

HAKWOOD

General Terms of Sale

Hakwood (Hak Houtindustrie, Handelmaatschappij en Houtverwerking Hak B.V.),
Leemansstraat 2, NL-4251 LD Werkendam

Version: 2023. The latest version of these terms and documents can be downloaded via
www.hakwood.com.

I. General

1. Definitions:

- (a) Hakwood Technical Product Information (or TPI) means our document describing the functional and technical specifications of the relevant flooring product;
- (b) Hakwood Installation Information (or HII) means our document containing instructions regarding installation, site preparation, operations and use of tools;
- (c) Hakwood Care and Maintenance Instructions (or CMI) means our document with instructions regarding care, maintenance and cleaning;
- (d) Hakwood Safety Data Sheet (or SDS) means our document describing technical data, dimensions, tolerances, product content and safety information; and
- (e) Hakwood Subfloor Heating and Cooling (or SHC) means our document containing the product instructions applicable to subfloor heating and cooling; and
- (f) Custom Work means products that are not included in the Hakwood general price list and/or are specially developed for the client, e.g. in terms of finish or shape.

2. General

These terms and (if applicable) the documents defined in article 1 apply to the sale, delivery and (if agreed) installation of products by Hakwood. In the event of inconsistencies or contradictions between the documents defined in article 1 and these Terms, these Terms shall prevail. No other terms apply unless they are stated in writing and signed by both parties.

3. Protection of Hakwood's designs and rights thereto

The designs, models, images, descriptions, drawings, calculations and/or budgets provided by Hakwood in connection with a quotation or order, and the related intellectual property rights, remain the property of Hakwood and must be returned at Hakwood's first request and the use thereof by the client or by third parties engaged by the client must be discontinued. The client is prohibited from fully or partially copying the aforementioned designs, models, etc., communicating them or making them available to third parties or for inspection. Hakwood is not bound by indications concerning size, colours, etc. provided by Hakwood in an image, catalogue, drawings or in any other manner; these are deemed to have been provided as approximations.

4. Quotations and order acceptance

All quotations issued by us are valid for sixty (60) days, unless otherwise stated. Quotations can be amended or withdrawn by us in writing. Orders placed with us by a client are subject to our acceptance and to our General Terms of Sale. Unless otherwise agreed in writing, a deposit of fifty

per cent (50%) applies when placing an order. The information provided in Hakwood's order confirmation is deemed to be correct unless the client has lodged a written objection to this with Hakwood within five (5) working days of the date of the order confirmation. The prices stated in our quotations are based on the price level on the quotation date. Potential future price increases (e.g. levies, raw materials, materials and wages) when actually purchasing products or services are at the expense and risk of the client.

5. Prices and terms of trade

Prices are net in euros, unless otherwise agreed in writing, exclusive of VAT or comparable sales taxes. In the event that a currency other than the euro has been agreed, all changes with regard to the exchange rate of the agreed currency in relation to the euro after the date of the agreement are at the expense and risk of the buyer. Prices are on an FCA basis (Incoterms latest edition) unless otherwise agreed in writing.

6. Payment

At least 50% of the payment must be made when the order is placed; the remainder must be paid in advance, before delivery, in accordance with the invoice, unless other payment conditions have been agreed in writing. If your order concerns Custom Work, the 50% payment upon placement of the order is nonrefundable, including in the event of cancellation by the client more than 3 working days after confirmation of the order.

7. Non-payment

If an invoice is not paid in full in a timely manner, you shall be in default without a notice of default being required. In that case, we have the right (i) to suspend or (ii) to cancel the execution of accepted orders or (iii) to charge you the Dutch statutory interest on the owed amount and (iv) to seek all costs and expenses incurred by us as a result of said default and (v) to seek all other rights and remedies available to us in those circumstances or under applicable law.

8. Cancellation

An order that has already been confirmed and accepted by us cannot be cancelled unless the client has paid Hakwood the following cancellation fee:

- An order that has already been confirmed and accepted by us can be cancelled provided that (i) the written cancellation has been received by Hakwood within 10 working days after the date of the order confirmation; and (ii) Hakwood has received a cancellation fee of 15% of the value of the goods or services in the order within that period. If the order concerns Custom Work, the costs of cancellation are equivalent to the 50% payment for the order.
- An order that has already been confirmed and accepted by us more than 10 working days after confirmation but before the agreed delivery can be cancelled against an immediately due and payable fee of 50% of the value of the goods or services in the order. If this concerns a cancellation of a Custom Work order, 100% of the agreed value of the order is immediately due and payable.

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- If cancellation takes place after or at the time of the agreed delivery, the client is obligated to pay an immediately due and payable 100% fee of the value of the order or service.

9. Delivery

We shall use reasonable business practices to comply with the agreed deliverables and/or delivery dates, provided that you have fulfilled the payment obligations and submitted all shipping details. In the event of a delay in the fulfilment of the above terms, you are obligated to reimburse us for the additional costs resulting from suspension of the execution of the Agreement. If the Products cannot be shipped to their destination on the scheduled date due to causes that are not attributable to us and/or are beyond our reasonable control, we have the right to store the corresponding Products at your expense and risk for €5.00 (five euros) (excl. VAT) per m2 per month. Invoicing shall also take place at this time and the claim is immediately due and payable. In that case, the warehouse receipt serves in all respects as a replacement for the shipping documents and you are obligated to pay any additional costs incurred by us at our first request within fourteen days.

