

TERMS AND CONDITIONS FOR GLULAM SALES

(Western Forest Products Engineered LLC)

1. **Terms and Acknowledgment.** Unless otherwise agreed to in writing between the parties, these terms and conditions are incorporated into and form part of the unexecuted sales order (the “**Sales Order**” and, collectively with these terms and conditions, the “**Agreement**”) entered into between Western Forest Products Engineered LLC (“**WFP**”) and the purchaser (the “**Purchaser**” and together with WFP the “**parties**”) of WFP’s products, as set out in the Sales Order (the “**Products**”). In the event of any conflict or inconsistency between the Sales Order and the terms and conditions herein, these terms and conditions will govern.
2. **Price and Taxes.** Unless otherwise specified in the Sales Order, the price does not include any applicable tax, assessment, duty, tariff, or other charge, including any interest, penalties or other additions that may become payable in respect of such taxes, assessments, duties, tariffs, or other charges, which may be levied by any governmental authority upon purchase, import, delivery, consumption or use of the Products (“**Taxes**”). Any Taxes, whether imposed prior or subsequent to delivery to the Purchaser, shall be the responsibility of the Purchaser. To the extent WFP directly incurs or pays any Taxes directly to the appropriate governmental authority, the Purchaser will promptly pay WFP the amount of the Taxes so incurred or paid by WFP. The Purchaser may provide to WFP a valid reseller certificate or other exemption for Taxes in the state or province, as applicable, in which the Products are delivered to the Purchaser, such certificate or other exemption to be to WFP’s sole satisfaction.
3. **Payment.** The Purchaser agrees to pay WFP all invoice amounts when due, all legal fees and expenses incurred by WFP in collecting such amounts, and interest on all outstanding amounts from and after the payment due date at a rate of 1.75% per month (21% per annum). All invoice amounts are payable in the currency set forth in the Sales Order. In addition to all other remedies available under the Agreement or at law, WFP is entitled to suspend delivery to the Purchaser of any Products and/or revoke any credit extended to the Purchaser if the Purchaser fails to pay any amounts when due hereunder.
4. **Credit Impairment.** The Purchaser consents to WFP conducting such credit investigations of the Purchaser as WFP may require from time to time to ascertain the financial viability of the Purchaser. If at any time the Purchaser’s credit worthiness becomes, in WFP’s sole judgment, impaired, then WFP shall have the right to request proof of the Purchaser’s credit worthiness. If the Purchaser is not able to provide satisfactory proof of credit worthiness, WFP may, in addition to any and all other remedies available to it under applicable law, decline to deliver the Products to the Purchaser until such time as the Purchaser’s credit has been re-established, to WFP’s satisfaction.
5. **Security Interest.** The Purchaser grants WFP a security interest in and to all of the right, title and interest of Purchaser in and to the Products and all proceeds, as defined in the *Uniform Commercial Code* or any equivalent legislation of the jurisdiction where the Purchaser is located (collectively, the “**Collateral**”), securing payment and performance of all present and future obligations of the Purchaser to WFP from time to time including without limitation, all present and future indebtedness and other obligations of the Purchaser to WFP under the Agreement, due or to become due, now existing or hereafter arising. Acceptance of the Products by Purchaser shall be deemed to be conclusive evidence of the Purchaser’s acceptance of these terms of sale and granting of this security interest. To the extent the Product is sold on credit to the Purchaser, the Purchaser acknowledges and agrees that the security interest created hereunder constitutes and is intended to create a purchase money security interest in the Collateral. The Purchaser hereby irrevocably authorizes WFP at any time and from time to time to file in any *Uniform Commercial Code* jurisdiction financing statements (including amendments and continuations thereto) that evidence the foregoing grant of security interests.
6. **Prior Sale.** All Products are subject to prior sale.

