

Terms of sale and delivery of Frøslev Træ A/S

Frøslev, 2021-02-05

1. Application

- 1.1 The below terms of sale and delivery (hereinafter the "Terms") apply to all offers, sales, supplies and agreements (hereinafter "Contracts") between Frøslev Træ A/S (business reg. no. 1424 8331) (hereinafter the "Seller") and any customer (hereinafter the "Buyer") (the Seller and the Buyer hereinafter collectively the "Parties"), unless otherwise agreed in writing by the Parties.
- 1.2 The Terms take precedence over any conflicting provisions of the Buyer, e.g. in the Buyer's order, acceptance and/or the Buyer's general terms of purchase, also in cases where the Seller does not object to such conflicting provisions.

2. Offers

- 2.1 Unless otherwise specified, offers made by the Seller lapse after 4 weeks. All offers are subject to the goods being unsold.

3. Catalogues, brochures, price lists, assistance, etc.

- 3.1 Information in the Seller's brochures, advertisements, product descriptions, price lists, etc. containing information about the product measurements, capacity, wearing qualities, performance, dimensions, weight, etc. is for guidance only and thus not binding on the Seller. Moreover, the Seller is not responsible for misprints and model changes. Information about the dimensions, weight and special properties of a specific supply ought to be obtained by the Buyer before the supply is put to use. Such information obtained by the Buyer from the Seller before a supply is put to use is for guidance only.
- 3.2 Any assistance provided in technical directions, measuring, calculation of quantities based on drawings, etc. is only a service to the Buyer for which the Seller disclaims any liability.
- 3.3 The Seller disclaims any liability for any errors or information in written material prepared by the Seller's suppliers.

4. Intellectual property rights

- 4.1 Offers, drawings, sketches, designs, specifications and technical data prepared or procured by the Seller remain the Seller's property. The Buyer shall treat such material as confidential and shall use it solely for the purpose of the handover of the material to the Buyer, and the Buyer is not entitled to disclose, copy and/or pass on the information to third party without the Seller's prior written acceptance.
- 4.2 In the event of the Buyer's breach of clause 4.1, the Buyer is obliged to pay an agreed penalty of DKK 100,000 for each breach to the Seller. If the breach is the bringing about and maintenance of a certain state of affairs, each commenced week during which the state of affairs is maintained is regarded as one breach.
- 4.3 If the Seller's loss as a result of the Buyer's breach of clause 4.1 exceeds the agreed penalty specified in clause 4.2, the Seller is entitled to claim compensation for such loss pursuant to Danish law. In addition, the Seller is entitled to obtain an injunction, without provision of security, against the Buyer's unlawful activities.

5. Prices

- 5.1 All the Sellers' prices are stated Ex Works the Seller's warehouse in Frøslev, Denmark, in accordance with the Incoterms in force at any time, exclusive of VAT, taxes, duties, packaging, freight and transport insurance, unless otherwise agreed in writing.
- 5.2 All products are sold at the prices ruling on the date of delivery. It means that any increase of duties, price changes from the Seller's suppliers etc. of the agreed supply in the intervening period will entitle the Seller to increase the price accordingly.

6. Terms of payment

- 6.1 The Seller's terms of payment are net cash on delivery to the Buyer, unless otherwise agreed in writing. The Seller is also entitled to demand prepayment before delivery.
- 6.2 In the event of late payment, default interest at the rate of 1.5% will be charged per commenced month from the due date on the debt outstanding at any time. The Buyer is obliged to make effective payment and is thus not entitled to withhold any payments or set off any alleged claims against the Seller which have not been acknowledged by the Seller or established by final a judgment or settlement.

7. Retention of title

- 7.1 The Seller or the party to whom the Seller has assigned its rights retains title to the supplies until the total purchase price plus interest, costs incurred and all other claims relating to the Parties' business relationship have been paid in full. The Buyer is obliged to keep the supplies adequately insured against theft, burglary, fire etc.

8. Delivery

- 8.1 Delivery takes place Ex Works the Seller's warehouse in Frøslev, Denmark, in accordance with the Incoterms in force at any time, unless otherwise agreed in writing. Part delivery is permitted unless otherwise agreed in writing.

9. Returns

- 9.1 Supplies are not taken back unless a prior written agreement thereon has been made.

10. Time of delivery and delays

- 10.1 The time of delivery stated by the Seller is approximate only and any delays do not entitle the Buyer to exercise any remedies for breach. Regardless of whether there is a material delay, the Buyer is thus not entitled to terminate the Contract or set up any claim for compensation against the Seller.

11. Liability for defects and notice of defects

- 11.1 The Buyer is obliged immediately upon delivery - and before the supply is put to use - to make a qualitative and quantitative inspection of the supply with the due care and diligence of a prudent businessman as required to make sure that the supply is non-defective.
- 11.2 Notice of defects must be given to the Seller in writing without delay and within eight (8) days from delivery with specification of the defect. If the Buyer does not observe the time limit, the right to set of claims on account of the defect lapses. The Buyer must immediately stop any further processing of the supply if any defects are discovered.
- 11.3 The Buyer is obliged to check whether the supply is suitable for its intended use, including the processing/installation procedures to which it is to be subjected. The Buyer is thus obliged to check e.g. measurement, quantity and quality, including the moisture level in wood before the supply is processed/installed.

