

TERMS OF SERVICE

1. **Contractual Relationship.** By entering into an agreement, whether by a written agreement or through fulfillment of any Purchase Order (in either case, the "Agreement") to sell and deliver wood and wood fiber material ("Material") to **Binderholz Live Oak LLC**, Florida limited liability company ("BUYER"), you (as "SELLER"), have agreed to be bound by these Terms of Service (these "Terms"). BUYER may amend these Terms from time to time. Amendments will be effective upon BUYER's posting of such updated Terms on its website. SELLER's continuation of the Agreement after such posting confirms its consent to be bound by the Terms, as amended. Each of BUYER and SELLER is a "Party" and they are collectively the "Parties" hereunder.

2. **Purchase of Material.** SELLER agrees to sell and deliver Material to BUYER, and BUYER agrees to accept and pay for Material, in accordance with these Terms during the term of the Agreement. The rates of payment, delivery destinations (each a "Destination"), units of deliveries per period, delivery window (beginning date and ending date), and material specifications for material purchased shall be separately documented in the form of purchase order used by BUYER from time to time (the "Purchase Order"). Unless otherwise agreed to by the Parties in writing any Purchase Order shall be subject to the Terms. The amount of Material described in any Purchase Order is an estimate only and the actual amount of Material purchased by BUYER may deviate by up to ten percent (10%) of any amount shown in a Purchase Order.

3. **Price and Payment.** Unless otherwise specified in the Agreement, BUYER shall pay for Material delivered as specified hereunder within ten (10) days from the last day of the week in which deliveries of Material are made.

4. **Delivery and Acceptance.** All Material delivered BUYER shall be scaled or weighed upon receipt at the Destination and the billing measurements will be expressed in U.S. Dollars per ton per product after scaling/weighing on BUYER's calibrated scale. SELLER agrees to be bound by such scale, including deductions for Material not meeting the Specifications or the warranties of SELLER in Sections 6 or 7 of these Terms. In the event that any of the Material does not meet the Specifications or warranties provided in these Terms, BUYER reserves the right, in its sole discretion, to reject the unacceptable Material, without invalidating the entire order, or to cancel the entire order. Because of the expense to BUYER, SELLER agrees that BUYER may dispose of or utilize Material not meeting the Specifications in any manner BUYER chooses without holding such Material for SELLER's inspection. Unless otherwise agreed, BUYER shall not pay SELLER for any Material not meeting Specifications regardless of how such Material is utilized (or disposed of) by BUYER. In the event that BUYER cancels all or a portion of a given order, SELLER shall promptly refund to BUYER any and all funds paid to Seller in consideration of such rejected Material.

5. **Title and Risk of Loss.** Title to and risk of loss of all Material furnished to BUYER shall remain with SELLER until receipt, inspection, scaling and Acceptance of the Material by BUYER at the applicable Destination. SELLER specifically agrees to indemnify and hold BUYER harmless from any liabilities or damages arising from any and all claims to the contrary or out of the sale of said Material.

6. **Warranties of SELLER.** Notwithstanding any limitations to the contrary in Seller's credit note and/or other sales documentation, SELLER expressly warrants to BUYER that:

- (a) SELLER has good, clear and unencumbered title to the Material sold to BUYER and has the full lawful right to sell said Material;
- (b) the Material is merchantable and fit for its intended use;

- (c) the procurement and delivery of the Material conforms to all Applicable Laws and Best Management Practices relating to the procurement and sale of timber or timber-derived materials; and
- (d) all round wood used in its operation and products derived from and delivered to BUYER's operations are harvested by loggers who are in full compliance with the applicable State Implementation Committee's standards under the Sustainable Forestry Initiative Program, including the Best Management Practices.

7. **Confirmation of Sourcing.** With respect to the sourcing of the Material, SELLER expressly warrants to BUYER and agrees as follows:

