

STANDARD TERMS FOR THE CONTRACT OF SALE OF FOREST MATERIAL

These Standard Terms are valid from January 1, 2021

ARTICLE 1

DEFINITIONS AND GENERAL PROVISIONS

1.1. Definitions

The definitions listed in section 1.1 are used in the Standard Terms for the Contract of Sale of Forest Material as follows:

Supplier The Republic of Estonia through the State Forest Management Centre (RMK);

Purchaser A company or other subject that has concluded a Contract with the Supplier to buy Forest Material;

Parties Purchaser and Supplier;

Day is Calendar day;

Forest Material a tree cut down and the Forest Material assortment produced of it. The identification of certified Forest Material: FSC forest management and chain-of-custody certificate code is NC-FM/COC-009144 and category is FSC 100%, PEFC certificate code is TT-PEFC-FM020 and category is 100% PEFC Certified. Forest Material shall not be sold as certified on circumstances stated at RMK internet page <https://www.rmke.ee/sale-o/sale-of-t/sertificate-fsc-pefc>;

Contract Contract of sale of Forest Material with all appendixes, the present Standard Terms and later amendments that are agreed upon after the signing the Contract of sale of Forest Material;

Standard Terms The present Standard Terms for the contract of sale of Forest Material that are an inseparable part of the Contract;

Long-term Contract Contract of sale of Forest Material that has been concluded for the sale of Forest Material on an agreed price according to clause 7 1) of "Procedure for the sale of the right to cut standing crop or of Forest Material in the State Forest" ratified by Government of the Republic Regulation No. 1 of 04.01.2007 Procedure for the Sale of the Right to Cut Standing Crop or of Forest Material in the State Forest;

Instructions mean the „Instructions of State Forest Management Centre for Sale of Timber Based on Long-term Contracts“, which have been approved by a Directive of the Chairperson of the Management Board of the SFMC and have been published on the website of the SFMC at <https://www.rmke.ee/puidumuuk-1/puidumuuk/muugistrateegia>;

The Storage of the Supplier an area suitable for loading Forest Material on regular Forest Material transportation vehicles, where the Supplier binds to prepare for delivery the Forest Material sold to the Purchaser according to the Contract;

The Storage of the Purchaser a location provided by the Contract, where the prepared Forest Material shall be delivered from the Storage of the Supplier;

Quality Requirements the integral appendix of the Contract of sale of Forest Material that prescribes the Quality Requirements of the Forest Material sold according to the Contract;

Cubic Metre 1 (one) cubic metre of solid Forest Material measured without the bark (under the bark). The Cubic Metre is marked in the Contract with an abbreviation of m³;

Price Agreement the integral appendix of the Contract of the sale of Forest Material that prescribes the price of the Forest Material sold according to the Contract. In case of a Long-term Contract the price of the Forest Material sold is prescribed in the Price Agreement by Price Periods;

Price Period a period of time agreed upon by the Parties during which the Supplier supplies and the Purchaser purchases the Forest Material at a price agreed upon by the Parties before the beginning of a Price Period;

Deadline of Payment a deadline prescribed in the Contract of sale of Forest Material by which the Purchaser is obliged to pay the

Supplier the price of the Forest Material sold according to the Contract. The Deadline of Payment is determined by Days and will start from the date of the invoice issued by the Supplier;

Credit Limit the ultimate sum of the fiscal obligations due by the Purchaser to the Supplier, exceeding which the Supplier has the right to unilaterally implement towards the Purchaser the legal remedies set forth in the Contract. The sum of the Credit Limit is prescribed in the Contract of sale of Forest Material;

Delivery Period A period of time provided by the Delivery Schedule agreed upon by the Parties during which the Supplier obliges or unloading the Purchaser with the Forest Material according to the prescriptions set in the Contract;

Delivery Schedule An integral appendix of the Contract that provides the quantitative and fixed-term division of the delivery and receipt of the Forest Material during the Supply Period;

Place of Delivery An area in the territory of the Supplier or the Purchaser, which is easily and safely accessible and suitable for loading or unloading the Forest Material to and from regular Forest Material transportation vehicles with a loading capacity of not less than 24 m³ (twenty-four solid Cubic Metres);

Force Majeure Conditions defined in Article 8.1 of the Standard Terms as Force Majeure;

1.2. General Provisions

1.2.1. The Standard Terms set the provisions of the Contract of sale of Forest Material to be concluded between the Supplier and Purchaser that are not a subject of separate negotiations.

