

General Conditions of SHR Timber Research

These conditions shall apply to the performance of services by SHR Timber Research, hereinafter: SHR, filed with the Chamber of Commerce at Utrecht on the 30th November 1999.

1. GENERAL

The following terms and conditions shall apply to all contracts with the contractor and to all agreements arising therefrom, and/or to all offers made or advice given by the contractor.

Any conditions declared applicable by the client shall be binding upon the contractor only if explicitly agreed in writing and confirmed in writing by the contractor.

2. OFFERS

2.1 All offers, including quotations, brochures, price lists, estimates, etc., shall be without any engagement, and shall be valid for a maximum period of two months. Any offer may be revoked by the contractor without such revocation requiring any prescribed form.

2.2 The acceptance of an offer as referred to in the preceding paragraph which differs from the original offer shall be deemed to be a rejection by the contractor of the offer originally made and shall be regarded as a new offer by the client and shall not be binding upon the contractor.

3. CONTRACTS

3.1 Contracts relating to the supply of services or the giving of advice shall come into existence only after the submission of the offer by the contractor and the acceptance in writing of the same by the client. The contents of the aforementioned offer and the acceptance of the same shall be binding upon both parties. The same shall apply in respect of the coming into force of any additions, alterations and/or further agreements relating to such contracts.

4. TIMES OF DELIVERY/SERVICES

4.1 Insofar as a time of delivery has been agreed, no call for delivery shall be made by the client before the agreed time of delivery has expired.

4.2 Unless agreed otherwise, stated times of delivery shall at all times be regarded as approximate and shall not be of the essence. The contractor shall use its best endeavours to comply with the stated times of delivery, but in the event of the contractor

exceeding the same, the client shall allow the contractor a further period to be confirmed in writing to as yet supply the services, before being entitled to claim default in respect of the exceeding of the time of delivery.

4.3 In respect of the agreed times of delivery, in the event of any time of delivery being exceeded by the contractor for any reason justified by the contractor, the client shall not have the right to cancel the contract or to subsequently refuse to make payment in whole or in part.

4.4 The contractor shall have the right to comply with its obligations to perform by instalments.

5. ACCEPTANCE

5.1 Without prejudice to any other provisions contained in these General Conditions, the services of any nature whatsoever shall be deemed to have been performed and supplied by the contractor once the advice has been completed in writing and forwarded to the client.

5.2 The client shall be deemed to have accepted the services supplied if within thirty days of receipt of the interim advice or the final advice he has failed to notify his objections to the same in writing.

5.3 Insofar as any actual goods are supplied by the contractor together with the advice given and the services supplied, the contractor shall have performed its obligations through the actual delivery of the goods. If the client deems the goods supplied to be at fault, he must likewise file a complaint within thirty days of delivery.

6. PRICES

6.1 Prior to entering into the contract, the contractor shall submit a quotation to the client.

6.2 The prices shall be made up of the travelling, accommodation and acquisition expenses, and miscellaneous expenses to be incurred by the contractor, plus a fee for the services to be supplied by the contractor, calculated at an hourly rate or a price per project. Prices quoted shall always be VAT exclusive.

6.3 Prior to the commencement of the execution of an order the contractor shall be entitled to charge an advance payment to cover the expenses to be incurred. In addition, in the case of projects of a longer duration the contractor shall be entitled to charge a fee in the interim.

6.4 The prices of the contractor shall be based on the cost factors in force on the date of the quotation. Any changes in the cost factors prior to or during the performance of the contract may be included in

the prices, unless a fixed price has been agreed. If the contractor, following investigation and the necessary performance of service, work or subsequent findings, has been forced to establish that a negative result has been achieved, and that the final advice must by force also show a negative result, on account of non-feasibility or for any other reason whatsoever, the client must at least pay the costs as stipulated in article 6, paragraph 2, as well as the hourly rate for the work performed by the contractor up to that time.

7. PAYMENT

7.1 Payment must always be made no later than 30 days of the invoice date.

7.2 All payments must be made without any deduction and/or set-off.

7.3 If payment of the price or any part thereof is not made by the due date, the client shall be in default by operation of law, without any demand for payment or notice of default being required.

