

## MEMBER CONTRACTOR/INSTALLER MEMBERSHIP AGREEMENT

This Contractor/Installer Membership Agreement (“Agreement”) is entered into by and between the Cedar Shake & Shingle Bureau (“Cedar Bureau”) and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(“Member”).

RECITALS

A. The Cedar Bureau is a nonprofit corporation whose purpose is to benefit and promote the wood shake and shingle industry, and is the owner of the Certigrade, Certi-Sawn, Certi-Split, Certi-Ridge, Certi-Last, Certi-Guard and other “Certi-label” marks (collectively, the “Marks”), which are incorporated herein by this reference. Member wishes to become a member of the Cedar Bureau and to market, promote, sell, and provide installation services for “Certi-label” cedar shakes and shingles bearing the Marks (“Products”) using the Cedar Bureau’s logo, brochures, and other promotional and marketing materials and methods (collectively, the “Materials”).

B. Under the terms and conditions specified herein, the Cedar Bureau will grant to Member (1) membership in the Cedar Bureau as a Member Contractor/Installer, and (2) the non-exclusive right to use the Marks and the Materials to market, promote, sell, and provide installation services for the Products and to make the Cedar Bureau Member Manufacturer’s Lifetime Limited Warranty (“Warranty”) for such Products available to purchasers of Member’s installation services and the Products.

C. Member acknowledges and agrees that Member is an independent third party and is not an employee, representative, or agent of the Cedar Bureau; that the Cedar Bureau is not a party to any contract or arrangement between Member and any other person or entity; and that the Cedar Bureau is neither responsible, nor assumes nor bears any liability, for Member’s contracts, representations, promises, advertising and advertising or promotional materials, work, workmanship, quality of services, or other conduct, acts or omissions.

AGREEMENT

THEREFORE, the Cedar Bureau and Member agree:

Term. Unless terminated earlier as provided herein, the term of this Agreement (“Term”) is one (1) year beginning on the date of this Agreement specified below. This Agreement shall be renewed automatically each succeeding year unless either party gives written notice of termination at least sixty (60) days prior to expiration of the applicable annual Term. In the event Member gives written notice of termination, Member must comply with all Cedar Bureau By-Laws, policies, rules, and regulations, as amended or in effect from time to time, and all terms and conditions of this Agreement, including payment of dues, and inspection and audit requirements or provisions, before said termination shall be effective.

Dues. Member shall pay dues to the Cedar Bureau in accordance with its By-Laws, as amended or in effect from time to time.

Grant. The Cedar Bureau hereby grants Member (a) membership in the Cedar Bureau (“Membership”), and (b) the non-exclusive right to use the Marks and the Materials in connection with the marketing, promotion, sale, and provision of Member’s installation services for the Products and to make the Warranty available to purchasers of Member’s installation services and the Products during the Term, on the terms and conditions set forth below.

MEMBERSHIP TERMS AND CONDITIONS

1. Member Compliance. Member shall be granted Membership and the non-exclusive right to use the Marks and the Materials subject to and conditioned upon Member:

(a) Complying with all Cedar Bureau By-Laws, policies, rules, and regulations, as amended or in effect from time to time, which are incorporated herein by this reference;

(b) Complying with all Cedar Bureau and applicable local building code installation standards, rules, guidelines, and quality control criteria, as amended or in effect from time to time, which are incorporated herein by this reference, including but not limited to, use of correct fasteners and underlayment/membrane;

(c) Ensuring that all of Member’s employees and subcontractors are properly trained, use only top quality workmanship techniques and practices, understand and apply appropriate quality control principles and practices, and follow applicable safety rules and regulations;

(d) Marketing, promoting, selling, and protecting the Products;

(e) Providing actual and potential customers with Cedar Bureau literature, and marketing and promotional materials;

(f) Promptly answering all customer inquiries and complaints;

(g) Promptly responding to Cedar Bureau requests for information;

(h) Providing records and documentation required by the Cedar Bureau and maintaining the accuracy of such records and documentation, including, but not limited to, documentation regarding Member’s insurance as required in Paragraph 2 below; and

(i) Compliance with all terms and conditions of this Agreement.

