

Standard Terms of Sale and Delivery of Products and Construction Materials.

- 1. General**
 - 1.1 These Standard Terms of Sale and Delivery apply to all offers, orders, order confirmations and deliveries unless otherwise agreed in writing between the Parties.
 - 1.2 The selling timber merchant is called the "Seller" and the customer making a direct purchase at the Seller is called the "Buyer". The Seller and the Buyer are collectively called the "Parties".
 - 1.3 The Seller performs a resale in its own name and at its own account of the Products purchased by the Seller from the manufacturer, trading companies, dealers and importers, collectively called the "Supplier" or "Suppliers".
 - 1.4 Products to form part of a construction project on a permanent basis are called "Construction Materials".
 - 1.5 Construction Materials and Products are collectively called the "Product" or "Products".
- 2. Order/order confirmation**
 - 2.1 All offers made by the Seller are subject to the Products being unsold.
 - 2.2 The Seller's offer remains in effect for eight (8) days, unless otherwise agreed in writing between the Parties.

A final agreement concerning delivery does not exist until the Buyer has received the Seller's written order confirmation, and only such confirmation is binding.
 - 2.3 The Buyer must observe any user manuals, catalogues and brochures delivered with the Product and must collect the necessary information about the area of use and the correct manner of use of the purchased Products.
 - 2.4 The Seller assumes no responsibility for the contents of catalogues, brochures and other information, including electronic information of any kind from the Seller's Suppliers.
 - 2.5 The Seller assumes no responsibility for any cost-free oral or written guidelines, measuring, calculations etc. performed by an employee in connection with the purchase of Products from the Seller.
- 3. Direct deliveries of timber cargo**
 - 3.1 If it has been agreed that timber cargo, including plywood and other plate material, must be delivered from the Seller by way of direct import to Denmark bypassing the Seller's warehouse, these Standard Terms of Sale and Delivery will not apply, whereas - depending on the specific agreement - the general conditions of import contracts in the timber industry, DANKON 2002, DANKON 2002 and the like may apply.
- 4. Prices**
 - 4.1 Prices appear from the Seller's price list in force from time to time or from a forwarded order confirmation.

Delivery is from the Seller's warehouse or ex works unless otherwise agreed.
All prices are stated exclusive of freight, packing, VAT, duties and any dispatch charges.
 - 4.2 The Seller is entitled, on an ongoing basis and without notice, to change the prices in price lists and offers unless a written agreement to the contrary has been concluded.
- 5. Payment, retention of title and provision of security**
 - 5.1 Where the Buyer has an account with the Seller, the purchase price falls due for payment according to the terms of payment applicable for the Buyer's account with the Seller unless otherwise expressly agreed in writing. The purchase price falls due for payment calculated from the time of delivery indicated, see clause 10.1, irrespective of whether the Buyer's situation makes it impossible to effect delivery as agreed.
 - 5.2 If the buyer does not have an account with the Seller, the purchase price falls due for payment at the time of delivery indicated, see clause 10.1, and irrespective of whether the Buyer's situation makes it impossible to effect delivery as agreed.
 - 5.3 In the event that the Buyer's payment(s) is/are not effected in due time and/or the preconditions for granting the agreed credit are changed significantly, the Seller is entitled to withhold all further deliveries to the Buyer, irrespective of whether the deliveries are not connected in any way.
 - 5.4 In the event that payment is effected by the Buyer after the due date, default interest is payable on the due amount including VAT in accordance with the Danish Interest Act (renteloven), unless another interest rate is customary or has been agreed.

