

AS NATURAL – GENERAL CONDITIONS OF SALE

1. **Application of the general conditions of sale.** These General Conditions of Sale (the “**Terms**”) are applicable for all sales transactions concluded between AS Natural (Estonian Commercial Registry code; 10303196; Address: Jaani tee 22, 73001 Koeru, Estonia) (“**Supplier**”) as the seller and its client (the “**Buyer**”) as the buyer.
2. **Subject matter of the agreement.** Supplier shall sell certain wood products (the “**Products**”) to the Buyer pursuant to the terms and conditions stipulated in the Terms and agreed under the relevant price offers made by the Supplier to the Buyer and accepted by the Buyer. These Terms, the price offer and the relevant acceptance are collectively referred to as the **Agreement**.
3. **Deviations and conflicting terms.** Any terms and conditions indicated in the Supplier’s price offer or otherwise mutually agreed in writing or in a format that is reproducible in writing between the Parties that are in conflict with the Terms shall override the respective terms and conditions of the Terms. Any term or condition included in an order or any other correspondence or document issued by the Buyer that conflicts with the Terms will not apply to the Agreement, unless the Supplier explicitly agrees in a format that is reproducible in writing with such conflicting term or condition.
4. **Price offers.** If the Buyer wishes to buy Products offered by the Supplier then the Buyer shall place an order with the Supplier in person or via telephone or e-mail. Supplier will thereafter issue a price offer, which shall be valid for 14 days unless the price offer indicates otherwise. The price offer and the Terms shall become binding to the Parties once the Buyer accepts the price offer. Any prices indicated in the price offer shall be exclusive of VAT unless indicated otherwise.
5. **Quality.** The Products shall comply with the quality characteristics which are stipulated in the **Product Specification**. The Product Specification is attached to the Supplier’s price offer or otherwise made available to the Buyer by the Supplier. The Products shall also comply with statutory requirements applicable to the Products and their production in the Republic of Estonia. Supplier is not liable for ensuring compliance of the Products with any other requirements.
6. **Storage.** The Buyer is aware that wood products require suitable storage conditions and shall ensure that the Products, after their delivery to the Buyer, are stored in spaces that are suitable for proper storage of the Products. The Supplier is not liable for the non-compliance of the Products caused by improper storage for which the Buyer is responsible.
7. **Delivery.** Supplier delivers the Products to the Buyer according to the delivery term specified in the relevant price offer. Unless otherwise stipulated in the price offer the default delivery term shall always be FCA Jaani tee 22, 73001 Koeru, Estonia (Incoterms® 2020). Delivery period shall be indicated in the price offer. Buyer is aware and agrees that the delivered quantity or volume of the Products may differ from the quantity or volume indicated in the Agreement by +/- 10%. Supplier has the right to refuse from delivering the Products or to cancel any further deliveries if the Buyer has not fully paid the amount of the agreed prepayment or if the Buyer has (i) overdue invoices in any amount or (ii) unpaid invoices in the amount that exceed or which would exceed the agreed credit limit if the refused delivery will be added to that. The passing of risk shall be construed in accordance with the applicable Incoterm.
8. **Inspection at delivery and claims.** All delivered Products shall have an accompanying delivery note or invoice. Upon delivery the Buyer must immediately inspect the delivered Products for visual damage and quantity. Any claims that the delivered Products do not comply with the quantity requirement and any claims of visual damage to the Products or their packaging must be made without unnecessary delay upon delivery and a relevant notice must be made to the waybill of Products or on an instrument of delivery and receipt of the Products. Any claims of non-conformity of the Products to the quality requirements or other terms of the Agreement shall be made by the Buyer within 14 days of becoming aware of the non-conformity, but not later than one month after the Products have been delivered to the Buyer. Any claims of non-conformity shall be submitted to the Supplier by email in a format that is reproducible in writing and alongside sufficient description and evidence of the non-conformity. If the Buyer does not comply with the inspection obligation or does not submit a claim of non-conformity as required or within the deadline stipulated in this clause, the Buyer loses its right to submit any claims against the Supplier which are based on non-conformities of the Products.
9. **Invoicing and payment.** The Buyer shall pay to the Supplier for the ordered Products in accordance to the

invoice issued by the Supplier. The payment term is “prepayment before loading” unless otherwise stipulated in the price offer.

