

GENERAL TERMS AND CONDITIONS OF BUSINESS (B2B)

Johann Pabst Holzindustrie GmbH

1. General/scope

1.1. These general terms and conditions of business and supply (Ts & Cs) form an integral part of any quote provided by the registered company Johann Pabst Holzindustrie GmbH ("Pabst") and any contract agreed with Pabst, except where variations from these are expressly agreed in writing.

1.2. General terms and conditions of any kind from the business partner (customer) which conflict with these General Terms and Conditions are considered invalid and legally ineffective; acceptance of such general terms and conditions may not be inferred; the legally invalid status of such general terms and conditions does not depend on specific rejection by Pabst.

1.3. Where contracts are agreed with end-user consumers as defined in the Consumer Protection Act, the General Terms and Conditions for Consumers (B2C) and the statutory legal framework (e.g. Austrian distance selling act, consumer protection act, Austrian civil code, etc.) apply.

2. QUOTES/ORDERS

2.1. All quotes from Pabst are subject to change; Pabst is under no obligation to accept orders from the customer.

2.2. Orders from customers are binding for a period of 14 days.

2.3. Written quotes of any kind may not be reproduced, made accessible or passed on to third parties without written consent from Pabst. Pabst reserves all rights to these documents. Written quotes can be recalled at any time.

3. CONTRACT AGREEMENT

3.1. Contracts become effective either by means of written order confirmation following the order, or actual delivery corresponding to the order.

3.2. Whether there is written order confirmation or actual delivery (despatch), framework orders (bulk quantity contracts with an agreed schedule for call-offs) once accepted represent legally binding orders with Pabst.

3.3. This contract relates exclusively to goods and services provided by Pabst as stated in the order confirmation. Subsequent changes or additions and supplementary agreements are only effective if made in writing. Goods and services not included in the order confirmation will be invoiced separately.

3.4. Details given in technical documents, in statements published by Pabst, particularly in advertising or in information accompanying the goods, are only of relevance where specifically referred to in the order confirmation.

4. PRICING

Except where otherwise agreed in writing, prices are ex works or ex Pabst warehouse, and exclude packaging, loading, assembly, insurance and VAT. The price is worked out based on the costs at the time the agreement was finalised (order confirmation). Where material cost increases or additional services or additional costs arise between when a particular contract, framework agreement or call-off order is finalised and actual delivery, Pabst is entitled to use these higher prices as the basis for invoicing, except where the time between agreeing the contract and actual delivery is less than 45 days.

5. Delivery

5.1. Except where expressly agreed otherwise, lead times are always non-binding. The lead time starts from the date of order confirmation. Except where expressly agreed otherwise, delivery is ex works (ExW) Pabst.

5.2 Transport is always at the customer's risk and expense, even where delivery is carriage paid. Once the goods ordered by the customer are handed over to the carrier (post, train, plane, ship or freight forwarder), Pabst has met its obligations under the contract and the risk transfers to the buyer. The choice of shipping method is the responsibility of Pabst and is approved beforehand by the buyer.

5.3. Pabst is entitled to make partial deliveries and invoice these separately. Delivery dates are indicative except where a specific date has been expressly agreed. For deliveries, unobstructed access for an articulated HGV (total weight up to 40 tons) is essential; the same applies similarly to extra-long loads using special vehicles. The customer must provide the necessary equipment (crane/forklift including personnel, etc.) for unloading at ground level, alongside or from above, at an alternative delivery point if necessary, in order to unload rapidly in under 4 hours following arrival at the agreed delivery location. Alternatively, a suitable, safe parking space must be provided.

5.4. Delays, damage to goods or other incidents which may form the basis for any claims from the customer must, without exception, be noted legibly on the consignment note (CMR) or the claim will not be valid.

5.5. Where delivery is late due to circumstances beyond either party's control, such as employment disputes, fire, impounding, embargo, etc., an appropriate extension of the lead time is deemed to have been agreed in advance. Pabst accepts no liability for late delivery caused through no fault of its own or through minor negligence. In such event, the customer waives the right to withdraw from the contract and to make claims for damages. Only where Pabst is responsible for late delivery through gross negligence at the very least, can the customer either demand the situation be put right or declare they are withdrawing from the contract unless the situation is put right within a reasonable timeframe. In the case of custom-made products, when calculating the reasonable timeframe, it must be taken into account that Pabst cannot

use parts that have already been processed for other purposes.

5.6. Where the customer does not accept the goods delivered in accordance with the contract at the location or time agreed in the contract, Pabst can either demand the situation be put right or declare they are withdrawing from the contract unless the

goods are accepted within a reasonable timeframe. From this point on, goods will be stored at the customer's risk and expense.

6. Payments

6.1. Except where alternative payment terms have been agreed in writing, payment must be made within 14 days net as directed by Pabst.

6.2. The customer shall not be entitled to withhold payments because of warranty claims or other counterclaims not accepted by Pabst.

6.3. In the event of late payment, statutory default interest will be charged in accordance with section 352 of the Austrian Commercial Code from the due date until payment is received. In such event, the customer is also responsible for paying the cost of any reminders, legal fees and out of court costs.

6.4. Any discounts or bonuses allowed are subject to full payment being received. Where credit account terms have been agreed, section 1416 of the Austrian Civil Code does not apply. Payments from the customer may be offset against any of the customer's outstanding liabilities at Pabst's discretion. Generally, payments will first be set against costs or expenses, then against interest and finally against the principal.

