TERMS AND CONDITIONS OF SALE

Buyer acknowledges and agrees that the availability of, timeliness of delivery of, and price of the herein-described goods is expressly contingent upon events, including, but not limited to, strikes, fires, ocean freight rates, duties, and other levies beyond seller's control against which seller does not impliedly or expressly warrant; and that price and delivery time will increase or decrease as a result of these contingent events and that these contingent events may make the goods herein described unavailable;

- 1. In no event shall seller be liable for loss of profits or any consequential or special damages;
- 2. There are no warranties which extend beyond the description of the face hereof;
- 3. Buyer acknowledges and agrees that delivery may be based on a foreign mill source and that seller's acknowledgment and duty to deliver is expressly contingent upon the foreign mill's compliance with seller's order to them. Seller is not responsible for failure of a foreign mill source to comply with Seller's orders. Except as otherwise stated herein, Buyer's exclusive remedy due to defective goods shall be a reduction from the purchase price for the invoiced price of the defective goods. Buyer acknowledges that plywood is subject to delamination. Buyer's exclusive remedy for plywood delamination shall be a full credit for the plywood purchased price or replacement of the plywood;
- 4. Buyer must give written notice to Seller of any damage to goods within thirty (30) days of receipt of said goods. After thirty (30) days, all damage to goods shall be waived by Buyer. Buyer must give written notice to Seller of any defect in the goods within thirty (30) days of discovery of the defect and within six (6) months of receipt of said goods. Seller is not responsible for defects discovered six (6) months following Buyer's receipt of goods. Seller has the right to perform an independent survey or inspection of the goods through Seller's agents. Seller has the option to either accept settlement for damaged or defective goods or arrange for the return of the goods in question reimbursing Buyer for the purchase price of the goods. For freight collect shipments, Buyer is responsible for all damage unless the carrier takes proper exceptions at the time of pickup.
- 5. The situs of acceptance of the purchase order is California, and the construction and performance of this Agreement shall be determined by the laws of California.
- 6. Any controversy between the parties hereto involving the construction or application of any of the terms, covenants, or conditions of this transaction shall on written request of one party served on the other be submitted to arbitration, and such arbitration shall comply with and be governed by the provisions of the California Arbitration Act, Sections 1280 through 1294.2 of the California Code of Civil Procedure; and
- 7. If any legal action or arbitration is necessary to enforce the terms of this transaction, the prevailing party shall be entitled to reasonable attorney's fees in addition to any other relief to which that party may be entitled.