

TERMS AND CONDITIONS

The term "Seller" used herein shall mean Parr Lumber Co.

Seller hereby accepts your order subject to the terms, conditions and instructions appearing on the face and reverse side hereof. This order confirms a verbal understanding and therefore shall be deemed accepted as specified unless written notice of objection to its contents is received within ten days.

GENERAL

The terms and conditions of quotation and sale (at the date of this instrument) or of the institution or association named on the face hereof shall be deemed included in and a part of this agreement, except as such terms are specifically modified herein. Modification of the terms of this acknowledgement shall be ineffective unless made by a writing signed by Seller's authorized representative.

The law of the State of California shall apply in the construction of the sales agreement and the rights and obligations of the parties thereof. Typographical errors are subject to correction.

GRADES

The goods sold hereunder shall conform with the specifications named on the face, including the grading and surfacing standards prescribed in the rules of the association or institution named on the face hereof, if any.

UNAVOIDABLE DELAYS

The Seller shall not be liable for delay caused by strikes, labor disturbances, lockout, riot, fire, act of God or the public enemy, delays in transportation, shortage of cars or any other cause, whether like or unlike the foregoing, if beyond the reasonable efforts of the Seller to control.

WAIVER

No waiver by the Seller of any breach of this contract shall constitute a waiver of any other breach or of such provision.

PAYMENT

Unless otherwise agreed in writing or stipulated on the face hereof, payment of the purchase price shall be made at par in legal tender of the United States of America. Payment shall be made in accordance with the terms stipulated herein, and any balance owing after the expiration of the terms of the sale shall bear a late payment charge of 1½% per month on the unpaid balance will be made on all past due accounts. Should this rate exceed the maximum rate that is lawful under the circumstances, that maximum rate shall apply. The maximum rate shall be governed by the law of the state of the buyer's designated billing office. Buyer also agrees to pay reasonable attorney's fees and other costs incurred at collection. If, at any time, Seller shall deem itself unsafe with respect to payment of the purchase price of the goods sold hereunder or any portion thereof, Seller may, without liability to Buyer, demand security for the purchase price from Buyer, in form and amount satisfactory to Seller. If buyer is unable or unwilling to furnish such security within ten days of the date of Seller's demand there for, Seller shall have the right to terminate all or any part of the order without liability to Buyer.

TAXES

All present and future taxes imposed by any federal, state, foreign or local authority which Seller may be required to pay or collect with reference to the sale or shipment of the goods specified herein shall be for account of Buyer.

FREIGHT AND HANDLING COSTS

Prices quoted herein include estimated freight at the rate specified unless otherwise noted in the shipping terms on the face hereof. When prices include freight, Buyer shall pay any and all transportation and delivery costs not prepaid by Seller, and Seller will allow credit against invoice price for actual freight paid by Buyer upon receipt of paid freight bill. However, unless stated otherwise, local handling costs at destination, extra delivery costs incurred for the convenience or at the request of Buyer, and taxes on transportation charges shall be for Buyer's account. Also, any change in transportation rates or charges prior to shipment shall be for Buyer's account.

CLAIMS AND REINSPECTION

Claims for shortages, defects, nonconforming goods or errors in shipment must be made in writing within 5 days of receipt of shipment. Buyer shall within 15 days following the date of completion of delivery, furnish to Seller in support of said claim, a detailed proof of claim in writing, including all material facts upon which such claim is made.

In the event that Buyer's claim shall be based upon the grade or quality of such goods or any portion thereof, Buyer will accept delivery of and pay for in accordance with the terms of this agreement, that portion of the goods in respect to which no claim is made, and will hold intact and properly protected for a period of 30 days for inspection by Seller or its authorized agent that portion of the goods in respect to which claim is made hereunder. Any reinspection of the goods sold hereunder shall be conducted and governed by the association specified on the face hereof or, if no association is specified, by such association as Seller may designate, and shall be subject to the rules and standards of said association. It is agreed that the findings of said association shall be binding upon the parties in the event of litigation or adjustment. The expenses of said inspection and survey shall be borne by Seller if the item complained of is found to be more than 5 percent below grade. If 5 percent or less, the expense shall be borne by Buyer.

All claims for shortage or damage must be supported by affidavit of Buyer or his agent, giving piece tally, numbers of car seals, if any, car numbers and initials. If the seals have been broken or changed there shall be a report of the transportation agent at destination or by affidavit that the transportation agent was requested to make such a report and refused to do so. In cases of complaint involving measurements and/or tally, the entire item shall be kept intact until reinspection.