

Wood Supply Risk Assessment Summary Glen Oak Lumber & Milling, Inc.*

Executive Summary

The purpose of the Wood Supply Risk Assessment is to assess the risk of sourcing wood and fiber from any of the unacceptable or controversial sources as defined by the Forest Stewardship Council (FSC) Chain of Custody and Product Label Standards and by the Sustainable Forestry Initiative/Programme for Endorsement of Forest Certification (SFI/PEFC) Chain of Custody standards. It also evaluates Glen Oak Lumber & Milling, Inc.'s wood supplies in the context of Lacey Act provisions addressing illegally harvested wood. This is the Executive Summary of a detailed review of the data supporting a conclusion and self-declaration that Glen Oak Lumber & Milling, Inc. can be considered "Low Risk" with respect to illegal or controversial sources of wood supplies.

Glen Oak Lumber & Milling, Inc. and its subsidiaries procure or obtain the following types of wood supplies for manufacturing its products: hardwood logs, hardwood lumber, residuals from wood processing manufacturing, and fiberboard. The company's manufacturing facilities currently utilize wood materials primarily of temperate hardwood species produced in the United States. The "districts of origin" include the states of: Wisconsin, Michigan, Kentucky, Pennsylvania, Ohio, West Virginia, Virginia, Tennessee, North Carolina, Alabama and Arkansas. A small volume of imported tropical hardwood and bamboo is also used from Asia, South America and Africa.

Glen Oak Lumber & Milling, Inc. has assessed its U.S. wood supply regions against published and known areas of concern that might be deemed other than "low risk" for what are considered by recognized forestry certification systems as unacceptable or "uncontrolled" sources. The company has evaluated each of the five risk categories of wood that must be avoided according to the FSC Controlled Wood Standard (FSC-STD-40-005). These material categories include: (1) illegally harvested wood; (2) wood harvested in violation of traditional or civil rights; (3) wood harvested in forests where high conservation values are threatened by management activities; (4) wood harvested in forests being converted to plantations or non-forest use; and (5) wood harvested from forests where genetically modified trees are planted. Based on a detailed review of available data for evaluating FSC controlled wood indicators, Glen Oak Lumber & Milling, Inc.'s temperate hardwood wood supplies can be considered "Low Risk" in all five risk categories of the FSC standard.

* Prepared by R.S. Berg Associates

Glen Oak Lumber & Milling, Inc. also reviewed its wood supplies in the context of Sustainable Forestry Initiative (SFI) and the Program for the Endorsement of Forest Certification (PEFC) requirements for the avoidance of procurement of raw material from controversial sources. The SFI is a PEFC-endorsed North American certification standard. The SFI/PEFC standard defines controversial sources generally as those where harvesting is unauthorized, legally prohibited or planned to become strictly prohibited by law. Based on SFI/PEFC risk assessment procedures and indicators, Glen Oak Lumber & Milling, Inc.'s temperate hardwood wood supplies can be considered "Low Risk" for controversial sources.

Glen Oak Lumber & Milling, Inc. has implemented procedures to assess its wood supplies for compliance with the Lacey Act as amended which makes it illegal to import, export, transport, sell, receive, acquire, or purchase in interstate or foreign commerce, wood products derived from timber taken or traded in violation of domestic or international laws. Beginning in the second quarter, 2009, all wood suppliers to Glen Oak Lumber & Milling, Inc.'s facilities will be required to self-declare that they avoid sourcing illegally harvested wood. The company currently purchases only a small volume of imported species for remanufacture and distribution. Also beginning in the second quarter, 2009, all suppliers of imported wood products will be required to provide information to demonstrate compliance to the Lacey Act. Based on the procedures the company has established for wood suppliers to its facilities, Glen Oak Lumber & Milling, Inc.'s imported wood supplies can be considered "Low Risk" for violations of the Lacey Act.

Glen Oak Lumber & Milling, Inc. is confident that its wood and wood fiber supplies are legally produced and are not derived from sources to be avoided according to recognized standards and guidelines. However, the Company is not independently certified to the FSC, SFI or PEFC Standards and does not intend to claim independent certification at this time.