

TERMS AND CONDITIONS FOR SALE OF WOOD PRODUCTS

- Entire Agreement.** These terms and conditions apply to the sale of any wood products, including without limitation, lumber, oriented strand board (“OSB”), plywood, medium density fibreboard, and laminated veneer lumber (the “Wood Products”) by West Fraser Mills Ltd. or an affiliate as indicated on the Purchase Order with its incorporating jurisdiction in Canada or the United States (“West Fraser”) to a customer of West Fraser (“Buyer”) and are incorporated into and form an integral part of each acceptance of offer, purchase order, understanding, arrangement, agreement or contract for sale, shipment advisory, invoice, or bill of lading (each, a “Purchase Order”). The Purchase Order and these terms and conditions are collectively, the “Agreement” and constitute the entire agreement between West Fraser and Buyer. In the event of any conflict or inconsistency between these terms and conditions and the terms and conditions contained in Buyer’s order or in any other form issued or offer made by Buyer, whether or not any such form or offer has been acknowledged or accepted by West Fraser, these terms and conditions shall prevail. No waiver, alteration or modification of these terms and conditions shall be binding upon West Fraser unless made in writing and signed by a duly authorized representative of West Fraser.
- Price and Payment.** Buyer shall pay the price for Wood Products as set out in the Purchase Order and such price to be reflected on the invoice(s) issued by West Fraser. West Fraser reserves the right to provide Wood Products from any of its mills, without any alteration to this price. The price does not include any applicable federal, provincial, territorial, state, municipal or local taxes, sales, use or value added tax, customs duty, or any other taxes, charges, tariffs or duties of any sort levied or which may be levied by any governmental or taxing agency or authority upon the purchase, import, export, delivery, consumption or use of Wood Products (collectively “Taxes”) unless otherwise stated on the Purchase Order, provided that in the case of lumber and OSB manufactured in Canada and sold to Buyers for delivery in the United States (“US Destined Lumber/OSB Products”) the price includes brokerage, shipping and handling to the Delivery Point (as defined in section 4 below) and all applicable customs duty and any other taxes, charges, tariffs or duties of any sort, including antidumping duties and countervailing duties, required to be paid by West Fraser as the “importer of record” upon the import of the US Destined Lumber/OSB Products into the United States. All invoices are due and payable without alteration. If, in West Fraser’s judgment, Buyer’s credit shall become impaired at any time or any payments are overdue, West Fraser shall have the right in addition to any and all other remedies to decline to make deliveries to Buyer except for cash until such times as the credit has been re-established to West Fraser’s satisfaction.
- Costs.** Buyer will be liable and responsible for: (a) all costs associated with Buyer’s failure to make timely payment for Wood Products (including all costs incurred by West Fraser in collecting past due amounts from Buyer and West Fraser’s actual attorney’s fees and costs); (b) all costs and charges relating to Wood Products related to the period after Wood Products have been delivered by West Fraser in accordance with section 4; (c) unloading costs, including demurrage costs for any waiting time incurred by a carrier or vessel, lighterage and wharfage charges, storage costs or other similar costs associated with Buyer’s failure to unload Wood Products; and (d) for Wood Products to be exported to countries other than the United States, all customs clearance and other requirements and Taxes payable to have Wood Products exported from Canada or U.S. and imported into the country where the final destination is located. Notwithstanding the foregoing, unless agreed in writing by West Fraser, Buyer shall not export Wood Products to any country other than the United States or Canada. Buyer shall indemnify, defend and hold harmless West Fraser for any costs and expenses that are Buyer’s responsibility under this section 3.