- (a) the origin of the Material supplied is known to the BUYER and verifiable (by documentation if necessary);
- (b) no Material is the result of illegal felling;
- (c) no Material has been sourced from any of the following areas: (i) any area, where human and basic rights are violated or in which the ILO conventions concerning the employee rights are not applied with respect to the treatment of the employees (especially ILO Convention No. 138 concerning the minimum age for admission to employment); (ii) any protected forests; (iii) forests including genetically manipulated tree substance; and (iv) any tree stands treated with radiation or with other than accepted control substances;
- (d) the Material does not originate from uses, which jeopardize the transformation of forest into other types of vegetation (deforestation) and/or the biodiversity of the impact area;
- (e) the use and production of the raw material does not adversely affect the rights of third parties, in particular the rights of indigenous peoples;
- (f) the raw material does not originate from the management of areas, which according to law have a high environmental and cultural value or from felling of protected and endangered species, including CITES requirements;
- (g) the material supplied does not contain any genetically modified organisms;
- (h) in furtherance of the applicable forestry certification standards, tree-felling by upstream suppliers shall be subject to third party monitoring and audit;
- (i) SELLER shall promptly notify Buyer regarding any changes to the composition or origin of Material or any change of any upstream supplier;
- (j) SELLER shall accept and allow direct or third party audits regarding the originality of the Material;
- (k) SELLER certifies that all round wood used in its operation and products derived from and delivered to BUYER's operations are harvested by loggers who are in full compliance with the applicable State Implementation Committee's standards under the Sustainable Forestry Initiative ("SFI") Program, including the Best Management Practices; and

- (l) Upon request of BUYER, SELLER shall provide documentation of compliance to the third party auditor designated by the BUYER with respect to SFI compliance.

8. **Compliance with Laws.** SELLER agrees to comply with all Applicable Laws and the Best Management Practices and SELLER specifically agrees to indemnify and hold BUYER harmless from any claims, liabilities or expenses arising out of the violation of any such laws, rules, regulations and practices by SELLER its officers, agents, employees and/or contractors.

9. **Independent Vendor.** The Parties agree that SELLER is an independent vendor and that nothing contained in the Agreement or these Terms shall be deemed to create or imply any other relationship between SELLER and BUYER.

10. **Termination.** Either Party may cancel the Agreement or reduce the amount of Material delivered or accepted under the Agreement at any time by giving written notice to the other Party at least (5) Business Days in advance of the effective date for such termination or the reduction of the amount of Material to be delivered pursuant thereto. BUYER may terminate the Agreement immediately upon a breach of these Terms. In addition, BUYER may terminate or renegotiate the Price outlined in the Agreement, in its sole discretion, immediately, without penalty, upon the occurrence and continuance of a Market Influencing Forestry Event.

11. **Safety Rules.** SELLER, its officers, agents, employees and contractors shall comply with (a) the safety regulations of the U.S. Occupational Safety and Health Administration and any similar State law by wearing proper safety equipment, and will become familiar, and (b) any and all established safety rules, procedures and practices of BUYER for unloading at the Destination, including the truck loading specifications of BUYER (collectively, the "Safety Rules"). Upon failure by SELLER (or its officers, agents, employees and contractors) to comply with the Safety Rules, BUYER shall have the right to refuse to unload and accept delivery of SELLER's Material and BUYER shall not be liable to SELLER for any payment in respect of such delivery nor be considered to be in breach of these Terms for failure to accept delivery.

12. **Indemnity.** To the fullest extent permitted by law, SELLER shall defend with counsel reasonably acceptable to BUYER and indemnify and hold harmless BUYER, BUYER's affiliates, officers, directors, shareholders, members, successors-in-interest, assigns, partners, agents, contractors, consultants and employees of any of them (individually, an "Indemnitee" and collectively, the "Indemnitees") from and against claims, demands, damages, losses, suits, judgments, awards and expenses, including but not limited to attorneys' fees, arising out of or resulting from SELLER's actions or inactions, provided that such claim, damage, loss, suit, judgment, award or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, including loss of use resulting therefrom, but only to the extent caused in whole or in part by the actions or inactions of SELLER, its consultants, subcontractors or independent contractors, any of their agents, representatives, affiliates, contractors and/or, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss, or expense is caused in part by a Party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a Party or person described in this Section 12. In claims against any Indemnitee by an employee of SELLER, a consultant or subcontractor of SELLER, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, the indemnification obligation hereunder shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for SELLER, its consultant or subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

13. **Insurance.** SELLER shall maintain adequate workers' compensation insurance and other forms and types of general commercial liability insurance as more particularly set forth herein to fully protect, pay, reimburse, and indemnify BUYER and SELLER from all liability of any nature arising as a result of SELLER'S operations to harvest and deliver the Material and SELLER shall provide proof of adequate insurance to BUYER upon request. SELLER shall, at all times during the term of the Agreement, maintain the following insurance and provide to BUYER a certificate of insurance in form acceptable to BUYER, evidencing such insurance prior to commencing activities hereunder, and periodically as needed thereafter to show continuing coverage:

