Terms or other sales documents issued by Seller are mutually agreed to be legally binding.

**ENTIRE AGREEMENT**

These Terms, together with all individual sale Order Acknowledgement(s), contain the entire understanding between the Parties with respect to the subject matter herein contained and supersedes all prior oral and written understandings, arrangements and agreements between the Parties relating thereto.