









Nakamoto Forestry North America Sales Policies and Terms and Conditions 8.24.2023 4110 SE Hawthorne Blvd #190 Portland, Oregon 97214

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## **Sales Policies**

Below is a range of Sales policies to match our unique direct distribution model. These are designed for efficiency and simplicity, in order to keep your landed cost as low as possible. We do not allow for exceptions to these policies and sincerely appreciate your understanding.

## **Order Minimum**

 Minimum initial order volume is 400 square feet for the first line item.

# Reselling, Pricing, Discounts, and Credit

- Direct sales to contractors, owners, or agents only.
   No reselling or distribution sales.
- Flat pricing any volume.
- No trade discounts or returns.
- Prepaid only. No credit or cash-on-delivery sales.
- All prices include factory oil finish (unless unoiled).
- Freight cost is additional. We arrange logistics unless customer prefers to arrange themselves.
- · All pricing in USD.
- Prices and availability subject to change without notice. Prices will be finalized on the formal quote.
   Formal quote is valid for 30 days unless noted otherwise.
- No sales taxes invoiced due to ex Works shipment from Oregon (as of 2.24.2023).

# **Material Takeoff and Ordering**

- Please add a healthy overage ranging 15–25% as shipping additional material can be very expensive.
- Orders can be placed by the square foot, lineal foot, or piece.
- Please have your complete order scope ready before ordering.
- Formal Quotations are tallied in piece increments.
- Lengths are standard at 145 11/16" = 12.14 lineal feet. 10' and 6' nominal lengths are sometimes available.
- All lumber products are invoiced at actual square foot coverage.

 Lineal feet tally RFQ will be converted at 144" length increments though sticks are 145 11/16" length.

# **Order Confirmation and Payment**

- A signed Formal Quotation and full payment are required to initiate an Order and queue in production.
- Formal Quotations are valid for 30 days unless noted otherwise.
- A physical sample of the exact product as is ordered shall be reviewed by the customer prior to placing the order.
- Payment completes the order and lead time starts at payment receipt.
- We accept payment by check, wire, or ACH for US customers. Wire transfer only for Canadian customers. Credit card payments allowed for orders up to \$1,000.
- Orders under \$40,000 must be paid in full at the time of order.
- Orders over \$40,000 we will process with minimum 50% down payment, balance before shipment.
- Full payment must be received before a price change deadline otherwise the entire order is updated to the new price.

## **Lead Time and Storage**

- Standard production lead time for orders under 10,000SF is 1-3 weeks from payment until shipready. Then add freight time from Portland, Oregon.
- Please order at least 5 weeks before the needed date at the delivery location. Add an additional 4 weeks for Alaska, Hawaii, or other distant locations.

Lead Time and Storage continued on page 3





Lead Time and Storage continued from page 2

- All orders are subject to availability. Back-ordered items may have longer lead times.
- Please review our current availability list when ordering to confirm lead time.
- The maximum storage period is 30 days after your order is complete.

# Shipping

- Shipping terms are ex Works Portland, Oregon.
- We can arrange freight and ship via common carrier or hotshot. Will call pick up is available.
- Please plan freight receiving in advance and have a forklift ready at the destination.
- A \$300 crating fee will be applied to the Invoice for orders under \$4,000.
- No crating fee for hotshot delivery or will call pickup.

### **Canadian Customers**

- Brokers clearing Canada Customs on the customer's behalf will directly invoice a C\$150– C\$250 document fee plus provincial GST/HST of the total Order value.
- Lumber of Japan origin does not incur an import duty by Canada Customs.

# **Change Orders and Fees**

- Please make sure the correct specification, complete wood tally, and all accessories needed to complete the entire project are on the formal quotation before signing off.
- \$125 change order fee will be charged if any specification or quantity changes are made after signing off on a formal Quotation, and before the order is processed.
- If the change order request is made after the order starts production then it is considered a new order.
- \$300 additional crating fee if the order change requires crate modification or re-crate.

 If we have started the manufacturing process, purchased the required materials, or added value on the Order at all, the customer is responsible for all costs incurred. Any completed Order portion will be charged at the quoted price.

## **Additional Material Orders and Fees**

- If a second lumber order to the same installation location is placed, the 400SF minimum order volume is waived one time only. If a third order is needed to complete the project or for additional scope, then the 400SF minimum order volume is required.
- \$300 crating fee for lumber orders under \$4,000 if shipping via common carrier.
- \$125 crating fee for lumber orders being shipped by ground services.
- \$125 order processing and packaging fee for additional accessory flashings.
- No order processing fees for touchup oil or fastener orders.

