

## STANDARD CONDITIONS OF SALE

### Art. 1: General

Every quotation, order confirmation, sale or delivery is effected according to the following conditions. The buyer shall be deemed to be cognizant thereof and to have accepted them in their entirety. Varying conditions and special terms of the buyer can only prevail between parties after written acceptance thereof by the seller.

For all situations unprovided for in the aforesaid standard conditions of sale and, in particular, for sales "in direct and indirect transshipment" and "sale subject to safe arrival", the standard conditions of sale of the Port of Antwerp shall prevail. Goods yet to be imported are, without exception, sold by Willy Carpenterier Houtindustrie NV subject to the safe arrival thereof in Belgium or in the country of destination.

### Art. 2: Conclusion of contract

Our quotations are free of engagement.

The orders, which the seller notes down or receives don't commit him so long as his order confirmation hasn't reached the buyer. The delivery counts as confirmation and acceptance of an order.

Business transacted by the seller's sales reps, agents and other middlemen doesn't commit the seller until it's confirmed in writing. Every order must be confirmed, in writing, by our head office.

### Art. 3: Transfer of ownership and risk

Goods are not tested and no warranty is given or shall be implied that the goods supplied are suitable for any specific purpose. In the event of any claim, sellers' liability shall in no circumstances exceed the invoice price of the defective piece or pieces.

Until payment in full to us for the goods the goods shall remain our property.

Notwithstanding the foregoing, the risk in the goods and all liability to third parties in respect thereof shall pass to the buyer on delivery.

The buyer shall be entitled to transform the goods or to incorporate them in a new product or products. In that case we reserve to ourself the legal and equitable title to the final product or products into which the goods are incorporated or mixed. The buyer shall store the final products separately and property of these products shall remain with us until full payment will have been made to us for the goods. The buyer may sell the goods in the normal course of his business but on condition that the buyer, in a fiduciary capacity as bailee of the goods, and for so long as he has not fully discharged his debt to us, shall hold and pursue claims for the proceeds of their sale equal to the price of the goods for and on behalf of us. The buyer shall fully pursue such claims and if necessary shall recover the sums due by legal process. The buyer shall if so required by us, allow us to conduct in the buyer's name legal proceedings in respect of the monies due on the sale of the goods. Any sums recovered by us as a result of such proceedings (including sums accepted by us in settlement thereof whether or not equal to the sums claimed) shall be applied to the payment of the monies due to us from the buyer and then to the reasonable costs incurred by us in the course of such proceedings. Any balance remaining shall be paid to the buyer. Prior to the sale of the goods, the buyer shall, so far as reasonably practicable, store the goods separately from similar goods of the buyer, mark the goods as our property and shall not remove, obliterate or in any manner alter any label, mark or other means we may have of identifying the goods.

### Art. 4: Delivery

a. Quantity:

The quantities of the various items of an order are only guaranteed subject to a standard deviation of 10 % (more or less).

b. Delivery period:

Unless otherwise agreed in writing, the quoted dates of delivery are not ultimate dates.

We take all useful steps so that the delivery dates are met and we don't, as a rule, accept any penalties for late deliveries.

In no event shall a delay of less than 10 days after the specified delivery date lead to cancellation of an order.

Only in the event of abnormal delay, for which the seller, alone, is to blame, shall the buyer be entitled - 30 days after sending, by registered letter, a notice of default - to cancel the order. The notice of cancellation is also sent by registered mail. The buyer has no claim for additional damages.

If the buyer refuses to accept the tendered goods or, somehow or other, has prevented the delivery the seller shall, 8 days after the recorded delivery of a notice of default, be entitled to inform the buyer, by registered letter, that the contract is dissolved forthwith or to make out the invoice and to pursue payment thereof as if the delivery had been made already.

In the last-mentioned case the buyer will, ipso jure and without notice of default being required, be charged a monthly fee amounting to €6.5/m<sup>3</sup> for storing the merchandise.

c. Place of delivery:

Unless otherwise agreed in writing, the delivery takes place in the seller's warehouses. And the same goes for carriage-paid deliveries.