1.2.2. In case of a contradiction between the Standard Terms and the Contract of sale of Forest Material, the provisions agreed upon in the Contract of sale of Forest Material are to be proceeded by.

1.2.3. The circumstances of concluding the Contract, including the negotiations held in order to conclude the Contract, the prior interpretations of the Contract by the Parties, the conduct of the Parties before and after the conclusion of the Contract, conventions and the practice between the Parties may be taken into consideration when interpreting the Contract only in scope in which the Standard Terms refer to the according circumstance.

1.2.4. The Supplier has the right to use the state forest in the area of government of the Ministry of the Environment, the Ministry of Defence and the Ministry of Economic Affairs and Communications, likewise the forest growing on the land specified in subsection 31 (2) of the Land Reform Act, and to sell the Forest Material and the right to cut standing crop in these forests. The Supplier affirms the legality of the possession of the Forest Material with a forest notification that meets the requirements of the Act or, in the case of the Forest Material obtained from unreformed land, with a document issued by the police or any other competent state authority. With the acceptance of the Forest Material each time, the Purchaser affirms that it has checked the legality of the Supplier's possession of the Forest Material.

ARTICLE 2

THE PRICE OF THE FOREST MATERIAL

2.1. The Price of the Forest Material Sold According To the Long-term Contract

2.1.1. The price of Forest Material sold based on a Long-term Contract is provided in terms of Price Periods. Upon entry into a Long-term contract, the price of Forest Material is provided by a Price Agreement for the bid that was declared the winner pursuant to the Instructions for the first Price Period following entry into the Contract.

2.1.2. The price of Forest Material valid in the Price Periods following the first Price Period is provided by a Price Agreement no later than on the last day of the previous valid Price Period.

Agreements between the Parties on the price of Forest Material valid each following Price Period are provided by a Price Agreement of the corresponding Price Period for the bid that was declared the winner pursuant to the Instructions. In the case of Long-term Contracts entered into before 1 November 2017, agreements between the Parties on the Price of Forest Material valid each following Price Period are provided by a Price Agreement valid in respect of the corresponding Price Period.

2.1.3. Price Agreements of the first and all of the following Price Periods of a Long-term Contract provide the sum of the bidder's price points according to the bid evaluation criteria as set out in the Instructions which is taken into account in calculating the quantity of the Forest Material to be sold.

2.2. The Price of the Forest Material in Contracts Other Than Long-term Contracts

2.2.1. The price of the Forest Material sold in a public auction of Forest Material or a tender with preliminary negotiations is prescribed in the Price Agreement according to the tender made by the winner of the public auction or the tender with preliminary negotiations.

2.2.2. The price of Forest Material sold at an agreed price is prescribed in the Price Agreement.

2.3. The Currency of the Contract

The price of Forest Material prescribed by the Contract as well as other values prescribed in the Contract have been agreed upon EUROS. In case the official currency at the time of the conclusion of the Contract EURO is replaced later by any other currency, all the prices of the Forest Material prescribed in the present Contract, the value of fiscal obligations arising from the Contract and other values prescribed in the present Contract in EUROS will be recalculated to any other currency that the EURO is replaced with, proceeding by the exchange rate of the other currency replacing the EURO published by the Bank of Estonia the Day before the Day of replacement of the EURO with any other currency.

ARTICLE 3

THE CONDITIONS OF DELIVERING THE FOREST MATERIAL TO THE PURCHASER AND QUALITY CONTROL

3.1. The Supplier delivers the Forest Material to the Purchaser and the Purchaser receives the Forest Material at the Storage of the Supplier in cases where the carriage of the Forest Material is done by a carrier appointed by the Purchaser or at the Storage of the Purchaser in cases where the carriage of the Forest Material is done by a carrier appointed by the Supplier. The place of delivering the Forest Material to the Purchaser is prescribed by the Contract of sale of Forest Material. If the place of delivery is the Storage of the Supplier, the location thereof shall be specified in the Delivery Schedule.

