

TERMS AND CONDITIONS OF SALE

1. **The Agreement.** All sales made by UFP Industries, Inc. or any of its affiliates (the "Seller") shall be governed by the related quote or invoice and the following terms and conditions (collectively, the "Contract"). In the event of any conflict between these terms and conditions and the related invoice or quote, the terms and conditions set forth in the invoice or quote shall control. The agreement between Seller and the buyer identified on the face of the invoice (the "Buyer") with respect to the sale of goods, parts, property, and/or services furnished to Buyer by Seller (collectively, the "Materials") shall consist only of the terms and conditions contained in this Contract, and Buyer's issuance of a purchase order constitutes its acknowledgement that Seller's quote is the first document exchanged and contained the essential elements of a contract, which therefore constitutes an offer. Seller objects to and shall not be bound by any additional or different terms in Buyer's purchase order or in any other communication from Buyer to Seller. Notwithstanding any contrary provision in Buyer's purchase order, no action by Seller (such as delivery of Materials or the commencement of work on the Materials to be manufactured for Buyer) will be deemed an acceptance by Seller of any purchase order from Buyer with terms different or additional than those contained in this Contract. Buyer agrees that this Contract contains the complete, exclusive, and entire statement of the terms of the agreement between Buyer and Seller and supersedes any previous oral or written representations or agreements. No other agreement, understanding, or proposal, including, without limitation, provisions in Buyer's proposals, acknowledgements, purchase orders, or other documents, which modifies or changes any term or condition of this Contract, or includes any additional, different, or inconsistent terms or conditions from those contained in this Contract, shall be binding unless it has been reduced to writing and specifically accepted in writing by Seller. No course of dealing, course of performance, or usage of trade shall be applicable unless expressly incorporated by this Contract. Any clerical errors made in the Contract are subject to correction by Seller.
2. **Prices.** Prices are in U.S. Dollars unless otherwise expressly set forth on the Contract and are subject to change. If a raw material component or service provider raises its prices or imposes a surcharge on Seller, Seller reserves the right to increase prices or institute surcharges on the Materials, and Buyer agrees to accept such increases or surcharges until the termination of such price increase or surcharge.
3. **Terms of Payment.** Unless otherwise expressly set forth in the Contract, payment shall be made on NET 30 days terms following Buyer's receipt of Seller's invoice. Discounts for prompt payment will be allowed only as specified on Seller's Contract. Pro rata payments shall become due as shipments are made. If any shipment is delayed by Seller at the request of Buyer, payment shall become due based upon the date when Seller is prepared to make shipment, and Seller may invoice based upon such date. When any payment is not paid on or before its due date, Buyer agrees to pay a late charge on the sum outstanding from the due date for the receipt of payment to the actual date of receipt of payment at a rate of 1.5% per month on the unpaid balance or the maximum legal rate, whichever is greater. If payment is not paid on or before its due date, Buyer agrees that Seller may cease performance under any and all of Buyer's purchase orders whether or not related to the late payment. Seller reserves the right, in its sole discretion, to cancel any order, delay shipment, or demand immediate full or partial payment in advance of delivery if Buyer's credit standing, or ability or willingness to pay, is called into question by an event or circumstance, including, but not limited to, Buyer's default of any obligation owed to Seller. Buyer shall not under any circumstances have any right to set off or hold back any payments due to Seller as a result of any dispute between the parties or for any other reason. Buyer waives all rights of offset and deduction.
4. **Delivery.** All sales shall be F.O.B. Seller's location unless otherwise stated in the Contract. Risk of loss and title to the Materials shall pass upon delivery of the Materials to the carrier. All costs of transportation shall be borne by Buyer, whether or not prepaid by Seller, unless otherwise specified. Buyer must file all claims for loss or damage in transit against the carrier. Buyer acknowledges and states that all of Buyer's employees shall be empowered and authorized to accept and sign any bill of lading acknowledging receipt of the Materials. In the event Seller is delayed in performance by Buyer or at Buyer's request, Buyer will be responsible for a resulting increase in cost, including, without limitation, handling charges and storage charges. Seller's breach or default in the delivery of any installment shall not give Buyer the right to refuse to receive any other installment.
5. **Claims.**
 - A. A claim for a Material with defects must be specified in writing to Seller within three (3) business days after its delivery. The claim shall include the following: (1) date of delivery; (2) carrier's name and driver's name; (3) description of the Materials; (4) description and number of Materials; and (5) specific objection of Buyer to the Materials, as received. Failure of Buyer to make a claim within three (3) business days of delivery constitutes irrevocable acceptance of the Materials and a waiver of Buyer's right to revoke acceptance.
 - B. In the event a claim is timely and properly made, the shipment shall be held intact by Buyer. Seller shall have 30 days in which to inspect the Materials on which a claim is filed and to decide whether or not to accept Buyer's claim. If Seller does not accept Buyer's claim within 30 days, it shall be deemed rejected. In all cases, Buyer's exclusive remedy shall be limited to the return of the Materials to Seller, freight prepaid, and obtain repayment of the purchase price. At Seller's option, Seller may repair the nonconforming Materials or deliver replacement Materials to Buyer at no charge. No Materials may be returned by Buyer with Seller's prior written consent.
 - C. Buyer shall not set-off or otherwise deduct any damages, whether actual or alleged, from payments due Seller, unless such set-off is authorized in writing by Seller. Any unauthorized set-off by Buyer shall result in the immediate suspension of Buyer's credit.
6. **Specifications.** Specifications will be as agreed upon between Seller and Buyer. Additional Materials that are required due to the location of a furnace plenum, vents, water heater or hoods, are subject to an additional charge.
7. **Custom and Special Order Materials.** Once Seller receives an order from Buyer for custom or special order Materials, such orders are non-cancelable, and the Materials ordered are non-returnable. UFP shall be the sole determiner of what constitutes a custom or special order Material. Further, Buyer understands and acknowledges that custom or special order Materials (e.g. trusses, wall panels and other similar engineered Materials) are constructed to Buyer's specifications, and that upon construction, Seller will have expended time, labor and materials for which Seller is entitled to compensation. Buyer further understands and acknowledges that upon construction, such Materials are unique to Buyer and cannot be sold to third parties in mitigation of the compensation and other damages due Seller in the event Buyer fails to make timely payment to Seller. Consequently, Buyer agrees that its obligation to pay for all such Materials subject to this Contract is absolute.
8. **Changes.** Changes in the Materials may be made only if Buyer submits written instructions for such changes and if Seller accepts those changes in writing. If any such approved changes, in Seller's reasonable judgment, increase Seller's costs, Seller may condition approval of any such change on agreement by Buyer to a price increase to recoup such cost increase plus a reasonable return.
9. **Warranty.** If Seller is not the original manufacturer of the Materials, any warranty is limited to the terms of the original manufacturer's warranty, and all claims shall be directed solely to the original manufacturer. Lumber is warranted for proper dimension and grade only. If a Material has a specific limited warranty, then such limited warranty will govern Seller's warranty obligations. Unless otherwise set for in a Material's particular limited warranty, Buyer's exclusive remedy for Materials manufactured by Seller and for which a claim is properly made under this Contract is limited solely, at Seller's option, to Seller's repair or replacement of the Materials or to a refund of the purchase price of the Materials. SELLER MAKES NO OTHER EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, CONCERNING THE MATERIALS. WITHOUT LIMITING THE FOREGOING: (A) IF THE MATERIALS ARE MADE ACCORDING TO BUYER'S SPECIFICATIONS, SELLER DOES NOT WARRANT ADEQUACY OF SUCH SPECIFICATIONS OR THAT THE MATERIALS WILL PERFORM IN ACCORDANCE WITH SUCH SPECIFICATIONS; (B) SELLER DOES NOT WARRANT THAT THE MATERIALS ARE IN COMPLIANCE WITH ANY LAW OR REGULATIONS; AND (C) IF THE MATERIALS ARE MODULES OR ASSEMBLIES, SELLER DOES NOT WARRANT THE PERFORMANCE OF THE SYSTEM, DURABILITY OF THE SYSTEM, OR

