

**General Terms and Conditions of Delivery and Payment for the Timber Trade (GTC)
for exclusive use in inter-company business (B2B)**

Version: Jan. 2022



1. SCOPE

1.1 Unless expressly agreed otherwise, the following "General Terms and Conditions of Delivery and Payment" (GTC) shall apply - in addition to the customs in the timber industry ("Tegernseer Gebräuche") - to all contracts, deliveries and other services in inter-company business transactions with entrepreneurs within the meaning of § 14 of the German Civil Code (BGB), legal entities under public law or special funds under public law (collectively "Buyer").

1.2 Our GTC shall apply exclusively. Deviating, conflicting or supplementary general terms and conditions of the Buyer shall only become part of the contract if and to the extent that we have expressly agreed to their validity. This requirement of consent shall apply in any case, for example even if we render performance to the Buyer without reservation in knowledge of the Buyer's GTC.

1.3 Our GTC apply in particular to contracts for the sale and/or delivery of movable goods ("goods"), irrespective of whether we manufacture the goods ourselves or purchase them from suppliers (§§ 433, 650 BGB).

1.4 Unless otherwise agreed, the GTC in the version valid at the time of the Buyer's order or in any case in the version last notified to him in text form shall also apply as a framework agreement for similar future contracts without having to refer to them again in each individual case.

1.5 Individual agreements made with the Buyer in individual cases (including ancillary agreements, supplements and amendments) shall in any case take precedence over these GTC. Subject to proof to the contrary, a written contract or our written confirmation shall be authoritative for the content of such agreements.

1.6 Legally relevant declarations and notifications to be made to us by the Buyer after conclusion of the contract (e.g. setting of deadlines, notifications of defects, declaration of withdrawal or reduction) must be made in text form to be effective. Legal formal requirements and further proof, in particular in the event of doubts about the legitimacy of the person making the declaration, shall remain unaffected.

1.7 References to the applicability of statutory provisions shall only have a clarifying meaning. Therefore, even without such clarification, the statutory provisions shall apply unless they are directly amended or expressly excluded in these GTC.

2. OFFERS AND CONCLUSION OF CONTRACTS

2.1 The offers contained in the Seller's catalogues and sales documents, as well as - unless expressly designated as binding - on the Internet are always non-binding and subject to change, i.e. only to be understood as an invitation to submit an offer.

2.2 The order of the goods by the Buyer shall be deemed to be a binding offer of contract. Unless otherwise stated in the order, we shall be entitled to accept this contractual offer within two (2) weeks of its receipt by us. Orders shall be deemed to have been accepted if they are either confirmed by us or executed immediately after receipt of the order.

2.3 If, after the conclusion of the contract, the Seller becomes aware of facts, in particular default of payment with regard to earlier deliveries, which, according to due commercial discretion, indicate that the purchase price claim is at risk due to the Buyer's lack of ability to pay, the Seller shall be entitled, after setting a reasonable deadline, to demand from the Buyer, at the Buyer's option, concurrent payment or corresponding securities and, in the event of refusal, to withdraw from the contract, in which case the invoices for partial deliveries already made shall become due immediately.

3. DELIVERY, TRANSFER OF RISK AND DELAY

3.1 Delivery shall be ex warehouse, which is also the place of performance for the delivery and any subsequent performance. At the Buyer's request and expense, the goods shall be shipped to another destination (shipment purchase). Unless otherwise agreed, we are entitled to determine the type of shipment (in particular transport company, shipping route, packaging) ourselves. Correct and timely self-delivery remains reserved.

3.2 The risk of accidental loss and accidental deterioration of the goods shall pass to the Buyer at the latest upon handover. However, in the case of shipment purchase ("Versendungskauf") to a place other than the place of performance, the risk of accidental loss and accidental deterioration of the goods as well as the risk of delay shall pass to the Buyer upon delivery of the goods to the forwarding agent, the carrier or any other person or institution designated to carry out the shipment. If acceptance has been agreed, this shall be decisive for the transfer of risk. The statutory provisions of the law on contracts for work shall apply to an agreed acceptance. The handover or acceptance shall be deemed equivalent if the Buyer is in default of acceptance.