3.2. In case the place of delivering the Forest Material set in the Contract is the Storage of the Supplier, the obligation of the Supplier to deliver the Forest Material to the Purchaser is considered to be fulfilled from the moment when the Supplier has prepared the Forest Material to be given to the control of the Purchaser and notified the Purchaser of this.

3.3. In case the location of delivering the Forest Material to the Purchaser is the Storage of the Purchaser, the obligation of the Supplier to deliver the Forest Material to the Purchaser is considered fulfilled from the moment when the Forest Material is delivered to the possession of the authorized representative of the Purchaser.

3.4. The location and methodology for the measurement and quality assessment of the Forest Material and the requirements for the Measurement Report and the method of communicating the report shall be provided in the Contract. Following the measurement and quality assessment of the Forest Material, the Parties shall, on the basis of the Contract, draw up an instrument of delivery and receipt that conforms to the requirements of Regulation no. 84 of the Minister of the Environment dated 21 December 2006 concerning the Forest Material delivered to the Purchaser or another document that verifies the delivery at least once a week. The quantity of the measured Forest Material and the quality of the assessed Forest Material at the location provided in the Contract, which may be either the Storage of the Supplier or

the Storage of the Purchaser, shall serve as the basis for signing the instrument of delivery and receipt of the Forest Material or another document that verifies the delivery. Upon the end of a Calendar month, the instrument of delivery and receipt of the Forest Material is drawn up no later than the fifth Day of the month following the delivery month.

3.5. The quality of the Forest Material shall conform to the quality requirements provided for in the Contract. The Parties do not have any right to impose any additional restrictions or make any additional concessions regarding the quality of the Forest Material. With regard to definitions related to quality, the definitions specified in the "RMK Sawlog Standard" and/or "RMK Piled Roundwood Standard" are preceded by. As far as it is necessary and reasonably practicable, the assessment of conformity of the delivered Forest Material to quality requirements shall be conducted at the same time with measuring the quantity of the Forest Material.

3.6. Any disagreements arising from measuring and assessing the quality of the Forest Material shall be settled, as soon as possible, by additional measurement and assessment of quality in the presence of authorised representatives of the Parties or on the basis of the results of measurement and assessment conducted by an impartial measurer. The Parties shall accept the results of measurement and assessment conducted by an impartial measurer regardless of upon the initiative of which Party this was conducted and whether the measurement and assessment has been conducted before or after delivery of the Forest Material to the Purchaser.

3.7. In the case of accidental destruction or damage, including robbery, fire, flooding, loss or decrease of quality of the Forest Material sold according to the Contract, regarding liability, the Supplier and the Purchaser have agreed that:

a) in case the Purchaser itself organizes the carriage of the Forest Material sold according to the Contract from the Storage of the Supplier to the Storage of the Purchaser, the risk for accidental destruction or damage falls on the Purchaser from the moment of delivering the Forest Material to the carrier to be carried, but no later than 3 (three) Days after the Supplier has notified the Purchaser of having prepared the Forest Material;

b) in case a carrier appointed by the Supplier carries the Forest Material from the Storage of the Supplier to the Storage of the Purchaser, the Supplier has the risk for accidental destruction or damage of the Forest Material up until the unloading of the Forest Material at the Storage of the Purchaser and verifying of the document of carriage by the Purchaser;

3.8. Regarding the quantity of Forest Material delivered to the Purchaser according to the Contract, the ownership of the Forest Material transfers to the Purchaser after all the following provisions are fulfilled:

3.8.1. The Purchaser and the Supplier have drawn up the instrument(s) of delivery and receipt of the Forest Material regarding the Delivery Quantity prescribed in section 3.4 of the Standard Terms or another document that verifies the delivery;

3.8.2. The Purchaser has paid the Supplier for the Delivery Quantity of the Forest Material delivered.

ARTICLE 4

TERMS OF ECOLOGICAL PURITY AND ORIGIN

4.1. The Supplier shall prove the origin of the Forest Material to be sold on the basis of the Contract by indicating the compartment and the subcompartment number in the instrument of delivery and receipt of the Forest Material or in another document that verifies the delivery.

