

NORBORD INC./NORBORD SALES INC.¹
GENERAL TERMS AND CONDITIONS

1. The following terms and conditions of sale apply to any sale of goods by the Seller. The Buyer shall be deemed to have full knowledge of these terms and conditions and such terms and conditions shall be binding if the goods being supplied are delivered to and accepted by the Buyer.
2. In the event of any conflict or inconsistency between these terms and conditions of sale and the terms and conditions contained in the buyer's order or in any other form issued or offer made by the Buyer, whether or not any such form or offer has been acknowledged or accepted by the Seller, the Seller's terms and conditions shall prevail. No waiver, alteration or modification of these terms and conditions shall be binding upon Seller unless made in writing and signed by a duly authorized representative of Seller.
3. The price to be paid for the goods will be the price agreed to by the Seller and the Buyer plus, if the goods are delivered to the Buyer, freight charges to the place of delivery within the United States or Canada, such price to be reflected on the invoice. The Seller reserves the right to provide goods from any of its mills, without any alteration to this price. Absent an express written agreement providing otherwise with respect to a particular purchase, Buyer shall not export the goods to any country other than the United States or Canada.
4. The Buyer shall take delivery of and pay for the goods in accordance with this Agreement, it being understood that invoices are due and payable at the expiration of the discount period. Tender to the Buyer or his authorized agent or bank of shipping documents consisting of invoice, bill of lading or diversion instructions through the carrier shall constitute delivery on the part of the Seller.
5. All invoices are due and payable without alteration.
6. The Seller shall not be liable for any delay in manufacture or delivery or non-delivery due to fire, ice, snow, drought, flood, forest closure, strikes, lock-outs, or other labour difficulties, war, civil commotion, epidemics, accidents, delays of carriers, inability to procure carriers, shortages of cars, shortage of fuel or other materials, shortage of labour, acts, demands or requirements of the Government of Canada or of the governments of any of the provinces of Canada or of the United States of America or any other states or governments or to any other causes beyond the reasonable control of the Seller and the existence of such causes or delay shall justify the suspension of manufacture or delivery or non-delivery, as the case may be, and shall extend the time of performance on the part of the Seller to such extent as may be necessary to enable it to make shipments in the exercise of reasonable diligence after the causes of delay have been removed. If the cause of delay continues after the last day of shipment, the Seller may, upon notice to the Buyer, cancel the contract.
7. If in the Seller's judgment the Buyer's credit shall become impaired at any time or any payments are overdue, the Seller shall have the right in addition to any and all other remedies to decline to make deliveries to the Buyer except for cash until such times as the credit has been re-established to the Seller's satisfaction.
8. The Buyer agrees to and accepts all usual customary clauses in the bills of lading and such additional clauses and stipulations as may be lawfully imposed by the carriers as a condition of their accepting the materials for transportation.
9. Sales tax, Goods and Services Tax and other government imposts, tariffs, assessments and charges (including without limitation any countervailing duty or duties imposed by the United States of America or export tax imposed by Canada), whether imposed or effected prior or subsequent to delivery to the Buyer, shall be for the Buyer's account unless otherwise specifically agreed by mutual consent in writing.
10. Claims for shortages, defects or error in shipment shall not be considered unless made within five days of receipt of shipment, or as dictated by the appropriate Grading Authority. Claims for shortages or for goods damaged in transit must be made by the Buyer against the carrier upon receipt.
11. Oriented Strand Board (OSB) sold shall fall under the governing provisions of the applicable testing agency Standards and Policies for Structural-Use Panels performance rating rules for products sold in the United States or current Canadian Standards Association 0437 for products sold in Canada unless otherwise specified on the invoice.

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12. (a) The Seller warrants to the Buyer only that on the date of shipment the goods conform to the specifications as per the seller's invoice. SELLER HEREBY DISCLAIMS ALL OTHER WARRANTIES AND CONDITIONS, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING THE IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, DURABILITY, COURSE OF DEALING OR USAGE OF TRADE.

12. (b) For any breach of this Agreement or any other claim arising from or related to this Agreement giving rise to liability, the Seller's entire liability to the Buyer, regardless of the form of action, shall be limited to the Buyer's actual direct provable damages in an amount not to exceed the delivered price for the materials that are the source of the claim. In no event shall the Seller be liable for indirect, consequential, special, incidental or punitive losses or damages, including without limitation, loss of profits, loss of business revenue, loss of goodwill, loss of data, failure to realize expected profits or savings or economic loss of any kind or for any claim against the Seller by any other person, even if the Seller has been advised of or could reasonably foresee the possibility of any such damage occurring.

13. The Seller's waiver of any breach or failure to enforce any of the terms and conditions of these terms and conditions, at any time, shall not in any way affect, limit or waive the Seller's right thereafter to enforce and compel strict compliance with every term and condition hereof.

14. In each case the contract of sale and purchase shall be deemed to have been made and accepted in Toronto, Ontario, and shall be governed by the laws of the Province of Ontario.

15. The benefit or burden of any contract of sale and purchase shall not be assigned or transferred to any party by the Buyer without the written consent of the Seller.

16. The written terms and conditions constitute the entire agreement between the parties hereto and there are no understandings, representations or warranties of any kind not expressed set forth herein other than as set out in the Seller's invoices for goods supplied.

17. Each contract of sale and purchase hereunder shall bind and ensure to the benefit of the executors, administrators, successors and permitted assigns of the respective parties hereto.

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