

ARID ZONE TREES HOLD ORDER POLICY

Producing trees in large containers requires a growing period of anywhere from three to six years. This time requirement means that trees needed by our customers in a lesser time frame are trees that already exist in our nursery. It is because of the time it takes to grow a tree and that it is a living thing, that we have adopted a hold policy that takes these facts into account.

The tagging and Hold Order Policy outlined herein is intended to be simple and customer oriented. While we can't assure any customer a supply of market sized trees every time a customer may need them, we do believe that our Hold Order Policy if utilized properly, can provide customers with some degree of certainty. Our Hold Order Policy requires the cooperation and coordination between Arid Zone Trees, the customer and the project landscape architect. Since we do not require a cash deposit to secure trees placed on hold, we must rely on the good faith of our customers, that trees placed on hold for them will be used for their project within the time frame agreed upon.

Trees that are to be placed on hold must be selected and tagged by the customer or customer representative. The trees tagged must already exist in our nursery in the size container specified as the size required for the project. Trees tagged shall be trees that will in our estimation be mature, but not overgrown at the date designated for shipping. Arid Zone Trees does make an exception to the requirement that the customer or customer representative select and tag the trees to be placed on hold. Some customers request Arid Zone Trees personnel to select and tag trees for hold for them as a convenience. Trees tagged and placed on hold by Arid Zone Trees personnel at the request of a customer shall be considered to have been selected and tagged by the customer.

Tagged trees are immediately removed from our saleable inventory and placed on hold for the customer's project. Any trees that are for any reason not shipped to the project job site within thirty days from the delivery date specified on the hold order shall be subject to release for sale to others. Trees that in our estimation are past the mature size for the container size tagged, and which are not due to be shipped within a reasonable time shall also be subject to release for sale to others.

In the event a project is delayed or conditions change, to the end that trees tagged cannot be shipped at the date previously stipulated on the hold order, it is our policy to ask that the customer tag new trees in our inventory, if they are available. The newly tagged trees shall be removed from our saleable inventory and placed on hold for the project, as a new hold order and the previously tagged trees shall be released for sale to others.

Tagged trees placed on hold that are damaged or unaccounted for from any cause whatsoever while still in our nursery, shall to the extent possible be replaced with other trees in our nursery if they are available. Tagging of new trees in this event shall be done with the customer or customer representative. Arid Zone Trees will not be responsible for replacing trees that sustain damage or are unaccounted for while on hold at our nursery, if replacement trees are not available from our own inventory.

Trees on hold may be inspected by the customer or customer representative prior to shipment to the job site. We recommend that this inspection be done to assure that the trees meet with your requirements. Trees tagged several months before the time needed should always be inspected prior to shipment. Prior to shipment inspections can be made by appointment Monday through Friday except holidays.

Trees that are on hold will be shipped at the instruction of the customer or customer representative. Trees must be inspected by the customer or customer representative when they arrive at the job site. Since these trees have been tagged and approved in advance, trees can only be rejected upon delivery because of damage that might occur during shipping and not for any other reason. Once trees are delivered, they become the responsibility of the customer. We cannot assume responsibility for the viability of trees once they have left our care.

Prices for the trees tagged shall be per the bid quotation given at the time of tagging and placing trees on hold for the customer. Arid Zone Trees requires that a signed credit agreement be executed by the customer, prior to the shipment of any trees to a job site, unless other arrangements have been made.