4.2. The Forest Material sold according to the Contract has been cut in compliance with the applicable restrictions in terms of nature conservation and in cases prescribed in legislation in agreement with the respective officials. The Purchaser has the right to require from the Supplier additional certificates to certify the origin of the Forest Material or apply for an audit of origin to be conducted by an independent person.

4.3. The Supplier does not sell genetically modified Forest Material, Forest Material cut from areas by violation of human rights or unwritten law, or Forest Material cut from uncertified endangered forests of conservation value in accordance with the FSC certification scheme.

ARTICLE 5

THE ORDER OF CLEARING OF ACCOUNTS

5.1. The invoice(s) regarding the Forest Material sold according to the Contract by the Supplier to the Purchaser are presented:

5.1.1. after signing the instrument(s) of delivery and receipt of the Forest Material mentioned in section 3.4. of the Standard Terms or accepting another document that verifies the delivery;

5.1.2. in case of an advance payment after receipt of the advance payment, but before delivering the Forest Material.

5.2. The Purchaser has the obligation to pay the price of the Forest Material sold or to be sold according to the Contract by the Deadline of Payment to the bank account(s) shown on the invoice; in case of advance payment to the bank account(s) indicated by the Supplier. An invoice is deemed paid if the Purchaser has submitted the payment order to the credit institution servicing the Purchaser.

5.3. The sum subject to payment for the Forest Material sold or to be sold is set by the Supplier in the instrument of delivery and receipt of the Forest Material or another document that verifies the delivery based on the quantity and quality of the Forest Material or, in case of an advance payment, based on the Delivery Quantities agreed upon earlier.

5.4. If the amount of advance payment the Purchaser has paid is smaller than the cost of the Forest Material delivered, the Purchaser will pay the sum not paid based on the invoice presented by the Supplier by the date shown on the invoice. If the amount of advance payment the Purchaser has paid is larger, by the agreement between the Parties, the Supplier will present a credit invoice or count the sum overpaid as an advance payment for the following Delivery Quantities.

ARTICLE 6

THE LIABILITY OF THE PARTIES IN CASE OF BREACHING THE PROVISIONS OF THE CONTRACT

6.1. In case the Supplier delays the delivery of the Forest Material over the deadline prescribed in the Contract (temporal distribution of the Forest Material provided for in the Delivery Schedule), the Purchaser has the right to demand the payment of contractual penalty in the amount of 0.15% (zero point fifteen per cent) of the cost of the amount of Forest Material not delivered for every Day the delivery has been delayed. Contractual penalty is not applied to the Supplier in the limits of the fluctuation of Delivery Quantities of the Forest Material allowed in the Contract. A delay no longer than 7 (seven) Days in the delivery of the Forest Material on the part of the Supplier is not considered a significant breach of Contract and therefore does not allow the Purchaser to implement other legal remedies set forth in § 105 of the Law of Obligations Act besides the contractual penalty prescribed in the present section.

6.2. In case the Purchaser delays extracting the Forest Material from the Storage of the Supplier longer than the deadline set forth in the Contract, the Supplier has the right to demand the payment of contractual penalty in the amount of 0.15% (zero point fifteen per cent) of the cost of the load not extracted for every Day delayed and demand a compensation of the loss inflicted by the delay in amount not covered with the contractual penalty. If the Supplier has not used the right to demand contractual penalty and compensation of the loss the Supplier has the right to sell that Forest Material to any third party. In such a case the Supplier has no Contractual obligation to deliver to the Purchaser the Forest Material undelivered for the reasons mentioned in the present section of the Standard Terms, as well as compensate the Purchaser the loss for the reason mentioned or pay a contractual penalty.

6.3. In case the Purchaser does not forward the measuring results to the Supplier by the deadline set forth in the Contract, the Supplier has the right to demand a contractual penalty in the amount of 0.15% (zero point fifteen per cent) of the delivered measurable Forest Material for every Day delayed or to consider as delivered Forest Material quantity the amount dispatched with the document of carriage by the Supplier.

