



TERMS OF SALE

Terms of Sale pursuant to which Tolleson Lumber Company, hereafter known as "Seller", engages in the sale of products. This document is also available upon request by calling 1-800-768-2105.

1. REJECTION OF OTHER TERMS AND CONDITIONS. These Terms of Sale (the "Terms of Sale"), bind Tolleson Lumber Company, Inc. ("Seller") and its customer ("Buyer") regarding the sale by, and purchase from, Tolleson Lumber Company, Inc of products (the "Goods"), and supersede all prior agreements, proposals and discussions among the parties with respect to the purchase and sale of such Goods other than a written agreement signed by both parties. Any additional, inconsistent or different terms or conditions contained in Buyer's purchase order or other documents submitted to Seller by or on behalf of Buyer at any time, whether before or after the date hereof, shall be deemed a material alteration and not a rejection of these Terms of Sale, and are hereby expressly rejected by Seller. These Terms of Sale shall be deemed accepted by Buyer without any such additional, inconsistent or different terms and conditions, except to the extent expressly accepted by Seller in a writing signed by Seller. Unless otherwise specified, these Terms of Sale shall continue in effect until the expiration of the applicable statute of limitations.

2. SHIPMENT; TITLE; RISK OF LOSS. All shipping dates are approximate and not guaranteed. Unless otherwise stated, title and risk of loss shall pass from Seller to Buyer once the Good's are loaded on the first carrier at Seller's facility. All claims for loss or damage in transit must be filed against the carrier by Buyer. Buyer shall pay freight, unless prepaid, and shall unload shipments promptly. Any increase in freight rates for shipments whether prepaid or not and all demurrage shall be borne by Buyer.

3. PRICES. Unless otherwise expressly specified in writing by Seller, all prices are exclusive of taxes, customs, duties, transportation and insurance, and any and all current or future tax or governmental charge applicable to the sale, delivery, shipment or storage of the Goods that Seller is required to pay or collect shall be for Buyer's account and shall be added to the price and shall not be subject to any reduction.

4. EXCUSE OF PERFORMANCE. The parties will be excused from their respective performances hereunder (except Buyer's payment obligations) if performance is prevented or delayed due to acts of God, war, terrorism, riot, fire, labor trouble (including strikes, lockouts and labor shortages), failure of computer systems to operate properly, destruction or loss of electronic records or data, plant shutdowns, unavailability of materials or components, unavailability of or delays in transportation, insufficient production capacity, unavailability or shortage of fuel products, explosion, accident, compliance with governmental requests, laws, regulations, orders or actions, or other unforeseen circumstances or causes beyond such party's reasonable control. If such event affects Seller, Seller may, without liability, allocate and distribute the Goods among such customers in such proportions as Seller, in its sole discretion, determines.

5. WARRANTY. Seller warrants all goods to meet seller's specification for material and workmanship, which warranty is in lieu of all other warranties (except title) not expressly set forth herein, including, but not limited to, implied warranties of merchantability or fitness for particular purpose.

6. LIMITATION OF REMEDY AND LIABILITY. If the goods are subject to a limited warranty or full warranty provided by seller, the sole and exclusive remedy for any claim of any nature arising from the failure of the goods to conform to the applicable warranty shall be limited to repair, replacement or refund of purchase price (at seller's option). In no event, regardless of the form of the claim or cause of action (whether based in contract, infringement, negligence, strict liability, other tort or otherwise), shall seller's cumulative liability to buyer exceed the purchase price for the specific goods giving rise to the claim or cause of action. Seller shall not be liable for damages caused by delay in performance. Buyer agrees that in no event shall seller's liability to buyer extend to include incidental, consequential, special, exemplary or punitive damages. The term "consequential damages" shall include, but shall not be limited to, cost for labor, loss of anticipated profits, loss of use, loss of revenue, and cost of capital.

7. REJECTION OF NON-CONFORMING GOODS. Unless otherwise set forth in a limited warranty or full warranty provided by Seller, rejection of non-conforming goods must be made by Buyer in writing within ten

days of receipt and all defects ascertainable at time of giving notice shall be stated with particularity or deemed waived in event of any complaint, shipment shall be held intact and specification of objections, accompanied by tally of objectionable goods, shall be submitted directly to Seller at the office. If full credit is allowed for non-conforming goods and unless otherwise set forth in a limited warranty or full warranty provided by Seller, the goods must be retained intact at the delivery point, and Seller shall have 60 days from the date of such allowance to dispose of such goods. Under no circumstances are goods to be returned to the Seller unless Buyer has written permission of Seller to do so. A claim that goods are non-conforming shall not entitle Buyer to deduct any sum from any invoice unless such claim has been allowed in writing. Invoices shall be paid in full in accordance with the terms of sale and, in the event of subsequent allowance of any claim. Seller shall promptly make payment to Buyer for the amount so allowed. All material on which a complaint is made must be fully protected against all conditions that would create or tend to increase the complaint. Claims on grade are subject to SPIB official inspection.