### **Order Cancellations and Returns**

- If you need to cancel your order after it is paid, a cancellation fee of 10% or a minimum of \$1,000 will be charged.
- If we have started the manufacturing process, purchased the required materials, or added value on the Order at all, the customer is responsible for all costs incurred. Any completed Order portion will be charged at the quoted price.
- No returns. All sales are final.

# **Installation and Warranty**

- Please find our installation instructions (English and Spanish), all specification sheets and other documents at https://nakamotoforestry.com/installation/
- 5 year warranty from major millwork defects.
   Coatings, treatments and accessories are excluded.
   15 and 25 year limited warranties from peeling and flaking on our acrylic coating. Warranty remedies are not available if requirements are not followed. Please reference our Terms and Conditions for details.

Please contact us via email at info@nakamotoforestry.com or by phone at 503-512-6780 (6am-4pm PST) if you have any questions or clarifications. We greatly appreciate your business.





## **Terms and Conditions of Sale**

These Terms and Conditions of Sale (these "Terms and Conditions") apply to the sale of all products, goods, and services by NICHIBEI GLOBAL, LLC, an Oregon limited liability company d/b/a NAKAMOTO FORESTRY NORTH AMERICA and NAKAMOTO FORESTY ("we", "us", "our" or "Nakamoto Forestry North America") to the person or entity identified as customer ("you", "your", or "customer") on the attached Sales Order ("Order"). These Terms and Conditions, together with the attached Order (collectively, the "Agreement"), constitute the entire agreement relating to the subject matter hereof and supersede all prior or contemporaneous understandings or agreements, whether written or oral, among the parties with respect to such subject matter. Any terms submitted by either party which are in addition to or inconsistent with the Agreement (including, without limitation, the terms of any Order, Quotation, order acknowledgment, invoice, bill of lading, or other instrument) are not binding and are expressly rejected, unless agreed to in writing and signed by both parties. Neither the course of conduct between the parties nor trade practice shall act to modify any of these Terms and Conditions.

A signed millwork Quotation or submission of payment constitutes your acceptance of these Terms and Conditions, and acceptance of the Order as it is written.

#### **Quotations**

A signed Quotation and full payment are required to initiate an Order and queue production. Please review the Quotation carefully to confirm specifications and quantities. Quotations are valid for thirty (30) days unless otherwise noted. All Orders are subject to availability. Our standard terms are Incoterms exWorks Portland warehouse. Shipping charges on the Quotation are estimated and may be adjusted on a final Invoice.

#### **Disclaimer**

We attempt to replicate Orders to the samples approved by the customer, and our grading consistency is unmatched. The customer can expect that the wood type, finish type, grading, and millwork of the end product will align with the sample. Nevertheless, due to variations in each piece of wood, including but not limited to variations in color, grain, mineral streaks, and knots, the Order will never be a perfect match. Each board varies in color, mineral content, texture, and porosity, and therefore each board will have unique appearance before and after any coating process. As such, the end product may vary slightly or significantly from the sample. Approval of the sample board does not bind Nakamoto Forestry North America to provide the customer with an exact replica, and Nakamoto Forestry North America does not guarantee that the end product matches the sample board.

## **Lead Time**

Lead time estimates are provided on the Quotation and email or verbal order confirmation. These are based on our best information at the time, but may change. Lead time begins upon receipt of a signed Quotation and full payment. Nakamoto Forestry North America is not responsible for supplier lead times or delivery carrier transit times.

## **Change Orders & Deletions**

A change order includes additions or deletions to the original order. If additions are requested and the original schedule needs to be met, a twenty percent (20%) premium may be charged for the additional portion, and an additional non-refundable deposit may be required if the increased volume is substantial as determined by the seller. If we have started the finishing process or purchased required materials, the customer is liable for all costs incurred. Any completed order portion will be charged at the quoted price.

### **Payment**

Full payment, including shipping or other charges if applicable, is due at time of order. Customers are invited to inspect their order in person prior to shipment. Customer Orders must be shipped within thirty (30) days of production completion. If final payment is not received within thirty (30) days of completion of the order, a 5% of order value per month (\$200 minimum) charge will be added to a final Invoice to cover storage and handling.