7.4 In the event of late payment as defined in paragraph 1, the contractor shall be entitled to charge interest on the outstanding amount to the client, at the legal interest rate.

7.5 In addition, the client must pay to the contractor all expenses, both judicial and extrajudicial, incurred by the contractor for the purpose of obtaining payment of the amount owed to it. The extrajudicial collection charges shall amount to 15% of the principal, plus interest, VAT exclusive, with a minimum of Euro 45,00.

7.6 In the event of default in payment on the part of the client, the contractor shall be entitled, after a notification in writing to the client, to suspend any current contracts, without prejudice to the right of the contractor to receive full compensation of damages.

DRAWINGS AND CALCULATIONS

8.1 The contractor shall not in any way be responsible for the correctness of any drawings, calculations and other data supplied by or on behalf of the client for the execution of the order.

8.2 All drawings and/or calculations prepared by the contractor and all results of any investigation carried out by the contractor shall remain the property of the contractor.

Except with the prior consent of the contractor, the copying in whole or in part of any of the constructions, shapes or details, or results therein contained, as well as the disclosure thereof to any third party, shall not be permitted, and shall be regarded as an infringement of the intellectual

property rights, of whatever nature, vested in the contractor.

9. EXECUTION

9.1 The performance of the services by the contractor shall take place on instructions in accordance with the information supplied by the client or his representative.

9.2 In the performance of the services the contractor shall keep insofar as possible to such time schedule as may have been agreed. The investigation to be carried out or the need for more detailed information of whatever nature may justify the contractor requiring a longer period for the execution. Any exceeding of the period of execution shall not entitle the client to demand the dissolution of the agreement or to any compensatory damages.

10. LIABILITY

10.1 The contractor warrants the soundness of the services supplied by it and the efforts made by it to achieve a result. The contractor shall in no circumstances be liable for services performed or results achieved if these were or are based on an order worded in incorrect terms, on incorrect information supplied by the client, or if it concerns an incorrect composition of products, or incorrect calculations or drawings. Neither shall the contractor be liable if any certification intended for the services or goods to be supplied is not obtained.

10.2 The processing or treatment of the goods supplied by the contractor or the putting into effect of the services supplied or the advice given by the contractor shall be entirely for the account and risk of the client, unless in respect of such putting into effect or processing it shall have been agreed otherwise.

10.3 The contractor shall not incur in any liability whatsoever for consequential loss or damage and/or loss of profits, of whatever nature and of whatever name, except in the case of intent or gross negligence on the part of the contractor.

10.4 Insofar as the contractor is liable in any way pursuant to the law, the liability shall be limited to, at a maximum, the amount of the invoice for the services supplied by which or in connection with which the damage or loss was caused. No liability for any damage or loss shall be incurred by the contractor if the insurance company with which the risk concerned is covered in any way fails to proceed to the payment of the respective claim.

10.5 Neither shall the contractor incur any liability

whatsoever in respect of the definitive obtaining of subsidies if these have been applied for by the contractor, nor shall the contractor be in any way liable in respect of the procedure to be pursued relating to the application for and the obtaining of any such subsidy.

refrain from using the same for commercial purposes, or assigning these to third parties without the consent of the contractor, unless specific agreements have been made concerning this. In the case of the taking over of the intellectual property rights, the contractor shall be entitled to charge a price to be agreed upon.

such risk.

assistance and support in the mere applying for the subsidy, without the above prejudicing the provisions in respect of liability set out in article 10.5. When applying for the subsidy and obtaining the same, the contractor shall not be obliged to itself pursue the necessary administrative procedures, unless explicitly agreed between the parties.

11 FORCE MAJEURE

- 11.1 Circumstances which are of a such a nature that the contractor can no longer reasonably be expected to perform or fully perform the contract or that such performance has in actual fact become impossible, shall entitle the contractor to dissolve the contract in whole or in part or to suspend performance, without being liable to pay any compensation.
- 11.2 The following shall, inter alia, be regarded as circumstances as referred to in the preceding paragraph: delayed deliveries by suppliers due to government decisions, tax measures, war, import or export embargoes, or measures on the part of any Dutch or foreign governmental authority. Furthermore, the following shall also be regarded as such circumstances: industrial actions, technical interruptions in the investigation or production process, flooding, fire, theft and vandalism, etc.