10. (Extended) Retention of title

Without prejudice to the transfer of risks in accordance with the applicable terms of trade, all Products shall remain our property until all our claims against you, particularly payment, have been settled in full. You must assist us in taking any steps necessary to protect our proprietary rights and not resell or install the delivered Products without our prior written consent. Any proceeds from a resale or installation are our property. Commissioning of the delivered Products entitles us to full and immediate payment.

11. Complaints and complaint management

The client must inspect the Goods on delivery and shall not refuse to accept deliveries on the basis of minor defects. Regarding any deficiencies and/or damages to the delivered goods and/or packaging that are present upon delivery, the other party must state or arrange for the statement thereof on the delivery note, invoice and/or transport documents, and must also notify Hakwood in writing within 2 working days with a good description of any obvious defect/damage, shortage of quantity or non-compliance with the description or order. Complaints later than 2 working days after delivery shall no longer be processed.

The client must report any other alleged defect in the Goods as soon as reasonably possible after such a defect becomes apparent. Upon such notice, the client shall permit Hakwood to inspect the Goods, if present. If Hakwood agrees in writing to return the Products by means of a notification of consent, the Products must be removed or shipped in accordance with our instructions. Returning products is only possible in the event of a well-founded complaint assessed by Hakwood.

12. Limited warranty

Specifications of the Products or samples delivered by us, including but not limited to

specifications of dimensions, colour, print, structure and other information in the documentation made available to you, do not constitute guaranteed features. The only guaranteed features are the features that we have explicitly confirmed in writing as guaranteed. Nevertheless, we reserve the right to deviate from the guaranteed features of the products and to implement technical improvements or other innovations.

We make you a guarantee of the good quality of the delivered Products for the period stated in the quotation, or, where no period is specified, for the period of twelve (12) months after delivery or the period specified in the applicable limited warranty, whichever is shorter. The warranty does not cover defects or damage as a result of normal wear and tear or resulting from external influences such as moisture, a wet subfloor, mechanical stress, loads, light, chemical or biological influences or as a result of negligence, abuse or improper installation, improper use, improper maintenance, improper repair, improper modification, improper storage, or improper return in accordance with the documents specified in article 1 (TPI, HII, etc.) or unauthorised combination with third-party products. Hakwood is not liable for any defects, damage or inconsistencies in the floorboards caused by air conditioning, airflow, exposure to the sun and dust in the air, heating or large glass windows without curtains or blinds, or other local conditions affecting the completed condition of the

floors. Under this warranty, we shall (i) replace or arrange for replacement of the parts for which the aforementioned defects are proven, always free of charge, provided that you have notified us in writing within the warranty period within seven (7) days after the defects have occurred, including clear images of the findings, or (ii) if replacement is in our opinion not feasible, compensation for damage pursuant to article 13 shall apply as the sole remedy.

Fulfilment of our obligations under this article 12 is considered as full remedy to you (except for damages as described below). Any claim for settlement, compensation (except in the cases stated below) or dissolution of the Agreement or in connection with damage other than that arising from our liability as determined in article 13 below is hereby waived.

13. Injury and damage

You agree that all Products purchased under these terms shall be cared for and maintained in accordance with the CMI and solely for the purpose for which the Products are intended. We are only liable for personal injury and direct material damage caused exclusively by our negligence and/or our installation work, and our total compensation to you shall be the lesser of the following: (i) for floating floors, a fixed sum of €10.00 (ten euros) per square metre of the corresponding part of the work; (ii) for glued and nailed floors, a fixed sum of €20.00 (twenty euros) per square metre of the corresponding part of the work; or (iii) for finishing including products, a fixed sum of €10.00 (ten euros) per square metre; or (iv) for the replacement of one floorboard, including mounting material and finishing, a fixed sum of €22.00 (twenty-two euros) per floorboard; or (v) in all other processing cases, a sum not exceeding twenty-five percent (25%) of the invoice value of the replaced products, all only insofar as the injury/damage is the direct result of our proven negligence. Payment pursuant to this article 13 shall be made by means of a credit note of amounts received, but only if there is no payment arrears. Under no circumstances shall you have a claim against us if you have processed the products despite the shortcomings in the delivered products.

WE SHALL NOT BE LIABLE FOR ANY DAMAGES OR LOSSES OTHER THAN THOSE FOR WHICH WE HAVE EXPLICITLY ASSUMED LIABILITY AS DESCRIBED IN THESE TERMS AND IN NO EVENT SHALL OUR LIABILITY INCLUDE CONSEQUENTIAL OR OTHER SPECIAL OR INDIRECT DAMAGES OR PENALTIES OR LOSSES OF ANY KIND THAT ARISE IN ANY WAY.

