

GENERAL SALES CONDITIONS OF THE NTTA (ROYAL NETHERLANDS TIMBER TRADE ASSOCIATION)

of which the supplementary conditions for softwood, hardwood, plywood and the commissioned processing of wood are part.

These conditions are filed with the Chamber of Commerce Gooi-, Eem- en Flevoland on March, 17 2011 under no. 40530880.

The related Arbitration Regulations of the Netherlands Timber Trade Association were filed with the Chamber of Commerce Gooi-, Eem- en Flevoland on 16 September 2010 under no. 40530880.



Preamble

The following General Sales Conditions with arbitration clause can only be declared to apply by traders who are a member of the Netherlands Timber Trade Association. These traders can also apply these General Sales Conditions in their transactions with traders who are not member of the Netherlands Timber Trade Association.

These conditions apply to all offers and transactions, to the exclusion of the buyer's conditions. This will only be different if the seller has explicitly acknowledged the applicability of the conditions of third parties in writing and has explicitly set aside his own conditions.

These general conditions explicitly apply to all offers and transactions that take place electronically, including by internet (e-commerce) and related electronic systems.

By asking for quotes, offers and entering into a contract with the seller, the prospective buyer / the buyer is familiar with and agrees to these conditions.

Article 1 GENERAL

In these General Sales Conditions:

- a. "buyer" means the prospective buyer / the buyer or processor;
- b. "seller" means: prospective seller / the seller;
- c. "third party" means the buyer's buyer of a prospective seller or seller.

Article 2 OFFERS AND CONFIRMATIONS

- a. All offers are without commitment, unless otherwise agreed in writing.
- b. Sales contracts made by intermediary of representatives or agents will only become effective after written confirmation by the seller, or in the absence thereof, in accordance with the provisions of c.
- c. If the accuracy of the contents of a written sales confirmation is not contested within 5 working days, the parties are bound by it.
- d. With regard to work for which no offer or sales confirmation will be sent in connection with the nature and scope of the work, the invoice will be deemed the sales confirmation, and will also be deemed to accurately and completely set out the contract.
- e. If an offer does not lead to the making of a contract, the seller is nevertheless entitled to charge the buyer all costs that he has incurred in order to prepare the offer.
- f. These General Conditions apply to all offers of the prospective seller / the seller and to contracts other than sales contracts.

- g. If after the making of the contract the seller has to produce new work drawings, construction calculations and the like as a result of changes in construction plans, drawings and the like announced by the buyer, the ensuing costs will be charged to the buyer in full.

Article 3 INDUSTRIAL/INTELLECTUAL PROPERTY

The seller reserves all industrial or intellectual property rights relating to offers made by the seller and drawings, calculations, descriptions, models, marks, product specifications, designs, software and the like supplied by the seller, which are subject to copyright or design rights of the seller and remain his property, even if costs have been charged therefore.

The buyer states that by entering into a contract with the seller or by entering into a contract with the seller's buyer, he will refrain from any infringement of the seller's industrial or intellectual property rights, even if there has been no filing of the rights, and that he will endeavour to prevent or terminate breach by a buyer / other party / third party. The buyer is not entitled to use said documents or the information contained therein or the information with which he has become familiar in some other way other than in the framework of the performance of the contract. The costs of making copies or extra prints of technical specifications, drawings and the like at the buyer's request are at the buyer's expense.

Article 4 PRICES

- a. Every overboard sales takes place on the express condition that the price (prices) is (are) based on the cost factors applicable at the time the sale is concluded, such as: export duties in the area of origin, freight and insurance, unloading costs, import duties, charges, taxes.
- b. Any favourable/unfavourable differences at the time of shipment, arrival or delivery are to the benefit or at the expense of the buyers.
- c. The seller is only bound by a price quote when he has explicitly and unequivocally indicated that he is bound by this quote, or if and because the seller has confirmed an order at a certain price.