2. Member Insurance. Member must purchase and maintain a commercial general liability insurance policy or policies with a coverage limit of CDN$2,000,000 (either CDN$2,000,000 limit of liability per occurrence, or CDN$1,000,000 limit of liability per occurrence and CDN$1,000,000 umbrella liability coverage) issued by an insurer acceptable to the Cedar Bureau. Member must submit a Certificate of Insurance from the insurer (a) confirming such insurance policy coverage, and (b) providing that the Cedar Bureau is added to the policy as an Additional Insured with respect to liability arising out of Member’s operations and activities. Should the policy or policies listed in the Certificate of Insurance be cancelled before the expiration date thereof, the insurer(s) issuing such policy or policies and/or Member shall promptly provide written notice of such cancellation in advance thereof to the Cedar Bureau.

3. Ownership of Marks and Logo. Member acknowledges that the Cedar Bureau owns all right, title, and interest, including all intellectual property rights, in and to the Marks and all attendant goodwill, and in and to the Materials, and that Member has no right to use the Marks or the Materials, except with the permission of the Cedar Bureau and on the terms and conditions set forth in this Agreement. Further, Member acknowledges that it will acquire no interest in or right to use the Marks or the Materials, other than that granted herein.

4. Use of Marks and Logo. Member shall use the Marks and the Materials, only on, or in connection with, the marketing, promotion, sale, and provision of installation services for the Products. Member represents, warrants, and covenants that it will not use the Marks, or the Materials, except in and for the marketing, promotion, sale, and provision of installation services for the Products. Member acknowledges that the quality of the installation services marketed, promoted, sold, and provided by Member under the Marks or logo is critical to the reputation and goodwill associated with the Marks and logo.

5. Use of Member Manufacturer’s Lifetime Limited Warranty. Member shall make the Warranty available in its sole discretion, but only in connection with its provision of installation services to purchasers of the Products and in accordance with the terms and conditions of the Warranty and all Cedar Bureau and applicable local building code installation standards, rules, guidelines, and quality control criteria, as amended or in effect from time to time. If Member elects to make the Warranty available, Member agrees to provide the purchaser with all required Warranty materials, including, but not limited to: (a) copies of all invoices for the warranted Products; (b) a copy of the Member’s workmanship/installation warranty; and (c) three original warranted Product labels (Field, Starter, Ridge). All required Warranty materials must be sent to the Cedar Bureau within thirty (30) days after installation of the Product covered by the Warranty. The Cedar Bureau will provide Member with 30 days’ prior written notice of any changes in the program administering the Warranty. Member’s failure to provide the purchaser consumer with all required Warranty materials may result in suspension and/or termination of Member’s Membership. Member represents, warrants, and covenants that it will not make the Warranty available, except to purchasers of Member’s installation services and the Products, and only in accordance with the terms and conditions of the Warranty and all Cedar Bureau and applicable local building code installation standards, rules, guidelines, and quality control criteria, as amended or in effect from time to time. Member acknowledges that the standards and quality of the installation services marketed, promoted, sold, and provided by Member, including under the Marks and/or the Cedar Bureau’s logo, is critical to the reputation and goodwill associated with the Warranty.

