

WOODCON 2003

Terms and conditions for the purchase and sale of wood based products
Adopted by the Danish Timber Trade Federation

1. Application

- 1.1 These terms and conditions (WOODCON 2003) shall apply to the purchase and sale of *wood based products* if and to the extent the parties have agreed thereto in writing or otherwise.
- 1.2 Where WOODCON 2003 applies to a delivery, any derogation hereof shall be agreed in writing between the parties.

2. Packaging

- 2.1 Unless stipulated otherwise, the prices stipulated in offers and agreements shall be deemed to include seller's/shipper's standard packaging.

3. Quantity

- 3.1 Unless otherwise agreed in writing, seller shall be entitled to make deliveries in seller's/shipper's standard packaging meaning that deliveries of 5% less or more than agreed upon can be supplied.

4. Delivery

- 4.1 Where a delivery term has been agreed upon, it shall be interpreted in accordance with the INCOTERMS in force at the time of concluding the agreement subject to the changes that follow from these terms and conditions.

- 4.2 Where no delivery term has been agreed upon, delivery shall be made "Ex Works".

- 4.3 Additional costs incurred because of strike, lockout or similar in the port of destination shall be borne by buyer if the risk has otherwise passed to the buyer before the goods arrive at the port in question.

5. Time of delivery and delay

- 5.1 Seller shall be liable for any delay in accordance with Danish law except as otherwise stated in 5.2 below.

- 5.2 If a delivery is delayed because of any of the circumstances listed in Clause 11 as grounds for exemption from liability or because of buyer's actions or omissions, the time of delivery shall be extended for as long as it is deemed reasonable.

6. Payment

- 6.1 Payment shall be made in accordance with the terms stated in the agreement between the parties.

7. Exchange rate reservations

- 7.1 Subject to 7.2 below, when invoicing buyer, seller may be entitled to adjust

upwards or downwards that amount of the price of the product and costs of carriage which seller has to pay in foreign currency in accordance with the exchange rate on the day that seller settles the foreign currency to pay the purchase. Seller may be entitled to make a corresponding adjustment where the price is based on a specified rate of exchange in terms of another currency.

7.2 In order to be effective, an exchange rate reservation as stipulated in Clause 7.1 shall be specifically agreed upon between buyer and seller for the individual order. Seller shall stipulate in the order confirmation if an exchange rate reservation as mentioned in Clause 7.1 has been agreed upon.

8. Insurance premiums, duties, taxes, etc.

8.1 Prices in which are included marine and war risk insurance, freight rates, foreign exchange duties, transfer charges, import and export charges, customs duty, etc. shall be calculated and fixed on the basis of the premiums, rates, charges, duties, etc. applicable on the date of the purchase.

9. Liability for defects

9.1 Within a period of two years from the date of delivery, seller shall be under an obligation to deliver new products to replace products that are defective because of defects in design, material or production.

9.2 Buyer shall examine the product within reasonable time upon delivery to verify whether the product has any obvious defects or faults.

9.3 Complaints about defective deliveries shall be made in writing or by email and within reasonable time. If buyer fails to do so, he shall lose the right of a replacement delivery pursuant to Clause 9.1.

9.4 Where seller does not deliver replacement product(s) within a reasonable time after buyer's complaint pursuant to Clause 9.1, buyer shall be entitled to terminate the agreement by written notice or email to seller.

9.5 Where buyer terminates the agreement, he shall be entitled to claim damages from seller in accordance with Danish law.

10. Product Liability

10.1 If the products delivered are defective and thus cause injury to a person or damage to goods or land seller shall be liable for buyer's or third party's injury, damage or loss in accordance with Danish law.

10.2 Seller and buyer shall be mutually obliged to be sued before the court of law or arbitration tribunal that hears claim for damages made against one of them on grounds of injury, damage or loss claimed to have been caused by the products delivered. However, matters

between buyer and seller shall always be settled in accordance with Clause 12.

unless he has shown gross negligence in his performance or non-performance of the agreement.

11. Exemption from liability

11.1 The following circumstances shall result in exemption from liability in so far as they prevent the performance of the agreement or makes performance thereof unreasonably onerous: industrial conflict and any other circumstance beyond the control of the parties such as fire, war, mobilisation or conscription on a similar scale, commissioning, seizure, exchange controls, rebellions and riots, shortage of means of transportation, general scarcity of goods and restrictions on motive forces.

11.2 Circumstances as those listed in 11.1 shall only result in exemption from liability where the impact thereof on the performance of the agreement could not have been predicted at the time of concluding the agreement.

11.3 The party wishing to refer to a ground for exemption from liability, as listed in 11.1, shall without delay give notice in writing to the other party of its occurrence and termination.

11.4 Where a ground for exemption from liability has not terminated before the expiry of 3 months, either party shall be entitled to terminate the agreement by written notice to the other party.

11.5 None of the parties shall be liable for any consequential damages or losses

12. Disputes and choice of law

12.1 Any dispute or claim arising out of or in connection with the agreement or these terms and conditions, shall be settled by the Maritime and Commercial Court of Copenhagen (Sø- og handelsretten i København) as the venue of the first instance.

12.2 The purchase agreement and these terms and conditions shall be governed by the laws of Denmark.