13.3 The contractor shall at all times have the right to apply for patents in respect of the specific knowledge gained from the execution of the order. Furthermore, the contractor shall have the right to register models and/or trademarks in the appropriate prescribed manner.

13.4 The client shall during and after the execution or termination of the order have the right, with due observance of article 8.2, to use new knowledge, data, methods of calculation, programmes and processes, acquired or arising from the execution of the order, for his own purposes, subject to the provisions set out in article 13.2.

13.5 The client shall have the full and free right of use of all results reported by the contractor within the framework of the order, subject to the provisions set out in article 8.2 and article 13.2.

14 WORK IN EXCESS AND IN LESS

14.1 Any variations in the order, either resulting from additions to or alterations in the order due to the fact that the information supplied does not correspond with the actual execution or if there is a deviation from the estimated hours or quantities, must be regarded as work in excess if such variations give rise to additional costs, and as work in less if such variations give rise to decreased costs. Any work in excess or in less shall be notified in writing by the contractor to the client as soon as possible after such work in excess or in less has been established.

14.2 Work in excess shall be calculated on the basis of the price-determining factors applying at the time that the work in excess is carried out. Work in less shall be settled in account on the basis of the price-determining factors applying at the time of the concluding of the contract.

15 TRANSPORT

15.1 All goods which are delivered by the contractor, in whatever manner, after processing or investigation, shall from the time of dispatch be transported for the account and risk of the client. Also in the event that the contractor sees to the transport of the goods, the client shall be liable for any loss or damage in connection with such transport. The client must take out adequate insurance against

16 TITLE

16.1 The title to all corporeal things and goods supplied or yet to be supplied shall remain vested in the contractor until payment in full has been made of all sums owing by the client to the contractor in respect of the consideration to be paid by the client under the contract or any other similar contract.

16.2 So long as he has not paid the sums owing referred to above, the client shall not have the right to establish a pledge or non-possessory pledge on the things supplied by the contractor, and the client must notify this explicitly to any third party wishing to establish a pledge.

16.3 The contractor reserves an undisclosed pledge in respect of the goods delivered by the client to the contractor - and this insofar as the client for whatever reason loses the title thereto - as security for the payment of all present and future debts owing by the client to the contractor. The client shall not have the right to establish for the benefit of third parties a possessory or non-possessory pledge on the goods delivered and placed in the hands of the contractor.

16.4 If the client is in default in the payment of the bills sent by the contractor, and specifically the final bill after completion of the order, the contractor shall have the right to retain the final report until all outstanding bills have been paid in full.

17 PERMITS AND SUBSIDIES

17.1 The client shall ensure that any permits, dispensations and similar orders or decisions necessary for the carrying out of the work by the contractor are obtained in good time. The same shall apply in respect of permits required by the EU or similar international organizations.

17.2 The obtaining of any subsidies necessary for the carrying out of the work by the contractor and obtained from national or international bodies shall be completed by the client in good time. If payment to the contractor must be made out of any subsidy to be obtained, the contractor shall have the right to suspend performance of the contract until the subsidy has become final and irrevocable, and is granted.

17.3 If so requested, the contractor may render

18 REMOVAL

18.1 if after completion of the order the contractor has in its possession any movables belonging to the client, the client shall after the completion of the order collect these movables or have the same collected for his own account and risk, within one month after the completion of the order. If the client fails to do so within the stipulated time, the contractor shall have the right to remove these movables, or to have the same removed, at the client's expense.

19 STATE OF THE ART

19.1 The contractor shall execute all orders and carry out all work in conformity with the state of the art at the time of the giving of the order.

20 DISPUTES

20.1 All disputes that may arise out of or in connection with the contract between the client and the contractor, or in respect of any further agreements concluded between them, shall be submitted to the exclusive jurisdiction of the competent Dutch court. The same shall apply for contracts of an international nature.

20.2 All contracts as described above shall be governed solely by Dutch law. The same shall apply for contracts of an international nature.

20.3 In the event of any dispute, in the opinion of the contractor, being of a technical nature, the contractor shall have the right to submit such dispute to such arbitration tribunal as the contractor shall decide, such arbitration tribunal to be instituted by a competent and recognized Dutch arbitration institute.