Article 5 CURRENCY

In the event of sale or overboard delivery, there will be a revision of the exchange rates in one or more currencies on which the making and/or performance of a transaction is based which give the seller the right to change the price accordingly. If the price is increased pursuant to this provision, the buyer has the right to cancel the order. The cancellation must be effected in writing within 5 working days after the seller has informed the buyer of the price increase.

Article 6 DELIVERY AND RISK

- a. In the event of delivery free of charge, the goods travel at the expense and risk of the seller.
- b. In all other cases the goods travel at the expense and risk of the buyer.
- c. War risk is always at the buyer's expense.

- d. In the event of direct supply from abroad, the risk of improper - both quantitative and qualitative -, late arrival or no arrival at all, and the risk of and during the transport are fully at the buyer's expense. When the unloader or the person from whom and/or the person through whose mediation the goods purchased abroad are acquired, after proper notice, fails, in whole or in part, to perform his obligations, under whatever heading or due to whatever cause, the seller has the right to cancel the contract with the buyer.
- e. In the event of delivery free of charge, the seller is obliged to transport the goods to where the vehicle can move over a properly drivable site or the vessel can sail over properly navigable water. Unless otherwise agreed, the buyer must obtain the within the area of transportation necessary consents, exemptions and permits in due time. The buyer is obliged to take receipt of the goods there and to immediately unload them. If the buyer fails to do so, the costs incurred are at the buyer's expense.
- f. Both in the event of delivery free of charge or otherwise, the choice of transport mode is at the seller's discretion, unless otherwise agreed.
- g. The buyer is obliged to ensure good accessibility of the place where the goods are to be unloaded. If the buyer fails to do so, the costs incurred are at the buyer's expense.
- h. Unless otherwise agreed the seller will not take back the customary packing. Reusable packing (euro pallets) can be taken back as determined in Article 10 of these conditions.

Article 7 DELIVERY TIMES AND ON CALL ORDERS

- a. The seller will come as near as possible to the delivery time, but the delivery time is only to be deemed a target date/period, not a final deadline.
- b. The seller makes a reservation in respect of all unforeseen circumstances, as the seller has to order many goods from third party suppliers or producers.
- c. If an order which has been accepted by the seller cannot be delivered because the seller's supplier cannot or can no longer deliver (for whatever reason), the seller can offer the buyer an alternative. If the buyer cannot agree to the alternative offered, the seller has the right to invoke dissolution of that part of the contract that cannot be performed, without the need for judicial intervention. The seller is not liable for non-delivery or incomplete delivery of the order.
- d. The buyer is not entitled to any compensation in the event of delivery past the estimated delivery date. The buyer cannot cancel the order or refuse receipt and/or payment of the goods on the grounds of late delivery.
- e. If in the event of delivery on call no terms have been set for the time period within which the goods are to be taken on call, the seller is entitled to payment 3 months after ordering.
- f. If within 3 months the order has not been taken or not been taken on call in full, the seller has the right to give the buyer written notice that the buyer set a term within which the total quantity will be taken on call, which notice the buyer is obliged to comply with within 5 working days. The term which the buyer is to stipulate after the notice may not exceed a time period of 3 months.
- g. The buyer is obliged to comply with the aforementioned summons; in the event of failure to do so the seller is entitled, after expiry of a time period which is equal to the longest time period during which the buyer would have been entitled to set for taking the goods, to store the goods at the expense and – if the risk of the goods still rests with the seller – at the risk of the buyer, or to dissolve the sale without judicial intervention and if so desired claim compensation. The seller has the same rights if the buyer, despite the setting of a term, does not comply.

