

General Terms of Business of the Company F.W. Barth & Co. GmbH

Sect. 1 General, scope

The present General Terms of Business as amended from time to time rule the contractual relationship between the company:

F. W. Barth & Co. GmbH (hereinafter referred to as F.W. Barth)
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General Managers: Horst Riedel, Karl-Rüdiger Maaßen

and its customers (natural person and legal person).

The General Terms of Business hereunder shall apply to deliveries of goods as well as any other services provided by F. W. Barth; they shall apply on an exclusive basis. Any diverging or general terms of business to the contrary of the client shall apply as an exception if F. W. has agreed in writing in specific cases.

Sect. 2 Conclusion of the contract, repudiation

1. The proposals made by F. W. Barth are not binding, without commitment and subject to sufficient inventory respectively delivery received in due time from its own suppliers. This shall also apply to any order accepted by commercial representatives and travellers of F. W. Barth. With his / her order the customer represents that he / she is willing to buy the said goods / services (offer of contract). F. W. shall be entitled to fully or partially accept this offer of contract within the delivery time specified by delivering the goods, separate confirmation of order or any other suitable means. The sales contract is entered into via such implicit or explicit notification of acceptance, subject such notification of acceptance is sufficient. F. W. is in no way liable to accept an order.
2. In the event of discrepancies between the order and the confirmation of order, the notification served by F. W. Barth will prevail to the extent that such discrepancies shall not be construed as a new offer of contract as set out under sect. 150, para. 2 of the German Civil Code BGB.
3. Obvious errors, mistakes in writing, misprints and calculation errors committed by F. W. Barth in the presentation of an offer or in the context of an order confirmation will have no binding effect.
4. F. W. Barth shall be entitled to repudiate from a contract even with respect to a fraction of the delivery or the services still outstanding should the customer have made misstatements about its solvency or should the customer's solvency be missing, thus jeopardising payment of the purchase price agreed.
5. In the event that F. W. Barth should not be supplied adequately, sufficiently or in due time due to reasons beyond its control, the Company is entitled to fully or partially repudiate the contract concluded with the customer or to postpone the delivery time accordingly. This shall also apply if services from third parties fulfilling commission orders for F. W. Barth, are not provided at all or in due time with no fault of F. W. Barth. As for the rest, the customer shall only be entitled to repudiate the contract in the event F. W. Barth should not keep to the delivery times agreed under the contract, if he had previously imposed a reasonable further delivery time upon F.W. Barth of not less than thirty days. The customer shall not be entitled to any additional indemnity, unless F. W. Barth should be culpable of intention or gross negligence.
6. Unexpected events, such as strikes, war, fire, acts of God or natural disaster as well as any other event of force majeure will release F. W. Barth from its obligation to deliver for the duration of such effects. F. W. Barth agrees to notify the customer immediately of such events. In the event of permanent impossibility

to deliver due to an event of force majeure, F. W. Barth will be entitled to repudiate the contract. In this case, the customer shall not be qualified for any indemnities. In the event of marine transport, F. W. Barth will not be liable for any costs resulting from late submission of the original documents.

Sect. 3 Delivery

1. Any delivery times and dates are deemed approximate values and, between businessmen, subject to adequate and timely delivery by their own suppliers, to the extent F. W. shall be liable for any breach. Such breach shall entitle the customer to assert any existing rights only after having previously imposed upon F. W. Barth a reasonable further delivery time in writing of not less than thirty days.
2. Partial deliveries shall be acceptable within a reasonable scope unless otherwise provided for under the contract.

Sect. 4 Acceptance and transfer of risks

As of the date of provision of the goods, the goods shall be stocked for the account and at the risk of the customer as soon as he / she has been notified of such provision. The risk shall be transferred to the customer at the latest with the shipment of the goods or parts of the goods. This shall also apply if the shipment is made at the expense of F. W. Barth. Upon the customer's request, such shipment shall be insured at his expense by F. W. Barth against theft, break, transport or any other risks. There is no obligation for F. W. Barth to take out an insurance coverage. Goods purchased shall be taken over by the customer, unless specific agreements providing for the contrary, not later than within three working days following provision. Any goods delivered, even if they should show minor defects, shall be accepted by the customer notwithstanding his / her right resulting from sect. 7 hereunder.

1. In the event of on call orders, the goods shall be accepted by the customer upon request of F. W. Barth not later than two months following conclusion of the contract. Following such request of acceptance and lapse of eight days, F. W. Barth will be entitled either to repudiate the contract or to invoice the goods and to demand payment within eight days, in the absence of acceptance of such goods in the meantime. The preceding provisions do not affect the right of F. W. Barth to assert any indemnities for the damage resulting from the default of acceptance as well as his other legal rights, in particular any emergency resale.
2. Any quantities specified are generally subject to the "approximation provision". F. W. Barth shall be entitled to proceed to deliveries with a tolerance of plus / minus 10%.