Where it has been agreed that the Supplier will arrange shipping, the Buyer must also pay for the shipping costs of delivering the Products to the location designated by the Buyer and the Supplier is entitled to invoice the Buyer for such shipping costs if the Supplier has paid for such shipping costs.

If the Buyer is in delay of any payments then the Supplier is entitled to claim a late payment interest of 0.1% from unpaid amount for each delayed day until payment in full.

10. Transfer of Title. Title to the Products shall transfer from the Supplier to the Buyer upon delivery of the Products, provided that the Buyer has paid for the Products in full.

Upon transfer of risk, the Buyer shall at its own cost insure the Products against usual risks until the Buyer has paid the Supplier in full for the Products.

11. Retention of Title. The Supplier retains title to the delivered Products until the said Products have been paid for in full.

The Buyer is prohibited from pledging the Products that are in its possession, but which are still the property of the Supplier. The Supplier may prohibit the Buyer to install or dispose of the Products that are still owned by the Supplier.

12. Warranty. The Supplier does not offer any warranty to the Products unless otherwise specified in the Agreement.

13. Termination for Cause. Supplier may terminate the Agreement in writing with immediate effect if the Buyer fails to comply with the material terms and conditions of the Agreement and fails to remedy any such breach or default within two weeks after receipt of the Supplier's respective written notice.

Either party may terminate the Agreement immediately at any time by giving written notice if: (i) the other party ceases or threatens to cease to carry on its business or goes into liquidation, if bankruptcy proceedings are initiated against the other party or if an administrator or receiver is appointed over any part of its assets or if such party; or (ii) if the execution of the obligations under the Agreement is not possible as a consequence of legal acts.

14. Confidentiality. Except as otherwise required by law or for the purposes of carrying out the intent of the Agreement, the parties shall hold secret and confidential and not disclose or use for the benefit of themselves or for any other person or body whatsoever the contents of the Agreement and any knowledge, information or data concerning the other party's business or products which may be

communicated to them or which it may acquire by virtue of the Agreement (unless ascertainable from public information or trade sources).

15. Liability. The liability of the Supplier is limited to direct patrimonial damages caused to the Buyer as a result of a breach of the Agreement. The Supplier is liable for the damage only if the Supplier is culpable of the non-performance. Under no circumstances shall the Supplier be liable for loss of profit of the Buyer.

To the maximum extent permitted under applicable laws the Supplier shall not be liable for third party (e.g. end customers of the Buyer) claims in relation to the Products.

The Supplier shall not be liable for any damages arising as a result of the improper or special use of the Products in any application, poor maintenance or storage of the Products or any other acts that are not in line with the user instructions relating to the Products.

The maximum amount of the Supplier's liability toward the Buyer for breach of the Agreement shall be limited to the price of the Products out of which the claim arose and further limited to the amount that has actually been paid to the Supplier for such Products prior to becoming aware of the non-performance.

The limitations and exclusions of liability stipulated in the Terms shall not apply where such liability cannot be excluded or limited under applicable law.

16. Force Majeure. Neither Party shall be liable for any failure to comply with the Agreement if such failure (e.g. damage to mill, structures essential for production, the timber yard or loading berths or platforms) results from conditions beyond its control including changes to legislation, regulations, action of any state authority, state administration or municipality institution, riots, military operations, natural disasters or other force majeure conditions. Parties shall have to continue performing their contractual obligations immediately after the end of force majeure.

Should a circumstance of force majeure last more than ninety (90) days, either party may by written notice to the other terminate the Agreement.

17. Assignment. The Supplier may assign the right to receive payments under the Agreement without the consent of the Buyer. Neither party may assign to third persons any rights or obligations under the Agreement without the prior written consent of the other Party, except as provided above.

18. Right to amend the Terms. The Seller has the right to unilaterally amend the Terms. The amendments shall enter into force upon their publication on the Seller's website or in another manner designated by the Seller. The amended Terms shall apply to all orders submitted after the amendments have entered into force.

19. **Applicable law.** The laws of the Republic of Estonia shall apply to the implementation and interpretation of the Agreement. United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply to the Agreement.

20. **Dispute Resolution.** Any dispute, controversy or claim arising out of or in connection with the Agreement shall be settled by the Harju County Court (Tallinn, Estonia).