3.3 An insurance against transport-risks has to be covered and done by the Buyer. The Seller covers a transport insurance only after written instruction of the Buyer. The costs have to bear the Buyer.

3.4 Partial deliveries are permissible to a reasonable extent.

3.5 The delivery period shall be agreed individually or stated by us upon acceptance of the order. If this is not the case, the delivery period shall be approximately three (3) weeks from the conclusion of the contract.

3.6 If we are unable to meet binding delivery deadlines for reasons for which we are not responsible (non-availability of the service), we shall inform the Buyer of this immediately and at the same time inform him of the expected new delivery deadline. If the service is also not available within the new delivery period, we shall be entitled to withdraw from the contract in whole or in part; we shall immediately refund any consideration already paid by the Buyer. A case of non-availability of the performance in this sense shall be deemed to be, in particular, the failure of our supplier to deliver to us on time, neither we nor our supplier are at fault or we are not obliged to procure in the individual case.

3.7 In the event of a delay in delivery, the Buyer shall be obliged, at the Seller's request, to declare within a reasonable period of time whether it still insists on delivery or withdraws from the contract due to the delay and/or claims damages instead of performance.

3.8 The occurrence of our delay in delivery shall be determined in accordance with the statutory provisions. In any case, however, a reminder by the Buyer is required. If we are in default of delivery, the Buyer may demand lump-sum compensation for the damage caused by the delay. The lump-sum compensation shall amount to 0.5% of the net price (delivery value) for each completed calendar week of the delay, but in total not more than 5% of the delivery value of the goods delivered late. We reserve the right to prove that the Buyer has not suffered any damage at all or that the damage is significantly less than the aforementioned lump sum.

3.9 The rights of the Buyer pursuant to section 7 of these GTC and our statutory rights, in particular in the event of an exclusion of the obligation to perform (e.g. due to impossibility or unreasonableness of performance and/or subsequent performance), shall remain unaffected.

4. PRICES AND TERMS OF PAYMENT

4.1 Unless otherwise agreed, our current prices at the time of conclusion of the contract shall apply, namely ex warehouse (plus statutory VAT). The purchase price shall be due and payable within 14 days of invoicing and delivery or acceptance of the goods.

4.2 In the case of a shipment purchase ("Versendungskauf") to a place other than the place of performance (3.1), the Buyer shall bear the transport costs ex warehouse and the costs of any transport insurance requested by the Buyer. Any customs duties, fees, taxes and other public charges shall be borne by the Buyer.

4.3 If the Buyer and the Seller participate in a corporate direct debit procedure, it shall be sufficient if the Buyer receives the advance information ("prenotification") on the direct debit amount and due date one day before the due date.

4.4 We are entitled at any time, also within the framework of an ongoing business relationship, to make a delivery in whole or in part only against advance payment.

We shall declare a corresponding reservation at the latest with the order confirmation.

4.5 Upon expiry of the aforementioned payment deadline (4.1), the Buyer shall be in default. During the period of default, interest shall be charged on the purchase price at the applicable statutory default interest rate. We reserve the right to assert further damage caused by default. With respect to merchants, our claim to the commercial due date interest rate (§ 353 HGB – German Commercial Code) shall remain unaffected. Any agreed discounts shall not be granted if the Buyer is in default with the payment of earlier deliveries. Discount periods shall begin to run from the date of the invoice.

4.6 If the Buyer defaults on payment by means of a reminder (§ 286 para. 1 BGB), the Seller is entitled to take back or demand the return of the goods after prior reminder. The Seller may also prohibit the take away of the delivered goods. Taking back the goods shall be deemed to be a withdrawal from the contract.

4.7 Refusal or retention of payment is excluded if the Buyer knew of the defect or other reason for complaint at the time of conclusion of the contract. This shall also apply if it remained unknown to him as a result of gross negligence, unless the Seller has fraudulently concealed the defect or other cause for complaint or has assumed a guarantee for the quality of the item. Otherwise, payment may only be withheld due to defects or other complaints to a reasonable extent. In case of dispute, the amount shall be decided by an expert appointed by the Buyer's chamber of industry and commerce ("IHK"). This expert shall also decide on the distribution of the costs of his involvement at his reasonable discretion.