6.4. In case the Purchaser has not paid the price of the Forest Material by the Deadline of Payment, the Supplier has the right to

demand a fine for delay in the amount of 0.15% (zero point fifteen per cent) of the unpaid sum for every Day delayed.

6.5. In case the Purchaser has not paid in full for the Forest Material delivered to it by the Day following the Deadline of Payment or in case the total sum of the Purchaser's fiscal obligations due to the Contract supersedes the Credit Limit or in case the Purchaser has not paid the Supplier other arrears by Deadlines of Payment, the Supplier has the right to unilaterally:

a) refuse fulfilling the obligations until the full payment of the debt; or

b) terminate the Contract without appointing the Purchaser a further deadline of fulfilment and require from the Purchaser, in addition to fines for delay, compensation for the damage as well.

If the Purchaser pays the debt and the fines for delay and compensates the losses inflicted to the Supplier after the Supplier has terminated the Contract or refused fulfilling the obligations as set forth in the present section, the Supplier is not Contractually obligated to deliver to the Purchaser the Forest Material left undelivered during period prescribed in section 6.5.a) of the Standard Terms, unless the Parties agree differently in written form.

6.6. If the Purchaser has failed to pay the advance payment requested by the Supplier, the latter shall have the right to unilaterally refuse to comply with the Delivery Schedule and demand that the Purchaser pay a contractual penalty in the amount of 10% of the amount of the advance payment and, upon incurring any damage, compensation for damage that exceeds the sum of the contractual penalty. If the Purchaser pays the advance payment and, upon causing damage, compensates the losses to the Supplier after refusing to adhere to the Delivery Schedule, one of the following is done at the written agreement of the Parties:

a) either the sum of advance payment for the Forest Material left undelivered at the time of refusing to adhere to the Delivery Schedule is considered to be advance payment for the next Delivery Period; or

b) it is returned to the Purchaser.

If the advance payment is not made, the Supplier has no Contractual obligation to deliver to the Purchaser the Forest Material left undelivered at the period of refusing to adhere to the Delivery Schedule, unless the Parties agree differently in written form.

6.7. In case one of the Parties significantly breaches its Contractual obligations, the other Party has the right to terminate the Contract with the advance notification of 14 (fourteen) Days and demand the Party in breach of the Contract for the compensation of losses and payment of fine for delay or contractual penalty.

6.8. If the Purchaser has failed to pay the advance payment for the first volume of the Forest Material to be delivered on the basis of the Contract, the Supplier shall have the right to withdraw from the Contract and demand the payment of the contractual penalty provided in clause 6.6 of the Standard Terms as well as compensation for any damage.

6.9. In case the Purchaser does not pay for the received Forest Material according to the deadlines and provisions set forth in the Contract, the Supplier has a right to withdraw from the Contract. In such a case the Purchaser is obliged, at the written demand of the Supplier, to return the Forest Material in the same quantity and quality.

6.10. In case the Supplier has refused fulfilling its obligations according to section 6.5 of the Standard terms, the Purchaser has no right to make any demands to the Supplier with regard to the quantity of Forest Material set forth in the Contract left undelivered, including demanding compensation of losses and payment of contractual penalty.

6.11. The Purchaser is obliged to compensate to the Supplier all costs the Supplier has carried regarding recovering Contractual debts from the Purchaser and legal expenses concerning solving Contractual disagreements.

6.12. All contractual demands of fines for delay and/or contractual penalties must be submitted at a reasonable time following the discovery of a breach of Contract, but no later than 60 (sixty) Days after the discovery of a breach of Contract.

6.13. The Supplier and the Purchaser agree that when paying debts, fines for delay, contractual penalty or compensation of losses, the Supplier considers the fines for delay, contractual penalty and compensation of losses paid first and only after that the basic part of the arrears.

ARTICLE 7

THE VALIDITY OF THE CONTRACT

7.1. The Contract will enter into force and be valid from the moment it is signed by the Parties or from the date set forth in the Contract of sale of Forest Material and is valid until the validity deadline set forth in the Contract of sale of Forest Material.

