



TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS AND/OR SERVICES

1 APPLICABILITY

APPLICABILITY This purchase order is an offer by Idaho Forest Group, Inc. (“**Buyer**”) for the purchase of the goods (“**Goods**”) and/or services (“**Services**”) described on the face of this purchase order from the seller (“**Seller**”) named on the Purchase Order in accordance with and subject to these terms and conditions (the “**Terms**”, together with the terms and conditions on the face of the purchase order, the “**Purchase Order**”). This Purchase Order, together with any documents incorporated herein by reference, comprises the entire agreement between the parties, and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. The Purchase Order expressly limits Seller’s acceptance to these Terms, and any terms proposed in Seller’s acceptance of this Purchase Order or in an invoice, acknowledgement or any other writing, that add to, vary from, or conflict with the Terms, are hereby rejected and are void, and these Terms prevail over any of Seller’s general terms and conditions of sale regardless of whether or when Seller has submitted such terms. Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Goods and/or Services covered hereby, the terms and conditions of that contract shall prevail to the extent they are inconsistent with these Terms.

2 ACCEPTANCE OF ORDER

ACCEPTANCE OF ORDER Seller will be deemed to have accepted this Purchase Order if Seller has failed to provide written notification of Seller’s non-acceptance to Buyer within 5 days of Seller’s receipt of the Purchase Order or by doing any of the following: (i) shipping or furnishing of Goods or Services, (ii) acknowledging this Purchase Order, (iii) commencing performance, or (iv) accepting any payment (in whole or in part) from Buyer for the Goods or Services. No modification of this Purchase Order shall be valid without Buyer’s written consent.

3 DELIVERY OF GOODS

DELIVERY OF GOODS; PERFORMANCE OF SERVICES Seller shall deliver the Goods in the quantities and on the date(s) specified in the Purchase Order or as otherwise agreed in writing by the parties (the “**Delivery Date**”). Deliveries are to be made DDP Buyer’s facility indicated in the Purchase Order (pursuant to Incoterms 2010) unless otherwise indicated on the Purchase Order. Title and risk of loss shall pass to Buyer upon delivery at Buyer’s facility. If Seller fails to deliver the Goods in full on the Delivery Date, Buyer may terminate this Purchase Order immediately by providing written notice to Seller, and Seller shall indemnify Buyer against any losses, claims, damages, and reasonable costs and expenses directly attributable to Seller’s failure to deliver the Goods on the Delivery Date. Seller shall pack all goods for shipment according to Buyer’s instructions or, if there are no instructions, in a manner sufficient to ensure that the Goods are delivered in undamaged condition. Seller shall provide the Services to Buyer as described and in accordance with the schedule set forth on the reverse side of these Terms and in accordance with these Terms. Seller acknowledges that time is of the essence with respect to Seller’s obligations hereunder and the timely delivery of the Goods and performance of the Services.

4 INSPECTION & REJECTION

INSPECTION AND REJECTION OF NONCONFORMING GOODS Buyer may reject all or any portion of the Goods if it determines the Goods are nonconforming or defective, or otherwise fail to comply with the specifications or other requirements, representations or warranties of this Purchase Order including quantity (“**Nonconforming Goods**”). If Buyer rejects any portion of the Nonconforming Goods, Buyer has the right, effective upon written notice to Seller, to: (a) cancel any unshipped portion of the Purchase Order and receive a full refund of any amounts paid for the unshipped portions; (b) accept the Nonconforming Goods at a reasonably reduced price; or (c) reject the Nonconforming Goods and require replacement of the rejected Nonconforming Goods. If Buyer requires replacement of the Nonconforming Goods, Seller shall, at its expense, promptly replace the Nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the Nonconforming Goods and the delivery of replacement Goods. If Seller fails to timely deliver replacement Goods, Buyer may replace them with goods from a third party and charge Seller the cost thereof and terminate this Purchase Order for Cause. Any inspection or other action by Buyer under this Section shall not reduce or otherwise affect Seller’s obligations under this Purchase Order.

5 PRICE

PRICE The price of the Goods and Services is the price stated in the Purchase Order (the “**Price**”). If no price is included in the Purchase Order, the Price shall be the price set out in Seller’s published price list in force as of the date of the Purchase Order. Unless otherwise specified in the Purchase Order, the Price includes all custom duties and sales, use, excise and property taxes and similar charges. No increase in the Price is effective, whether due to increased material, labor, or transportation costs or otherwise, without the prior written consent of Buyer.



