



TERMS & CONDITIONS

Austrian Lumber Company Ltd.

Group Headquarters

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Canada

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1. Inspection

The Buyer is obliged to notify the Seller in writing, within 10 days of receiving the goods of any defects, stating the parcel number, identify the bundle number, delivery date and the precise quantities, and giving a detailed description of the defects. Once this period has expired the delivery will be deemed to have been approved and accept the goods for return without replacing them. Replacement or additional deliveries will be made by Seller within a reasonable period. Settlement proposals submitted by Seller in the event of defaults or other disagreements do not signify any recognition of the Buyer`s claims. Proposals of this kind will not become binding on the Seller until signed by both parties. The Seller has no responsibility regarding the depreciation of the goods during transport on board of the vessel or handling at the destination.

2. Scope

Each sales contract issued by ALC is adhered by the terms and conditions set forth in this document. If this document is not signed and acknowledged by the client, however, the client signs the sales contract or issues a purchase order against the sales contract, it is automatically assumed the client agrees to what is stated in this document.

3. Delivery

Unless expressly confirmed in text form as fixed dates, delivery dates are always non-binding. Delays and absence (impossibility) of delivery shall not be attributable to the Seller provided that the fault lies with its vicarious agents or upstream factors including but not limited to: strikes, force majeure, or lockouts in our business or a business working for us, in the case of an energy shortage, traffic incidents, official instructions and delayed delivery to us, a delay in transport and at customs, damages during transport, a shortage of raw materials and Acts of God. Excess delivery or short deliveries of up to 10-15 % and any other minor tolerances are permitted and do not mean that the Purchaser/Buyer is entitled to return the goods.

4. Risk

Use and risks are transferred to the Buyer with the departure of delivery ex works or ex inventory – to the extent that no agreements to the contrary have been concluded – regardless of the pricing agreed for the delivery; this also applies if the delivery is performed as part of installation or if we perform or organize and manage the transport.

5. Compensation

Compensation claims due to non-performance or sub-standard performance because requirements were breached, through fault on concluding the contract, illegal actions and based on any other legal requirements, both against us and against our agents or assistants, are precluded to the extent that intent or gross negligence do not apply. This shall not apply in terms of compensation for defects or consequential damages, if liability is based on an expressly written confirmation, which aims at protecting the Purchaser/Buyer against such damages.

6. Quality of Goods

Goods delivered according to following rules:

- A.SR- EN 1611 – 1: 2001 – Appearance grading of softwoods
- B.SR- EN 1313-1+A1:2010 – Permitted deviations/ tolerances.
- C.SR- EN 1312:2001 – Determination of the batch volume of timber
- D.SR- EN 1309-1:2000 – Method of measurement of dimensions
- E.S4S Products – Governed by the NLGA

7. Withdrawal

We are entitled to withdraw from the contract: If performance of the services or the start or continuation of the services become impossible for reasons, which are the Buyer's responsibility, or if it is postponed further in spite of a suitable extension period having been set. If there are concerns regarding the Buyer's creditworthiness and if the latter does not make a down payment at our request nor provides an appropriate security before delivery. If the extension of the delivery period due to the circumstances set forth in the terms and conditions exceeds more than half of the originally agreed delivery period and at least six months. If insolvency or composition proceedings are opened or rejected due to a lack of assets. In the case of a withdrawal from the contract, or a cancellation by the Seller, or if the Buyer does not accept the goods, we shall be entitled, irrespective of any other claims, to charge a cancellation fee of 20% of the contract total to cover our expenses. Any unforeseen circumstance related to Covid-19 including but not limited to increase freight rates and higher log/lumber costs, the seller can withdraw from the agreement by formally informing the buyer of said conditions.

Group Management Acknowledgement