7.2. The Contract may be terminated prematurely with a written agreement of the Parties. The declarations of withdrawing from the Contract, terminating or cancelling the Contract must also be submitted in written form. Except in a case prescribed in section 6.5.b) of the Standard Terms, the right of the Parties to cancel the Contract ends when the Party entitled to cancel the Contract does not present the declaration of cancellation to the other Party within 60 (sixty) Days from discovering the circumstance entitling the cancellation of the Contract.

7.3. In case the Parties have not reached a price agreement by the deadline set forth in section 2.1.2. of the present Standard Terms, but the Contract has not been cancelled or terminated, the price of the latest Price Agreement will be valid for 30 (thirty) Days after the end of validity of the last Price Agreement. If the Parties have not agreed on a price of the Forest Material sold according to the Contract within 30 (thirty) Days after the ending of the last Price Agreement, the Supplier has the right to cancel the Contract without giving prior notice. The Parties are not entitled to circumvent reaching a Price Agreement without reasonable explanations. The Parties are obliged to reply to proposals of the other Party regarding the price of the Forest Material for the next Price Period.

7.4. At the termination of the Contract for whatever reason, including the loss of validity of the Contract, those provisions of the Contract will apply as binding for the Parties that by nature set forth rights and obligations for the Parties after the termination of the Contract, including especially the provisions that designate the order of solving disputes between the Parties, paying fees prescribed in the Contract and the order of calculating and paying those fees, the way of interpreting the provisions of the Contract, the obligation of confidentiality and the liability of the Parties.

ARTICLE 8

FORCE MAJEURE

8.1. A Party to the Contract shall not be liable for any loss caused by breaching its obligations and for paying fines of delay and penalties and for any other sanctions when the breach of obligations is caused by circumstances considered to be Force Majeure. For the purposes of the Contract, in addition to as stated in the law, a Force Majeure is a circumstance such as flooding, fire, earthquake or other natural disaster, war or military operations, the adoption and enactment of laws by the Riigikogu, the legal acts adopted by the Government of the Republic and/or ministers and/or state agencies administered by the government and/or local governments that render impossible the performance or due performance of the Contract, as well as circumstances that are considered a Force Majeure in judicial practice and that the Party was not able to influence and the Party could not have been reasonably expected to have taken that circumstance into consideration, to have avoided that circumstance at the time of concluding the Contract or to overcome the circumstance or the result of the circumstance. For the purposes of the Contract, Force Majeure shall also include restrictions to use roads or forests or no bearing capacity of forest soil due to overmoisture or standstill of harvesting and wood transportation vehicles due to severe cold, if such restrictions prevent the Supplier from performing its Contractual obligations and the replacement of the obligations of the Supplier is not possible even by applying reasonable efforts.

8.2. If Force Majeure prevents the performance of the contractual obligations in due time, the time for the performance of such obligations shall be extended by the period during which the

performance of such obligations was prevented due to Force Majeure.

8.3. The Party whose activities in the performance of the contractual obligations were prevented due to Force Majeure shall notify the other Party of that promptly, but no later than in 7 (seven) Days in writing.

8.4. Force Majeure does not release the Parties from the obligation to take all possible measures to prevent or reduce the loss caused by the breach of its obligations.

8.5. If the circumstances of Force Majeure last longer than 90 (ninety) Days, the Party whose activities in the performance of the contractual obligations were prevented, has the right to unilaterally terminate the Contract due to Force Majeure.

ARTICLE 9

COMMUNICATION BETWEEN PARTIES

9.1. All contractual notices between the Parties must be presented in written form, except on occasions when such notices are of informational character, the forwarding of which to the other Party does not have legal ramifications.

9.2. The notice is considered delivered:

9.2.1. on the Day when the notice has been delivered to the Party's representative against signature; or

9.2.2. the fifth (5) Day after the notice has been sent to the Party by registered mail; or

9.2.3. the day fixed on the fax machine of the Party that issued the notice, if the report of the fax machine of the Party issuing the notice indicates that the notice has reached the fax machine of the other Party; or

9.2.4. in case of issuing the notice with a digital signature by electronic mail at the time of giving the digital signature if the time of giving the digital signature is identifiable in a relevant manner.