8. FURTHER HANDLING. Buyer shall indemnify, defend and hold harmless Seller, its affiliates and their respective officers, directors, employees, representatives and agents from and against, any and all claims, losses, liabilities, costs and expenses (including attorneys' fees) arising out of or resulting from the use, handling, manufacture, processing, alteration, distribution, sale or marketing of the Goods, or any other action or inaction with regard to the Goods, in each case after the delivery thereof to Buyer; provided however, that Buyer shall not be liable to Seller for damages directly caused by the sole negligence of Seller or by Seller's breach of warranty expressly set forth in Seller's written limited or full warranties available at www.tollesonlumber.com or upon request.

9. CREDIT REQUIREMENTS. Buyer shall be liable for all expenses attendant to collection of past due amounts, including attorneys' fees. Seller reserves the right to require payment for any shipment hereunder in advance or satisfactory security. Seller shall have the right to set-off any amounts owing from Buyer against any amounts payable to Buyer. In the event that Seller determines, at any time in its sole and absolute discretion, that the credit of Buyer or of any person or entity providing credit support for Buyer's obligations under these Terms of Sale is or becomes impaired, or there is any reason to doubt the enforceability or sufficiency of any agreement, instrument or document supporting Buyer's obligations under these Terms of Sale, Seller shall have the right, among any other rights provided by applicable law, to declare immediately due and payable any and all amounts owed by Buyer to Seller, whether under these Terms of Sale or otherwise, and to suspend and/or terminate further production, shipment, and delivery to Buyer of any order, whether under these Terms of Sale or otherwise, until credit arrangements satisfactory to Seller in its sole judgment have been established. If any such credit is provided to Buyer, or performance assurance is required by Seller of Buyer, Buyer will provide to Seller financial information requested by Seller.

10. QUANTITY. Unless indicated otherwise on the front hereof, Seller may ship 5% over or under the quantity ordered and the invoice shall be adjusted to reflect the quantity shipped.

11. EXPORT CONTROL REGULATIONS. All Goods by Seller are subject to the export control laws of the United States of America, and Buyer agrees not to divert or resell the Goods contrary to such laws. If any license or consent of any government or other authority is required for the acquisition, carriage or use of product by Buyer, Buyer will obtain the same at its expense, and if necessary, provide evidence of the same to Seller on request. Failure to do so will entitle Seller to withhold or delay shipment, but failure to do so will not entitle Buyer to withhold or delay payment of the price therefore. Any expenses or charges incurred by Seller resulting from such failure will be paid for by Buyer within ten (10) days of receipt of Seller's written request.

12. GOVERNING LAW; CONSENT; SEVERABILITY. These Terms of Sale shall be governed by the laws of the State of Georgia, USA. If any provision of these Terms of Sale is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired, and the parties shall use their best efforts to substitute a valid, legal and enforceable provision, which, insofar as practical, implements the purpose of these Terms of Sale.

14. CUSTOMER PICK UP ORDERS. All "Customer Pick Up" orders are expected to pick up within 5 working days of notification that the load is ready. Seller reserves the right to ship, at Seller's freight rate, any load that has not picked up within 10 days of notification.

13. MISCELLANEOUS. Buyers purchase of Seller's products hereunder represents acceptance of Seller's terms and conditions of sale, which constitute the entire agreement between the parties and supersedes any

and all previous or contemporaneous communications, representations, or agreements by either party, whether verbal or written. No terms or conditions in any way adding to, modifying or otherwise altering the provisions stated herein shall bind Seller unless in writing and signed and approved by an officer or other authorized person. These Terms of Sale shall be binding on and inure to the benefit of the respective successors and permitted assigns of the parties; provided, however, that Buyer shall not assign its rights or obligations under these Terms of Sale without Seller's prior written consent. Any assignment except as permitted herein, shall be null and void. No waiver of any provisions of these Terms of Sale by Seller will be valid unless the same is in writing and signed by Seller. Seller reserves the right to unilaterally modify or amend any portion of these Terms of Sale at any time without prior notice effective immediately upon posting at the Tolleson Lumber Company, Inc. website (www.tollesonlumber.com in the Sales tab). The current version of these Terms of Sale and any modifications or amendment supersede all prior versions of these Terms of Sale. The most current version of these Terms of Sale may be found at the Tolleson Lumber Company, Inc. website (www.tollesonlumber.com in the Sales tab) and is otherwise available upon request.