

TERMS AND CONDITIONS

The following terms and conditions of sale and supply of Products¹ and Services² ("**Terms and Conditions**") shall apply to any sale of Products and supply of Services by CLT Factory ApS (Denmark) and/or CLT Factory SIA (Latvia) or any of its Affiliates³ (hereinafter collectively referred to as the "**Supplier**" and/or "**CLT Factory**") unless otherwise agreed in writing between Supplier and the purchaser of the Products and Services (hereinafter referred to as the "**Buyer**").

Supplier and Buyer shall be known individually as "**Party**" and collectively as the "**Parties**".

PART A – GENERAL

1. GENERAL

- 1.1 These Terms and Conditions shall apply to the exclusion of all other terms and conditions, including any terms or conditions contained in Buyer's purchase order, confirmation of order or similar document, and whether or not such document has been accepted by Supplier.
- 1.2 No waiver, alteration, or modification of these Terms and Conditions shall be binding upon the Supplier unless made in writing and signed by a duly authorized representative of the Supplier.
- 1.3 Buyer's purchase order, order confirmation, or acceptance of a quotation will be deemed to be an offer by Buyer to purchase Products and Services upon these Terms and Conditions. No contract⁴ shall come into existence until a written order confirmation has been issued by the Supplier or delivery has taken place.
- 1.4 Acceptance of delivery of the Products or commencement of the performance of the Services will be deemed conclusive evidence of Buyer's acceptance of these Terms and Conditions, even in cases where no order confirmation has been issued by Supplier.
- 1.5 If the order confirmation deviates from the Buyer's quotation/offer, the Buyer must inform the Supplier of such deviation within two (2) days. If not, the order confirmation will apply.

2. QUOTATION

- 2.1 Any quotation of the Supplier is valid for a period specified in the quotation, provided the Supplier has not previously withdrawn it.

3. PAYMENT

- 3.1 Supplier may invoice Buyer for the Products at such time as set out in the order confirmation. The Supplier must receive payment in full prior to delivery unless otherwise stated in the written order confirmation.
- 3.2 All payments are due as mentioned in the invoice.
- 3.3 All payments to be made by the Buyer must be made in full without any set-off, deduction, withholding, or counterclaim or any present or future claims, taxes, duties, fees, deductions, or withholdings of any nature.
- 3.4 If any sum payable, or any other contract between Buyer and Supplier, is not paid when due then, without prejudice to Supplier's other rights, Supplier will be entitled to suspend deliveries of the Products or performance of the Services until the outstanding amount has been received by Supplier from Buyer.

4. CONFIDENTIALITY

- 4.1 Each Party will keep confidential any and all Confidential Information⁵ that it may acquire from the other Party and shall not use such Confidential Information for any purpose other than to perform its obligations under the contract. Each Party will ensure that its officers and employees comply with the provisions of this Section 4. This secrecy clause also applies after the delivery of the fulfilment of the contract.
- 4.2 The obligations on the recipient of the Confidential Information set out in Section 4.1 will not apply to any information which:
 - (i) is publicly available or becomes publicly available through no act or omission of the recipient; or
 - (ii) the recipient is required to disclose by order of a court of competent jurisdiction, but only to the extent stated in such order.
 The burden of proof that the conditions as described in (i) and (ii) are fulfilled rests with the recipient.

5. INTELLECTUAL PROPERTY

- 5.1 Subject to the pre-existing rights of third parties, all Intellectual Property Rights⁶ pre-existing or arising under the contract in any Products or arising out of the performance of any Services shall vest in and be the exclusive property of CLT Factory.
- 5.2 No right or license is granted to Buyer in respect of the existing or future Intellectual Property Rights of Supplier, except the right to use the Products, or resell the Products, or use the Services in each case in Buyer's ordinary course of business and,
- 5.3 Buyer will not without Supplier's prior written consent allow any trademarks of Supplier or other words, brands, logos, or distinctive business marks applied to the Products to be obliterated, obscured, or omitted nor add any additional marks or words.
- 5.4 Buyer shall not cause or permit the reverse engineering, disassembly, or decompilation of the Products.