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PAYMENT
TERMS

PAYMENT TERMS Seller shall issue an invoice to Buyer and Buyer shall pay all properly invoiced amounts to Seller pursuant to the payment terms in the Purchase Order (or, if the Purchase Order is silent, net 60 days) from the later of (i) delivery of the Goods or (ii) Buyer's receipt of the invoice. All payments will be made in US dollars. Without prejudice to any other right or remedy it may have, Buyer reserves the right to set off at any time any amount owing to it by Seller against any amount payable by Buyer to Seller.

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SELLER'S
WARRANTIES
Re: SERVICES

SELLER'S WARRANTIES REGARDING SERVICES Seller shall (i) maintain all necessary licenses and consents required to perform the Services; (ii) comply with all relevant laws applicable to the provision of the Services; (iii) comply with all rules, regulations and policies of Buyer including following all of Buyer's building security procedures; (iv) perform the Services in a prompt, professional and workmanlike manner consistent with the highest industry standards; (v) ensure that all persons, whether employees, agents, subcontractors, or anyone acting for or on behalf of the Seller, are properly licensed, certified or accredited as required by applicable law, and are suitably skilled, experienced and qualified to perform the Services; and (vi) ensure that all of its equipment used in the provision of the Services is in good working order and suitable for the purposes for which it is used, and conforms to all relevant legal standards and standards specified by the Buyer.

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SELLER'S
WARRANTIES
Re: GOODS

SELLER'S WARRANTIES REGARDING GOODS Seller warrants to Buyer that all Goods will (i) be free from any defects in workmanship, material and design; (ii) conform to applicable specifications, drawings, designs, samples and other requirements specified by Buyer or in the Purchase Order; (iii) be fit for their intended purpose and operate as intended; (iv) be merchantable; (v) be in compliance with all applicable federal, state and local laws, rules, regulations and requirements; (vi) be free and clear of all liens, security interests or other encumbrances; and (vii) not infringe or misappropriate any third party's patent or other intellectual property rights.

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QC

QUALITY CONTROL Seller shall maintain a proper and consistent quality program that is acceptable to Buyer and that meets best industry standards, to assure that the Goods shall comply with the standards of quality stated in this Purchase Order and meet the requirements of the Purchase Order in workmanship, materials, acceptance, specifications, performance and reliability.

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INDEMNIFI-
CATION

INDEMNIFICATION Seller shall defend, indemnify and hold harmless Buyer, Buyer's affiliates and their respective directors, officers, shareholders and employees against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder, and the cost of pursuing any insurance providers arising out of or occurring in connection with (i) the Goods and Services purchased from Seller; (ii) the negligence or willful misconduct of Seller or Seller's employees, agents or contractors; (iii) Seller's breach of this Purchase Order; or (iv) any claim that the use or possession of the Goods or provision of the Services infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. Seller shall not enter into any settlement without Buyer's prior written consent.

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INSURANCE

INSURANCE Seller shall, at its own expense, maintain (i) commercial general liability (including product liability) in a sum no less than \$5,000,000 in the aggregate for bodily harm or personal injury to, illness of, or death of persons, and damage to property occurring as a result of the Goods; and (ii) if Seller will perform Services, professional liability insurance with a minimum of \$1,000,000 per occurrence and auto liability insurance complying with a combined single limit of \$1,000,000. Upon Buyer's request, Seller shall provide Buyer with a certificate of insurance from Seller's insurer evidencing the insurance coverage specified in these Terms. The certificate of insurance shall name Buyer as an additional insured. Seller shall provide Buyer with 30 days' advance written notice in the event of a cancellation or material change in Seller's insurance policy. Except where prohibited by law, Seller shall require its insurer to waive all rights of subrogation against Seller's insurers and Seller. Seller shall also maintain the statutory requirements for workers' compensation insurance.



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TERMINATION

TERMINATION Buyer may, at its sole discretion, terminate this Purchase Order or any part thereof for no cause at any time, in which case Seller shall be entitled to payment of an equitable amount for authorized work performed up to the time of such termination, provided requests for payment must be made by Seller in writing within 30 days after the effective day of termination. Buyer may also terminate this Purchase Order for Cause by providing written notice to Seller and then will not be obligated to make any equitable payment to Seller for work performed. For purposes of this Purchase Order, “Cause” shall mean (a) if Seller breaches any term of this Purchase Order; (b) if, in the opinion of Buyer, Seller fails to make progress or fails to provide reasonable assurances of Seller’s progress, thereby endangering timely delivery; or (c) in case of any proceeding by or against Seller in bankruptcy, insolvency, the appointment of receiver or trustee, or the assignment for the benefit of creditors. On termination, Seller will deliver to Buyer, FOB Destination, and at Seller’s cost any Goods, Goods-in-process or materials purchased by Seller for making the Goods for which Buyer has made any full or partial payment.

