

CERTI-LAST® AGREEMENT

This Certi-Last Agreement (“Agreement”) is entered into on _____ between the
(date)
Cedar Shake & Shingle Bureau (the “Bureau”) and _____ (the “Treater”).

RECITALS

A. The Bureau is the owner of the Certi-Last mark (the “Mark”), a facsimile of which is attached hereto and incorporated herein by this reference, and the Treater wishes to market and sell preservative treated wood shakes and shingles (“Treated Products”) under the Mark.

B. The Bureau is willing to permit the Treater to use the Mark.

AGREEMENT

THEREFORE, the parties agree:

1. Term. Unless terminated earlier as provided herein, the term of this Agreement (“Term”) is one (1) year beginning the date of execution of the Agreement by the Treater and the Bureau, and shall be renewed automatically each succeeding year unless either party gives written notice 30 days prior to expiration of the applicable annual Term.

2. Dues. Treater shall pay dues to the Bureau for use of the Mark in accordance with the Bureau’s By-Laws, as amended or in effect from time to time.

3. Grant. Subject to the terms and conditions set forth in this Agreement, the Bureau hereby grants to the Treater the nonexclusive right to use the Mark in the marketing and sale of Treated Products during the Term of this Agreement, and Treater agrees to label with Certi-Last labels all visible bundles of Certi-Labeled wood shakes and shingles that meet the minimum standards set forth in this Agreement.

4. Ownership. Treater acknowledges that the Bureau owns all right, title and interest in and to the certification mark Certi-Last and all attendant goodwill, and Treater has no right to use the Mark except with the permission of the Bureau and on the terms and conditions set forth in this Agreement. Further, Treater acknowledges that it will acquire no interest in or right to use the Mark, other than that granted herein.

5. Minimum Standards. Treater acknowledges that the quality of Treated Products marketed by Treater under the Mark is critical to the reputation and goodwill associated with the Mark. Treater shall use the Marks only on or in connection with the marketing and sale of wood shakes and shingles meeting the minimum standards set forth below:

a) Treated Products. Must be Number 1 grade wood shakes and shingles which conform to the standards of the Bureau and have been produced by a Bureau member mill under the Certi-Label program.

b) Treating Standards. Must be treated in compliance with the American Wood Preservers Association (C34 Standard). Preservative retention, penetration, and assay sampling criteria shall be in accordance with the AWWA U1-07 and/or CSA 0118.1 Standard.

6. Inspection and Audit. The Bureau reserves the right, at any time, to inspect the Treater's plant and facilities, documents and records, treating process and procedures, and inventory and to take samples of Treated Products for the purpose of testing for, or auditing compliance with, the standards set forth in this Agreement.

7. Promotional Materials. Treater shall reimburse the Bureau for the cost of promotional materials in the amounts set by the Bureau's Board of Directors from time to time.

8. Quality Control Agency. Treater shall at all times retain an inspection and quality control agency (an "Agency") that maintains a current and valid ICBO ES, Inc. Evaluation Report as a certified quality control agency for Treated Products and is recognized by ICBO ES, Inc. as qualified to inspect and verify Treater's compliance with the Treating Standards (Sec. 4 b) and with this Agreement, and to cooperate fully with the Bureau in inspecting, auditing and monitoring Treater's performance under and compliance with this Agreement, including without limitation, fully disclosing to the Bureau all information pertaining thereto and providing all documents and records requested by the Bureau.

9. Limited Warranty. Treater shall provide each homeowner who purchases Treated Products with a thirty (30) year limited warranty which shall not be prorated more than 1/30th per year and pursuant to which Treater agrees, at a minimum, to supply new Treated Products to replace all Treated Products that fail due to fungal decay and termites subject to individual treating companies' criteria. The warranty shall run from the Treater only; the Bureau makes no warranty, express or implied, to any party with respect to the Treated Products. The Bureau must approve the complete terms of Treater's limited warranty prior to Treater's use of the Mark.

10. Indemnification. The Bureau shall not be liable for injury to any person, or for the loss of or damage to any property occurring in connection with Treated Products sold under the Mark or represented to be in compliance with any standards of the Bureau from any cause whatsoever, unless solely caused by the Bureau's negligence or willful misconduct. Treater shall indemnify, defend and hold the Bureau harmless from and against any and all claims, charges, liabilities, obligations, penalties, damages, costs and expenses (including attorneys' fees) arising, claimed, charged or incurred in connection with: (i) Treated Products sold under the mark or represented or warranted to be in compliance with any standards of the Bureau, (ii) breach of this Agreement, or (iii) any act or negligence of Treater, or any officer, agent or employee of Treater. In case any action or proceeding shall be brought against the Bureau by reason of such claim, the Treater, upon notice from the Bureau, shall defend the same at Treater's expense by counsel reasonably satisfactory to the Bureau. The indemnification provided for in this section with respect to any acts or omission during the Term of this Agreement shall survive any termination or expiration of this Agreement. Treater shall promptly notify the Bureau of losses occurring or claims arising in connection with Treated Products sold by Treater under the Mark or represented to be in compliance with any standards of the Bureau.