6. FORCE MAJEURE

- 6.1 In the event Supplier is rendered unable to carry out the whole or any part of its obligations under the contract for any reason beyond the control of Supplier, including but not limited to decrees or restraints by government authorities, Act of God, major strikes, fire, war, riot,

¹ "**Product**" or "**Products**" any Products which Supplier supplies to Buyer, as mentioned in the quotation, the offer or contract/agreement, including but not limited to CLT Panels; CLT (cross-laminated timber); Klik'Klik™ Wall Panel System ("Klik Klik" and/or "Klik Klik System"), a lightweight external and internal wall panel system made out of CLT, a special invented and patented joint system by CLT Factory, and also includes an application – software, technical data; and other materials.

² "**Services**" means any services which Supplier provides to Buyer (including any part of them).

³ "**Affiliate**" or "**Affiliates**" as applicable shall mean any company or legal entity which: (i) controls either directly or indirectly a Party, or (ii) is controlled directly or indirectly by such Party; or (iii) is directly or indirectly controlled by a company or entity which directly or indirectly controls such Party; "control" means the right to exercise 50% (fifty percent) or more of the voting rights of such company or entity.

⁴ "**Contract**" means any contract or agreement between Supplier and Buyer for the sale and purchase of the Products or supply of the Services.

⁵ As used herein, "**Confidential Information**" shall mean all information, in whatever form (whether tangible, electronic, orally communicated, disclosed in writing or otherwise) which is disclosed to one Party by the other Party directly or indirectly, prior to or subsequent to the effective date of the contract/agreement, including but not limited to information relating to products, operations, processes, plans or intentions, product information, development, know-how, design, patents, patent applications, trade secrets, market opportunities and business affairs, as well as the content of the contract/agreement and the Parties' rights and obligations under this contract/agreement and any internal business matters of the other Party which might have come to the attention of the Parties as a result of the cooperation set out in the contract/agreement.

⁶ "**Intellectual Property Rights**" shall mean all intellectual and industrial property rights including but not limited to patents, know-how, registered trademarks, registered designs, utility models, unregistered design rights, unregistered trademarks, copyright, trade secrets, database rights, topography rights and any other rights in any invention, discovery or process, etc.

defective deliveries or lack of deliveries from suppliers or sub-suppliers caused by any of the circumstances mentioned above, and any other cause of such nature, then the performance of the obligation hereunder of Supplier shall be excused during the continuance of the inability so caused, but such inability shall as far as possible be remedied with all reasonable dispatch.

- 6.2 If the cause or causes that prohibit the Supplier from performing its obligations under the contract last for more than three (3) months, then either Party may terminate the contract by giving notice of termination to the other Party. In such circumstances, neither Party shall be entitled to special, incidental and/or consequential damages or damages for loss of profits due to the termination.

7. TERMINATION

- 7.1 Either Party may by notice in writing served on the other Party terminate the contract immediately if that other Party:
- (i) is in material breach of any of the terms of the contract (including these Terms and Conditions) and, where the breach is capable of cure, the breaching Party fails to cure such breach within 30 days of written notice of such breach. Failure to pay any sums due to the Supplier in accordance with the contract constitutes a material breach of the terms of the contract; or
 - (ii) is unable to pay its debt as it falls due or becomes bankrupt, goes into liquidation, whether compulsorily or voluntarily other than for the purpose of amalgamation or reconstruction, has a receiving or administration order made against him, or if any act is done or event occurs which (under applicable laws) has a similar effect to any of these acts or events.
- 7.2 The termination of the contract howsoever arising is without prejudice to the rights, duties, and liabilities of either Buyer or Supplier accrued prior to termination, and the conditions which expressly or impliedly have effect after termination will continue to be enforceable notwithstanding termination.
- 7.3 The Supplier will be entitled to suspend any deliveries or performance otherwise due to occur following service of a notice specifying a breach under Section 7.1(i), or if Buyer is in breach or default under any other agreement between the Parties, until such breach or default is remedied or the contract terminates, whichever occurs first.
- 7.4 In the event of termination, Buyer shall not be entitled to special, incidental, and/or consequential damages or damages for loss of profits due to the termination.
- 7.5 Except as set forth in Section 7.1, the contract or purchase order or order confirmation is not subject to cancellation by the Buyer.