6. Inspection and Audit. Member agrees to provide basic credit information to the Cedar Bureau in order for it to evaluate the creditworthiness of Member and lead referrals, and to permit the Cedar Bureau, or its authorized representative, to enter and remain on the Member’s premises at any time during regular business hours in order to inspect the Member’s facilities, and documents and records concerning the marketing, promotion, sale, and provision of installation services to purchasers of the Products, and to take samples of Products, for the purpose of testing for, or auditing compliance with, this Agreement and the Cedar Bureau’s By-Laws, policies, rules, and regulations, and with all Cedar Bureau and applicable local building code installation standards, rules, guidelines, and quality control criteria, as amended or in effect from time to time. In the case of suspension under Paragraph 8 below, termination of this Agreement by the Cedar Bureau under Paragraph 10 below, or written notice of termination by Member upon 60 days’ written notice, Member agrees, upon written request by the Cedar Bureau, to permit the Cedar Bureau or its authorized representative to inspect Member’s inventory of Products and brochures or other promotional or marketing materials provided by the Cedar Bureau or bearing its logo or the Marks, whether or not on a sampling basis, in order to ensure compliance with this Agreement and the Cedar Bureau’s By-Laws, policies, rules and regulations, and with all Cedar Bureau and applicable local building code installation standards, rules, guidelines, and quality control criteria, as amended or in effect from time to time, and to protect the integrity of the Marks, the Cedar Bureau’s logo, and the Warranty. The Cedar Bureau agrees not to disclose, or use for purposes other than those stated in this Agreement, or willfully or negligently permit others to copy, disclose or use for their own purposes, any information or documents designated in writing as confidential by Member relating to the marketing, promotion, sale, and provision of installation services to purchasers of the Products or Member’s business or operations, which are obtained or examined by the Cedar Bureau pursuant to this Paragraph.

7. Indemnification. The Cedar Bureau shall not be liable, and shall have no liability, for injury or damage to any person or entity, or for the loss of, or damage to, any property arising out of, or in connection with, Member’s marketing, promotion, sale, and/or provision of installation services, including but not limited to, Member’s making the Warranty available to purchasers of Member’s installation services and the Products, or Member’s use of the Marks or the Materials, from any cause, act, or omission whatsoever, unless such injury or damage is solely caused by the Cedar Bureau’s negligence or willful misconduct. Member shall promptly give the Cedar Bureau written notice of, and indemnify, defend and hold the Cedar Bureau harmless from and against, any and all claims, demands, damages, charges, losses, and liabilities, including but not limited to, attorneys’ fees and related expenses, alleged, claimed, or incurred as a result of, or in connection with: (a) Member’s use of the Marks or the Materials; (b) Member’s marketing, promotion, sale, and/or provision of installation services; (c) Member’s making the Warranty available to purchasers of Member’s installation services and the Products; (d) Member’s breach of this Agreement; or (e) any intentional or negligent act of Member, or any officer, employee, subcontractor, or agent of Member. In case any action or proceeding shall be brought against the Cedar Bureau by reason of any such claim, demand, damage, charge, loss, or liability, Member, upon notice from the Cedar Bureau, shall defend the same at Member’s expense by counsel reasonably satisfactory to the Cedar Bureau. The indemnification provided for in this Paragraph with respect to any acts or omissions during the Term shall survive any termination or expiration of this Agreement.

8. Suspension. Member’s Membership shall be under suspension (“Suspension”) if it breaches any material term or condition of this Agreement, including but not limited to:

(a) Member fails to pay dues to the Cedar Bureau in accordance with its By-Laws, as amended or in effect from time to time;

(b). Member makes the Warranty available to persons or entities other than purchasers of Member’s installation services and of the Products, or makes the Warranty available not in accordance with the terms and conditions of the Warranty;

(c) Any installation services for cedar shakes and shingles marketed, promoted, sold or provided by Member fail to conform fully with all Cedar Bureau and applicable local building code installation standards, rules, and quality control criteria, as amended or in effect from time to time; and

(d) Member fails to comply with any of the Cedar Bureau’s By-Laws, policies, rules or regulations, as amended or in effect from time to time.