The goods are transported at the buyer's (or consignee's) sole risk and expense, even if the deliveries were negotiated carriage paid or use was made of a means of transport and/or personnel which were furnished by the seller.

d. On-call schedule: If delivery periods are allotted with the possibility of delivering on call, or when the sale happens on call, the actual orders on demand by the buyer should, thus, be placed regularly and within the prescribed period and staggered, for 1/3 of the total quantity, in every 1/3 of the allotted delivery periods. If the orders on demand aren't made regularly, the seller is at liberty to charge the statutory interest on the specified prices for the quantities issued, as from the normal delivery dates until the actual delivery date, without prejudicing his right to invoke breach of contract against the buyer after giving notice of default and an unbroken period of 10 days thereafter which is devoid of orders on demand.

### Art. 5: Complaints and return shipments

The taking-up of the goods (or of the delivery order) by the buyer, his mandatary or the carrier counts as acceptance.

Complaints relating to visible defects must be reported in writing by registered letter within 3 days of receipt of the goods. Are held to be visible defects: all defects that existed on the delivery thereof and which are normally detectable in a routine yet rigorous inspection.

Complaints on account of hidden defects should be reported, by the buyer, by registered letter, within 3 days of them being spotted.

No complaints shall be entertained after treatment and/or machining of the goods.

Once 2 months have elapsed since the delivery the seller is, in any event, released of any liability.

Rejected items can only be returned subject to the seller's written agreement. No detrimental recognition (or abnegation) attaches to that agreement. The cost of returning the goods falls, in any case, upon the buyer.

The justly rejected items are, after the seller has expressed a preference, replaced or refunded without the buyer being entitled to any additional damages. Complaints - even if they're just - don't entitle the buyer to refuse performance of the contract for those goods, which aren't the subject of the complaint. Good-quality partial deliveries - including surpluses still in stock - must - in view of the nature of the goods and, for the most part, imported goods - be accepted, without fail.

### Art. 6: Steaming and drying of timber

Our timber is not dried to any particular moisture content. It is the customer's responsibility to check the moisture prior to working the timber in any way, in order to ensure it is of the required moisture content for the particular application for which it has been purchased.

A. Degree of dryness

Unless expressly stated otherwise, the degree of dryness, i.e. the moisture content after artificial drying (e.g. oven drying) will be less than 20 %. The degree of dryness, where otherwise provided, may exhibit a deviation of 2 % (more or less) upon leaving the drying kiln.

Any complaints about the degree of dryness should be reported, in writing, within 48 hours; the condition of the goods must not be changed and a carefully controlled storage is required.

A buyer who demands special provisions regarding the degree of dryness may only invoke that criterion in a subsequent claim if explicit provision was made, in the order, for the timber to be shrinkwrapped after drying.

To determine this degree of dryness, the mean is taken between the moisture fraction at the surface and that inside the wood:

$$\frac{\% \text{age moisture outside} + \% \text{age moisture inside}}{2}$$

The measurements are performed on the flat-sawn part of the wood.

The mean degree of dryness is determined at the outlet from the drying kiln; the seller isn't liable for any moisture that's absorbed thereafter.

When drying wood that's thicker than 50mm, of oak or quarter-sawn wood or of tropical hardwood (e.g. wood for exterior joinery), no guarantee of any kind is given as regards the degree of dryness; the seller isn't answerable either for any damage.

The wood is measured before the drying and/or after the drying + a 7 % shrinkage allowance.

B. Rates

The price that was agreed for drying applies to square-edged wood. Drying of boules: logs (in cu. m) or measurement per plan x 1.33.

Drying for third parties: the prices are negotiated per m.

The client supplies the timber stoutly loaded, slatted up and bundled and in such a way that the wood can be fed into the drying kilns with no additional handling. If not the order may be refused or, alternatively, the client has to be willing to reimburse the additional handling costs on a cost-plus basis.

The client's liability when drying for third parties can, in no event, amount to more than the drying price in the event of drying defects.

### Art. 7: Payments

The merchandise is paid for at the seller's place of business, at its banker's or paid into its giro bank account.

Our agents and sales reps aren't authorized to collect the invoice amount, unless expressly stated otherwise.

Unless, expressly, other terms of payment are granted, payment shall be in cash and with no discount.