6.5. Under no circumstances does reporting faults release the customer from the obligation to comply with payment terms. No amount of discussion about faults will place Pabst under any obligation to rectify those faults. The customer is not entitled to withhold payment, nor to offset any counterclaim against amounts due to Pabst. Should the customer's financial situation deteriorate or should Pabst only become aware after agreeing the contract that the customer's financial situation was already so perilous when the contract was agreed that there is a risk the customer might not meet their obligations under the contract, Pabst may place delivery on hold until payment has been effected or security obtained – regardless of any contractual agreement to the contrary. The customer's financial situation is considered to be demonstrated by means of information provided by a reputable credit agency or bank.

6.6. Goods delivered remain the property of Pabst until payment has been made in full (retention of title). To safeguard goods delivered under retention of title, these must be stored separately and insured against fire and theft at the customer's expense. Onward sale of goods subject to retention of title is only permitted with express, written consent from Pabst.

6.7. Where goods subject to retention of title are sold on, the customer assigns any sums due under that onward sale contract to Pabst upon that contract becoming effective. This assignment of security must be recorded in the customer's business records on each page of the list of debts outstanding, stating the date the assignment was agreed (= date contract becomes effective) and the full company name of Pabst, and must also be recorded in the open debtor listing. It is Pabst's responsibility to inform the customer's customer in turn that the debt has been assigned. Payments which the customer receives from their customers must be forwarded to Pabst without delay.

6.8. Where goods subject to retention of title are treated or processed

by the customer, retention of title also extends to the new item resulting from this. Where goods are treated, processed, blended or combined, Pabst acquires shared title in the new items resulting from this. In these circumstances, the customer is considered as a custodian. In the event of compulsory distraint or other seizure by third parties affecting the goods delivered under retention of title, the customer undertakes to notify Pabst without delay and to advise these third parties of Pabst's title in the goods.

6.9. Security in accordance with § 1170 b of the Austrian Civil Code must be requested by the customer without delay and pledged to Pabst (as security) by way of a separate declaration.

7. Warranty

7.1 Pabst normally guarantees that goods purchased are free from defects for a period of 1 year as follows:

7.2. The guarantee operates through repair, replacement of faulty parts, exchange or price reduction, at Pabst's discretion. The customer's right to replacement is waived by mutual agreement. Any parts replaced become the property of Pabst. Wages and costs incurred for installation and removal are the customer's responsibility. This applies equally to all warranty agreements. The customer specifically waives, on their own account and for any legal successors, any claim for direct or indirect damage (damage and consequential damage) and loss of profit caused by a fault in any goods purchased as a result of simple or simple gross negligence. Rectifying a fault does not result in the warranty period being extended. It should generally be noted that wood is a natural material, so natural, biological, chemical and physical properties must be taken into account when purchasing and using it.

7.3. The buyer is required to inspect the goods delivered on receipt. Warranty claims are only valid if any faults identified are reported in writing immediately – at the latest within 5 days. Verbal or telephone communication does not qualify for reporting complaints. If the complaint is not made without delay, any claim for compensation for consequential damage will also lapse. Section 377 (5) of the Austrian Commercial Code shall not apply in the event of minor or simple gross negligence. In such event, the customer waives any relevant objection. Where immediate inspection of the goods on receipt as part of the customer's usual course of business is not possible, then this situation must be reported to Pabst immediately and any defects which might be identified during a subsequent inspection should be reported in writing within 5 days. This also applies to short and incorrect deliveries, otherwise the goods are deemed to have been approved even with regard to these defects. By discussing reported defects, Pabst does not waive its right to object on grounds that the defects were reported too late or were not sufficiently detailed. Handling or processing the goods in any way invalidates the warranty. Returning goods requires express written consent from Pabst and would be at the customer's risk and expense.

7.4. The special provisions under section 933 b of the Austrian Civil Code only apply within the statutory warranty periods of section 933. The prerequisite for recourse under § 933 b of the Austrian Civil Code is satisfying the obligation to give notice of complaints under § 377 of the Austrian Commercial Code.

8. Liability

Pabst shall be liable for damages outside the scope of the Product Liability Act only if intent or gross negligence can be proven, with-

in the scope of the statutory provisions. Liability for minor and simple gross negligence, compensation for consequential damages, loss of investment earnings, loss of interest, and claims for compensation from third parties are expressly excluded. Pabst does not accept any liability for damage due to incorrect handling of the goods delivered. Section 934 of the Austrian Civil Code does not apply (section 351 of the Austrian Commercial Code).

9. TRANSFER OF BUSINESS/OBJECTION

Should ownership of the customer's company be transferred, Pabst registers its objection to (automatic) takeover of the business relationships by the acquiring company; such a takeover requires a separate agreement (which needs to be in writing).

10. JURISDICTION AND APPLICABLE LAW

For any disputes arising directly or indirectly from this contract, the jurisdiction of the relevant court covering Pabst's registered office is agreed.

Austrian law applies to all contract relationships – to the exclusion of the standard UN Convention on Contracts for the International Sale of Goods (UNCITRAL) and international private law.

11. MISCELLANEOUS

The invalidity of individual provisions of these General Terms and Conditions does not affect the validity of the remaining provisions. When it comes to interpretation, the Austrian timber trade codes of practice have to serve as a standard for interpretation.

It is expressly stated again that only written agreements apply between parties to the contract; this also applies to any departure from the requirement for things to be in writing. Verbal agreements have no legal effect. The customer acknowledges that employees or third parties employed by Pabst are not entitled to make promises which vary from the principal performance obligations agreed in the contract (such as terms of delivery, quality assurance, payment terms).