14. Force majeure

If a force majeure event occurs, we have the right to suspend delivery of the Products and/or installation work for the duration of the impediment or delay caused by such force majeure, without being held responsible for any resulting damage to you or any main contractor. In that case, the period for dispatch shall be extended by the period of the impediment or delay caused by the force majeure. In the event of such a non-attributable default, the corresponding part of the agreement shall be suspended. The affected party shall inform the other party about the default as soon as possible.

If the suspension has lasted for five consecutive months or as soon as it is determined that the suspension shall last for five consecutive months, either of the parties has the right to terminate the Agreement in whole or in part, without any liability or compensation whatsoever towards the other party. The term 'force majeure' refers to circumstances or events beyond the reasonable control of a party, whether or not foreseeable at the time of signing the agreement, as a result of which one of the parties cannot reasonably be expected to fulfil its obligations under the Agreement. Such circumstances or events include but are not limited to: natural disasters, war, civil war, insurrection, fire, floods, humidity that exceeds the TPI or HII, labour disputes, epidemics, government regulations and/or similar decisions, freight embargoes, unavailability of required permits, licences and/or authorisations (including customs clearance or import permissions), and shortcomings or force majeure on the part of suppliers or subcontractors.

II. Installations

15. Installation (if applicable)

If installation of the Products has been agreed, our price is based on compliance with the following provisions at your expense:

- (a) The provision of suitable and lockable storage space at or near the installation site for the Products to be delivered, in accordance with the TPI and HII for the corresponding Product, so that the Products are protected against theft and damage, moisture or other deterioration; items lost or damaged during storage shall be replaced at your expense;
- (b) The timely execution and completion of site preparation work, which shall be at your sole expense and risk, in accordance with the TPI/HII and our other instructions that we shall provide to you in due course; site preparation must be in accordance with all safety, electrical and building regulations and rules regarding proper and safe installation of the Products. The installation site must be made available to us in a timely manner in a clean, flat and unobstructed condition so that we can start the installation work on the scheduled date; our installation staff should not be called to the site until all preparatory work has been completed satisfactorily;
- (c) The timely delivery, free of charge, of the permits, licences, rights of way, etc. from the

relevant authorities that are necessary for or related to the installation of the Products;

(d) The timely delivery of transport equipment to the site, at our first request;

(e) The provision, free of charge, of satisfactory and lockable spaces at or near the installation site for our staff (equipped with sanitary facilities) and for the storage of our staff's equipment and tools;

(f) The provision, free of charge, of options for destruction or disposal of packaging and other materials;

(g) The prices do not include the price for any additional work or less work than stated in the contract. Additional work is understood to mean everything that Hakwood carries out in consultation with the client during the execution of the agreement, surplus to the activities agreed in the agreement or order confirmation. Hakwood reserves the right to amend the price if a variation on Hakwood's quotation is requested. Any deviation from the planned works or specifications required due to hidden or previously unidentifiable difficulties such as levelling/preparation of the floor, rotten floorboards, cleaning, additional spaces, additional goods required, taking up and removing old flooring or floor coverings, inaccurate measurements and in the event that the client postpones the installation date. This is exclusively after written confirmation by Hakwood. If one or more of the above conditions are not met, not met properly or not met in a timely manner, or if we have to interrupt or suspend our installation work and the subsequent commissioning and delivery due to causes not attributable to us, the delivery period shall be extended accordingly and all resulting additional costs are at your expense and risk.

WE ACCEPT NO LIABILITY AND MAKE NO WARRANTIES AS TO THE SUITABILITY FOR USE OR SUITABILITY OF THE LOCATION WHERE THE PRODUCTS MUST BE INSTALLED, USED OR STORED.

16. Commissioning, completion and acceptance

If installation of the Products has been agreed, we shall notify you when the installed Products are ready for commissioning, completion and acceptance and shall invite you to attend our agreed standard acceptance inspection in order to ensure compliance with the agreed TPI, HII and/or SDS and/or to inspect the installation work. If you fail to show up on the stated date, our staff shall carry out a final inspection of the products and installation work, and acceptance shall be made on the basis of the results stated in the acceptance certificate signed by our staff. In the event of rejection of the installed products for valid reasons that are attributable solely to us, which must be communicated to us in writing and in detail within two (2) working days after completion of the corresponding acceptance inspection, we shall as our sole remedy rectify the shortcomings as soon as possible and redo the relevant parts of the acceptance procedure within a reasonable time, in accordance with the procedures described above. If we have not received the acceptance certificate signed by the client or a rejection for valid reasons within two (2) working days after completion of the acceptance procedure, this shall be deemed as your acceptance of the products and installation work. Commissioning of the installed products is also regarded as acceptance of the corresponding Products and installation work.

Minor defects or deviations that do not affect the use of the installed Products shall be noted in the acceptance certificate but shall not result in impediment or suspension of acceptance. We undertake to remedy such defects as quickly as possible.

17. Applicable law and competent court (applicable both to General and Installations).

Dutch law applies to the agreement. Disputes that cannot be settled amicably shall be submitted exclusively to the District Court of Breda. The UN Convention on Contracts for the International Sale of Goods is explicitly excluded.

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