Failing any explicit written stipulation to the contrary, all invoices are to be paid in Belgium.

The exchange rate risk (if any) is chargeable to the buyer.

Any amount unpaid on the due date shall, automatically and without prior notice, attract interest at a rate 2% above the Belgian legal interest rate, with a minimum interest rate of 12%.

In case of non-payment, in whole or in part, of the amount payable on the due date without giving a serious reason, the balance due shall, after giving notice of default to no effect, be increased by 12 %, with a minimum increase of €50 and a maximum increase of €1500, even in cases where extensions of credit have been granted.

In case of non-payment by the due date of an invoice, that will result in the forfeiture of the extension of payment that was granted for other deliveries and it will make all unmatured invoices, in the buyer's name, immediately due and payable.

### Art. 8: Guarantees

If the client's credit standing is shown to be tarnished, for example as evidenced by the protest of commercial instruments for non-payment, owing to social security (RSZ) arrears or otherwise, the seller will, in that event, be entitled to demand a guarantee as security for payment of the purchase price, and to suspend all deliveries until the security being sought is in place. These guarantees are, to seller's choice, either a mortgage, a pledge, goodwill or an element thereof, or bills of exchange accepted by the buyer or accepted or guaranteed, personally, by a third party, for the buyer's account or even that of others.

The seller may also ask the buyer to provide such guarantees as it deems proper to ensure the fulfilment by the buyer of his contractual obligations.

Such a request may be made before or after the delivery of all or part of any order. Should the buyer fail to meet any reasonable demand for such a guarantee, the seller shall be entitled to cancel all or part of any contracts in operation. Such action shall not, in any way, limit or prejudice our other rights for damages and accrued interest.

The costs for establishing said guarantees are chargeable to the buyer. The seller can, in the above-mentioned cases, demand cash payment, even if it had been originally agreed otherwise.

### Art. 9: Suspension - Cancellation

If the buyer fails to fulfil his obligations arising from this contract or from any other contract between the same parties, the performance of the seller's obligations arising from this contract shall, ipso jure and without notice of default being required, be suspended.

In that event these contracts could, ipso jure and without notice of default being required, be dissolved, in whole or in part. An indication of intention to the buyer, by the seller by registered mail, to enter upon full or partial dissolution shall suffice thereto.

The foregoing won't affect the seller's right to use coercive measures or prejudice his other rights.

If the contract is dissolved, the seller will be entitled to a fixed indemnity in respect of costs and lost earnings, which is fixed at 20 % of the value of the undelivered goods.

In the case of partial dissolution, the seller is entitled, for the non-cancelled part, to demand immediate payment, even before the goods are shipped out.

This contract and any others between the same parties are, ipso jure and without notice of default being required, dissolved in the event of a declaration of incompetence, bankruptcy, an application for a court settlement or voluntary (or judicial) liquidation of the buyer.

We also reserve the right to suspend all or part of any contracts in operation if, in our opinion, there is a deterioration in the buyer's credit standing, as a result of negative demonstrable events (e.g. the buyer is involved in a legal action).

### Art. 10: Exceptional circumstances

All cases of force majeure and exceptional circumstances, such as general strikes or industrial action, lockouts, a small fire on the business premises or an all-engulfing blaze, floods, a machine breakdown, a shortage of raw materials, equipment, manpower or means of transport, epidemics, government measures, accidents, etc., ... which severely hamper execution of the contract shall release the seller from his obligations, without the buyer being able to claim any damages whatsoever.

In the event of currency fluctuations or devaluation, an increase in wages, prices, of fuels or any other materials, of the transport costs, treatment costs, handling charges, import duties, taxes or any other constituent of the cost price by 5 % or over, the seller shall have the right to raise the contract price in the same degree, provided notice is given thereof before the goods are dispatched.

### Art. 11: Jurisdiction

The courts of Kortrijk or the courts of the buyer's domicile have, at the seller's option, exclusive jurisdiction over any disputes relating hereto.

For our customers domiciled in Belgium, the courts of Kortrijk have exclusive jurisdiction over any disputes relating hereto.

### Art. 12:

The issue of a commercial instrument or any other regulation constitutes neither a renewal nor a departure from the conditions of this contract.