7. **Delivery.**

- (a) Delivery of the Products will be made "FOB" a specified location (the "**Delivery Location**"). WFP will deliver the Products to the Purchaser by loading them onto the motor vehicle or other mode of transportation of the carrier taking delivery of the Products at the Delivery Location and the Purchaser will, at its cost, arrange the carrier to transport the Products from the Delivery Location. The Purchaser will, at its cost, arrange for any insurance it requires over the Products after the Products are delivered to the Delivery Location.
- (b) The Purchaser acknowledges and agrees that the date of shipment is an approximation only and is not guaranteed, and WFP will not be responsible for any damages whatsoever related to delayed shipping.
- (c) WFP has the right to ship all Products purchased under a Sales Order at one time or in any portion from time to time.
- (d) Any (i) increase in shipping costs that become effective after the applicable Sales Order has been executed; (ii) extra costs incurred in using an alternate method of delivery then that stated under the Sales Order; (iii) additional shipping costs that result from a request made by the Purchaser for any change to the Sales Order after the Sales Order is executed or (iv) additional shipping costs that result from a delay in the Purchaser taking delivery of the Products at the Delivery Location (including due to the delay or availability of the carrier), shall in each instance be the responsibility of the Purchaser.

- 8. **Title and Risk.** Notwithstanding any Incoterm specified or adopted in the Agreement and notwithstanding any other provision in the Agreement, title to and risk of loss or damage of the Products shall pass to Purchaser upon completion of delivery of the Products to the carrier at the Delivery Location.

- 9. **Handling of Products.** The Purchaser acknowledges that the handling and storage of the Products following delivery is critical, and that improper handling and/or storage can cause damage to the Products, including without limitation mold, decay, warping, checking, distortion, expansion and/or deterioration. The Purchaser acknowledges and agrees that if it fails to properly protect the Products after delivery, then any warranty provided for herein will be null and void. To avoid unnecessary damage it is recommended that Purchasers at a minimum refer to APA Builders Tips <https://www.apawood.org/buildertips/pages/F455.html>, APA Builders Tips <https://www.apawood.org/buildertips/pages/R540.html> and Woodworks Expert Tips Mass Timber Moisture Management for Construction <https://www.woodworks.org/resources/mass-timber-moisture-management-for-construction/> for guidance on proper handling and storage.

- 10. **Limited Warranty.** WFP warrants to the Purchaser that, during the Warranty Period, the Products will materially conform to the specifications set out in the Sales Order. For the purposes of the Agreement, the "**Warranty Period**" means a period of twelve (12) months beginning on the date of shipment. In the event of any breach of the warranty specified in this Section 10, the Purchaser's exclusive remedy will be as specified in Section 11. The Purchaser may not assign or transfer the warranty provided in this Section 10. WFP DISCLAIMS ALL OTHER WARRANTIES AND CONDITIONS, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY, MERCHANTABLE QUALITY, FITNESS FOR A PARTICULAR PURPOSE, DURABILITY, COURSE OF DEALING OR USAGE OF TRADE AND WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY. THIS WARRANTY DOES NOT COVER DAMAGE OR DEFECT RESULTING FROM OR IN ANY WAY ATTRIBUTABLE TO (A) IMPROPER USE, HANDLING, TRANSPORT, STORAGE, INSTALLATION OR MAINTENANCE, (B) ANY MODIFICATION OR ALTERATION TO THE PRODUCT; (C) IMPACT OR PHYSICAL DAMAGE, (D) AGGRESSIVE CONDITIONS OF EXPOSURE OR EXPOSURE IN CORROSIVE ENVIRONMENTS, OR ANY OTHER EXPOSURE TO HARMFUL CHEMICALS,

FUMES, VAPORS, SALT SPRAY, CHEMICAL, ENVIRONMENTAL OR AIR POLLUTANTS OR OTHER MISUSE OR ABUSE; (E) FAILURE TO COMPLY WITH APPLICABLE BUILDING CODES, OR MOVEMENT, DISTORTION, COLLAPSE OR SETTLING OF THE GROUND OR STRUCTURE ON WHICH THE PRODUCT IS INSTALLED; (F) NORMAL WEATHERING, FADING, OR COLOR CHANGES; OR (G) NATURAL DISASTERS, INCLUDING BUT NOT LIMITED TO HURRICANES, TORNADOES, FLOODS, EARTHQUAKES, OR OTHER ACTS OF GOD.