8. EXCLUSION AND LIMITATION OF LIABILITY⁷

- 8.1 Other than any liability of Supplier's which will be illegal for Supplier to exclude or limit or to attempt to exclude or limit, and without prejudice to the other provisions of this Section 8, Supplier's aggregate liability will be limited to an amount equal to the amount paid by Buyer to Supplier under the contract or purchase order or order confirmation.
- 8.2 Except as provided in Section 8.1, the Supplier will be under no liability, as to Buyer whatsoever in respect of (i) loss of profit, loss of business, loss of revenue, loss of contracts, loss of goodwill, loss of anticipated earnings or savings; or (ii) loss of use or damage of any data or equipment, operation or other time (whether direct, indirect, incidental or consequential); or (iii) any special, indirect, punitive, incidental or consequential loss; or (iv) any of the products, or the manufacture or sale or supply, or failure or delay in supply, of the products by Supplier or on the part of the Supplier's employees, agents or subcontractors; or (v) any use made or resale by Buyer of any of the product, or any product incorporating any of the Products.
- 8.3 The Buyer acknowledges that the above provisions of this Section 8 are reasonable and reflected in the price which would be higher without those provisions, and the Buyer will accept such a risk and/or insure accordingly.

9. PRODUCT LIABILITY

- 9.1 The rules under Danish law for CLT Factory ApS and Latvian Law for CLT Factory SIA in force at any time will apply to product liability with the limitations of liability following from these Terms of Conditions.
- 9.2 Supplier may only be held liable for personal injury caused by a Product if it is proved that the injury is a consequence of failure or negligence on the part of Supplier or others for which Supplier is liable.
- 9.3 Supplier is not liable for any damage to real or personal property caused by a Product after delivery has taken place. Supplier is not liable for any damages to products produced by or stored with Buyer.
- 9.4 Supplier is not liable for production and operating losses or any indirect losses or consequential damage, including payment of liquidated damages or payment of other penalties, due to Supplier's delivery of a defective Product to Buyer unless Buyer is able to prove that Supplier has acted wilfully or with gross negligence.
- 9.5 Buyer must indemnify, defend and hold harmless Supplier for any claim for damages in respect of product liability raised by a third party against Supplier if Supplier is not liable to Buyer under these Terms of Conditions.

10. COMPLIANCE WITH LAWS, EXPORT REGULATIONS, AND BUSINESS CONDUCT

- 10.1 Buyer undertakes to implement the necessary measures to prevent corruption, money laundering, and terrorist financing in compliance with all applicable anti-bribery and anti-corruption laws.
- 10.2 Buyer agrees to comply with all applicable foreign trade control and export control laws and regulations; regulations related to the protection of human rights; as well as all economic and trade sanctions including but not limited to those imposed by the United States and the European Union.
- 10.3 Without limiting the generality of the foregoing subsections, the Buyer shall not export, re-export, or transfer, directly or indirectly, any Product or technical data received from CLT Factory to any country or user where such export, re-export, or transfer is restricted by applicable law, without first obtaining any required governmental or similar license, authorization, certification or approval. If the Buyer resells or otherwise disposes of any Product or technical data purchased hereunder, it will comply with all applicable laws.
- 10.4 The Buyer shall keep the personal information of business partners confidential and secure, and any personal data shall only be processed in compliance with the EU's General Data Protection Regulations ("GDPR"), and any other applicable laws and regulations to the transfer, processing and retention of the personal information.
- 10.5 Buyer shall save, indemnify, defend, and hold harmless CLT Factory from all losses, damages, expenses, liabilities, fines, penalties, and all associated expenses arising out of or resulting from its violation of any of its obligations in this Section 10.
- 10.6 CLT Factory may terminate the contract and recover from Buyer as a debt the amount of any loss or damage resulting from such termination if Buyer is in breach of this Section 10.

⁷ "Liability" means any liability whether in contract, tort (including negligence), breach of statutory duty, restitution or otherwise in respect of any loss or damage howsoever caused and including, without prejudice to the generality of the foregoing, any liability of Supplier arising under any indemnity.