Sect. 5 Prices and payments

1. In the event that following the conclusion of the contract and prior to its execution taxes, transport fees, fees or other dues of any kind loading the price of the goods be raised or implemented, the parties shall, upon request of F. W. Barth, negotiate with respect of any increase of purchase prices.
2. Invoices will fundamentally be payable within 3 bank days as of the date of invoice **in full**.

If the parties have agreed upon payment by bill, marketable coupons (with the European Central Bank) shall have to be released within eight days following the date of invoice. The period of validity of such bill shall not exceed ninety days (as of the date of invoice). Any note taxes, fees customary in banking and other fees of such bills will be at the expense of the customer. In any case, bills and cheques will only be accepted for payment purposes. There is no obligation for F. W. Barth to accept bills or cheques. In the event the customer suffers from events giving reason to doubt about his solvency or should such events already exist at the time of conclusion of the contract, but F. W. has been informed of these only later, F.

W. Barth, at its discretion, is entitled to demand deposits of prepayments or repudiate the contract and ask for return of such goods. Evidence of such events is also deemed shown by any information provided by a bank or a credit agency or in the event the customer should not fulfil his / her payment obligations properly. Should F. W. Barth exercise its right to as for deposits or prepayments and the customer does not comply with such request, F. W. Barth shall be entitled to repudiate the contract or to assert indemnities for default.

3. Should the customer be in default of one of his / her obligations under the contract, F. W. Barth, upon imposing a reasonable further term of three days as of the beginning of such default, will be entitled, at its own discretion, to sell such goods at the expense of the customer by private means or on the public market. The customer will be bound to reimburse F. W. Barth for any potential loss as compared to the purchase price. The same shall apply if the customer is partially or totally in default with the acceptance of the goods. Should the customer be in default with the payment of the purchase price, the customer shall be liable to pay interest for default in the amount F. W. Barth has to pay to its own bank with respect to loans taken out, but not less than 5% and, if the customer is a businessman, not less than 8% above the basis interest rate as set out under sect. 247 of the BGB, unless the customer provides evidence of a minor damage. F. W. Barth reserves the right to show evidence of a more important damage. As for the rest, legal provisions shall apply in the event of default of payment.
4. In the event of justified defects, payments may be withheld by the customer only to the extent reasonable with respect to the material defects appeared. If the customer asserts a reduction of the purchase price, he / she will be liable to pay F. W. Barth the reduced purchase price and to deposit the difference up to the amount of the full purchase price on a notary trust account on a trust basis and to immediately show evidence to F. W. Barth of such deposit.
5. The customer shall only be entitled to retention of payments or compensation of counter claims resulting from any other contractual relationships of the parties only with respect to uncontested or legally binding claims. If the customer is a businessman, any rights of retention are excluded pursuant to sect. 369 of the German Commercial Code HGB and 273 of the BGB.

Sect. 6 Retention of title

1. The goods will remain the property of F. W. Barth until payment in full of any and all accounts receivable still outstanding and resulting from the business relationship, including any potential current account balances as well as collateral charges and indemnity rights of F. W. Barth.
2. In the case of transformation of the goods subject to retention of title by the customer, such transformation shall be operated for the seller who shall become the owner of such new object. In the case of transformation of goods which are not owned by F. W. Barth, the latter will become the co-owner of such new object pro rata the value of invoice of his goods subject to title of retention compared to the aggregate value at the time of transformation. In the event of any combination or mixture with any goods he / she is not the owner of, the customer will become their co-owner to the same extent.
3. The customer is entitled to use the goods in the normal course of business. Any claims resulting from resale shall be deemed assigned to F. W. Barth as of the date of such resale. Should the goods subject to retention of title be resold by the customer together with other goods F. W. Barth is not the owner of, such claim shall be deemed assigned to F. W. Barth to the proportion corresponding to the proportion of value of the ownership (or the co-ownership) of F. W. Barth in the goods subject to title of retention with respect to the remaining goods and the co-ownership rights of third parties in the newly created objects.
4. Any entitlements of the customer to use the goods subject to retention of title in the normal course of business will lapse with the retraction made by F. W. Barth. Such retraction will be acceptable following lasting deterioration of the customer's

financial situation, at the lasted with his / her cessation of payment or application for respectively opening of any bankruptcy, forced execution or composition procedures with respect to his / her property. In the event of retraction, the customer will be bound to submit to F. W. Barth, upon the latter's request, a detailed statement of any receivables due to the customer, including the names and the addresses of the purchasers, the amounts of the various receivables, the dates of invoices, etc. and to notify F. W. Barth of any details necessary to assert the receivables assigned.

