

General terms and conditions of sale

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

Edition: 2018. The latest edition of these conditions and documents are downloadable from www.hakwood.com.

1. Definitions:

- (a) Hakwood Technical Product Information (or TPI) means our document describing the functional and technical specification of our flooring product concerned;
- (b) Hakwood Installation Information (or HII) means our document describing the installation, site preparation, handling and tooling instructions;
- (c) Hakwood Care & Maintenance Instructions (or CMI) means our document describing the care, maintenance and cleaning instructions;
- (d) Hakwood Material Safety Data Sheet (or MSDS) means our document describing technical data, dimensions, tolerances, product content and safety information; and
- (e) Hakwood Subfloor Heating and Cooling (of SHC) means our document describing the Product instructions for application on subfloor heating and cooling.

2. General

The sale, delivery and (if agreed) installation of products by Hakwood is governed by these conditions and the documents defined in article 1 (where applicable). In the event of an inconsistency or contradiction between the documents defined in article 1 and these conditions, the latter shall prevail.
No other conditions apply unless signed by both parties in writing.

3. Quotations and Order Acceptance

Quotations issued by us will be valid for thirty (30) days unless otherwise stated. Quotations can be adjusted or revoked by us in writing. Orders issued by a customer to us shall be subject to our acceptance. All Order Confirmations, over 5000 euros, accepted only after receipt of signed Order Confirmation.

4. Prices and Trade Terms

Prices are offered net in Euro, exclusive of VAT or similar sales taxes.
Prices are based upon ExWorks basis (Incoterms latest edition) unless agreed otherwise in writing.

5. Payment

Payment must be effected in advance prior to delivery against invoice unless other payment terms are agreed in our order confirmation.

6. Delivery

We will endeavour reasonable business practise to meet the agreed delivery batches and/or delivery dates, provided you have fulfilled payment obligations and submitted all shipping details.
Any delay in the fulfilment of the above-mentioned conditions will oblige you to compensate us for the additional costs resulting from the suspension of the execution of the Contract.
In case the Products cannot be despatched to their destination at the date scheduled therefor by reasons not attributable to us and/or outside our reasonable control, we shall be entitled to store the Products concerned at your expense and risk. In such case the warehouse receipt(s) shall serve as substitute(s) for the shipping documents in all respects and you undertake to reimburse within fourteen days of our first demand any and all additional expenses so incurred.

7. Defaulting Payments

If an invoice is not fully paid in time, you are in default without further notice being required. We are then entitled to (i) suspend or (ii) cancel the execution of accepted orders or (iii) to charge to you the Dutch statutory commercial interest over the due amount and (iv) all costs and expenses incurred by us as a result of said default and (v) all other rights and remedies available to us under these conditions or applicable law.

8. (Extended) Retention of Title

Without prejudice to the passing of the risks in accordance with the applicable trade term, all Products shall remain our property until all of our claims against you, most specifically payment, have been satisfied in full. You shall give us any assistance in taking any measures required to protect our property rights and not resell or install the delivered Products without our prior written approval. Any proceeds from such resale or installation shall be our property. The taking into operational use of the Products supplied entitles us to full and immediate payment.

9. Installation (where applicable)

If installation of the Products is agreed upon, our price is based on the fulfilment of the following provisions at your expense:

- (a) The provision of adequate and lockable storage on or near the installation site for the Products to be supplied in compliance with the TPI and HII for the Product concerned in such a way that the Products are protected against theft and any damage, moisture or other deterioration; any item lost or damaged during the storage period shall be replaced at your cost;
- (b) The timely execution and completion of the site preparatory works at your sole expense and risk, in conformity with the TPI/HII and our other instructions, which we shall indicate to you in due time; the site preparation shall be in compliance with all safety, electrical and building rules and regulations relevant for a proper and safe installation of the Products. The installation site shall be made available to us clean, flat and without obstacles in due time to enable us to start the installation work at the scheduled date; our installation personnel shall not be called upon the installation site until all preparatory works have been satisfactorily completed;
- (c) The timely provision free of charge of the permits, licenses, rights of way, etc. of the pertinent authorities required for or in connection with the installation of the Products;
- (d) The timely provision of transport equipment at site upon our first request;
- (e) The availability free of charge on or near the installation site of adequate and lockable rooms for our personnel (equipped with sanitary installations) and for the storage of our personnel's tools and instruments;
- (f) The availability free of charge for the destruction or disposal of packaging and other materials;
- (g) Pricing is exclusive of the price for any variations or additional work to be done or work to be omitted.