- (a) Commercial General Liability Insurance with a minimum limit of \$1,000,000 per occurrence for bodily injury and property damages, and with Products and Completed Operations and Aggregate Liability coverages, and shall name Buyer as an additional insured on such policy using Endorsement CG 20 26 11 85, with such insurance being primary to and not in excess of any other insurance available to BUYER;
- (b) Worker's Compensation and Employers' Liability Insurance, as prescribed by applicable law, at the statutory limits. Such insurance shall contain a waiver of the right of subrogation against BUYER and an assignment of statutory lien, if applicable; and
- (c) Automobile Liability Insurance, covering all owned, non-owned, hired and leased vehicles with a minimum combined single limit for Bodily Injury and Property Damage of \$1,000,000 per accident, with Contractual Liability coverage;
- (d) Employers' Liability with policy limits not less than One Million Dollars (\$1,000,000) each accident, and One Million Dollars (\$1,000,000) each employee; and
- (e) Excess or umbrella coverage, with policy limits of not less than One Million Dollar (\$1,000,000) each occurrence and One Million Dollars (\$1,000,000) general aggregate, providing excess coverage for Commercial General Liability, Automobile Liability and Employer's Liability. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

At the time of commencement or renewal of any Agreement, SELLER shall provide certificates of insurance acceptable to BUYER evidencing compliance with the requirements in this Section 13. To the fullest extent permitted by law, SELLER shall cause the commercial liability coverage required by this Section 13 to include BUYER as additional insured for claims caused in whole or in part by SELLER's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of BUYER's general liability insurance policies and shall apply to both ongoing and completed operations. If BUYER is damaged by the failure of SELLER or any subcontractor or consultant to purchase or maintain insurance required under this Agreement, then SELLER shall bear all reasonable costs, including but not limited to attorneys' fees, consultant fees and court and settlement expenses, attributable thereto. BUYER and SELLER agree to waive all rights against (1) each other and any of their subcontractors or consultants, agents, and employees, each of the other, for damages caused by fire, or other causes of loss, to the extent those losses are covered by property insurance, except such rights as they have to proceeds of such insurance. This waiver of subrogation shall be effective as to a person or entity (1) even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, (2) even though that person or entity did not pay the insurance premium directly or indirectly, or (3) whether or not the person or entity had an insurable interest in the damaged property.

Such insurance coverages shall be independent of the indemnity provisions set forth in Section 12 of these Terms and are not designed solely to guarantee payment of SELLER'S indemnity obligations. If SELLER or any agent or subcontractor of SELLER, operates without the insurance required in this Section 13, or if any insurance required herein lapses during the term of the Agreement, SELLER shall be in breach of these Terms and BUYER may immediately terminate the Agreement.

14. **Taxes.** Unless otherwise agreed, SELLER covenants and warrants that all ad valorem taxes and special assessments and documentary stamp taxes, pertaining to the purchase, sale, severance and delivery of the Material sold pursuant to these Terms, have been paid or will be paid in accordance with the laws, rules, and regulations governing the taxing jurisdiction having authority (if any) over the Material produced and that all reports, tax forms and other documents required by said authorities have or will be filed in a timely manner.

15. **Damages.** BUYER shall not be liable to SELLER for special or incidental damages, lost profits, production or revenues or consequential damages arising, directly or indirectly, out of or in connection with the Agreement or these Terms. For the purposes of this Section 15, SELLER shall be defined to include SELLER, its subsidiaries, affiliates, contractors and subcontractors and related companies and their respective officers, directors, agents and employees.

16. **Alcohol, Drug, and Firearm Policy.** SELLER hereby agrees that SELLER is aware of BUYER's policy that being under the influence of, bringing in, possessing, providing, manufacturing, or other production of, buying, selling or using alcoholic beverages, unauthorized drugs or controlled substances, and/or possession of firearms on property owned, leased or controlled by BUYER is strictly prohibited. SELLER understands and agrees that SELLER, its officers, agents, employees and contractors will follow this policy during the term of the Agreement.