- Delivery and Transportation.** Unless otherwise provided in the Purchase Order, West Fraser will load Wood Products onto the transportation carrier arranged by West Fraser and such Wood Products shall be delivered to the specified location in the Purchase Order, subject to the provisions of section 5, Title and Risk, with respect to US Destined Lumber/OSB Products (the “Delivery Point”). All US Destined Lumber/OSB Products shall be sold and delivered to Buyer “Delivery Duty Paid or “DDP” (INCOTERMS 2020), and West Fraser will, at its cost and in its sole discretion, arrange the transportation carrier and deliver the US Destined Lumber/OSB Products to the Delivery Point in the United States. If any Delivery Point is unavailable to West Fraser, West Fraser will have the right to choose an alternate Delivery Point and will notify Buyer of the required change. Any additional or reduced transportation costs resulting from a required change to Delivery Point will be Buyer’s responsibility or to Buyer’s benefit. The transportation carrier is responsible for ensuring that every load of Wood Products is properly secured before any transportation carrier departs a West Fraser mill notwithstanding that West Fraser may load Wood Products onto the transportation carrier’s truck, railcar or vessel. West Fraser reserves the right to refuse to load Wood Products onto an unsafe truck, railcar or vessel. 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 Wood Products for transportation.
- Title and Risk.** Unless otherwise provided in the Purchase Order, title and risk of loss passes to Buyer upon Buyer taking possession of Wood Products at the Delivery Point. Notwithstanding anything to the contrary in the Purchase Order, the Delivery Point for US Destined Lumber/OSB Products for the purposes of determining when title and risk of loss passes to Buyer will be a location in the United States and, to the extent the Purchase Order does not specify a location or specifies a location that is not in the United States, the Delivery Point will be that location in the United States at where the US Destined Lumber/OSB Products are first unloaded from the transportation carrier.
- Insurance.** Unless otherwise provided in the Purchase Order, Buyer will, at its cost, arrange any insurance it requires over Wood Products after they are delivered to the Delivery Point.
- Delivery Schedules.** Any delivery schedules that are part of the Purchase Order represent West Fraser’s estimates only, and partial deliveries of Wood Products are permissible. Buyer may not refuse to receive any partial delivery of Wood Products shipped under the Agreement for failure of any other portion to be shipped. West Fraser will use commercially reasonable efforts to meet any delivery schedules included in the Purchase Order. West Fraser may suspend or delay deliveries at any time pending receipt of assurances satisfactory to West Fraser of Buyer’s ability to pay any amounts payable to West Fraser under this Agreement or any other agreement between Buyer and West Fraser, or if Buyer fails to pay any amounts as and when payable. If Buyer fails to promptly provide such assurance or make any such payment, West Fraser may cancel all or a portion of the Agreement or any other agreement or order without further liability or obligation to Buyer.
- Inspection, Acceptance, Rejection.** (8.1) Buyer shall, at Buyer’s cost, inspect Wood Products when they have been delivered to the Delivery Point. Buyer may reject Wood Products only if: (a) subject to section 10, Wood Products fail to conform to the any of the following specifications (the “Specifications”): (i) number and description in the Purchase Order; (ii) actual dimensions on labels affixed to Wood Products; or (iii) grading specifications established by the American Lumber Standards, National Lumber Grades Authority standards, Canadian Standards Association, and PS 2-18 Standards and Policies for Structural-Use Panels (in respect of OSB sold in the United States), or any other applicable grading specifications, as the case may be, and in effect on the date Wood Products are delivered to Buyer; and (b) Buyer notifies West Fraser in writing of any non-conforming Wood Products within 7 days with respect to all Wood Products, except for wrapped and strapped lumber which notice period is 90 days of delivery of such Wood Products. **Notwithstanding the foregoing, the following terms apply with respect to all lumber:** For a claim of non-conformance, the lumber shall be in the form in which it was delivered. Any subsequent change in manufacture or working or through kiln drying, treatments, fabrication or other use relieves West Fraser of any responsibility of a claim of non-conformance by Buyer. In the case of a claim by Buyer for non-conformance due to: (a) measurement (i.e. FBM), tally, or both, the entire item shall be held intact until it is re-inspected