Article 8 ACCEPTANCE AND COMPLAINTS

- a. If and insofar there is no written agreement regarding the quality, the buyer can only claim a quality which corresponds with what is deemed normal and usual in the trade of the relevant type of goods.
- b. In the event of an offer or delivery in accordance with a sample, the sample will only serve to determine the average quality of the structure, the appearance and the colour of the goods to be delivered.
- c. The inspection of the quantity of the goods is the responsibility of the buyer. If no complaint is made immediately after receipt regarding the quantity delivered, the quantities set out on the bills of lading, delivery notes or similar documents will be deemed acknowledged. Complaints regarding missing items or damage must, to be valid, be recorded by the buyer on the notice of receipt and must be officially established if possible.
- d. Even if the buyer informs the seller in time that the delivery made to him is less than is indicated on the above-mentioned document, this does not give him the right to suspend payment.
- e. The buyer must lodge complaints regarding quality or deviations from the specifications with the seller in writing as soon as possible but at latest within 5 working days after receipt; such complaints will no longer be taken into consideration after the expiry of this term. The buyer has no right of complaint if the goods he has purchased which have been sawn or processed – including drying – before sawing or processing by him and/or on his behalf, did not give cause to lodge a quality or specification complaint.
- f. No complaints will be accepted in respect of batches, which have been unpacked or processed in whole or in part.
- g. Complaints do not give the buyer any right to suspend his payment, and set-off is expressly excluded.
- h. If the complaint is well founded, the seller will replace the goods, after return of the original goods. If it is no longer possible to replace the goods, the obligation will be converted into one of substitute compensation whereby the compensation is fixed at a maximum of the invoice value of the part of the goods in respect of which the complaint was lodged. The seller is never bound to pay further compensation. Indirect damage will never be compensated.
- i. In the event of an unfounded or late complaint, the seller is entitled to charge the other party for all costs incurred.

Article 9 RETURN SHIPMENTS

- a. Return shipments will not be accepted without prior consultation.
- b. Goods that have been processed in whole or in part, damaged goods and packed goods whose packing is missing or damaged, can never be returned.
- c. Return of delivered goods will be effected at the expense and risk of the other party and is only permitted with the written consent of the seller subject to conditions set by the seller.

Article 10 PACKING

- a. The seller will charge for the reusable packing (euro pallets) as soon as possible, by separate or total invoice, if such has been explicitly agreed and the packing is returned to the seller in good order.
- b. The seller will send the buyer a credit note for the packing returned at the buyer's expense, as referred to in the first paragraph, as soon as possible after receipt thereof.
- c. In deviation from the provisions of the preceding paragraphs, the seller will not owe any compensation for packing returned in damaged condition, nor for packing which has not been charged nor delivered by the seller.
- d. The buyer is only entitled to deduct the value of the returned packing, up to the credited amount, from what the buyer owes the seller, after receipt of the credit note.
- e. If the amount of the credit note is more than the buyer owes the seller upon receipt of said invoice, the excess will be paid to the buyer within one month after the invoice date.

Article 11 LIABILITY

- a. The seller only accepts liability for direct damage that is the result of his gross negligence or intent, to be evaluated by the seller.
- b. The seller is never liable for damage or defects to specific materials, parts and constructions that – possibly in deviation from the applicable rules – are explicitly prescribed by or on behalf of the buyer or are made available by the buyer. Nor is the seller ever liable for deviations in the details regarding quantities and dimensions furnished by the customer.
- c. The seller is in no case liable for indirect damage, loss and interest, including loss of profit and consequential damage, which arise for the buyer and/or third parties as the direct or indirect result of defects.
- d. In the event of liability, this is limited to reasonable compensation of the damage suffered, with a maximum of the agreed price for the relevant (part) delivery (invoice value).
- e. Direct damage must be reported to the seller in writing, by recorded mail, within 5 days after it has been detected; in the event of failure to do so, all rights to compensation will lapse. All claims for compensation will be time-barred twelve months after the start of the day of notice of the damage, if legal action (including arbitration) is not brought in respect of these claims within said term.
- f. The seller will provide all advice, details and instructions for use to the best of his ability, however entirely without commitment and without any liability ensuing herefrom for the seller.
- g. In no case is the seller liable for claims for compensation of third parties on any grounds whatsoever. The buyer indemnifies the seller against all (successful) claims of third parties for compensation in respect of goods delivered by the seller, regardless of the cause of or the date when such damage was suffered.
- h. Any guarantees of the producer will be passed on to the buyer in full; the claims of the buyer are also limited to such guarantees.
- i. The seller cannot be held liable for inaccurate use and processing of materials supplied by the buyer or by third parties.