11. NOTICES

- 11.1 Any notices given pursuant to the contract shall be in writing and addressed to the receiving Party as set forth above, or at such other address or as shall be designated in writing by such Party. The notice shall be personally delivered or sent by mail. Alternately, it may be sent by e-mail in which case the sender bears the risk of error in transmission.

12. ASSIGNMENT

- 12.1 Any contract or agreement governed by these Terms and Conditions and all rights and obligations hereunder are personal to the Parties and neither Party may assign or attempt to assign any rights or obligations.

13. MISCELLANEOUS

- 13.1 If any of the terms and conditions of the agreement/contract (including these Terms and Conditions) are held by any competent authority to be invalid or unenforceable in whole or in part, the validity of the other terms and conditions and the remainder of the provisions of the agreement/contract in question will not be affected thereby.
- 13.2 The Buyer acknowledges and agrees that CLT Factory may assign or transfer the purchase order, order confirmation or similar document, as stipulated in Section 1 herein, including all rights and obligations, to another company under the same ownership or control. Such assignment may be made without prior consent from the Buyer, provided the assignee is capable of fulfilling the terms of the agreement.

14. LAW AND VENUE

- 14.1 The contract (including Terms and Conditions) and any and all disputes arising therefrom shall be governed by the laws of Denmark for CLT Factory ApS and laws of Latvia for CLT Factory SIA, with the exception of rules concerning conflict of laws, and without giving effect to any Danish or Latvian rules on conflicts of laws that may require the application of laws of another jurisdiction.
- 14.2 All disputes arising out of or in connection with a purchase contract shall be submitted to the International Court of Arbitration of the International Chamber of Commerce and shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one arbitrator appointed in accordance with the said Rules. The place of arbitration shall be the place of the Supplier's country. The arbitration shall be conducted in the English language.

PART B - PRODUCTS

15. QUANTITY AND DESCRIPTION OF THE PRODUCTS

- 15.1 The quantity and description of the Products will be as set out in the Supplier's order confirmation.
- 15.2 Supplier may make any changes to Specification⁸, design, materials which: (i) are required to conform with any applicable statutory or regulatory requirements; or (ii) do not materially affect their quality or performance.

16. PRICE OF THE PRODUCTS

- 16.1 The price for the Products will be the amount and in the currency as specified in the order confirmation.
- 16.2 Prices are subject to correction for error.

17. DELIVERY OF THE PRODUCTS

- 17.1 The delivery terms are specified in the written order confirmation.
- 17.2 Delivery of the Products will be made during the Supplier's usual business hours.
- 17.3 The Supplier will use reasonable endeavours to deliver and perform each of the Buyer's orders for the Products within the time agreed, but the Parties agree that time of delivery will not be of the essence. If, despite those endeavours, the Supplier is unable to fulfil any delivery on the specified date, the Supplier will be deemed not to be in breach of the contract, nor will the Supplier have any liability to the Buyer for any delay or failure in delivery except as set out in this condition. Any delay in delivery will not entitle Buyer to cancel the contract unless and until Buyer has given thirty (30) days' prior written notice (or such longer period specified in the written order confirmation) to Supplier requiring the delivery to be made, and Supplier has not fulfilled the delivery within that period.

18. RISK/OWNERSHIP

- 18.1 Title and risk of damage to or loss of the Products will pass to the Buyer as specified in the order confirmation.

19. WARRANTY OF THE PRODUCTS

- 19.1 In case of defective Products or packaging failure (other than a design made, furnished or specified by Buyer), Supplier may at its discretion either (i) repair, or (ii) replace, such Products or spare parts in accordance with the Terms of CLT Factory standard warranty.
- 19.2 Supplier's obligation under Section 19.1 will not apply where Buyer has failed to notify Supplier of any defect or suspected defect without undue delay or in any event no later than seven (7) days after delivery where the defect should be apparent on reasonable incoming goods inspection.

⁸ "Specification" means in relation to the Products, Supplier's equipment design specification for the Products; or in relation to the Services, Supplier's documents detailing the requirements of the Services.