or re-tallied; or (b) grade, moisture content, size, species or manufacture (but excluding measurement or tally), Buyer shall be deemed to accept such portion of the delivery of lumber that is of the invoiced grade, moisture content, size, species or manufacture, as the case may be. (8.2) If all or any portion of Wood Products delivered to Buyer are properly rejected by Buyer in accordance with section 8.1, West Fraser will, AS THE EXCLUSIVE REMEDY AVAILABLE TO BUYER, do one of the following, in West Fraser's sole discretion: (a) replace the applicable Wood Products without additional cost to Buyer; or (b) cancel the Agreement as it applies to the applicable portion of Wood Products and refund to Buyer any amounts paid in connection with such portion of Wood Products. Notwithstanding the foregoing, Buyer may choose to retain such Wood Products but West Fraser expressly disclaims any express or implied warranties or conditions of merchantability or fitness for a particular purpose regarding such retained Wood Products. If Buyer does not notify West Fraser of any non-conformance within the applicable period, Buyer will be irrevocably deemed to have accepted such Wood Products. Buyer's rejection of any Wood Products will not relieve Buyer of its obligation to pay for any other Wood Products or otherwise perform under the Agreement.

9. **Force Majeure.** West Fraser 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, plague, pandemics (including the COVID-19 pandemic), epidemics, outbreaks of infectious diseases or any other public health crisis (including quarantine or other employee restrictions), accidents, delays of carriers, inability to procure carriers, shortages of cars, shortage of fuel, market or other economic hardship including unavailability of energy, supplies, or raw materials (including logs and chips) or inability to obtain carriers, fuel, energy, supplies, or raw materials (including logs and chips) at economic prices, 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 West Fraser ("**Force Majeure**") 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 West Fraser 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, West Fraser may, upon notice to Buyer, cancel the Agreement. In no event will West Fraser be obligated to purchase Wood Products from a third party to enable West Fraser to deliver Wood Products to Buyer. In addition to the foregoing, West Fraser may, at its option and without liability hereunder, cancel the portion of the contracted Wood Products with Buyer which as a consequence of Force Majeure could not be manufactured by West Fraser or shipped to the Delivery Point.

10. **Warranty.** West Fraser warrants to Buyer only that Wood Products sold to Buyer conform to the Specifications. WEST FRASER 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.
11. **Limitation of Liability.** West Fraser's total liability to Buyer, regardless of the form of action, under all claims and classes of action, including breach of contract, breach of warranty, tort (including negligence), product liability, liability for personal injury and otherwise shall be limited to Buyer's actual direct provable damages in an amount not to exceed the delivered price for Wood Products that are the source of the claim. In no event shall West Fraser 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 West Fraser by any other person, whether such liability arises from any claim or class of action based upon breach of contract, breach of warranty, tort (including negligence), product liability, liability for personal injury or otherwise even if West Fraser has been advised of or could reasonably foresee the possibility of any such damage occurring.
12. **Indemnification.** Buyer shall indemnify, defend and hold harmless, West Fraser and West Fraser's affiliates, directors, officers, employees, secondees, representatives, agents and contractors and their respective representatives, agents and employees (together, the "**Indemnified Parties**"), from and against all actions, injury, claims, liabilities, loss, damages, demands, penalties, fines, expenses (including actual legal expenses), costs, obligations and causes of action of every kind and nature whatsoever that may be asserted or brought against, or suffered or incurred by, the Indemnified Parties for or in respect of, or arising in any way whatsoever, out of (i) the fault, misconduct or negligence of, or the breach of the Agreement by Buyer; or (ii) Buyer's violation or alleged violation of any federal, provincial, state or local laws or regulation, including the laws and regulations governing product safety, labeling and packaging.
13. **Restricted Persons.** Buyer covenants and warrants that neither it nor any of its subsidiaries, nor, to its knowledge, any of its affiliates and their respective directors, managers, officers, employees or agents (i) is, or will become, or is owned or controlled by, a person subject to a sanctions program administered by the United States of America, Canada, the United Nations, the Norwegian State, the European Union, the United Kingdom or any other agency or subdivision thereof ("**Sanctions**"); (ii) is located, organized or resident in a country or territory that is, or whose government is, the subject or target of any Sanctions, or (iii) engages or will engage in any dealings or transactions, or is or will be otherwise associated, with any such person subject to Sanctions that would result in any violation of any Sanctions or any other similar applicable law.
14. **No Waiver.** No provision of this Agreement shall be waived except by a duly executed writing by the parties. No action, delay, failure, or waiver by any party to exercise any right or remedy under this Agreement will operate to limit, preclude, cancel, waive or otherwise affect such right or remedy. No course of dealing among any or all of the parties hereto shall operate as a waiver of the rights thereof.
15. **Governing Law and Binding Arbitration (applicable only to Canada transactions).** The following provisions of this paragraph apply with respect to Wood Products sold by a West Fraser entity with its incorporating jurisdiction located in Canada:
- This Agreement shall be governed by, and interpreted, construed, and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without regard to its principles of conflicts of laws.
 - Any claim, dispute or controversy arising out of or relating to this Agreement and associated transactions, including the enforceability and interpretation of this of this Agreement ("**Disputes**"), shall be settled by final and binding arbitration. All Disputes must be submitted to arbitration within 2 years of the event giving rise to such dispute and will be resolved by a single arbitrator pursuant to the Rules of the Vancouver International Arbitration Centre, or any successor rules then in force. The place of arbitration will be Vancouver, British Columbia. The language of the arbitration shall be English. The arbitrator will not award damages that are inconsistent with this Agreement. Each party will be responsible for its own costs of the arbitration, including any arbitration fees, expert fees, arbitration costs and attorney's fees. The cost of the arbitrator and any external arbitration venue will be shared equally. Any award of the arbitrator will be final and binding upon West Fraser and Buyer and both parties will comply with said award without delay. The award may be enforced by any court having jurisdiction over the party against which the award has been rendered. Neither party will resort to any court except to compel arbitration, to set aside or to enforce a rendered award. The parties agree that any dispute resolution proceedings will be conducted only on an individual basis and not in a class, consolidated or representative action. In the unforeseen event that a Dispute is not arbitrated under this §15(b), the parties irrevocably and unconditionally agree that neither party will commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against each other, in any forum other than the courts of the Province of British Columbia, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submit