4.8 Offsetting or retention is only possible for the Buyer with undisputed or legally established claims. In the event of defects in the delivery, the counter rights of the Buyer shall remain unaffected.

4.9 If it becomes apparent after the conclusion of the contract (e.g. by filing for insolvency proceedings) that our claim to the purchase price is jeopardised by the Buyer's inability to pay, we shall be entitled to refuse performance in accordance with the statutory provisions and - if necessary after setting a deadline - to withdraw from the contract (§ 321 BGB). In the case of contracts for the manufacture of unjustifiable items (custom-made products), we may declare withdrawal immediately; the statutory regulations on the dispensability of setting a deadline remain unaffected.

4.10 The Seller has the right to adjust the price up to the level to the regular sales-price at the date of delivery.

5. CHARACTERISTICS OF WOOD

5.1 Wood is a natural product; its natural properties, deviations and characteristics must therefore always be observed. In particular, the Buyer must take its biological, physical and chemical properties into account when purchasing and using it.

5.2 The range of natural colour, structure and other differences within a type of wood is part of the characteristics of the natural product wood and does not constitute any reason for complaint or liability.

5.3 If necessary, the Buyer shall seek professional advice.

5.4 For supplies of logs & lumber is the calculation basis the original measurement which is the measurement standard in the country of origin or the measurement issued by a sworn surveyor, subject objective measurement error. Lumber produced in Germany the "Tegernsee Gebräuche" (latest vision) are the basis for the measurement.

6. NOTICE OF DEFECTS, WARRANTY AND LIABILITY

6.1 The properties of the goods, in particular quality, grade and dimensions, are determined by the agreements of the parties. The product descriptions which are the subject of the individual contract shall be deemed to be an agreement on the quality of the goods. In the absence of such an agreement, it shall be assessed in accordance with the statutory provisions whether or not a defect exists (§ 434 para. 1 sentences 2 and 3 BGB). However, we do not accept any liability for public statements made by the manufacturer or other third parties (e.g. advertising statements) to which the Buyer has not drawn our attention as being decisive for his purchase. Declarations of conformity and CE marks do not constitute independent guarantees. Suitability and use risks lie with the Buyer.

6.2 The Seller shall only be liable for defects within the meaning of § 434 BGB as follows: The Buyer shall immediately inspect the received goods for quantity and quality. Obvious and hidden defects must be notified to the Seller in writing within 14 days of becoming aware of them. In the case of mutual commercial transactions between merchants, §§ 377, 381 HGB (German Commercial Code) shall remain unaffected. For the rest, reference is made to the "Tegernsee Gebräuche".

6.2.1 Delivered good, does not matter if they are obviously defective, have to be received and stored in a proper manner and free of charge (till an agreement is found) by the Buyer.

6.3 If the Buyer discovers defects in the goods, he may not dispose of them, i.e. they may not be divided, resold or further processed, until an agreement has been reached on the settlement of the complaint or a procedure for the preservation of evidence has been carried out by an expert commissioned by the Chamber of Industry and Commerce ("IHK") at the Buyer's registered office.

6.4 In the event of justified complaints, the Seller shall be entitled to determine the type of subsequent performance (replacement delivery, rectification), taking into account the nature of the defect and the justified interests of the Buyer. We are entitled to make the subsequent performance owed dependent on the Buyer paying the purchase price due. However, the Buyer is entitled to retain a reasonable part of the purchase price in relation to the defect.

6.5 The Buyer shall inform the Seller as soon as possible of any warranty case occurring with a consumer.

6.6 The Buyer shall give us the time and opportunity required for the subsequent performance owed, in particular to hand over the goods complained about for inspection purposes. In the event of a replacement delivery, the Buyer shall return the defective item to us in accordance with the statutory provisions. The supplementary performance does not include the removal of the defective item or the renewed installation if we were not originally obliged to install it.

6.7 We shall bear or reimburse the expenses necessary for the purpose of inspection and subsequent performance, in particular transport, travel, labour and material costs and, if applicable, removal and installation costs, in accordance with the statutory provisions if there is actually a defect. Otherwise, we may demand reimbursement from the Buyer of the costs (in particular inspection and transport costs) arising from the unjustified request to remedy the defect, unless the lack of defectiveness was not recognisable to the Buyer.