Default interest and fees charged, if any, fall due for immediate payment and must be paid prior to all other debt using the payments received on an ongoing basis.
 - 5.5 The Seller will retain title to the Products sold, irrespective of whether delivery has taken place, until the purchase price in full and interest and/or fees, if any, have been paid.
 - 5.6 The Seller is at all times in connection with or after the conclusion of the agreement entitled to demand from the Buyer provision of adequate security for the due payment of the purchase price, freight expenses, interest and other costs.
 - 5.7 In the event of non-payment in due time, the Seller is entitled to submit any claim against the Buyer for collection without giving notice hereof. The Buyer is under an obligation to pay the collection costs fixed by the debt collector which may exceed the amounts appearing from the "Executive Order on out-of-court collection costs in the event of delayed payment" as amendments.
 - 5.8 The Seller is entitled to transfer, in full or in part, any claims raised against the Buyer to a third party without obtaining the prior consent of the Buyer.
- 6. Cancellation and change of orders**
 - 6.1 The Buyer is not entitled to change or cancel an order after submission hereof to the Seller.
 - 6.2 Where the Seller in spite of clause 6.1 separately approves a cancellation or change, the Buyer is under an obligation to pay the costs associated with the cancellation or change, including costs of storage and safeguarding of quality and capabilities as well as interest payments as a consequence of a postponed time of delivery, the minimum amount, however, being DKK 500. In the event of total or partial cancellation, the Buyer is furthermore under an obligation to compensate the Seller for loss of profit.
- 7. Returned Products and returnable packaging**
 - 7.1 Products cannot be returned to the Seller.
 - 7.2 Where the Seller in spite of clause 7.1 accepts by separate agreement that Products are returned, such Products must be unused, non-defective and in the original and intact packaging. The Products must be free of dirt and dust etc.
 - 7.3 Products that have been manufactured specially and/or have been ordered for the Buyer can, however, not be returned to the Seller.
 - 7.4 Products the return of which has been approved will be credited by the Seller with deduction of the fee fixed by the Seller to cover costs in connection with the return and the Seller's sales costs.
 - 7.5 Returnable packaging is credited by the Seller upon free delivery in undamaged conditions within three (3) months from delivery from the Seller. The amount credited will be subject to a deduction to cover wear and tear, handling and freight expenses etc as fixed by the Seller.
- 8. Sample products**
 - 8.1 Sample products only show colour, size and quality in general and therefore the Seller is not responsible for any variances unless such variances are significant and of an unpredictable size for the Buyer compared with the displayed sample Products.
- 9. Guarantee**
 - 9.1 The Seller does not provide a separate guarantee on Product deliveries.
 - 9.2 The Buyer accepts to only be entitled to raise a claims against the Seller in accordance with a supplier's guarantee with respect to a Product directly vis-à-vis the Supplier, and in this connection, the Seller accepts only to communicate information on a supplier's guarantee, if any, to the Buyer.
- 10. Delivery**
 - 10.1 The time of delivery stated in the order confirmation is only directional for the Seller unless otherwise agreed in writing between the Parties.
 - 10.2 Where a fixed time of delivery has been agreed, the Seller is entitled to postpone the time of delivery in the following cases:
 - a) Force majeure, cf. clause 15
 - b) In the event of delay caused by the Seller's Suppliers, carriers or other third parties.
 - c) Unusual weather conditions and climatic impact.
 - d) Trade disputes irrespective of the reason for such disputes.
 - e) Public order or injunctions which the Seller should not have foreseen at the time of conclusion of the agreement.
 - 10.3 If the Parties have reached agreement regarding delivery at the Buyer's address or another location indicated by the Buyer, the Seller will deliver the Product as close to the place of use as a truck, according to the discretion of the driver, can get without danger of getting stuck or damaging the vehicle or the surroundings.
 - 10.4 The Buyer is under an obligation to make available the staff necessary for unloading.
 - 10.5 Where the Buyer does not meet the obligation stipulated in clause 10.4, the Seller will be entitled, but not obligated, to effect delivery at the place of delivery thereby discharging the Seller of its obligations, irrespective of whether a representative of the Buyer is present.
 - 10.6 The risk of the accidental destruction of or damage to the Product passes to the Buyer upon delivery. Delivery note or the carrier's requisition form is considered documentation of delivery.
 - 10.7 Expenses incurred due to any waiting time in connection with unloading at the Buyer's address or another location indicated by the Buyer are borne by the Buyer. The Buyer must also bear any other costs resulting from the Buyer's inability to receive the Products at the agreed time of delivery.
- 11. Complaints and responsibility in the event of delay**
 - 11.1 The Buyer must complain in writing immediately upon establishing a delay. The Buyer will otherwise forfeit any claim in respect of the delay.
 - 11.2 In the event of minor delays, subsequent delivery is effected by the Seller.
 - 11.3 In the event of significant delay on the part of the Seller, the Buyer is entitled to revoke the purchase. Where successive delivery has been agreed, the Buyer is, however, only entitled to revoke the delayed sub-delivery.
 - 11.4 Where the Buyer revokes the agreement in accordance with clause 11.3, the Buyer is entitled to compensation from the Seller for the additional costs incurred in the Buyer's attempts to procure a similar Product from another party. Such compensation must, however, not exceed the invoice value of the delayed delivery with an addition of 10%.
 - 11.5 In addition to the compensation mentioned in clause 11.4, the Buyer is not entitled to any form of compensation due to the Seller's delay. This applies irrespective of whether the Buyer revokes or maintains the purchase.
- 12. Duty of inspection and complaints**
 - 12.1 Immediately upon the surrender or receipt of the Products and always before the Buyer starts using, preparing or incorporating the Products, the Buyer must inspect the delivered Products in order to ascertain that they are non-defective and that the any differences in colour and shade are within the acceptable levels.
 - 12.2 Complaints about defects, including differences in quantity which the Buyer detected or ought to have detected at the inspection mentioned in clause 12.1 must be made by the Buyer to the Seller immediately and by no means later than eight (8) days after the date of delivery of the Products to the Buyer in order to be considered. In the event of other defects, complaints must be made immediately after the time at which the Buyer should have detected the defect and within one (1) year at the latest, see, however, clause 14 below regarding delivery of Construction Materials for certain construction projects.