to the jurisdiction of such courts and agree that all claims in respect of any such action, litigation, or proceeding against the other party may be heard and determined in such British Columbia court, to the fullest extent permitted by applicable law. The parties hereby agree that the provisions of the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. Each party waives its right to require a jury trial and agrees that any legal actions will be tried by a judge without a jury.

16. **Governing Law and Binding Arbitration (applicable only to United States transactions).** The following provisions of this paragraph apply with respect to Wood Products sold by a West Fraser entity with its incorporating jurisdiction in the United States:
- a. This Agreement and the rights and duties of the parties hereto shall be governed by, and interpreted, construed, and enforced in accordance with the laws of the State of Delaware, without regard to its principles of conflicts of laws.
 - b. Any claim, dispute or controversy arising out of or relating to this Agreement and associated transactions, including the enforceability and interpretation of this Agreement (“**Disputes**”) shall be settled by final and binding arbitration under the Federal Arbitration Act (“**FAA**”) and administered by the American Arbitration Association according to its Commercial Rules. The parties irrevocably waive the right to resolve any Disputes in any other forum or to demand trial by jury. All Disputes must be submitted to arbitration within two years of the event giving rise to such dispute. The place of arbitration will be Memphis, Tennessee, or as otherwise agreed by the parties. The arbitrator will not award damages that are inconsistent with this Agreement. Each party will be responsible for its own costs of the arbitration, including any arbitration fees, expert fees, arbitration costs and attorney’s fees. The cost of the arbitrator and any external arbitration venue will be shared equally. Any award of the arbitrator will be final and binding upon West Fraser and Buyer and both parties will comply with said award without delay. The award may be enforced by any court having jurisdiction over the party against which the award has been rendered. Neither party will resort to any court except to compel arbitration, or to enforce a rendered award. The parties agree that any dispute resolution proceedings will be conducted only on an individual basis and not in a class, consolidated or representative action. In the unforeseen event that a Dispute is not arbitrated under this §16(b) above, the parties irrevocably and unconditionally agree that neither party will commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against each other, in any forum other than the state courts of Shelby County, Tennessee, and each of the parties hereto irrevocably and unconditionally submit to the exclusive jurisdiction of such courts and agree that all claims in respect of any such action, litigation, or proceeding against the other party may be heard and determined in such Shelby County, Tennessee court, to the fullest extent permitted by applicable law. The parties hereby agree that the provisions of the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. Each party waives its right to require a jury trial and agrees that any legal actions will be tried by a judge without a jury.
17. **Assignment.** Buyer may not assign or transfer the Agreement without the prior written consent of West Fraser. Any attempted assignment or transfer without such consent will be null and void and West Fraser will have no obligation to deliver any Wood Products to any other person pursuant to such a purported assignment or transfer. The Agreement will enure to the benefit of and be binding upon the respective successors and permitted assigns of the respective parties hereto.
18. **Independent Parties.** The parties to the Agreement are independent and nothing in the Agreement constitutes Buyer as a partner or agent of West Fraser and Buyer has no authority to represent, bind, act for, undertake or create any obligation or responsibility on behalf of, or in the name of, West Fraser or represent that it is the agent of West Fraser.