6.8 The place of performance of the supplementary performance shall be at the registered office of the Seller.

6.9 If the supplementary performance has failed or a reasonable deadline to be set by the Buyer for the supplementary performance has expired unsuccessfully or is dispensable according to the statutory provisions, the Buyer may withdraw from the purchase contract or reduce the purchase price. In case of an insignificant defect, however, there is no right of withdrawal.

6.10 Claims of the Buyer for damages or reimbursement of futile expenses shall also exist in the case of defects only in accordance with Section 7 and are otherwise excluded.

7. LIMITATION OF LIABILITY

7.1 Insofar as nothing to the contrary arises from these GTC including the following provisions, we shall be liable in accordance with the statutory provisions in the event of a breach of contractual and non-contractual obligations.

7.2 We shall be liable for damages - irrespective of the legal grounds - within the scope of fault liability in the event of intent and gross negligence. In the event of ordinary negligence, we shall be liable subject to a milder standard of liability in accordance with statutory provisions (e.g. for diligence in our own affairs) only a) for damages arising from injury to life, limb or health and b) for damages arising from a significant breach of a material contractual obligation (obligation the fulfillment of which is a prerequisite for the proper performance of the contract and on the observance of which the contractual partner regularly relies and may rely); in this case, however, our liability shall be limited to compensation for the foreseeable, typically occurring damage.

7.3 The limitations of liability resulting from Section 7.2 shall also apply in the event of breaches of duty by or in favour of persons for whose fault we are responsible in accordance with statutory provisions. They do not apply insofar as we have

fraudulently concealed a defect or have assumed a guarantee for the quality of the goods and for claims of the Buyer under the Product Liability Act.

7.4 Due to a breach of duty which does not consist of a defect, the Buyer may only withdraw or terminate if we are responsible for the breach of duty. A free right of termination of the Buyer (in particular according to §§ 651, 649 BGB) is excluded. In all other respects, the statutory requirements and legal consequences shall apply.

8. LIMITATION PERIOD

8.1 Notwithstanding § 438 para. 1 no. 3 BGB, the general limitation period for claims arising from material defects and defects of title shall be one (1) year from delivery. Insofar as acceptance has been agreed, the limitation period shall commence upon acceptance.

8.2 However, if the goods are a building or an object which has been used for a building in accordance with its customary use and has caused its defectiveness (building material), the limitation period shall be five (5) years from delivery in accordance with the statutory regulation (§ 438 para. 1 no. 2 BGB). Other special statutory provisions on the limitation period (in particular § 438 para. 1 no. 1, para. 3, §§ 444, 479 BGB) shall also remain unaffected.

8.3 The above limitation periods of the law on sales also apply to contractual and non-contractual claims for damages of the Buyer based on a defect of the goods, unless the application of the regular statutory limitation period (§§ 195, 199 BGB) would lead to a shorter limitation period in individual cases. However, claims for damages of the Buyer pursuant to Section 7.2 sentence 1 and sentence 2 a) as well as pursuant to the Product Liability Act shall become statute-barred in accordance with the statutory provisions.

9. RESERVATION OF OWNERSHIP

9.1 The Seller retains title to the goods until the purchase price has been paid in full.

9.2 If the goods subject to retention of title are processed by the Buyer to form a new movable item, the processing shall be carried out on behalf of the Seller without the Seller being obliged as a result; the new item shall become the property of the Seller. In the event of processing together with goods not belonging to the Seller, the Seller shall acquire co-ownership of the new item in proportion to the value of the reserved goods to the other goods at the time of processing. If the reserved goods are combined, mixed or blended with goods not belonging to the seller in accordance with §§ 947, 948 BGB, the Seller shall become co-owner in accordance with the statutory provisions. If the Buyer acquires sole ownership by combining, mixing or blending, he hereby assigns co-ownership to the Seller in proportion to the value of the reserved goods to the other goods at the time of combining, mixing or blending. In such cases, the Buyer shall store free of charge the item owned or co-owned by the Seller, which shall also be deemed to be goods subject to retention of title within the meaning of the above conditions.

