

TERMS AND CONDITIONS

THIS SALE IS EXPRESSLY LIMITED AND MADE CONDITIONAL UPON THE TERMS AND CONDITIONS HEREIN, AND ANY OF THE BUYER'S TERMS IN ADDITION TO OR DIFFERENT FROM THESE CONTAINED HEREIN ARE HEREBY REJECTED BY SELLER, AND SHALL BE OF NO EFFECT. BUYER'S OBJECTION TO ANY TERMS CONTAINED HEREIN SHALL BE DEEMED TO HAVE BEEN WAIVED IF WRITTEN NOTICE IS NOT RECEIVED BY THE SELLER WITHIN TEN (10) DAYS OF THE DATE OF SALE. BUYER WILL IN ANY EVENT BE DEEMED TO HAVE ASSENTED TO ALL TERMS AND CONDITIONS CONTAINED HEREIN IF ANY PART OF THE DESCRIBED GOODS IS ACCEPTED.

1. **PAYMENT:** Buyer will pay the quoted purchase price at the date of order placement. Payment for all purchases shall be due prior to shipping unless otherwise bounded by an approved credit agreement.

2. **CLAIMS:** Material shall be of the quality & grade specified on the invoice. Buyer shall promptly inspect for defects, shortage, or damage upon delivery of the goods. Any claim for shortages or damage must be noted on Seller's Receipt at the time of delivery. Notice of any reasonably apparent defect outside of the grade range or damage must be made in writing to Seller within forty eight (48) hours following the delivery of such goods and all defects ascertainable at the time of giving notice must be stated with particularity or be deemed waived. Seller shall not be liable for any claims not made within the foregoing time periods. Nonconforming products reported shall either be exchanged, replaced, or returned/refunded by the seller. A claim that goods are nonconforming 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 terms of sale and, in the event of subsequent allowance of any claim, Seller shall promptly make payment to Buyer for the amount allowed.

3. **MECHANICS LIEN RIGHTS:** Osborne Lumber reserves the right to place and foreclose mechanics liens on unpaid invoices as allowed by California law. Buyer shall, upon request, provide job information for the purpose of preparation and service of Preliminary 20 day notice under applicable Mechanic's Lien Laws. Homeowners are urged to visit <http://www.cslb.ca.gov> before hiring a contractor and ensure they are in good standing.

4. **LIMITATION OF SELLER'S LIABILITY:** UNDER NO CIRCUMSTANCES SHALL THE SELLER BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER OR NOT ARISING OUT OF ANY DEFECT, DELAY, NON DELIVERY, SHORTAGE, BREACH OF WARRANTY, NEGLIGENCE OR STRICT LIABILITY, AND ALL SUCH DAMAGES ARE EXPRESSLY EXCLUDED HEREIN. SELLER'S SOLE LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR ANY CAUSE OF ACTION ARISING OUT OF THIS SALE, INCLUDING NEGLIGENCE AND STRICT LIABILITY, IS EXPRESSLY LIMITED AT SELLER'S OPTION TO THE REPAIR OR REPLACEMENT OF THE GOODS WITH RESPECT TO WHICH SUCH DAMAGES ARE CLAIMED OR THE REFUND OF THE ORIGINAL PRICE PAID TO SELLER FOR SUCH GOODS.

6. **DELIVERIES:** Deliveries are made by flatbed truck by experienced drivers and unloaded either by roll-off, hand unload, or customer provided forklift. Loads will be dropped at the location specified by the buyer provided it can be done safely. Unreasonable or unsafe requests will be returned and subject to any applicable return policies and additional freight charges. Osborne Lumber Co. is not responsible for any damage to streets, sidewalks, curbs, etc. when instructed to unload in those spots. Buyer assumes responsibility for any damage that arises as result of such delivery. Deliveries are made to the curb or driveways only and does not include staging or carrying of materials by Osborne Lumber drivers.

7. **SHIPMENT, CREDIT:** Specific shipment dates when shown are deemed to be approximate. Shipments and deliveries hereunder shall at all times be subject to the approval of Seller's Credit Department. In the event of Buyer's default of any obligation, Seller may, at its option, cancel this order or delay shipments. If the financial condition of Buyer at any time is such as to give Seller, in its judgment, reasonable grounds for insecurity concerning Buyer's ability to perform its obligations, Seller may require full or partial payment in advance and suspend deliveries until such payment has been received.

8. **SPECIAL ORDERS:** All orders of special nature, size, thickness, face, core or cut, are subject to special quotation and may not be cancelled after acceptance by Seller.

9. **RETURNS:** No returns for credit after 30 days. Special orders and custom milled items and Engineered Wood Products are not returnable for credit. All items accepted for return must be in a saleable condition, or similar to the condition of which the product was originally sold. All returns are subject to a 25%-50% restocking fee, plus any applicable freight charges for material picked up at a jobsite.

10. **TAXES:** Prices named herein shall be subject to an additional charge to cover any existing or future manufacturers, sales, transportation, privilege, excise or other tax or charge imposed upon or incident to this transaction. All California sales subject to sales tax will include a 1% assessment from the state pursuant to AB-1492.

11. **COLLECTION COSTS:** Should it become necessary to place Buyer's account for collection, the Buyer shall pay all costs thereof, including reasonable attorney's fees.

12. **OFF GRADES:** PRODUCTS DESCRIBED AS "SHOP", "MILL SECONDS" (M.S.), "REJECTS", "MIS-MANUFACTURE", "UTILITY", "NON-CERTIFIED" (N.C.), "BLANKS", "ECONOMY", "DUNNAGE", "FALLDOWN", "DAMAGE", "OFF-GRADE", OR OTHER SIMILAR DESIGNATIONS ARE SOLD "AS IS", WITHOUT RECOURSE.

16. **SECURITY INTEREST:** Buyer hereby grants Seller a security interest in all goods described in this invoice to secure payment of the invoice amount and all other existing and future indebtedness owed by Buyer to Seller and Buyer authorizes Seller to file any documents necessary to perfect Seller's security interest.

17. **ENTIRE AGREEMENT:** This invoice constitutes the entire and only agreement between the parties hereto and any verbal understanding, telephone order, representation, affirmation of fact, and course

of prior dealings, promise or condition in connection herewith or usage of the trade not specifically written herein shall not be binding upon either party.

18. **PROPOSITION 65 WARNING:** Drilling, sawing, sanding, or machining wood products generates wood dust, a substance known to the State of California to cause cancer. Avoid inhaling wood dust or use a dust mask or other safeguards for personal protection. California Health and Safety Code Section 25249.6. For more information go to www.P65Warnings.ca.gov/wood.

19. **NOMINAL LUMBER SIZES:** Lumber is sold in “nominal” dimensions that are less than their actual “net” dimensions (for example – the net size of a nominal 2x4 is 1-1/2”x3-1/2”). Any net size requirements must be articulated before ordering and subject to any applicable upsizing and milling requirements.

20. **LEAD TIMES:** All quoted lead times are estimates and vary depending on manufacturer production, trucking, strikes, lockouts, fires, wind storms, and many other acts of God that are out of the seller’s direct control. Seller shall not be held liable for any such delays.