- 12.3 Where the Products are to be fitted or included in a fitting, the Buyer must ensure that the Products - prior to the start of the fitting - are inspected with a view to finding any defects, as complaints cannot be made after any fitting has been started. In the event of delivery of Construction Materials for certain construction projects, cf. clause 14 below, the Buyer will, however, still be entitled, subject to the limitations set out in clause 14, to file a complaint over hidden defects, which the Buyer could not detect or ought not to have detected before or in connection with mounting, fitting or incorporation.
- 13. Liability of defects in the objects sold**
- 13.1 In case of complaint about defects in due time, see clause 12.2 or clause 14, the Seller must remedy the defect or effect redelivery at the Seller's discretion.
- 13.2 If the Seller does not remedy a defect or effect redelivery, see clause 13.1 within a reasonable time after the time at which the Seller has complained in accordance with clause 12 or clause 14, the Buyer is entitled to notify the Seller in writing that the agreement is terminated as regards the part of the delivery which is defective.
- 13.3 In the event of termination of the agreement on the part of the Buyer, the Buyer is entitled to demand damages from the Seller for the additional costs which the Seller has incurred in connection with procuring similar Products from another Supplier.
- 13.4 Notwithstanding the above, the Seller's liability for damages in the event of defects is always limited to the invoice value of the defective Product(s) with an addition of 10%.
- 13.5 The Seller is not liable for defects or for failure to deliver replacement product(s) in addition to the rules set out in clauses 13.3 and 13.4. This applies to any loss caused by such defect, including operational loss, loss of profits and any other financial consequential loss. This limitation in the Seller's liability does, however, not apply in the event of the Seller's gross negligence.
- 13.6 The Buyer's demand for remedy, redelivery or termination lapses where the Products have not been stored or used correctly and in the usual manner and in accordance with the Seller's instructions.
- 13.7 The Seller is not liable for any damage caused by incorrect and inappropriate use of the delivered Products.
- 14. Building delivery clause - extended period in which to seek redress for defective Products**
- 14.1 In case of delivery of Construction Materials, the following rule applies as a modification of clause 12.2: the Seller's liability for defects in Construction Materials expires five (5) years after handing over of the construction project of which the Construction Materials form part. However, in connection with delivery to warehouse or resale, the liability expires no later than six (6) years after the handing over to the Buyer, if the Supplier of the defective Construction Materials upon registration via DB as acceded "Udvidet ansvar" (extended liability) at the time of the Seller's order confirmation to the Buyer has assumed liability vis-à-vis the Seller for defects in the Construction Materials in the corresponding period. The Buyer must, however, have raised a complaint against the Seller regarding other defects in the Construction Materials immediately after the time when the Buyer ought to have detected the defects and no later than one (1) year thereafter.
- 14.2 In connection with deliveries of Construction Materials involving a consumer acting as contractor it applies, as an additional modification of item 12.2, that liability for defects will lapse ten (10) years from delivery of the construction project in which the Construction Materials form a part, if the Supplier of the defective Construction Materials upon registration via DB as acceded "Udvidet ansvar" (extended liability) at the time of the Seller's order confirmation to the Buyer has assumed liability vis-à-vis the Seller for defects in the Construction Materials in the corresponding period of 10 years from hand-over of the construction project. The Buyer must, however, have filed a complaint with the Seller concerning other defects in the Construction Materials immediately after the time when the Buyer ought to have detected the defects and no later than one (1) year thereafter.
- 14.3 Items 14.1 and 14.2 are not applicable to defective deliveries of special order items (Goods from Suppliers with whom the Seller had not concluded a cooperation agreement at the time of the sale), nor are they applicable to imported goods (goods imported directly or indirectly), unless the Supplier via registration via DB as acceded "Udvidet ansvar" (extended liability) has assumed no less than what is stipulated in clauses 14.1 and 14.2, respectively, on the extended period in which to redress for defective special order items.
- 14.4 The Buyer's legal position vis-à-vis the Seller is not better than the Seller's legal position vis-à-vis the Supplier in question, irrespective of whether the Supplier has been registered via DB as acceded "Udvidet ansvar" (extended liability), cf. above, and the Buyer is thus not entitled to raise any claim for compensation etc. against the Seller, which in scope exceeds any such claim as the Seller is entitled to raise against the Supplier, just as the size of the claim cannot exceed the size of the claim in fact received by the Seller from the Supplier or his estate after deduction of costs, and unless the Buyer has complied with the deadline for filing a complaint as set out in clauses 14.1 and 14.2.