- 11.4 The Seller reserves the right to deliver 5% more or less of the agreed amount of wood without this constituting a defect. The Buyer may thus be obliged to pay for up to 5% more than agreed as a result of delivery of more wood than agreed.
- 11.5 If the supply is defective, the Seller undertakes only and at its own option within a reasonable time to either remedy the defect, provided that the supply is non-processed, or otherwise to make a replacement delivery. If part of the supply is defective, the Buyer is solely entitled to request remedying or a replacement delivery in respect of that part of the supply. The Buyer is thus obliged to perform the Contract with the Seller with respect to the non-defective part of the supply, including to pay the purchase price. Non-performance hereof on the part of the Buyer is considered material breach. In the event of remedying or replacement delivery the Buyer is precluded from claiming other remedies for breach, e.g. the Buyer is precluded from terminating the Contract, claiming reduction of the purchase price and claiming compensation. Costs of labour and costs incurred in connection with replacement of the defective supply are not covered.
- 11.6 The Buyer must comply with any instructions of the Seller concerning dispatch of the defective supply to the Seller.
- 11.7 If the Buyer has given notice of defects in due time and it turns out that there is no defect for which the Seller is liable, the Seller is entitled to compensation for the work and the costs inflicted on the Seller as a result of the notice of breach.
- 11.8 The Seller's liability for defects is in all circumstances limited to defects that become apparent within one (1) year counted from the date of delivery.

12. Limitation of liability

- 12.1 In no circumstances shall the Seller's total accumulated liability exceed DKK 1,000,000, which amount is the total accumulated liability which the Seller may incur to the Buyer (including companies that are affiliated or associated with the Buyer) under all Contracts between the Buyer and the Seller irrespective of the reason for the claim. It is specified that the stated maximum limit of liability is the total maximum limit of liability for all Contracts between the Buyer and the Seller and not for each Contract.**

The Seller is in no circumstances liable for business interruption loss, loss of profit, loss of utility value, loss of business opportunities, loss of data, loss of savings, or indirect loss or consequential damage.

13. Product liability

- 13.1 The Seller's product liability is governed by the Danish rules on product liability with the limitations specified in this clause 13.**
- 13.2 The Seller's liability is in all circumstances limited to direct loss. The Seller is in no circumstances liable for business interruption loss, loss of profit, loss of utility value, loss of business opportunities, loss of savings, or indirect loss or consequential damage in connection with product liability.**
- 13.3 The Seller's product liability is in any circumstances limited to the insurance sum remaining at any time under the Seller's product liability insurance policy.**
- 13.4 If third party sets up a damages for product liability claim against the Buyer, the Seller must be notified thereof without delay. However, the relationship between the Buyer and the Seller must in all circumstances be determined in accordance with these Terms.**
- 13.5 If product liability to third party should be imposed on the Seller, the Buyer is obliged to indemnify the Seller to the same extent as the Seller' liability is limited according to these**

Terms. The limitations of the Seller's liability do not apply if the Seller's product liability is attributable to gross negligence or intent.

14. Exemption from liability (force majeure)

- 14.1 The Seller is not liable for non-performance of the Seller's obligations and neither liable to pay compensation to the Buyer for losses incurred due to circumstances which are beyond the Seller's control, including - but not limited to - IT failure, industrial dispute, and sub-contractor's, including carrier's, delay or bankruptcy or suspension of payments. The same applies to any other circumstance which prevents, hinders or increases the costs of performance of the Contract and which is beyond the Seller's control, such as fire, war, terror, riots, civil unrest, mobilisation or military call-up of a similar scope, sequestration, weather conditions or natural disasters, exchange controls or fluctuations, motive power restrictions and transport irregularities, general scarcity of goods, enforcement or prohibition notices or other intervention by public authorities, import or export bans, interruption of general communication services, including energy supply, substantial price and/or tax increases, production difficulties and delivery problems, industrial disputes, including strikes, other work stoppage or lockouts.
- 14.2 The provision in clause 14.1 applies regardless of whether the performance impediments affect the Seller or a sub-contractor selected by the Seller.

15. General provisions

- 15.1 The Buyer is not entitled to assign the Buyer's rights under the Contract to third party without the Seller's written consent.
- 15.2 If one or more of the provisions of these Terms or the Contract is unenforceable because it is contrary to mandatory law or not recognised for some other reason, that shall not affect the validity of the other provisions.

16. Governing law and venue

- 16.1 Any dispute arising out of or in connection with the Terms, the Parties' Contract or otherwise between the Seller and the Buyer, including disputes regarding the existence and validity of the Contract, must be settled pursuant to Danish law with the exception of Danish conflict of law rules.
- 16.2 If the Buyer is resident in the EU, Norway, Switzerland or Iceland, any dispute between the Buyer and the Seller arising out of or in connection with these Terms or the Parties' Contract, including disputes regarding the existence or validity of these Terms or the Contract, must be settled by the Court in Sønderborg. However, the Seller is entitled to demand that the dispute be settled by arbitration administrated by the Danish Institute of Arbitration according to the Rules of Procedure of the Danish Institute of Arbitration in force at the time of commencement of the arbitration proceedings. The place of arbitration shall be Sønderborg. The language to be used during the arbitration proceedings is English.
- 16.3 If the Buyer is resident outside the EU, Norway, Switzerland and Iceland, any dispute arising out of or in connection with these Terms or the Parties' Contract, including disputes regarding the existence or validity of these Terms or the Contract, must be settled by arbitration administrated by the Danish Institute of Arbitration according to the rules on arbitration of the Danish Institute of Arbitration in force at the time of commencement of the arbitration proceedings. The place of arbitration shall be Sønderborg. The language to be used during the arbitration proceedings is English.