In case any or all of the above conditions are not, not properly or not timely complied with, or we have to interrupt our installation works and subsequent commission and handing-over for reasons not attributable to us, the period for completion shall be extended accordingly and any and all additional costs resulting therefrom shall be for your risk and account.

WE NEITHER ASSUMES LIABILITY NOR OFFER ANY WARRANTY FOR THE FITNESS FOR USE OR ADEQUACY OF THE SITE IN WHICH THE PRODUCTS ARE TO BE INSTALLED, USED OR STORED.

10. Commissioning, Handing-over and Acceptance

In case installation of the Products is agreed we shall notify you when the Products installed will be ready

for commissioning, handing-over and acceptance, inviting you to attend our standard acceptance inspection as may have been agreed upon to demonstrate compliance with the agreed TPI, HII and/or MSDS and/or to inspect the installation work. If you fail to attend on the date notified, our staff will conduct a final inspection of the products and installation works and acceptance shall in such case take place on the basis of the results stated in the acceptance certificate signed by our staff.

In case of rejection of the products installed for justified reasons solely attributable to us, to be submitted to us in detail and in writing within 2 (two) working days after completion of the acceptance inspection concerned, we shall as a sole remedy correct the shortcomings as soon as possible and the relevant parts of the acceptance procedure shall be repeated within a reasonable period of time in conformity with the procedures outlined above.

If within two (2) working days after completion of the acceptance procedure we have not received the acceptance certificate signed by the Customer or a report of rejection for justified reasons, the products and installation works shall then be deemed as having been accepted by you. The taking into use of any of the products installed shall also constitute acceptance of the Products and installation works concerned.

Any partial non-fulfilment of our obligations solely attributable to us entitles you to withhold the final instalment of payment but only to a corresponding, reasonable amount. Minor defects or deviations not affecting the use of the Products installed shall be stated in the acceptance certificate, but shall not obstruct or suspend acceptance. We undertake to remedy such defects as soon as possible.

11. Complaints and Returns

Any complaints of erroneous despatch and/or apparent damage to the Products supplied shall be notified in writing within two (2) working days after receipt of the Products by the Customer giving the reason for the request to return the Products and the date and number of our invoice. If return of the Products is agreed upon by us in writing by means of a return authorisation notice, the Products shall be scrapped or forwarded in accordance with our instructions. All Products returned must be consigned insurance and carriage prepaid by you and packed in their original packing.

12. Limited Warranty

Specifications of the Products or samples delivered by us, including without limitation those regarding dimensions, colour, print, structure as well as any other information contained in the documentation made available to you shall not constitute warranted characteristics. Warranted characteristics are only such characteristics that have been expressly confirmed as being warranted in writing by us. However, we retain the right to deviate from the warranted characteristics of the products and to incorporate technical improvements or further innovations.

We warrant to you the good quality of the Products supplied for the period stated in the quotation, or when no period is stated for a period of twelve months as from the date of acceptance or from the date on which they have been put into use, whichever comes first, but in no event for more than eighteen months as from the date of despatch, against defects which appear therein under proper use, and which arise solely from faulty materials or workmanship. The warranty does not cover damage sustained by normal wear and tear or arising from external influences such as moisture, damp substructure, mechanical stress, loads, light, chemical, biological or in consequence of negligence, misuse or improper installation, -use, -maintenance, -repair, -alteration, -storage or -return handling in accordance with the documents mentioned in section 1 above (TDI, HII etc.) or unauthorised combining with third party products.