11. Insurance. During the Term of this Agreement, Treater shall, at its sole cost and expense, maintain comprehensive general liability and product liability insurance with a reputable insurance company or companies with a combined single limit of \$1,000,000 for personal injuries and property damage, to indemnify both the Bureau and Treater against any such claims, demands, losses, damages, liabilities and expenses. The Bureau shall be named insured and shall be furnished with a certificate of insurance on the issuance and renewal of each policy, which shall bear an endorsement that it shall not be canceled except upon not less than 30 days prior written notice to the Bureau.

12. Suspension. Treater shall be under suspension (a “Suspension”) if it breaches any material term or condition of this Agreement, including but not limited to:

a) Treater fails, within five (5) days of a request by the Bureau, to verify in writing its compliance with the minimum standards set forth in this Agreement.

b) Any Treated Products marketed or sold in connection with the Mark fail to conform fully with the minimum standards set forth in this Agreement.

c) Treater fails to comply with any of the Bureau’s By-Laws, policies, rules or regulations.

13. Action Required Upon Suspension or Termination. If Treater is under suspension, or if this Agreement is terminated, Treater shall immediately cease the marketing and sale of all products bearing the Mark or represented to be in compliance with any standards of the Bureau, shall immediately relinquish to the Bureau all labels bearing the Mark, and in the Bureau’s sole discretion, shall notify all customers, to whom Treated Products have been sold within the period of time specified by the Bureau, of the suspension or termination and shall withdraw all Treated Products from further sale or distribution anywhere in the world.

14. Investigation. At all times, and upon suspension or termination of this Agreement, Treater agrees to cooperate in full and in good faith with the Bureau regarding any audit or investigation by the Bureau of the Treater’s performance under, or compliance with, this Agreement, including without limitation an investigation of any breach leading to or causing a suspension or termination.

15. Termination of Agreement. Failure of Treater to remedy, in the Bureau’s sole discretion, the breach leading to or causing a suspension shall result in immediate termination of this Agreement upon written notice by the Bureau of its intention to terminate. In its sole discretion, the Bureau may terminate this Agreement on 5 days’ written notice for any material breach of this Agreement by Treater. The provisions of Sections 2, 4-9, 12-13, 15, and 20-22 shall survive the termination or expiration of this Agreement.

16. Limited Liability for Bureau. The Bureau shall not be liable for special, incidental, indirect or consequential damages of any kind whatsoever, whether alleged to have resulted, directly or indirectly, from a breach by the Bureau of this Agreement or other contract, negligence or other tort or otherwise.

17. Notices. All notices required or permitted by this Agreement shall be in writing and shall be deemed given when (i) personally delivered, (ii) deposited by registered or certified mail, postage prepaid and return receipt requested, or (iii) deposited with a nationally recognized overnight delivery service such as Federal Express, addressed to a party at the address under its name on the signature page of this Agreement.

18. Entire Agreement; Modifications. The terms of this Agreement constitute the entire agreement between the parties regarding the subject matter described herein. No modification to this Agreement shall be binding unless in writing and signed by the parties.

19. Severability. If any provision of this Agreement shall be held illegal or invalid by any court, this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein and this Agreement shall be deemed an agreement of the parties hereto to the full extent permitted by law. If any provision shall be declared invalid or unenforceable because of its breadth, scope or duration, such provision shall be deemed modified to the extent necessary to make it valid and enforceable and shall remain in full force and effect as so modified, or if not so modified, shall be severable from the rest of this Agreement.

20. Assignment. Treater may not assign or delegate any of its rights, obligations or duties under this Agreement, by management agreement or otherwise, without the prior written consent of the Bureau. Any

change in the ownership of Treater, or in the persons responsible for managing Treater's treating operations, whether by sale of stock, assignment of partnership interest, lease, contract or otherwise, shall constitute an assignment to which the prior written consent of the Bureau is required.

21. Waiver. The failure of either party at any time to require performance of any provision hereof by the other party shall not be deemed a waiver and thereafter shall not deprive that party of its full right to require such performance in the particular instance or at any other time. Any waiver must be in writing and signed by the waiving party.

22. Governing Law. This Agreement shall be governed by an construed in accordance with the laws of the State of Washington, excepting its conflict of laws provisions.

23. Attorney's Fees. In the event of a dispute between the parties arising out of this Agreement which is arbitrated or litigated, the nonprevailing party shall bear the reasonable costs and attorneys' fees of the prevailing party, including the reasonable costs and attorneys' fees incurred in the appeal of any final or interlocutory judgment. Venue of any suit or proceeding arising out of this Agreement shall be in King County, Washington, and Treater agrees to submit to the jurisdiction of any state or federal court in King County, Washington competent to hear such suit or proceeding.

**CEDAR SHAKE & SHINGLE BUREAU
CERTI-LAST AGREEMENT**

DATE: _____

TREATER _____

CEDAR SHAKE & SHINGLE BUREAU

By _____

By _____

Title _____

Title _____

Address: _____



**Cedar Shake &
Shingle Bureau**

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