9. Action Required Upon Suspension or Termination. If Member’s Membership is under Suspension or Member receives written notice of termination of this Agreement from the Cedar Bureau, or if Member submits written notice of termination as required under this Agreement, Member shall immediately cease any and all use of the Marks and the Materials, cease making the Warranty available, and cease publication of its membership in the Cedar Bureau, including but not limited to, any such use in the marketing, promotion, sale, and provision of installation services for the Products or cedar shakes and shingles, and immediately remove from the marketplace and return or destroy all Cedar Bureau brochures, website postings/links, banners, flyers, posters, billboards, contracts, logos, letterheads, and any other promotional/printed materials, in any format, in existence now or to be developed in the future, that bear the Marks, the Cedar Bureau’s logo, the Warranty, or suggest or imply that Member remains a member of the Cedar Bureau.

10. Investigation. At all times, and upon Suspension or termination of this Agreement, Member will cooperate in full and in good faith with the Cedar Bureau regarding any audit, inspection or investigation by the Cedar Bureau of Member’s performance under, or compliance with, this Agreement, including without limitation, any investigation of any breach leading to or causing a Suspension or termination.

11. Termination of Agreement. The Cedar Bureau, in its sole discretion, may terminate this Agreement at any time with or without cause. Failure of Member to remedy, in the Cedar Bureau’s sole discretion, one or more events, circumstances or breaches leading to or causing a Suspension shall result in immediate termination of this Agreement upon written notice by the Cedar Bureau to the Member. Member’s obligation to pay dues to the Cedar Bureau in accordance with the Cedar Bureau’s By-Laws, as amended or in effect from time to time, and Member’s obligations under Paragraphs 6-7, 9, 10, and 13-24 of this Agreement, shall survive the termination or expiration of this Agreement.

12. Noncompetition. Member agrees that Member will not, directly or indirectly, as principal, agent, employee or otherwise, during the Term: (a) own (in whole or in part), manage, operate, lease, control, participate in, be connected with, or have any interest in, as a partner, stockholder, lender or otherwise, any business, facilities or enterprise in competition with the business conducted by the Cedar Bureau; or (b) participate in the solicitation of any part of the business conducted by the Cedar Bureau from any person or entity that was a customer, supplier or member, or prospective customer, supplier or member, of the Cedar Bureau, or from which the Cedar Bureau solicited business during the Term.

13. Nondisclosure. Member agrees not to disclose, or willfully or negligently permit others to copy, disclose or use for their own purposes, any confidential or proprietary information of or relating to the Cedar Bureau or its business, organization, products or services, including but not limited to, any works, improvements, derivations, applications or technologies, customer or client lists, sales, services and general business methods, procedures or general “know-how” related to or based upon any research, trade secret or proprietary information of the Cedar Bureau. Member will return to the Cedar Bureau, upon request at any time, all copies of all such confidential or proprietary information or items obtained by Member from the Cedar Bureau and destroy all items created by the Member from such confidential and proprietary information. To be eligible for protection pursuant to this Paragraph, such information must be disclosed to Member in written, tangible form and must be marked “confidential.”

14. Noninterference. Member will not directly or indirectly, at any time during the Term and for a period of two (2) years thereafter, (a) solicit or aid in soliciting any officers, employees or agents of the Cedar Bureau to terminate their employment or agency with the Cedar Bureau; or (b) knowingly employ or retain, or arrange to have any other person or entity employ or retain, any officers, employees or agents of the Cedar Bureau.