INTEGRATION INTO THE SYSTEM. IN NO EVENT SHALL SELLER BE LIABLE FOR LOST PROFITS, LOST REVENUES, OR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN PARTICULAR, SELLER SHALL NOT BE LIABLE FOR THE DAMAGE OR LOSS OF PROFITS RESULTING FROM THE USE OR SALE OF THE MATERIALS, FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR INJURIES TO PERSONS OR PROPERTY, FOR COMMERCIAL LOSSES, OR FOR ANY OTHER LOSS OR DAMAGE. SELLER'S WARRANTIES SHALL BE VOIDED BY ANY ABUSE, MISUSE, NEGLIGENCE, OR DAMAGE OR WITH RESPECT TO ANY MATERIALS THAT HAVE BEEN ALTERED OR MODIFIED BY ANYONE OTHER THAN SELLER OR ITS AUTHORIZED REPRESENTATIVES. NO ACTION FOR ANY BREACH OF WARRANTY SHALL BE BROUGHT MORE THAN ONE YEAR AFTER THE DATE OF SHIPMENT.

10. **Cancellation.** Neither this Contract nor any related purchase order may be terminated, cancelled, or modified (in whole or in part) by Buyer without Seller's prior written consent. Seller reserves the right to cancel this Contract or extend the time for delivery because of a Force Majeure Event. All shipments are subject to final approval by Seller's credit department, and Seller may cancel this Contract if credit is not approved. All sales are subject to any governmental action by which they may be affected.

11. **Indemnification.** To the maximum extent permitted by law, Buyer agrees to indemnify, defend, and hold Seller harmless against any losses, claims, liabilities, lawsuits, proceedings, damages, and expenses (including, without limitation, attorneys' fees) by reason of or in connection with: (a) any breach of this Contract by Buyer or its employees, agents, or other representatives; (b) any possession, use, or operation of the Materials; (c) any action or omission by Buyer or its employees, agents, or other representatives; or (d) any claim of infringement by a third party of its intellectual property rights if Seller has manufactured the Materials in accordance with Buyer's specifications. If Buyer fails to promptly accept an indemnification tender and defend Seller, then Seller has the right to retain legal counsel, commence a defense, and be reimbursed for its costs by Buyer. If Buyer does defend Seller, Seller has the right to be represented by and actively participate through its own counsel in any suit or proceeding at Seller's expense.

