

TERMS AND CONDITIONS OF PURCHASE

1. **Acceptance.** All purchases made by Universal Forest Products, Inc. or any of its affiliates (the “Buyer”) shall be governed by the related purchase order and the following terms and conditions (collectively, the “Purchase Order”). In the event of any conflict between these terms and conditions and the related purchase order, the terms and conditions set forth in the purchase order shall control. Acceptance of the Purchase Order by the seller identified on the face of the Purchase Order (the “Seller”) shall be deemed to be accepted by Seller and to become a contract: (a) upon receipt by Buyer of an acknowledgement of the Purchase Order from Seller; (b) commencement by Seller of performance of the work called for in the Purchase Order; or (c) shipment of any Materials called for in the Purchase Order by Seller to Buyer. The term “Materials” shall mean goods, parts, property, and/or services furnished to Buyer by Seller. Any proposal for additional, different, or inconsistent terms or any attempt by Seller to vary in any degree any of the terms of the Purchase Order in Seller’s acceptance or any other communications is deemed material and is hereby objected to and rejected. Any such proposals by Seller shall not operate as a rejection of the Purchase Order, unless such variances are in the terms of the description, quantity, price, or delivery schedule of the Materials, and the Purchase Order shall be deemed accepted by Seller without such additional or different terms. If this Purchase Order shall be deemed an acceptance of a prior offer by Seller, such acceptance is limited to the express terms set forth in this Purchase Order. The Seller agrees that this Purchase Order contains the complete, exclusive, and entire statement of the terms of the agreement between Buyer and Seller and supersedes any previous oral or written statements. No other agreement, understanding, or proposal, including, without limitation, provisions in Seller’s quotations, proposals, acknowledgements, invoices, or other documents, which modifies or changes any term or condition of the Purchase Order, or includes any other additional, different, or inconsistent terms from those contained in this Purchase Order, shall be binding unless it has been reduced to writing and specifically accepted in writing by Buyer. No course of dealing, course of performance, or usage of trade shall be applicable unless expressly incorporated by this Purchase Order. Any clerical errors made in the Purchase Order are subject to correction by Buyer.
2. **Prices.** Buyer agrees to purchase from Seller the Materials at the prices specified in the Purchase Order. Unless otherwise set forth in the Purchase Order, such prices shall constitute the full and complete prices for the Materials, including, without limitation, those related to freight, handling, packaging, and other fees. No price increases shall be effective unless agreed to in writing by Buyer. Unless otherwise expressly set forth in the Purchase Order, all references to amounts of money are references to United States of America Dollars.
3. **Payment Terms.** Unless otherwise set forth in the Purchase Order, payment shall be made by Buyer on NET 30 day terms after the later to occur of: (a) Buyer’s receipt of Seller’s invoice; and (b) delivery of conforming Materials to the Relevant Buyer Location.
4. **Delivery.** Materials orders must be delivered at the time or times specified in the Purchase Order or in written releases issued by Buyer. Unless otherwise set forth in the Purchase Order, all Materials shall be shipped to Buyer’s location specified in the Purchase Order or as otherwise specified by Buyer in writing (the “Relevant Buyer Location”). Risk of loss for the Materials shall pass to Buyer only upon delivery and acceptance of the Materials at the Relevant Buyer Location. All Materials shall be properly packed, marked, loaded, and shipped as required by the Purchase Order or otherwise directed by Buyer. All hazardous Materials must be clearly marked as such by Seller. Time is of the essence under this Purchase Order, and 100% on-time delivery is required. In the event of late delivery, Buyer may, at its option, reject the Materials, cancel all or part of the Purchase Order, vary delivery terms (including requiring expedited shipping at Seller’s expense), or purchase Materials from other suppliers. Any damages sustained by Buyer by reason of late delivery shall be paid to Buyer by Seller. Buyer may refuse to accept, return to, or store for Seller (at Seller’s risk and expense) any Materials that are delivered prematurely or late. Seller shall reimburse Buyer for all expenses incurred due to improper packing, marking, loading, or shipping.
5. **Quantity.** The quantity of Materials ordered or released under this Purchase Order may not be exceeded or shorted. Buyer shall not be liable for, may reject, and may either return or retain for Seller (at Seller’s risk and expense) any Materials delivered in excess of that so ordered. Buyer shall be entitled to an appropriate reduction in the applicable purchase price with respect to any shortages of Materials delivered.