9.3. An informational notice may be forwarded orally, by telephone and by electronic mail.

9.4. The notice specified in section 3.2 of the Standard Terms may be forwarded either in writing or in a format which can be reproduced in writing.

9.5. The Parties have an obligation to notify the other Party immediately upon the change of their contact information indicated in the Contract.

ARTICLE 10

THE AMENDMENT OF THE CONTRACT

10.1. At performing or amending the Contract the inaction or silence of a Party is not considered to be an indication of will even when the Parties have given such meaning to inaction or silence earlier or if it is due to customary practice of transactions conducted with Forest Material.

10.2. The Contract of sale of Forest Material may only be amended by a written agreement of the Parties. The agreement to amend the Contract of sale of Forest Material enters into force and is valid from the moment the representatives of the Parties have signed it or from the date set forth in the agreement.

10.3. The Supplier shall have the right to unilaterally amend the Standard Terms or establish new Standard Terms upon:

a) any amendments in valid legislation or amendments in the Forest Material commercial practices or the technical or essential development of the field;

b) any necessity to specify the circumstances in relation to the sale of the Forest Material.

The Supplier has to send the amended Standard Terms to the Purchaser latest 30 (thirty) Days prior imposing them. If the Purchaser disagrees with a change of the Standard Terms, it has a right to terminate the Contract during period prescribed in section 7.2 of the Standard Terms. If the Purchaser has not terminated the Contract within this period it is understood that it has agreed with the amended Standard Terms.

ARTICLE 11

CONFIDENTIALITY

11.1. The content of the contract is confidential. Confidential information is not deemed to include such information related to the Contract the disclosure of which is prescribed by law, other legislation or the Instructions.

11.2. The disclosure of confidential information related to this Contract to third parties is only permitted with the prior written consent of the other Party.

11.3. The confidentiality obligation does not extend to the disclosure of information to the Parties' auditors, advocates and banks and to companies providing services related to recovery of debts, on the condition that such third parties are bound in the contracts entered into with them by the obligation to maintain the confidentiality of this Contract.

ARTICLE 12

SOLVING DISPUTES

12.1. Contractual disputes between the Parties shall be solved by negotiations based on mutual understanding.

12.2. In case of a Contractual dispute the Parties are obligated to turn to the other Party with a written proposal to solve the contractual disagreement. In such written proposal must be presented the circumstances causing the dispute and the Party's proposal regarding the time and location of the negotiations. The Party receiving the proposal is obliged to reply to the notice in writing within 5 (five) Days from receiving the proposal.

12.3. Minutes shall be taken of the negotiations to solve the contractual disputes between the Parties. The minutes shall fix the agreements between Parties regarding solving the dispute. In case the Parties do not reach an agreement in the course of negotiations, the differences between the Parties and the reasons for not agreeing with the proposals of the other Party shall be fixed in the minutes of the negotiations.

12.4. If the Contractual dispute is not solved with an agreement between the Parties, a Party has the right to turn to court to seek solving the dispute. The contractual disputes are subject to the Harju County Court.

12.5. During the time of solving the disputes the Parties are obliged to continue carrying out the Contract in a way least detrimental to the interests of the Parties.

ARTICLE 13

OTHER CONDITIONS

13.1. Both Parties have the right to transfer their contractual obligations partially or fully to third parties only by the other Party's prior written consent, except when the transfer of obligations is made to the legal successor of the Party.

13.2. If a Party wishes to offset a contractual claim with another Party's claim, when the set-off is done, the other Party's contractual claim is considered finished from the moment the other Party receives the declaration of set-off. In the case of a set-off, the Party that made the declaration of set-off is obliged to pay to the other Party, until the moment the other Party receives the declaration of set-off, the fines of delay due to be paid regarding the claim to be offset.

13.3. The Supplier has joined the electronic conveyance register and does not forming paper conveyance documents. Cost of the conveyance document has established with the price list of the service provider. If the Purchaser has not joined with this register, it undertakes to inform the Supplier within 7 (seven) Days of the conclusion of the Contract of its agreement or disagreement to compensate the cost of the electronic conveyance document paid by the Supplier.