- j. The buyer is responsible for the dimensions and quantities he specifies. Dimensions indicated by the buyer in respect of timber products to be delivered are subject to deviation tolerances unless such tolerances have been excluded in advance in writing.
- k. Every person working for the seller can invoke the preceding paragraphs of this article, as can the agents engaged by the seller, as if they were themselves a party to the contract made between the seller and the buyer.

Article 12 GUARANTEES

- a. The buyer is obliged to furnish the seller both prior to and during the performance of the contract with all relevant information, documents and materials that are reasonably necessary for the proper performance of the contract.
- b. The buyer guarantees that the design which the buyer furnishes to the seller, or the composition and the quality of the material or of the goods which have to be supplied on the basis of an order, comply in all aspects with all relevant applicable requirements, which are set in legislation and/or other regulations established by the government in this respect, which are effective at the time the contract is made. This applies equally in the case of normal use of the goods.
- c. The buyer gives the seller the guarantee that there will be no infringement of the copyright or industrial property right of third parties and the buyer fully indemnifies the seller judicially and extrajudicially against all consequences, both financial and otherwise, which ensue from copying or reproduction.

Article 13 QUALITY

- a. The seller binds himself vis-à-vis the buyer to deliver to the buyer goods which correspond with the description, quality and quantity described in the offer (amended or otherwise).
- b. The seller does not guarantee that the goods are suitable for the purpose for which the buyer wishes to use them, not even if the seller has been informed of this purpose, unless such has been agreed in writing.
- c. Unless explicitly otherwise agreed at the time of the sale, quality is delivered which corresponds with what is deemed normal and customary in the trade, and with regard to dimensions, quantities etc. per trade unit, the normal trade customs will be deemed agreed.
- d. Delivery subject to quality inspection by the management will only be effected if the buyer has stipulated such in writing and the seller has accepted such in writing. The inspection must be carried out within two working days of receipt of the goods.
- e. The seller can demand inspection before shipment or processing, including drying, of the goods. The inspection must have been executed within two working days after the seller has announced his wishes in this respect.

Article 14 FORCE MAJEURE

Circumstances beyond the control of the seller, which are of such nature that it would be unreasonable to demand performance or further performance on the part of the seller, such as ice run, exceptional weather circumstances, strike, government measures, delay in supply, export prohibitions, war, mobilisation, transport impediments, including lack of or withdrawal of transport options, export impediments, import impediments and all other circumstances which could seriously impede the performance of the contract are deemed

force majeure. In the event of force majeure, the seller is, at his election, entitled to either extend the delivery term by the term of the impediment by a maximum period of 6 months, or to cancel the sale insofar as affected by the impediment. If the buyer gives the seller written notice thereof, the seller is bound to announce his choice within 5 working days.

In the event of cancellation of the contract the seller is entitled to invoice the other party for the performance effected by the seller before the occurrence of the force majeure. The parties are not entitled to any form of compensation.