5. Pledging or transfer by way of security of the goods subject to retention title respectively the receivables assigned will be acceptable. In the event of any pledging, F. W. Barth shall be notified immediately, specifying the details of the pledgee.
6. Should F. W. Barth take back the object of its delivery due to the retention of title, its right to assert indemnities will remain unaffected. F. W. Barth shall be entitled to satisfy itself by selling the goods subject to retention of title and taken back on the private market.
7. The customer shall stock the goods subject to retention of title for F. W. Barth with no costs for the latter. He / she shall be liable to take out insurance coverage against the usual risks (such as fire, theft, and flood) to the extent customary. In the insured event, the customer assigns any and all of his / her rights towards the insurance company already now to F. W. Barth who accepts such assignment.
8. Should the value of the deposits provided for F.W. Barth exceed the aggregate receivables of the latter by more than 20%, F. W. Barth, upon the customer's request or the request of any third party affected by the over-hedging to the benefit of F. W. Barth, shall be bound to release such deposits at its own discretion.

Sect. 7 Warranty for defects

1. Wood is a natural product. Therefore, its natural properties, differences and characteristics shall be respected at all times. In particular, its biological, physical, and chemical properties shall be taken into account at purchase, transformation and use. The width of natural differences in colour, structure and other aspects within one type of wood are part of the properties of the natural product wood and shall not justify any reason for claims and liability. If applicable, the customer has to seek professional advice.
2. The customer shall be liable to inspect the goods upon request of F. W. Barth in writing and to assert any claims for defects subsequently without delay in writing to F. W. Barth. Failing this, obvious defects shall be notified after the date of receipt of the goods in the premises of the customer. Any later claims, in particular with respect to quality, type, dimensions, etc. shall be excluded. Any defects which could not be detected during due inspection shall be notified immediately in writing as soon as these become detectable in the ordinary course of business. Any claims due to faulty number of pieces respectively any other shortages shall only be taken into account if these are asserted immediately at the receipt and are reported on the bill of delivery; any other later claims made by the customer are excluded. If the customer waives the inspection prior to the shipment despite a request made by F. W. Barth in writing, whereas such inspection had been agreed upon in the contract, any claims for defects which would have been detectable in the course of due inspection, shall be excluded.
3. Any business subject to sect. 377 of the HGB shall be ruled as follows: Any and all obvious defects, even such defects detected during or following transformation, shall be notified immediately upon detection, but not later than within 5 working days. Obligation of inspection as set out under sect. 377 of the HGB shall remain in force.
4. Should the goods be third-party products to a substantial portion, the liability of F. W. Barth shall be limited to the assignment of the claims resulting from warranty for defects the Company will be entitled to with respect to the supplier of such

goods. Should it be impossible to lodge any claims against the supplier for factual or legal reasons, F. W. Barth will be liable only in the event of gross negligence or intention.

5. The liability of F. W. Barth for consequential losses due to defects shall be excluded, unless the Company is culpable of gross negligence or intention.

Sect. 8 Data storage

Herewith, the customer is informed that F. W. Barth processes personal data collected in the course of the business relationship pursuant to the provisions set out under the German data protection act (Bundesdatenschutzgesetz).

Sect. 9 Arbitration clause

Any disputes arising from quality issues shall be settled under the "Hamburger freundschaftliche Arbitrage" (Hamburg amicable arbitration) pursuant to the arbitration rules set out by the Chamber of Commerce in Hamburg (as of 1958). F. W. Barth shall make available the text of such arbitration rules upon request at any time. The result of such quality arbitration will then be binding upon F. W. Barth and the customer even in the event of other or further disputes in the context of the contractual relationship. Ordinary judicial means shall be deemed agreed upon to settle any such disputes. The customer will be liable to assist with the aforementioned quality arbitration even if he / she contests the judicial validity of the sales contract. This does not affect any opportunity to claim any default of judicial validity during later trial before the ordinary court.

Sect. 10 Place of performance, forum of jurisdiction, applicable law

The place of performance of the deliveries is the respective registered office of F. W. Barth. This shall also apply if F. W. Barth has committed to ship the goods to a third place. The place of performance with respect to the purchase price as well as for any other obligations of the parties shall also be the registered office of F. W. Barth. The exclusive forum of jurisdiction of both parties for any and all disputes before ordinary courts shall be, to the extent licit, the courts of Hamburg. The present contract shall be executed and construed exclusively under the laws of Germany, excluding the United Nations Convention on Contracts for the International Sale of Goods.

Sect. 11 Complementary Provisions

Customs of trade, such as the customs of Tegernsee, which are recognised under international and national law, shall apply on a complementary basis, unless these are inconsistent with the aforementioned rules. This shall also apply to the ICC Paris Incoterms as amended from time to time.

Sect. 12 Severability

Should any provision of the present General Terms of Business violate any legal interdiction or be or become invalid for any other reason, this shall not affect the validity of the remaining terms. Such invalid provision shall be deemed replaced by such provision corresponding as close as possible to the economic interests and presumed intention of the parties hereunder when taking into account the remaining business conditions.

Any contract entered into on the basis of the present General Terms of Business shall include the latter as a binding part of the contract for any further contracts to be concluded between F. W. Barth and the customer, without this provision needing to be agreed upon in any specific case.

F. W. Barth & Co. GmbH
Date: March 2011