6. **Changes.** Seller shall not make any changes to the Materials without prior written approval of Buyer. Buyer shall have the right to make any changes in the items, quantities, destinations, specifications, or delivery schedules (including, without limitation, temporary suspension of deliveries) with respect to Materials under this Purchase Order. The parties will undertake to negotiate an appropriate adjustment in price and terms where Seller’s direct costs are materially affected by such Buyer changes. Any such change in price or terms must be in writing and signed by Buyer and Seller.
7. **Warranties.** In addition to Seller’s customary warranties on the Materials, any express warranties set forth in the Purchase Order, and any statutory warranties, Seller warrants that: (a) all Materials will strictly conform to all applicable specifications; (b) all Materials will be new and of the highest quality and free from defects in workmanship, materials, and design (when design is Seller’s responsibility); (c) the sale and use of Materials will not infringe or misappropriate any third party’s intellectual property or constitute unfair competition; (d) all Materials will be properly exported or imported into the destination country; (e) upon delivery, Buyer will receive good title to all Materials, free and clear of any liens, security interests, or other encumbrances; (f) all Materials will be merchantable and fit for Buyer’s intended purpose; (g) all services will be performed in a competent and workmanlike manner; and (h) all Materials shall be manufactured and sold in compliance with all applicable federal, state, local, and foreign laws, rules, and regulations, all codes and standards, and all labeling, transporting, licensing, approval, and certification requirements in the United States or other country where the Materials will be sold or used. These warranties will survive any inspection, testing, delivery, acceptance, use, and payment and shall inure to the benefit of Buyer and its successors, assigns, customers, and users of Buyer’s goods and services. If Seller breaches any of the foregoing warranties, Buyer may, at Buyer’s option: (x) retain the defective Materials in whole or in part with an appropriate adjustment in price; (y) require Seller to promptly repair or replace the defective Materials at Seller’s expense; or (z) reject the defective Materials and store or return them at Seller’s risk and expense.
8. **Default.** Upon the occurrence of any one of the following events (each, a “Default”), Seller shall be deemed to be in default under this Purchase Order, and Buyer shall have the right to terminate this Purchase Order: (a) Seller becoming insolvent; (b) commencement of proceedings by, for, or against Seller under any law relating to bankruptcy or relief of debtors, the appointment of a receiver or trustee for Seller, or the execution by Seller of an assignment for the benefit of its creditors; (c) determination by Buyer, in its sole judgment, that Seller’s financial condition is such as to endanger its performance under this Purchase Order; (d) the dissolution of Seller; the sale, transfer, or disposition by Seller of all or substantially all of its assets; or any merger, consolidation, reorganization, sale, or other transfer of stock or equity or other event that result in more than fifty percent (50%) of the equity ownership of Seller being transferred; (e) Seller’s failure to strictly comply with the terms of this Purchase Order or with any other obligation owed by Seller to Buyer under any other contract; or (f) any breach of Seller’s representations or warranties. If Buyer terminates this Purchase Order due to a Default, Buyer shall not be liable to Seller for any amount under the Purchase Order except for conforming Materials already delivered, and Seller shall compensate Buyer for all damages and costs incurred by Buyer by reason of such Default.
9. **Termination Without Default.** Upon written notice, Buyer may at any time, for any reason or no reason, terminate this Purchase Order in whole or in part, and such notice shall state the extent of and effective date of such termination. Upon receipt of such notice and in accordance with the directions set forth in such notice, Seller shall: (a) terminate its work; and (b) take all reasonable steps to minimize any costs resulting from the termination. Upon such termination, Buyer’s obligation to Seller shall be limited to payment for: (y) conforming Materials completed prior to the date of termination for which Buyer has not previously sent payment and are timely delivered to the Relevant Buyer Location; and (z) the actual and direct costs incurred by Seller that are allocable to the terminated portion of the Purchase Order (but excluding any charge for Materials that may be diverted to other orders); provided, however, that the total payments that Buyer is obligated to make upon such termination shall not exceed the total price of the Materials under this Purchase Order. Termination by Buyer shall be without prejudice to any claims that Buyer may have against Seller.