Article 15 RETENTION OF TITLE AND SECURITY; RIGHT OF COMPLAINT

- a. The seller retains ownership of all goods delivered or to be delivered by him until settlement in full of all its claims on the buyer pursuant to all agreements (with regard to the delivery of goods and the performance of work) including those arising from default and/or tort.
- b. As long as the title to the goods has not passed to the buyer, the buyer may not pledge the goods, transfer title to the goods or grant third parties any other right in respect of the goods, subject to the provisions of the following paragraph.
- c. The buyer is permitted to sell and deliver the goods delivered subject to retention of title to third parties in the ordinary course of business. The buyer is bound to store the goods delivered subject to retention of title with the necessary care and clearly recognisable as the property of the seller. In the event of sale and/or delivery by the buyer to third parties in the ordinary course of business, and in the event of breach of the above provisions, the purchase price, regardless of any provision to the contrary, will be immediately due in full. In addition, in the event of sale to third parties the buyer is bound to stipulate an equivalent retention of title as is laid down in these conditions. When the goods are delivered to a third party, the seller will have a pledge on the buyer's claim(s) on such third party, with the right to give such third party notice thereof and to demand and receive payment.
- d. Upon first request, the buyer is obliged to fully cooperate and furnish the seller with all information which the seller requests to effect its pledge rights and to enable it to retrieve its property; failure to comply is subject to forfeiture of an immediately payable penalty of € 1,000 per day without the seller having to give the buyer notice of default. In this respect, if the seller makes use of its right of retention, the buyer must grant the seller access to the goods it has delivered. The buyer irrevocably authorises the seller to exercise its right of retrieval.
- e. If the goods that have been delivered are processed, used or mixed, the seller will acquire the right to co-ownership of the goods in which the delivered goods have been incorporated, for an equal value.
- f. The provisions set out under a. through f. are without prejudice to the seller's other rights.
- g. On the basis of 7.39 et seq. of the Civil Code the seller has a right of complaint and on the basis thereof, in the event of non-payment of the purchase price, can dissolve the contract by written notice and demand return of the goods from the buyer or his legal successor. The seller retains the right to compensation of damage and interest resulting from default by the buyer.

Article 16 PAYMENT

- a. Every batch will be invoiced, increased by a credit restriction surcharge of 2% of the invoice amount. This surcharge is not due if payment is made within 30 days after the invoice date.

- b. If payment has not been made within 30 days after the invoice date, the buyer will be in default without the need for any notice of default. In such case the buyer will owe the surcharge of 2% of the invoice amount referred to under a. in addition to the invoice amount.
- c. If the payment has not been made within 30 days after the invoice date, the buyer will be charged interest. The interest is 1.5% a month. This interest will be charged over the period between thirty days after the invoice date and the date of receipt of the purchase sum by the seller. The interest is owed without the seller having to give notice of default.

The seller is entitled to first apply the payments received to payment of due interest and costs before putting it toward the principal owing. If the buyer is behind on (a part of) payment, the entirety will be immediately due to the seller: this also applies to the invoices which have not yet fallen due at that time.

- d. A buyer who has not paid what he owes in time, is obliged to pay the seller all costs made to collect the claim, including the extrajudicial costs, judicial and arbitration costs (to be fixed by the court) and any enforcement costs. The extrajudicial costs are fixed at 15% of the amount owing, at a minimum in accordance with the rate of the Preparatory Work Report II (Rapport Voorwerk II), with a minimum of € 150 per case.
- e. If the buyer defaults on the payment to the seller, the seller has the right to suspend the further performance of all related contracts until such payment has been made while - if otherwise agreed - cash payment can be demanded for the further delivery.
- f. If the seller has received clear indications of inadequate or reduced creditworthiness on the part of the buyer before or during the performance of the sale contract, the seller has the right not to deliver or not to continue to deliver, unless the buyer gives security on the seller's demand and to the seller's satisfaction for the proper payment of the purchase price, regardless of whether this was to be paid in cash, or whether any term had been set for payment after delivery. In this latter case the seller can also demand that security be given in the time between delivery and payment, whereby failure to do so will result in the purchase price for the materials already being delivered being immediately due and cessation of any further delivery.
- g. If the buyer defaults on payment and the seller retrieves the relevant goods, making use of the retention of title referred to in Article 15, the costs thereof are at the buyer's expense.
- h. If a contract is made with several buyers, each buyer will be severally bound with regard to effecting of payment of the invoice amount.

Article 17 DEFAULT OF THE BUYER

If the buyer does not perform his obligations within 3 working days after having been given written notice of default by the seller, the seller is entitled to immediately cancel the sale without judicial intervention, with retention of any right to compensation.

Article 18 DISSOLUTION/CANCELLATION

- a. The sales contract will be dissolved without judicial intervention after a written state at the time when the buyer is declared bankrupt, petitions for a provisional moratorium or the court, upon the seller's request, declares that a debt rescheduling arrangement applies to a natural person, or the buyer loses the power to dispose of his property or parts

hereof due to attachment, appointment of a guardian or otherwise, unless the receiver or administrator acknowledges the obligations ensuing from this sales contract as a debt of the estate.