15. Saving Provision and Remedies. Member agrees that the noncompetition, nondisclosure and noninterference covenants herein are necessary for the protection of the Cedar Bureau. If any provision of Paragraphs 12, 13, or 14 is held by a court of competent jurisdiction to be unenforceable because of the scope, duration or area of its applicability or otherwise, the court making that determination shall have the power to modify the scope, duration and/or area or other language of such provision, which shall be deemed to be modified to require nondisclosure and restrict the Member’s noncompetition and noninterference with the Cedar Bureau to the maximum duration, geographic scope and other content that the court shall find enforceable. Member acknowledges (a) that the Cedar Bureau will be irrevocably damaged if the provisions of Paragraphs 12, 13, or 14 are not specifically enforced; (b) that monetary damages alone will be inadequate to compensate and protect the Cedar Bureau for any breach thereof; and (c) that the Cedar Bureau therefore may seek and obtain injunctive relief to enjoin any breach or threatened breach of such provisions in addition to, and not in limitation of, any other legal or other remedies that are available as a matter of law, without having to show any actual damage or that monetary damages would not provide an adequate remedy, and without any bond or other security being required. These remedies will not be exclusive and will be in addition to any other remedy that the Cedar Bureau may have a result of any violation of the provisions of Paragraphs 12, 13, or 14. Member further acknowledges: (i) that during and after the expiration of this Agreement, Member has the experience, opportunities, resources and capabilities to obtain and enter into other arrangements that will not cause or require the Member to violate the covenants in Paragraphs 12, 13, or 14; and (ii) that specific enforcement of this Agreement will not prevent Member from remaining in business and earning a reasonable livelihood.

16. Limitation of Liability for Cedar Bureau. THE CEDAR BUREAU SHALL NOT BE LIABLE FOR LOST PROFITS, NOR FOR ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND WHATSOEVER, WHETHER ARISING OUT OF OR RELATED TO, DIRECTLY OR INDIRECTLY, THIS AGREEMENT OR OTHER CONTRACT, OR ANY ALLEGED BREACH THEREOF, NEGLIGENCE OR OTHER TORT, OR OTHERWISE, AND WHETHER OR NOT THE CEDAR BUREAU HAS BEEN ADVISED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES.

17. No Joint or Collaborative Venture, Partnership, or Agency. Member acknowledges and agrees that Member is an independent contractor and that nothing in this Agreement is intended by Member or the Cedar Bureau to create, establish, or constitute a joint or collaborative venture, partnership, employment, or agency relationship of any kind between Member and the Cedar Bureau, nor shall anything in this Agreement be construed as creating, establishing, or constituting any collaborative venture, partnership, employment, or agency relationship of any kind between Member and the Cedar Bureau or any members, employees, agents, or affiliates of the Cedar Bureau.

18. Notices. All notices or permitted by this Agreement shall be in writing and shall be deemed given when (a) personally delivered, (b) deposited in the United States or Canadian registered or certified mail, postage prepaid and return receipt requested, or (c) deposited with a nationally recognized overnight delivery service such as Federal Express or UPS, addressed to a party at its last known principal business address as communicated in writing to the Cedar Bureau office.

19. Entire Agreement; Modifications. The terms and conditions 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 all of the parties.

20. 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.

21. No Assignment -- Merger or Acquisition of Member. Member may not assign or delegate any of its rights, obligations or duties under this Agreement, directly or indirectly, by management agreement or otherwise, without the prior written consent of the Cedar Bureau or except as permitted under the Cedar Bureau’s Bylaws. In the event any person or entity merges with or acquires (i) Member, (ii) direct or indirect control of Member, or (iii) substantially all of Member's assets, this Agreement shall not be assigned to such person or entity without the prior written consent of the Cedar Bureau or except as permitted under the Cedar Bureau’s Bylaws.

22. 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.

23. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, excepting its choice of law or conflict of laws provisions.

24. Attorneys’ Fees. In the event of a dispute between the parties arising out of this Agreement which is arbitrated or litigated, the non-prevailing 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. In the sole discretion of the Cedar Bureau, venue of any suit or proceeding arising out of this Agreement shall be in King County, Washington or Vancouver, British Columbia, and Member agrees to submit to the jurisdiction of any state, provincial, or federal court in King County, Washington or Vancouver, British Columbia competent to hear such suit or proceeding.

25. Authority. Each of the undersigned represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Agreement on behalf of Member or the Cedar Bureau, respectively, as indicated below.

Member:

By:

Title:

Date:

Cedar Bureau:

By:

Title:

Date:

For more information contact:

### CEDAR SHAKE & SHINGLE BUREAU

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