9.3 If goods subject to retention of title are sold alone or together with goods not belonging to the Seller, the Buyer hereby assigns the claims arising from the resale in the amount of the value of the goods subject to retention of title with all ancillary rights and priority over the rest; the Seller accepts the assignment. The value of the goods subject to retention of title shall be the invoice amount of the Seller, which, however, shall remain out of account insofar as third-party rights oppose it. If the resold goods subject to retention of title are co-owned by the Seller, the assignment of the claims shall extend to the amount corresponding to the share value of the Seller in the co-ownership.

9.4 If goods subject to retention of title are installed by the Buyer as an essential component in an immovable object (a) of a third party or (b) of the Buyer, the Buyer hereby assigns the assignable claims for remuneration arising against (a) the third party or (b) the Buyer in the event of sale in the amount of the value of the goods subject to retention of title with all ancillary rights including such for the granting of a lien in rem, with priority over the rest; the Seller accepts the assignment. Section 9.3, sentences 2 and 3 apply accordingly.

9.5 The Buyer shall be entitled and authorised to resell, use or install the reserved goods only in the ordinary course of business and only subject to the proviso that

the claims within the meaning of Section 9.3 or 9.4 are actually transferred to the Seller. The Buyer is not entitled to dispose of the reserved goods in any other way, in particular by pledging or assigning them as security.

9.6 The Seller authorises the Buyer, subject to revocation, to collect the claims assigned pursuant to Sections 9.3 and 9.4. The Seller shall not make use of its own collection authority as long as the Buyer meets its payment obligations, including towards third parties. At the Seller's request, the Buyer shall name the debtors of the assigned claims and notify them of the assignment; the Seller shall be authorised to notify the debtors of the assignment itself.

9.7 The right to resell, use or install the reserved goods or the authorisation to collect the assigned claims shall expire upon cessation of payments and/or filing for insolvency proceedings. This does not apply to the rights of the insolvency administrator.

9.8 If the value of the securities granted exceeds the claims (reduced by down payments and partial payments, if applicable) by more than 20%, the Seller shall be obliged to retransfer or release them at its discretion.

9.9 The Buyer pledges oneself to handle the goods carefully and cover a sufficient insurance against fire and loss. The Seller has the right to get a view onto the insurance policy.

9.10 In case of seizure or other third party access over the reserved goods the Buyer have to inform the Seller immediately in written form.

10. FINAL PROVISIONS

10.1 The place of performance and jurisdiction for deliveries and payments (including actions on cheques and bills of exchange) as well as all disputes arising between the parties shall be the Seller's principal place of business if the Buyer is a merchant, a legal entity under public law or a special fund under public law. The same applies if the Buyer is an entrepreneur (§ 14 BGB). However, we are also entitled in all cases to bring an action at the place of performance of the delivery obligation in accordance with these GTC or a prior individual agreement or at the general place of jurisdiction of the Buyer. Overriding statutory provisions, in particular on exclusive jurisdiction, shall remain unaffected.

10.2 The relations between the contracting parties shall be governed exclusively by the law applicable in the Federal Republic of Germany, excluding the UN Convention on Contracts for the International Sale of Goods.

10.3 If the Seller is released from fulfilling its obligations by the occurrence of unforeseeable, extraordinary circumstances which he cannot avert despite exercising reasonable care in the circumstances of the case, e.g. operational disruptions, official interventions, energy supply difficulties, strikes or pandemics, regardless of whether these circumstances occur in the area of the Seller or of a supplier, the delivery period or the period for performance shall be extended to a reasonable extent. If performance becomes impossible due to the aforementioned circumstances, the Seller shall be released from its performance obligations.

10.4 The Buyer is hereby informed that the Seller processes the necessary personal data obtained in the course of the business relationship in accordance with the provisions of the applicable European and German data protection laws for the purpose of conducting business.

10.5 If any provision of these GTC is invalid (e.g. illegal or otherwise unenforceable), such invalidity shall not affect the validity of the remaining provisions. The invalid provision shall be replaced by a mutually agreed legally valid provision that has a similar and valid economic and legal effect. The same applies to any gaps or omissions in these GTC.

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Original version notified to the Bundeskartellamt (Federal Cartel Office) by Gesamtverband Deutscher Holzhandel e.V., Wiesbaden, pursuant to § 38 para. 2 No. 3 GWB on March 22, 2002 and published in Bundesanzeiger No. 80 of April 27, 2002.