- 14.5 The current registration of the Supplier via DB as acceded "Udvidet ansvar" (extended liability) is continuously posted by the Seller on the Seller's website and/or on www.db12.dk. In the event of discrepancies between the information on registration on www.db12.dk and information on registrations on the Seller's website, the information on registration on www.db12.dk will apply, unless otherwise agreed between the Parties.
- 14.6 If it is deemed to be substantiated that it is not possible - or would be very difficult - to succeed in a claim regarding defects in Construction Materials against the Buyer or against subsequent buyers, the Seller acknowledges that the claim can also be raised directly against the Seller. Also in such case, the Seller will only assume liability for defects if the Seller's own delivery of Construction Materials is defective and only if it follows from the Seller's own contractual relationship with the Buyer, including these Standard Terms of Sale and Delivery. However, in any event, the Seller acknowledges that an action may be brought against it and the Buyer or subsequent buyers as a consequence of the Parties mutual relationship provided that such proceedings are brought in Denmark and are to be settled according to Danish law.
- 15. Force majeure**
- 15.1 In the event that delivery, timely delivery or conforming delivery is prevented or delayed as a result of events beyond the Seller's control, including, but not limited to, industrial disputes, operational disruptions, transportation difficulties or the non-delivery etc. by another third party, including the insolvency of a Supplier or manufacturer, or the like, the Seller shall be entitled at its own choice and exempt from liability to postpone delivery or cancel in whole or in part the order upon written notification to the Buyer as soon as possible.
- 16. Product liability**
- 16.1 The Seller shall be liable under the Danish Product Liability Act to the extent that the Seller is liable in damages under the mandatory provisions of the Act and to the extent that the liability of the Seller is not legally limited. The Seller shall furthermore be liable for any damage caused by Products supplied by it where such damage occurs as a result of the Seller's gross negligence and the liability of the Seller is not legally limited.
- 16.2 The Seller's liability for damage caused by a Product supplied by it shall as regards damage to other property (in Danish: erhvervstingskade) be limited to a maximum of DKK 1.000.000.
- 16.3 Where the Seller is liable for damage caused by a Product supplied by it, cf. clauses 16.1 and 16.2 above, but where the damage is attributable in part to the acts or omissions of the Buyer, the liability shall be shared equally between the Parties according to the degree of negligence.
- 16.4 Where the Seller is held liable for damage to the property of a third party, the Buyer shall indemnify the Seller for any liability imposed on the Seller and which exceeds the liability of the Seller under the above provisions. The Buyer agrees that any claim brought against it may be brought before the court/arbitration tribunal considering any claim for damages by a third party against the Seller concerning Products supplied by the Seller through the Buyer to a third party.
- 16.5 The Seller shall not be liable in any event whatsoever for any business interruption, loss of profits or other indirect loss.
- 17. General limitation of liability and assignment of claims against Seller's Suppliers**
- 17.1 The Seller's liability shall exclude - irrespective of whether negligence has been established - daily penalties, business interruptions, loss of profit, loss of time or other indirect losses - whether based on the general law of damages or on the more general damages framework or another basis.
- 17.2 Where the Seller's Supplier or other third party is liable towards the Seller for delays or defects, the Seller shall to the widest extent possible be prepared to assign its claim against the Supplier or third party, as the case may be, to the Buyer.
- 18. Disputes**
- 18.1 Any dispute between the Parties shall be settled by arbitration, unless the Seller decides that the dispute shall be settled before the ordinary courts of law.
- 18.2 All disputes must be settled in accordance with these Standard Terms of Sale and Delivery and otherwise according to Danish law (the international Sale of Goods Act does not, however, apply).
- 18.3 If the dispute is to be settled by arbitration, the arbitration court shall be set up in accordance with the rules provided in s. 47 of the General Conditions for the provision of works and supplies within building and engineering (AB 92).
- 18.4 Any inspection and survey by experts shall be conducted in accordance with the rules provided in s. 45 of AB 92, unless an inspection and survey must be conducted as part of legal proceedings commenced before the ordinary courts.
- 18.5 If the dispute is to be settled by the ordinary courts of law, the home court of the Seller shall have jurisdiction, irrespective of the place of permanent or temporary residence of the Buyer.
- 19. Commencement**
- 19.1 These Standard Terms of Sale and Delivery enter into force on 1 November 2012 and shall apply for orders received from and including that date.

Johannes Fog A/S

Firskovvej 20
2800 Kgs. Lyngby
45 87 10 01

info@johannesfog.dk
www.johannesfog.dk