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CONFIDENTIAL INFORMATION

CONFIDENTIAL INFORMATION All non-public, confidential or proprietary information of Buyer, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Buyer to Seller, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as “confidential” in connection with this Purchase Order is confidential information of Buyer, solely for use by Seller for the purpose of performing this Purchase Order and may not be disclosed or copied unless authorized in advance by Buyer in writing. Upon Buyer’s request, Seller shall promptly return all documents and other materials received from Buyer. Buyer shall be entitled to injunctive relief for any violation of this Section.

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INTELLECTUAL PROPERTY RIGHTS

INTELLECTUAL PROPERTY RIGHTS Any Buyer designs, drawings, specifications, processes, trade secrets, patents or other intellectual property provided by Buyer to Seller for purposes of making the Goods or performing the Services (“Buyer IP”) are the sole and exclusive property of Buyer. If Seller contributes any improvement to Buyer IP, Seller hereby assigns all right, title and interest to such improvements to Buyer. Buyer hereby grants to Seller a revocable, royalty-free, non-exclusive, non-transferable license to use the Buyer IP solely for use in connection with manufacturing the Goods for sale to Buyer or performing the Services pursuant to this Purchase Order. All information with respect to the Buyer IP shall be confidential and proprietary information of Buyer. All intellectual property created by Seller pursuant to the Purchase Order including Work Product will become the property of Buyer. Seller agrees that all creative work prepared or originated by Seller for Buyer, or during or within the scope of the Purchase Order that may be subject to protection under federal copyright laws (“Work Product”), shall be the sole property of Buyer upon fixation in a tangible medium of expression. Seller expressly acknowledges that the Work Product is to be considered “work for hire” within the meaning of the United States Copyright Act (the “Act”), and Buyer is to be the “author” within the meaning of the Act. All copyrights in the Work Product, as well as all copies of such Work Product, in any medium, shall be owned exclusively by Buyer on their creation, and Seller expressly disclaims any interest in them.

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ASSIGNMENT

ASSIGNMENT Seller shall not assign, transfer, delegate or subcontract any of its rights or obligations under this Purchase Order without the prior written consent of Buyer. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the Seller of any of its obligations hereunder. Buyer may at any time assign or transfer any or all of its rights or obligations under this Purchase Order without Seller’s prior written consent to any affiliate or to any person acquiring all or substantially all of Buyer’s assets.

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GOVERNING LAW

GOVERNING LAW All matters arising out of or relating to this Purchase Order are governed by and construed in accordance with the internal laws of the State of Idaho without giving effect to any choice or conflict of law provision or rule. Seller and Buyer irrevocably submit to the exclusive jurisdiction and venue of the state and federal courts sitting in Boise, Idaho. In addition to other remedies, the prevailing party shall be entitled to recover such amount as the court may adjudge reasonable as attorneys’ fees and expenses in the enforcement action or any appeal. Seller and Buyer agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to this Purchase Order.



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PERMITTED SUBCON- TRACTORS

PERMITTED SUBCONTRACTORS Seller may not use subcontractors for any of Seller’s obligations under this Purchase Order without the prior written approval of Buyer, which approval may be withdrawn at any time. Seller will be responsible for the performance of its approved subcontractors, shall ensure that its subcontractors comply with this Purchase Order, and shall ensure that it includes corresponding conditions to those set out in this Purchase Order in Seller’s contracts with its subcontractors. A breach of this Purchase Order by any subcontractor will constitute a breach by Seller and will permit Buyer to pursue remedies against Seller or the subcontractors without having to pursue remedies against any other third party. Buyer will be a third party beneficiary of any contract between Seller and any subcontractor.

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NOTICES

NOTICES All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a “**Notice**”) shall be in writing and addressed (if to Buyer) to the Buyer’s contact listed on the Purchase Order, with a copy to Idaho Forest Group, Inc., 687 Canfield Ave., Suite 100 Coeur d’Alene, Idaho 83815, or (if to Seller) to the contact listed on the Purchase Order or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Purchase Order, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

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MISC.

MISCELLANEOUS If any term or provision of this Purchase Order is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Purchase Order or invalidate or render unenforceable such term or provision in any other jurisdiction. The relationship between the parties is that of independent contractors. Nothing contained in this Purchase Order shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever. This Purchase Order is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Purchase Order. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Purchase Order. These Terms may only be amended or modified in a writing stating specifically that it amends these Terms and is signed by an authorized representative of each party. No waiver by Buyer of any of the provisions of this Purchase Order is effective unless explicitly set forth in writing and signed by Buyer. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Purchase Order operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.