- b. Whole or partial dissolution of the contract will be effected by means of a written statement of the party so entitled. Before the customer directs a written statement of dissolution to the seller, the buyer must at all times give the seller written notice of default and give the seller a reasonable term to perform its obligations or rectify shortcomings, which shortcomings the buyer must accurately set out in writing.
- c. If the seller agrees to dissolution, without there being default on the part of the seller, the claims on both sides will be immediately enforceable and the seller is always entitled to compensation of all property damage such as costs, lost profit and reasonable costs to determine damage and liability. In the event of partial dissolution the buyer cannot claim cancellation of performance already effected by the seller and the seller has a full right to payment for the performance which the seller has already effected.

Article 19 APPLICABLE LAW/DISPUTES

- a. All contracts made with the seller are governed by Netherlands law, whereby these general conditions apply as a supplement thereof and insofar as such is not contrary to mandatory provisions.
- b. All disputes will be resolved by arbitration at the highest resort, with the exclusion of the ordinary court, in accordance with the Arbitration Regulations of the Netherlands Timber Trade Association, as these regulations read at the time when the action is brought in respect of the dispute.
- c. In deviation from the above, the party who wishes to enforce a claim, which claim is not contested by the buyer, at all times has the power to petition the ordinary court to make an order for payment. In this respect the seller explicitly elects domicile at the district court of the seller's district, including preliminary relief proceedings, subject to election of domicile in the buyer's domicile, which choice is explicitly reserved for the seller, and any exceptions pursuant to mandatory law.

SUPPLEMENTARY CONDITIONS

General:

Products which carry CE marking are subject to the harmonised European product norms (hEN) or European Technical Approval Guidelines (ETAG).

SOFTWOOD

Article 1 QUANTITY AND QUALITY

- 1 When selling a quantity of more than 10 m³, the seller can deliver in part deliveries or the buyer can take into receipt in part shipments, provided every part is at least 5 m³.
- 2
 - a. If the timber delivered gives the buyer cause for objections, the buyer will inform the seller of this fact within two working days after the day of delivery and give the latter the opportunity to inspect the timber at the delivery location. The buyer is therefore not permitted to simply return the timber without warning.
 - b. The buyer will take care of the timber in such way that its value does not deteriorate; if the buyer fails to do so he will be subject to the obligation to accept this timber. The seller will not have to take back timber on which the seller has placed a rejection stamp.

Article 2 DIMENSIONS AND QUALITIES

NEN 5461 'Quality Requirements for wood – Sawn wood and round wood – General Section' applies with regard to terms, definitions and measuring methods.

The Netherlands Norm "Quality requirements for wood for construction and hydraulic engineering purposes" ("KvH"), drawn up by the Netherlands Standardisation Institute (NNI), as such applies at the time of the offer applies with regard to dimensions and qualities.

Article 3 CERTIFICATE AND MONITORING OF DIMENSIONS AND QUALITIES

1. Both the buyer and the seller can demand that the delivery will be effected under the KOMO certificate issued by the SKH (Stichting Keuringsbureau Hout); in such case, this fact must be explicitly brought to the attention of the other party in writing at the time of the application or offer, setting out the requirements to which the certificate relates.
2. If the specifications for the construction work in which the wood is to be used stipulate that the wood has to be delivered under KOMO certificate, the buyer is obliged to inform the seller of this provision in writing with his request.
3. If delivery under certificate as referred to in the first paragraph of this article has been agreed, the buyer and the seller are both entitled to have compliance monitored with the obligation ensuing for the seller from the certificate inspected by the SKH, the certifying institution for wood, wood products and wood constructions.
4. If and insofar as the inspection referred to in the third paragraph of this article causes costs, the SKH, depending on the result of the inspection, will decide whom these costs are to be charged to; this decision is binding on both the buyer and the seller.