10. **Indemnification.** To the maximum extent permitted by law, Seller agrees to indemnify, defend, and hold Buyer 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 Purchase Order; (b) any product liability claims arising out of Seller's Materials; or (c) any action or omission by Seller or its employees, agents, or other representatives. Buyer has the right to be represented by and actively participate through its own counsel in any suit or proceeding at Buyer's expense.
11. **Setoff.** Seller agrees that Buyer has the right to charge or setoff against any amounts that Buyer may now or hereafter owe to Seller any amounts now or hereafter owed by Seller to Buyer.
12. **Compliance With Laws.** Seller shall strictly comply with all applicable federal, state, local, and foreign laws, rules, and regulations.
13. **Timber Harvest.** If applicable, Seller warrants to Buyer that it has complied, and that all wood products sold under this Purchase Order do comply, with all local and international laws, rules, and regulations regarding the legal harvest of timber and timber products.
14. **Wood Packaging.** If applicable, all wood packaging materials must be heat treated or properly fumigated prior to export and must be properly marked with an internationally accepted mark, readily visible upon inspection to certify treatment.
15. **Customs.** If applicable, Seller is required to send ISF data at least 72 hours prior to vessel departure. If Buyer incurs penalties from U.S. Customs for a late ISF-filing due to Seller sending ISF data to Buyer late, such penalties will be charged back to the Seller. In addition, Seller will promptly respond to all requests for information from Buyer, including, without limitation, providing information, certificates, or documents needed to clear the Materials through the applicable customs authority.
16. **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, Seller shall pay all other federal, state, local, or foreign tax, value-added tax, or other assessment that is imposed upon any Materials under this Purchase Order, except for Buyer's income taxes.
17. **Insurance.** Seller shall maintain adequate and commercially reasonable insurance coverage for all Materials purchased under this Purchase Order, including, without limitation, general liability, product liability, completed operations, automobile liability, workers' compensation, and employer's liability. Seller will add Buyer as an additional insured and will furnish a Certificate of Insurance and endorsements satisfactory to Buyer 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 Buyer.
18. **Remedies.** Buyer's remedies set forth in this Purchase Order shall be cumulative and in addition to any other rights or remedies provided by law or in equity. Any attempt on the part of Seller or any other party to limit Buyer's remedies or the amount or types of damages it may be seek are null and void. Buyer shall be entitled to recover any expenses (including attorneys' fees) incurred by it in enforcing its rights under this Purchase Order.
19. **Force Majeure.** Provided Seller notifies Buyer promptly, Seller will be excused for any failure to make, or delay in making, delivery as specified in the Purchase Order if such failure or delay is caused by an accident, fire, flood, invasion, civil commotion, war, act of terrorism, act of God, or government regulation (collectively, a "Force Majeure Event"). A Force Majeure Event will not include a failure or delay that is caused by Seller's negligence or other culpable act, any labor problems or strikes, any commercial circumstances affecting pricing, or any commercial circumstances affecting availability of goods or raw materials. During a Force Majeure Event, Buyer may purchase Materials from other sources and reduce its purchases from Seller by such quantities, and Seller will allocate its actual production in a fair and reasonable manner. If any Force Majeure Event lasts more than thirty (30) days, Buyer may immediately cancel this Purchase Order without liability, except for Materials already delivered. Buyer shall also be excused for any failure or delay in performing under this Purchase Order or in accepting delivery if such failure or delay is due to any Force Majeure Event.
20. **Governing Law; Venue.** This Purchase Order 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.
21. **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 Purchase Order into any other language or the occurrence of any other language in this Purchase Order, 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.
22. **Miscellaneous.** No provision of this Purchase Order 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 Purchase Order 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 Purchase Order. If any portion of this Purchase Order 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 Purchase Order shall alter, modify, or strike portions of the Purchase Order so that it will be enforceable to the fullest extent permitted by law. This Purchase Order may not be assigned by Seller with the prior written consent of Buyer, and any consent by Buyer to a particular assignment shall not constitute a consent by Buyer to subsequent assignments or a waiver of the general prohibition on subsequent assignments. Any assignment in contravention of this Purchase Order is null and void. This Purchase Order cannot be amended unless done so in a writing and signed by both parties. All provisions of this Purchase Order shall survive any termination of this Purchase Order to the extent necessary to give effect to the intended purpose of such provision.