



TERMS AND CONDITIONS

ACCEPTANCE: The term "Seller" used herein shall mean Hoover Treated Wood Products, Inc. Seller hereby accepts your order subject to the terms, conditions and instructions appearing on this document. This order confirms a verbal understanding and therefore shall be deemed accepted as specified unless written notice of objection to its contents is received by the Seller within ten (10) days from the date hereof. Buyer understands that Seller is procuring material and supplies to fill Buyer's order and that such procurement is made by Seller on behalf of and for the account of Buyer. Accordingly, in the event Buyer cancels or modifies this order in any way following the expiration of the above mentioned ten (10) day period without the prior written consent of Seller Buyer agrees to reimburse Seller for all expenses and charges incurred by Seller on behalf of and for the account of Buyer, including, but not limited to shipment, storage, handling, manufacturing, labor, financing and other charges and expenses.

SHIPPING: Specific shipping dates when shown are deemed to be approximate. Shipment is contingent on the procurement of materials, supplies, and labor required in the manufacture of the goods and credit clearance by Seller at time of shipment.

FORCE MAJEURE: In the event of war, fire, flood, shortage of materials, strikes or other labor disturbances, accident, governmental priority or regulation, Acts of God, or other causes beyond Seller's reasonable control or otherwise interfering with the production, supply or transportation of the goods covered by this agreement, or in the event of Seller's inability to obtain on terms deemed by the Seller to be practicable, any raw material, energy source or labor force used in connection therewith, the goods so affected may be eliminated by Seller from this order, and Seller shall have no liability for failure to deliver such goods, but the order shall otherwise remain unaffected. Seller may, during any period of shortage due to any of the above causes, allocate its supply of such goods among its customers in any manner which Seller shall consider to be fair and reasonable.

CREDIT: If Buyer defaults in making any payment when due, whether or not associated with this order, or if Buyer's credit becomes impaired or otherwise unsatisfactory in the sole judgment of Seller, Seller shall have the right to declare immediately due and payable all obligations of Buyer, to retake possession of any shipment then in transit to Buyer, to change credit terms and discount period with respect to any shipment in transit or with respect to any further shipments to Buyer, to suspend production and defer or eliminate further shipments until any outstanding amounts are paid in full and unless Seller receives such cash or satisfactory security covering any amounts due within five (5) days after demand, Seller may treat such failure as a repudiation of this agreement. In the event of such repudiation, Seller shall be entitled to receive reimbursement for its reasonable and proper cancellation charges.

CLAIM PERIOD: NO ACTION OR SUIT TO ENFORCE THE BUYER'S RIGHTS OR REMEDIES ARISING FROM THIS SALE SHALL BE COMMENCED LATER THAN ONE YEAR FROM THE DATE OF SHIPMENT.

WARRANTIES: ALL GOODS ARE SOLD AS IS WITHOUT RECOURSE AND SELLER SHALL NOT BE RESPONSIBLE FOR ANY MISFIT, DEFECT, LOSS, DAMAGE OR INJURY CAUSED BY THESE GOODS AND SELLER SHALL NOT BE LIABLE TO BUYER FOR ANY GENERAL, SPECIFIC, CONSEQUENTIAL, COMPENSATORY, EXEMPLARY OR OTHER DAMAGES OF ANY DESCRIPTION. SELLER MAKES NO OTHER WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER, EXPRESS, OR IMPLIED, WITH RESPECT TO THE GOODS FURNISHED HERETO BY SELLER, INCLUDING BUT NOT LIMITED TO, EXPRESSED OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR THE RESULTS TO BE OBTAINED FOR THEIR USE BY BUYER EITHER ALONE OR IN COMBINATION WITH OTHER SUBSTANCES.

GRADES: The goods sold hereunder shall conform with the specifications named on the face of the goods, including the grading, and surfacing and treating standards prescribed in the rules of any appropriate third-party inspection agency.