11. **Disputes and Claims.** If the Products fail to materially conform to the specifications set out in the Sales Order during the Warranty Period, the Purchaser shall promptly provide written notice to WFP. Failure to provide notice within thirty (30) days of the date that any defect was discovered or should have been discovered voids all applicable warranties. In the event the Purchaser makes a claim in accordance with this Section 11 and Section 10, the Purchaser will provide a detailed description of the issue and photographs of the defect and make the shipment available for re-inspection by WFP and the APA – Engineered Wood Associated (“**APA**”), as applicable, prior to any remedial action being taken. If the claim is not found to be valid, then the Purchaser will be responsible for re-inspection costs incurred by WFP, including any costs charged by the APA. If any valid claims are found, WFP will, at WFP’s sole discretion: (i) repair or furnish replacement Products to the Purchaser, or (ii) refund or credit the Purchaser for all or a portion of the purchase price for such Products. The Purchaser acknowledges and agrees that the remedies set forth in this Section are the Purchaser’s exclusive remedies for a valid warranty claim.
12. **Limitation of Liability.** WFP’S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL, IN NO EVENT, EXCEED THE TOTAL PRICE OF THE PRODUCTS. IN NO EVENT SHALL WFP BE LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, PUNITIVE OR SPECIAL DAMAGES WHATSOEVER, INCLUDING ANY DAMAGES FOR LOSS OF REVENUE OR PROFIT, COST OF CAPITAL, LOSS OF BUSINESS OPPORTUNITY OR LOSS OF GOODWILL, ARISING OUT OF OR RELATED TO THIS AGREEMENT, REGARDLESS OF WHETHER THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE BY PURCHASER OR COULD HAVE BEEN REASONABLY FORESEEN BY PURCHASER OR WFP. THE LIMITATIONS IN THIS SECTION 12 SHALL APPLY REGARDLESS OF WHETHER THE LIABILITY ARISES IN TORT (INCLUDING NEGLIGENCE), IN CONTRACT, WARRANTY, STATUTE OR OTHERWISE, AND REGARDLESS OF WHETHER THE CLAIM IS AT LAW OR IN EQUITY. THIS SECTION SHALL SURVIVE THE TERMINATION OF THE AGREEMENT.
13. **Indemnity.** The Purchaser shall indemnify, defend and hold harmless, WFP, its affiliates and their respective directors, officers, employees, representatives and agents from and against any and all claims, damages, losses, liabilities, costs and expenses (including legal fees) arising out of or resulting from (i) any breach or default by the Purchaser under the Agreement; (ii) the use, handling, transport, storage, manufacture, processing, alteration, installation, distribution, sale or marketing of the Products, or (iii) any other action or omission with respect to the Products, after delivery thereof to the Purchaser. This Section shall survive the termination of the Agreement.
14. **California Proposition 65.** If the Purchaser directly or indirectly sells the Products in California, or directly or indirectly distributes the Products for sale into California, the Purchaser shall comply with all applicable provisions of California’s Proposition 65 and its implementing regulations, including but not limited to 27 Cal. Code Regs. Sections 25601-25607, and 25607.10-25607.11. Among other things, such requirements include providing the following warning to the purchaser in California:

WARNING: This product, as well as, drilling, sawing, sanding or machining wood products can expose you to wood dust, which is known to the State of California to cause cancer, and chemicals, including methanol, which is known to the State of California to cause birth defects or other reproductive harm. Avoid inhaling wood dust or use a dust mask or other safeguards for personal protection. For more information go to www.P65Warnings.ca.gov/wood.