PLYWOOD

Article 1 THICKNESS TOLERANCE AND GLUING

Insofar as manufacturers conform to such, the standards set out in NEN-EN 13986 apply. Where this is not the case, reference is made to the manufacturer's specification and/or applicable norms in the country of origin with regard to:

- the dimension and thickness tolerance
- the gluing
- the composition of the plywood
- the qualities

HARDWOOD

Article 1 DIMENSIONS TO BE DELIVERED AND INVOICED

In accordance with the rules of the Netherlands Timber Trade Association, the dimensions expressed in inches will be converted as follows:

indication in inches	dimensions to be invoiced in mm
1/2	12 1/2
5/8	16
3/4	19
7/8	22
1	25
1 1/4	32
1 1/2	38
1 3/4	44
2	50
2 1/2	63
3	75
3 1/2	90
4	100
4 1/2	115
5	125
6	150
7	175
8	200
9	225
10	250
11	275
12	300
13	325
14	350
15	375
16	400
17	425
18	450
19	475
20	500

In accordance with the rules of the NTTA, the conversion of the English foot measurement to metric dimensions is as follows:

English foot	normal dimensions cm	indication (also invoice dimension) cm
2	61	62
3	92	95
4	122	125
5	152	155
6	183	185
7	213	215
8	244	245
9	274	275
10	305	305
11	335	335
12	366	365
13	396	400
14	427	430
15	457	460
16	488	490
17	518	520
18	549	550
19	579	580
20	610	610
21	640	640
22	671	670
23	701	700
24	731	730

Article 2 DIMENSIONS AND QUALITIES

NEN 5461 'Quality Requirements for wood – Sawn wood and round wood – General Section' applies with regard to terms, definitions and measuring methods.

The Netherlands Practical Guideline NEN 5493 "Quality requirements for wood for construction and hydraulic engineering purposes" applies with regard to application in the ground, road and hydraulic engineering works.

Unless agreed otherwise, the Netherlands Norm "Quality requirements for wood" ("KVH"), drawn up by the Netherlands Standardisation Institute (NNI), as such applies at the time of the offer applies with regard to dimensions and qualities.

COMMISSIONED PROCESSING OF WOOD

1. Processing means planing, sanding, milling, sawing, drying and/or any other processing of wood or replacement materials in some other way.
2. The customer must deliver the goods to be processed in sealed batches on the agreed time delivery paid at the processor's premises. If the goods are not delivered in time the processor is entitled to either extend the term for return delivery, or to cancel the contract. In both cases the processor is entitled to compensation of the damage and profit loss he has suffered.
3. The processor is not liable for damage or other loss in value of the goods for processing, subject to wilful misconduct or gross negligence on the part of the processor or his personnel. The processor will not insure the relevant goods against any risk whatsoever.
4. The customer is bound to retrieve the goods from the processor's premises within 10 days after the notice of readiness has been given. In the event of failure to do so, the processor is entitled to compensation for the damage suffered due to later delivery.
5. The following applies with regard to the (end) humidity content:
 - The humidity content is to be determined in accordance with the method of weighing and drying in conformity with EN 13183-1;
 - Measurements with an electric moisture meter in conformity with NEN-EN 13183-2 at 1/3 of the depth of the timber and with a capacitive timber moisture meter in conformity with NEN-EN 13183-3 may be deemed a good approach of the true moisture content of the wood. In the event of doubt regarding the results obtained with the electric or capacitive timber moisture meter, the results with the weighing and drying measure will be decisive.
 - The random test size and acceptance level AQL 10, as laid down in table 24 of NEN 5461 (KVH 2000, General section) apply with regard to the evaluation of whether a batch of dried wood satisfies the agreed end moisture content. The processor only guarantees drying to the agreed end moisture percentage up to a maximum of 3 days after completion. Complaints on the quality of drying are to have been received on the day of return delivery of the dried wood.
6. The method of transport and storage of the dried wood must be geared to retention of the moisture content at the time of delivery.