Under this warranty we shall (i) replace or have replaced such parts as have proved to have such defects as set out here above, always free of charge, provided that we have been informed by you in writing (including e-mail) during the warranty period within seven (7) days after the defects have revealed themselves, or (ii) if replacement is not feasible as determined by us then the compensation for damages pursuant to section 13 shall apply as sole remedy.

Compliance with our undertakings pursuant to this section 12 shall be considered to give full satisfaction (except as noted below for damages) to you. Any claim of you for set off, compensation (except in cases indicated below) or for dissolution of the Contract or for damages other than resulting from our liability provisioned below in section 13 is hereby waived.

13. Injury and Damages

You agree that all Products purchased hereunder shall be cared and maintained in accordance with the CMI and for only the purpose for which the Products were intended. We shall only be liable for personal injury and direct material damages solely caused by our negligence and/or our installation works, and our aggregate total indemnification to you shall be the lower of (i) a fixed payment for floating floors of € 10,-- (ten euro) per square meter of the involved part of the works; (ii) a fixed payment of glued and nailed floors of € 20,-- (twenty euro) per square meter of the involved part of the works; (iii) a fixed payment of finishing including products of € 10,-- (ten euro) per square meter; (iv) a fixed payment for replacing one floorboard, including assembly materials and finishing of € 22,-- (twenty two euro) per floorboard; or (v) in all other processing cases an amount not to exceed twenty five per cent (25%) of the invoice value of the products replaced, but all to the extent such injury or damages are the direct result of our proven negligence. Payment under this section 13 shall be effected by means of a credit note against payments received but only if no payment arrears exists.

You shall have in no event a claim towards us when you have processed the products despite the shortcomings in the delivered products.

WE SHALL NOT BE LIABLE FOR DAMAGES OR LOSSES OTHER THAN THOSE FOR WHICH WE HAVE EXPRESSLY ASSUMED LIABILITY AS DEFINED HEREIN AND OUR LIABILITY SHALL IN NO EVENT INCLUDE ANY CONSEQUENTIAL OR OTHER SPECIAL OR INDIRECT OR PUNITIVE DAMAGES NOR FOR ANY LOSSES OF WHATSOEVER NATURE AND HOWSOEVER ARISING.

14. Force majeure

In the event of the occurrence of force majeure, we shall be entitled to suspend delivery of the Products and/or provision of installation works for the duration of the prevention or delay caused by such force majeure, without being held responsible for any damage resulting therefrom to you or a general contractor. In that case the times given for despatch shall be extended for the period of prevention or delay caused by such force majeure.

In case of such a non-attributable failure of performance the relevant part of the contract will be suspended. The party concerned will inform the other regarding the occurrence of such failure as soon as possible. In the event the suspension has lasted for five consecutive months or as soon as it is established that the suspension will last for at least five consecutive months, either party is entitled to terminate partially or in whole the Contract without any liability or indemnity whatsoever towards the other party.

The expression "force majeure" shall mean circumstances or occurrences beyond one party's reasonable control -whether or not foreseeable at the time of signing the contract- in consequence of which one party cannot reasonably be required to execute its obligations under the Contract. Such circumstances or occurrences include but are not restricted to: acts of God, war, civil war, insurrection, fires, floods, higher moisture than according to the TDI or HII, labour disputes, epidemics, governmental regulations

and/or similar acts, freight embargoes, non-availability of any permits, licenses and/or authorizations required (including import clearance or approvals), defaults or force majeure of suppliers or subcontractors.

15. Law and Courts

The contract is governed by Dutch law. Any dispute which cannot be settled amicably shall be resolved exclusively by the Courts of Breda, The Netherlands. The United Nations Convention on Contracts for the International Sale of Goods is explicitly excluded.