Among other places, the Purchaser shall ensure the warning is provided either at the point of sale or display of the Products in a manner likely to be seen by the buyer. The notice or sign must be no smaller than 8 ½ by 11 inches and printed in no smaller than 20-point type. Alternatively, where the Product is sold in bulk form, the warning may be provided on an invoice or receipt for the Products in no smaller than 12-point type. Finally, the warning may instead be affixed to each individual unit of the Products.

15. **Force Majeure.** WFP shall not be responsible for any delay or failure of performance under the Agreement resulting from any cause reasonably beyond WFP's control including, without limitation, an act of God, a strike, a lockout or labour disturbance, a riot or civil commotion, the outbreak of war, adverse weather conditions, storms, floods, fire, earthquake, damage or detention at sea, government order, law or actions, inability to obtain supplies of adequate or suitable materials, or reduction, suspension or shutdown of WFP's operations for any reason whatsoever (each a "**Force Majeure Event**"). WFP may, at its option and without liability hereunder, cancel the volume of the Products that, as a consequence of the Force Majeure Event, could not be delivered by WFP. WFP shall provide the Purchaser with prompt notice of any Force Majeure Event. WFP shall not be liable for damages resulting from such failure to perform or otherwise resulting from a Force Majeure Event.
16. **Cancellation.** WFP shall have the right to terminate the Agreement without any further liability (i) within 10 days, upon written notice; or (ii) immediately, if the Purchaser fails to comply with the terms of the Agreement or any previous Sales Order or if the Purchaser becomes insolvent, commences bankruptcy or winding up proceedings, has a receiver or trustee appointed or makes an assignment for the benefit of its creditors.
17. **Confidentiality.** All non-public, confidential or proprietary information of WFP, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with the Agreement is confidential, solely for the use of performing the Agreement and may not be disclosed or copied unless authorized in advance by WFP in writing. Upon WFP's request, the Purchaser shall promptly return or destroy all documents and other materials received from WFP, except to the extent required by applicable law. WFP shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (i) in the public domain; (ii) known to the Purchaser at the time of disclosure; or (iii) obtained by the Purchaser on a non-confidential basis from a third party, provided that such third party, to the best of the Purchaser's knowledge after reasonable inquiry, was not and is not bound by an obligation of confidentiality to WFP.
18. **Entire Agreement.** The Agreement sets forth the entire agreement between the parties regarding the matters herein and supersedes all prior negotiations, understandings and agreements between the parties (whether written or oral) on such matters. THE PURCHASER EXPRESSLY ACKNOWLEDGES THAT THE TERMS AND CONDITIONS HEREIN GOVERN THE AGREEMENT BETWEEN THE PARTIES REGARDING THE MATTERS HEREIN AND THAT, UNLESS EXPLICITLY CONSENTED TO BY BOTH PARTIES IN WRITING, NO SUBSEQUENT TERMS OR CONDITIONS SHALL APPLY, AND WHERE ANY TERMS OR CONDITIONS ARE INCLUDED IN AN INVOICE OR OTHER DOCUMENT PROVIDED BY THE PURCHASER TO WFP, THE TERMS AND CONDITIONS OF THE AGREEMENT WILL APPLY AND THE TERMS AND CONDITIONS OF SUCH INVOICE OR DOCUMENT WILL BE VOID.
19. **No Assignment.** The Purchaser may not transfer or assign the Agreement.
20. **Amendments.** No provision of the Agreement may be amended, modified, waived or changed, unless made in writing and signed by WFP.
21. **Severability.** If any term of the Agreement is determined to be invalid or unenforceable, in whole or in part, the invalidity or unenforceability will attach only to that term or that part of the term, and

the remaining part of the term and all other terms of the Agreement will continue in full force and effect.

22. **Governing Law.** The Agreement is exclusively governed by and construed in accordance with the laws of the State of Washington, without giving effect to the applicable jurisdictions' choice or conflict of law provision or rule. The United Nations Convention on Contracts for the International Sale of Goods does not apply to the Agreement.
23. **Attornment.** With respect to all disputes arising under the Agreement each of the parties consents to the exclusive jurisdiction of a federal or state court located in King County. Each party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to the Agreement.