

PURCHASE TERMS AND CONDITIONS

1. **TERMS OR CONDITIONS OF SALE AND RIGHT TO CURE:** Anthony Forest Products Company (hereafter "Buyer") shall not be subject in any respect to any terms or conditions of sale of Seller. If Buyer fails to timely pay any amount due hereunder, Seller shall provide Buyer notice of such failure and Buyer shall have 10 days to cure such failure to pay during which time Seller shall take no action adverse to Buyer.
2. **INDEMNITY:** Seller expressly waives all rights or recourse against Buyer and Buyer's affiliates, officers, directors, employees, and agents, and covenants and agrees to indemnify and hold Buyer harmless from and against all claims, actions, suits, and demands, including all expenses of litigation, court costs and attorneys' fees, by whomsoever made arising out of, brought or prosecuted for, bodily injury (including death) of any person, loss of, or damage to personal and/or real property, arising out of or incidental to the materials supplied and/or the services rendered under the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated along with all costs and expenses in connection therewith. Such indemnity shall apply whether or not such injury, death, or damage results in whole or in part from Buyer's negligence or other conduct. Buyer has the right, but not the obligation, either to undertake the defense of any claim or suit and hold Seller liable for all costs thereof or to require Seller to assume the defense of any such claim or suit on Buyer's behalf.
3. **DELIVERY:** Delivery of materials and/or performance of services hereunder must be made with a reasonable time or by the time promised, if any, and if not so made Buyer reserves the right to cancel the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated without liability except for such cancellation charges as may have been specifically agreed upon, provided that if the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated (insofar as it relates to materials) is for a variably priced product (e.g., commodity), unless otherwise agreed, the price payable by Buyer shall be the price prevailing at the time of shipment or promised delivery, whichever is lower, without prejudice to Buyer's rights in either case to claim from Seller any loss or damage occasioned thereby.
4. **INSPECTION:** No inspection by Buyer of any materials or work in progress shall be deemed to constitute acceptance by Buyer or be an admission by Buyer that the inspected materials or work in progress fulfill the terms and conditions of the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated. Buyer shall not be considered to have accepted the materials in the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated except according to the provisions of the Uniform Commercial Code as adopted by the State of Arkansas.
5. **NO CHANGES:** No verbal statements or agreements made by any agent or employee of Buyer and no variation of the terms and conditions of the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated shall be binding on Buyer, absent a written instrument signed by a duly authorized representative of Buyer.
6. **WARRANTIES:** Seller warrants and represents the following: (a) that it has good and marketable title to all materials in the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated; (b) that the materials are free and clear of all liens and encumbrances and Seller has full right and authority to sell the materials to Buyer; (c) that the materials and/or workmanship are free from defects in all respects. Should the purchase be of machinery or equipment, Seller warrants that such machinery or equipment will function successfully on a commercial scale, and will remedy any defect arising therein, at Seller's expense if found defective or incapable of performance on a commercial scale. If the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated is exclusively for the supply of raw materials, Seller warrants and represents that such raw materials conform to, and fulfill the specifications thereof. Seller shall remedy defects due to faulty materials and/or workmanship appearing within the period of two years (2) from the date of delivery, installation or substantial completion of the work, as the case may be, and shall pay for any damage to other property of Buyer or any other persons resulting from such defects, and payments made by the Buyer hereunder shall not relieve Seller from responsibility under this warranty. This warranty is in addition to and not in substitution of any other right or remedy that Buyer may have under the law, including, without limitation, any implied warranties, including implied warranties of merchantability and fitness for a particular purpose. Any warranties offered by Seller's suppliers will be extended to Buyer.
7. **STANDARDS:** The materials and/or services covered in the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated shall comply with all applicable codes, standards and/or regulations of the governing inspection authorities at the place of use. Seller shall be liable for the cost of obtaining all inspection certificates and permits.
8. **COMPLIANCE:** Seller warrants that it complies with all applicable laws and regulations (whether international, federal, state, provincial, or local) concerning the materials or services, and their delivery including but not limited to all applicable international, federal, state, provincial and local laws and regulations governing the handling, offering for transport, and transportation of hazardous materials, and that it will comply with all future legislation to be enacted of such nature, and Seller hereby agrees to indemnify and hold Buyer harmless from all actions, causes of action, claims, demands, losses, damages, costs and expenses (including attorney's fees) resulting from any non-compliance with such laws or regulations. Seller warrants that it complies with all OSHA regulations.
9. **INSURANCE.** If the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated is for services, Seller shall carry and maintain in full force and effect, with insurers satisfactory to Buyer, Comprehensive Vehicle Liability Insurance, including owned, hired and non-owned vehicles, with limits of not less than \$1,000,000, combined single limit, for both bodily injury liability and property damage liability each occurrence; Comprehensive General Liability Insurance, including all contractual liability hereunder, with limits not less than \$1,000,000, combined single limit, for both bodily injury liability and property damage liability each occurrence; Employer's Liability Insurance on all employees not covered by a workers' compensation act for occupational accidents or diseases, with limits of not less than \$1,000,000 for any one accident or disease; and Workers' Compensation Insurance with limits of, at least, the statutory minimum fully covering all employees and supervisors participating in your operations. Upon request, Seller shall name Buyer as an additional insured on all such policies of insurance. Upon request, Seller shall furnish to Buyer a Certificate of Insurance evidencing the foregoing insurance coverage. If Seller fails to furnish evidence of any required insurance, or if any insurance is cancelled or materially changed, Buyer may, at its option, suspend the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated until insurance is obtained or terminate the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated immediately without further action.
10. **WAIVER OF SUBROGATION.** Seller hereby waives any right of subrogation that it, or anyone claiming through or under it, may have against Buyer, or Buyer's agents, employees, or anyone for whom Buyer may be responsible, for any loss or damage to persons or property, even if such loss or damage shall have been caused by the fault or negligence of Buyer. However, this waiver shall not adversely affect or impair any insurance policies or prejudice the right of Seller to recover thereunder. Upon request, Seller shall provide an endorsement from Seller's insurance carrier(s) that any right of subrogation is waived as against Buyer and that such waiver will not impair Seller's insurance.
11. **ASSIGNMENT:** Seller shall not assign the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated or any portion thereof, or any benefit or monies accruing to him thereunder, without the prior written consent of Buyer and any assignment without consent shall be void. No assignment with such consent shall relieve Seller from liability for any of its obligations under the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated. Any assignee of Seller's rights under the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated shall agree with Buyer in the assignment to perform Seller's obligations under the applicable Purchase Order in which these Purchase Terms and Conditions are incorporated.
12. **MISCELLANEOUS:** These Purchase Terms and Conditions and the applicable Purchase Order in which they are incorporated represent the entire agreement of the parties. To the extent that these Purchase Terms and Conditions conflict with the applicable Purchase Order in which they are incorporated, the applicable Purchase Order shall control. If any provision hereof is unenforceable, the remaining provisions shall survive and be enforced. These Purchase Terms and Conditions and the applicable Purchase Order in which they are incorporated shall inure to the benefit of, and be binding upon, the parties hereto and their successors and assigns. The failure of either party to insist in any one or more instances upon strict performance of any of the provisions hereof shall not constitute a waiver of such provision. This purchase and these Purchase Terms and Conditions and the applicable Purchase Order in which they are incorporated shall be governed by the laws of the State of Arkansas and any legal proceeding in connection herewith shall be filed in a court with appropriate jurisdiction in Union County, Arkansas.