12. **Compliance with Laws.** Buyer represents and warrants that it will strictly comply with all applicable federal, state, local, and foreign laws, rules, and regulations. Without limiting the foregoing, Buyer shall not export, re-export, or otherwise transmit, directly or indirectly, any of the Materials (or any portion of them) except in full compliance with all United States and other applicable laws and regulations. Buyer will not violate the United States Foreign Corrupt Practices Act or other similar law in connection with this Contract.

13. **Intellectual Property.** Except for intellectual property delivered to Seller by Buyer, all intellectual property developed or used by Seller under this Contract will remain the sole and exclusive property of Seller.

14. **Lien Rights.** Seller shall retain its lien rights for all Materials supplied to Buyer until such time as full payment for such Materials has been received, the check has been properly endorsed, and funds have been paid by the bank upon which the check is drawn.

15. **Taxes.** Where Seller has the legal obligation to collect sales and/or use taxes, an amount equal to the appropriate taxes may be added to the invoice by Seller as a separate line item, and Buyer will pay such amount to Seller unless Buyer provides Seller with a valid tax exemption certificate authorized by the appropriate taxing authority. Except for the foregoing taxes and unless prohibited by law, Buyer shall pay all other federal, state, local, or foreign tax, value-added tax, inspection fee, or other assessment that is imposed upon any Materials under this Contract, except for Seller's income taxes.

16. **Insurance.** Buyer shall maintain adequate and commercially reasonable insurance coverage for all Materials purchased under this Contract, including, without limitation, general liability, product liability, completed operations, automobile liability, workers' compensation, and employer's liability. Buyer will add Seller as an additional insured and will furnish a Certificate of Insurance and endorsements satisfactory to Seller showing all required insurance to be in force and stating that such insurance will not be canceled or changed except upon at least thirty (30) days' prior written notice to Seller.

17. **Force Majeure.** Seller will not be liable for failure or delay in performance of its obligations under this Contract to the extent such failure or delay is caused, directly or indirectly, by an act of God, act of a public enemy, war or national emergency, riot, epidemic, quarantine restriction, fire, flood, explosion, storm, earthquake, other catastrophes, terrorist attack, labor dispute or disruption, shortage of labor, fuel, power, materials, or supplies, failure of Seller's suppliers or subcontractors to make on-time deliveries, transportation delays, or any other cause or event beyond the reasonable control of Seller (collectively, the "Force Majeure Events"). During a Force Majeure Event, the date of performance shall be extended for a reasonable period of time following the resolution of the cause of such delay or failure.

18. **Legal Fees and Collection Costs.** Where allowed by law, all costs of enforcement of this Contract and the collection of any balance due, including, but not limited to, reasonable attorneys' fees incurred by Seller, shall be paid by Buyer.

19. **Governing Law; Venue.** This Contract shall be governed, construed, interpreted and enforced in accordance with the domestic laws of the State of Michigan, United States of America, regardless of any choice of law or conflict of law provision. The United Nations Convention on Contracts for the International Sale of Goods will not apply to this Purchase Order. Any and all actions concerning any dispute arising hereunder shall be filed and maintained only in the Circuit Courts of Kent County, Michigan, United States of America, or the Federal District Court for the Western District of the State of Michigan, United States of America. The parties specifically consent and submit to the jurisdiction and venue of such state or federal courts, and irrevocably waive any objections either may have based on improper venue or forum non conveniens to the conducting of any proceeding in any such court.

20. **English.** All documents produced or issued in connection with this transaction will be in English, and the resolutions of any dispute arising out of this transaction will be in English. Notwithstanding any translation of this Contract into any other language or the occurrence of any other language in this Contract, the English language version will control, and any translations into or occurrence of any other language will be of no effect whatsoever. In the event of any disagreement between the English language version and a version in any other language, the non-English language version will be null and void and of no effect.

21. **Miscellaneous.** No provision of this Contract shall be waived by any party, unless such waiver is in a writing, signed by a duly authorized representative of the party against whom such waiver is sought to be enforced. A waiver by either party of any breach or failure to comply with any provision of this Contract by the other party shall not be construed as or constitute a continuing waiver of such provision or a waiver of any other breach or failure to comply with any other provision of this Contract. If any portion of this Contract is found to be invalid or unenforceable for any reason, any court or other tribunal adjudicating the rights and duties of the parties under this Contract shall alter, modify, or strike portions of the Contract so that it will be enforceable to the fullest extent permitted by law. This Contract may not be assigned by Buyer with the prior written consent of Seller, and any consent by Seller to a particular assignment shall not constitute a consent by Seller to subsequent assignments or a waiver of the general prohibition on subsequent assignments. Any assignment in contravention of this Contract is null and void. This Contract cannot be amended unless done so in a writing and signed by both parties. All provisions of this Contract shall survive any termination of this Contract to the extent necessary to give effect to the intended purpose of such provision.