# **Shipping**

Orders are shipped common carrier on skids freight prepaid. All prices are Incoterms exWorks Portland warehouse unless otherwise noted. After completion of the order we reserve the right to either ship the order to the customer or tarp and store it outside at our facility. If the order must be transferred to another truck to deliver the shipment to the job site, or if the delivery is re-routed after the order leaves our shop, etc., any additional charges are the responsibility of the customer and must be paid before delivery. There is often an additional fee charged by the carrier for residential delivery and amount depends on specific location. We contract the carrier to call in advance to confirm a delivery window appointment. Please note that the customer is responsible for off-loading of the order from the delivery truck, including any necessary labor and/or equipment. Lift gate service is often not possible, and we do not build skids compatible with manual pallet jacks. The units of lumber are crated or banded with strapping, and are designed to be offloaded by forklift. If a dock or forklift are not available, please consult with us by phone.

If the order arrives damaged due to shipping, the Consignee must specifically note any damage on the freight bill before signing, take photos, and contact us within 72 hours by email. Do not un-bundle the order, since the freight line may return it to us. If we ordered logistics, we will process the claim and replace any damaged material as soon as possible.

## **Limitation of Liability**

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL NAKAMOTO FORESTRY NORTH AMERICA BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, OR ANY OTHER PECUNIARY LOSS) HOWEVER CAUSED AND ON ANY LEGAL OR EQUITABLE THEORY OF LIABILITY, AND WHETHER OR NOT FOR BREACH OF CONTRACT, NEGLIGENCE OR OTHERWISE, EVEN IF CUSTOMER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY BREACH OF CONDITION OR FUNDAMENTAL TERM OR FOR A FUNDAMENTAL BREACH. IN ANY CASE, NAKAMOTO FORESTRY NORTH AMERICA'S ENTIRE LIABILITY UNDER ANY PROVISION OF THIS AGREEMENT SHALL BE LIMITED TO THE AMOUNT RECEIVED BY NAKAMOTO FORESTRY NORTH AMERICA PURSUANT TO THIS AGREEMENT. THIS LIMITATION OF LIABILITY IS CUMULATIVE WITH ALL SUCH PARTY'S EXPENDITURES BEING AGGREGATED TO DETERMINE SATISFACTION OF THE LIMIT.

## **Acclimation & Installation**

All siding and paneling should be acclimated in the location where it will be installed for a minimum of two (2) weeks, and moisture content checked before installation. We recommend installation and any onsite finishing by qualified professional wood siding contractors. Siding should be face-nailed or screwed with two nails or screws located every 16" or less on-center, with headed 1.625" or longer #316 grade stainless steel ring-shank nails or screws. All exterior applications should be over a minimum 3/8-inch rigid air gap and bottom-vented screen-wall assembly. Proper flashing and sealing standards should be followed. Nakamoto Forestry North America assumes no responsibility for installation issues, water intrustion, or other problems associated with the installation of our products. The customer accepts full responsibility for such issues, including lost labor, removal labor, reinstallation or touch-up labor, material losses, etc., for any reason, including, but not limited to, the following:

- · Lack of familiarity with the characteristics of yakisugi "shou sugi ban";
- · Failure to properly inspect and reject material prior to installation;
- Failure to properly seal or flash in a manner that prevents moisture intrusion or buildup;
- · Failure to follow building code or construction best practices;
- · Failure to follow manufacturer installation and maintenance standards; and
- Failure to use a licensed and competent contractor.





### Guarantee

We guarantee our products to be as listed on the Quotation and per our grade specifications. We grade to our own standards due to uniqueness of the product. Before installation, inspect the Order completely. If for any reason you are not satisfied with the material, subject to the restrictions and exceptions contained herein, please contact us as soon as possible and we will do our best to remedy the situation. Nakamoto Forestry North America guarantees that siding or paneling shipped prefinished has been finished according to the finish manufacturer's specific instructions current at the time.

## **Limited Warranty and Exclusions**

Nakamoto Forestry North America warrants to the original purchaser, that the siding or paneling is free from major manufacturing defects in dimension, grading, and millwork, for 5 years. This limited warranty, which begins from the date of purchase, applies only to the original purchaser and location where the purchaser's siding or paneling is installed. Nakamoto Forestry North America's Limited Warranty is not transferable, and this limited warranty is void if the original purchaser sells, gifts, or otherwise transfers the property containing the siding or paneling within the 5-year warranty period.

No installer, retailer or distributor, or employee of Nakamoto Forestry North America, has the authority to alter the obligations or limitations of any Nakamoto Forestry North America warranty.