LIABILITY LIMITATIONS: SELLER'S SOLE LIABILITY ON ANY CLAIM, WHETHER TORT, CONTRACT, WARRANTY OR OTHERWISE SHALL BE LIMITED TO REPLACEMENT WITH CONFORMING GOODS OR, AT SELLER'S OPTION, TO REIMBURSEMENT OF BUYER'S ACTUAL COST OF THE GOODS. IN NO EVENT SHALL SELLER BE LIABLE FOR INDEMNIFICATION OF BUYER ON ACCOUNT OF ANY CLAIM ASSERTED AGAINST BUYER, OR FOR ANY OTHER FURTHER DAMAGES WHATSOEVER, WHETHER DIRECT OR INDIRECT, INCIDENTAL OR CONSEQUENTIAL, WHETHER THE CLAIM IS BASED ON CONTRACT, BREACH OF WARRANTY, NEGLIGENCE OR OTHERWISE.

INDEMNITY AGREEMENT: Buyer shall defend, indemnify and hold Seller harmless from and against all claims, liabilities, costs and expenses (including, but not limited to, those related to injury to or death of Buyer's employees) arising from or connected with the possession, handling, processing or use of the product by Buyer or others, except those resulting solely from the use of product not conforming to the contracted specifications, which nonconformity was not known to Buyer and was not discoverable by Buyer by testing or otherwise, prior to the use thereof by Buyer or others. Seller may participate in the defense of any such claim for the further protection of its own interests.

DEFERRED SHIPMENTS: If buyer requests that their shipment, in whole or in part, be held ten (10) working days or longer beyond the shipping date specified herein, Seller reserves the right to immediately invoice the Buyer for the total amount of the order and reasonable storage charges if applicable.

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 the account of Buyer.

TITLE AND RISK OF LOSS: Title to and risk of loss in the product shall pass to Buyer upon Seller's delivery to carrier at the shipping point, notwithstanding any terms of shipment specified herein.

WAIVER: No waiver by either party of any breach of any of the terms or conditions contained herein shall be construed as waiver of any succeeding breach of the same or any other term or condition contained herein. Nothing contained herein shall limit the remedies of Seller in the event of Buyer's breach of any term or condition contained herein.

RETURNS: No return of goods sold hereunder will be accepted by Seller unless previously authorized by Seller in writing. Returns shall be subject to a handling charge to be paid by Buyer.

COLLECTION COSTS: Should it become necessary to place Buyer's account with a collection agent or any attorney for collection, Buyer shall pay all costs, including reasonable attorneys' fees, incurred in collection amounts due Seller.

ENTIRE AGREEMENT: This agreement constitutes the entire and only agreement between the parties hereto, with respect to this order and supersedes and replaces any inconsistent terms and conditions of any offer, purchase order or other document tendered by Buyer. Any representation, affirmation of fact, and course of prior dealings, promises or condition in connection therewith or usage of the trade not incorporated herein shall not be binding upon Seller. No alteration or modification of any of the provisions hereof shall be binding unless in writing and signed by a specifically authorized representative of the Seller.

GOVERNING LAW: This agreement shall be governed by and construed under the laws of the state of Georgia.

Under Federal Law, CCA preservative treated forest products may only be sold or distributed for the following uses within the American Wood Preservers Association's 2001 Commodity Standards: Lumber and Plywood for Salt Water Use Only (C2), Piles (C3), Poles (C4), Plywood (C9), Wood for Highway Construction (C14), Round, Half Round and Quarter Round Fence Posts (C16), Poles, Piles and Posts Used as Structural Members on Farms and Plywood Used on Farms (C16), Wood for Marine Construction Subject to Saltwater Immersion or Splash (C18), Lumber and Plywood for Permanent Wood Foundations (C22), Round Poles and Posts Used in Building Construction (C23), Sawn Crossarms (C25), Structural Glued Laminated Members and Laminations Before Gluing, Nailing or Mechanical Fasteners (C28), Lumber, Timbers and Plywood for Cooling Towers (C30), Structural Glued Composite Lumber (C33), and Shakes and Shingles (C34).