If any portion of the original purchaser's siding or paneling should fail with respect to the provisions of this limited warranty, Nakamoto Forestry North America, at its sole option, will repair, refinish, or replace said portion at no cost to the original purchaser, with the same or equivalent product; provided, however, that new and/or replacement material will never exactly match samples, photos, or existing installations. Nakamoto Forestry North America is not responsible for color, grain, or finish variation of product or samples for the end user attempting to match other wood products such as millwork, fenestration, or moldings.

If Nakamoto Forestry North America is unable to correct the failure after a reasonable number of attempts and if requested, we will refund the purchase price for the portion of the material that failed.

This limited warranty shall not apply to damage to or defects in the siding, paneling, or finish, arising from or related to the following:

- Defects or damage related to naturally occurring wood characteristics, such as variations in grain, color, mineral streaks, and knots;
   these are not considered defects, as long as they are within grading rules.
- Defects or damage related to expansion and contraction of the wood. Wood is a natural product and will continue to expand, contract, and otherwise move over time. Properly installed wood may therefore experience some dimensional movement over time, which is not covered by this warranty.
- Natural color changes due to full or partial exposure to heat, UV light, or sunlight. This is a natural occurrence and is not covered
  by this warranty.
- Damage due to exposure to weather conditions, including but not limited to, sunlight, humidity, cold, heat, rain, snow, hail, wind, lightning, or atmospheric pressure.
- Damage from improper cleaning practices, including but not limited to the use of chemical or industrial products, wax, oil soaps, or standing liquids for a prolonged period of time, power washing, sanding, or scraping.
- Any customer claims or complaints relating in any way to, or dissatisfaction with, the pre-finish of the product.
- Damage due to water and/or moisture, including but not limited to broken or leaking pipes, extreme weather conditions, natural disasters, or water entry, moisture intrusion, or buildup due to improper sealing or flashing.
- Damage due to indentations, scratches, stains, caused by negligence, fire, excessive heat, excessive dryness, erosion, sand or other abrasives, animals, insects.
- Damage due to failure to follow all the manufacturer's written installation and/or maintenance instructions, or failure to install the product in accordance with best industry practices.





- Misuse or abuse.
- Alteration of the original manufactured product. Alterations or repairs to the manufacturer's original product will void any and all
  warranties. This includes sanding, top coating, recoating, or attempted refinishing of the factory-applied finish.
- No warranties apply to any products designated as accessories, seconds, off-goods, custom, or non-standard items, and any such
  product is sold "as is."

Claims must be submitted in writing to Nakamoto Forestry North America within thirty (30) days of the expiration of the warranty period and documentation verifying purchaser and date of purchase will be required. Nakamoto Forestry North America reserves the right to have a representative inspect the material and to have samples removed for technical analysis.

THIS WRITING IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE EXPRESS WARRANTIES PROVIDED HEREIN AND IS IN LIEU OF ALL OTHER EXPRESS AND/OR IMPLIED WARRANTIES BY THE MANUFACTURER, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Nakamoto Forestry North America assumes no liability for incidental or consequential damages. However, some states do not allow the exclusion or limitation of incidental or consequential damages, so this exclusion may not apply to you. This warranty gives you specific legal rights and you may also have other rights that vary from state to state. The sole remedy provided herein is the repair, refinish, replacement or refund of defective products as set forth above.

## **Governing Law**

These Terms and Conditions will be governed by and construed in accordance with the laws of the state of Oregon, without regard to conflict-of-laws principles.

### Venue

Any action or proceeding seeking to enforce any provision of these Terms and Conditions or based on any right arising out of these Terms and Conditions must be brought against any of the parties in Multnomah County Circuit Court of the State of Oregon or, subject to applicable jurisdictional requirements, in the United States District Court for the District of Oregon, and each of the parties consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to such venue.

## **Attorney Fees**

If any arbitration, suit, or action is instituted to interpret or enforce the provisions of these Terms and Conditions, to rescind the Terms and Conditions, or otherwise with respect to the subject matter of these Terms and Conditions, the party prevailing on an issue will be entitled to recover with respect to such issue, in addition to costs, reasonable attorney fees incurred in the preparation, prosecution, or defense of such arbitration, suit, or action as determined by the arbitrator or trial court, and, if any appeal is taken from such decision, reasonable attorney fees as determined on appeal.

### Severability

If any provision of these Terms and Conditions is deemed to be invalid or unenforceable in any respect for any reason, the validity and enforceability of such provision in any other respect and of the remaining provisions of these Terms and Conditions will not be impaired in any way.