17. **Force Majeure.** The Parties shall use reasonable best efforts to mitigate the effects of the Force Majeure, and if the cause of Force Majeure can be minimized or remedied, the Parties shall use reasonable best efforts to do so promptly. Subject to the provisions of this Section 17, neither Party shall be liable hereunder for a delay in or failure of performance of its obligations hereunder that is caused by Force Majeure. The quantity of any Material otherwise required to be purchased or delivered under an Agreement shall be reduced as a result of Force Majeure for the period during which such Force Majeure is in effect and continuing (such period, the "Force Majeure Period"), based on the respective quantity for each Calendar Year in which such Force Majeure is in effect, prorated (if applicable) for the portion of such year constituting all or part of such Force Majeure Period. Force Majeure shall not relieve a Party of its obligations or liability under an Agreement unless such Party shall give notice (including a reasonable description of such Force Majeure) to the other Party as soon as reasonably possible and in any event within fifteen (15) days of the occurrence of such Force Majeure. Upon request, the Party whose obligations were suspended shall provide the other Party with a plan for remedying the effects of such Force Majeure. The Party prevented from performing by Force Majeure shall keep the other Party advised by written notice of all matters affecting such Force Majeure, and the extent of the delay by reason thereof. Such Party shall notify the other Party in writing of the termination of such Force Majeure within ten (10) days after such termination.

18. **Governing Law.** The Agreement and these Terms shall be construed under, subject to, and governed by the laws of the State of Florida. Except as otherwise provided for herein, each party hereto hereby consents and submits to the jurisdiction of the federal or state courts of the State of Florida, and expressly waives any right to challenge the venue and jurisdiction of any federal or state court in the State of Florida.

19. Arbitration. Any controversy or claim arising out of or relating to the Agreement and these Terms, including without limitation any dispute concerning the construction, validity, interpretation, enforceability or breach of the same, shall be exclusively resolved by binding arbitration administered by the American Arbitration Association in accordance with its most current Commercial Arbitration Rules before one (1) arbitrator, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Within ten (10) days after the commencement of the arbitration, the Parties shall select the arbitrator by mutual agreement. If unable to agree on the arbitrator, the AAA shall select the arbitrator. Unless otherwise agreed to by the Parties, the arbitrator shall be a state forester or timber consultant. This agreement to arbitrate shall be specifically enforceable. A Party may apply to any court with jurisdiction for interim or conservatory relief, including without limitation a proceeding to compel arbitration. It is specifically understood and agreed that any Party may enforce any award rendered pursuant to the arbitration provision of this Section 19 by bringing suit in any court of competent jurisdiction. The place of arbitration shall be Jacksonville, Florida, and the arbitration shall be conducted in English. The laws of the State of Florida shall apply without regard to principles of conflict of law. The Parties agree that R-37 and R-38 of the Commercial Arbitration Rules providing for interim and emergency relief shall apply to the proceedings, if necessary. The Parties agree that the arbitrator shall have the authority to grant injunctive or other forms of equitable relief to any Party. The arbitrator shall have no authority to award punitive, consequential, special or indirect damages. The cost of the arbitration proceeding and any proceeding in court to confirm or to vacate any arbitration award, as applicable (including, without limitation, reasonable attorneys' fees and costs), shall be borne by the unsuccessful Party, as determined by the arbitrator, and shall be awarded as part of the arbitrator's award. This Section 19 shall survive the termination or cancellation of the Agreement.

20. Notices. Any and all notices, requests, demands or other communications required or permitted to be given (each, a "Notice") shall be in writing and shall be deemed to have been given on the earlier to occur of (a) if delivered personally, the date of the actual delivery to such Party, (b) if mailed, three (3) Business Days after the date mailed by certified or registered U.S. mail, return receipt requested, with postage prepaid, (c) if sent with a nationally recognized overnight courier services, fees prepaid, the first Business Day following receipt of the notice by the courier service for delivery or (d) if by electronic transmission (including email), on the day of such electronic transmission, and addressed to the intended recipient at the address specified for Notice by each Party in the Agreement.

21. Successors and Assigns. These Terms shall be binding on and inure to the benefit of the heirs, legal representatives, successors and assigns of the Parties hereto, except no Agreement shall not be assigned by Seller without the written consent of Buyer, which consent shall not be withheld unreasonably.

22. Entire Agreement. These Terms are intended by the Parties hereto to be, an integration of any and all prior agreements and understandings, oral or written, with respect to the sale, purchase and delivery of the Material as provided herein.

23. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the following meanings:

- (a) "Acceptance" shall mean an acceptance act (including by email), for which the measurement result has been finally solved in a manner in which the acceptance document has been drafted or the acceptance certificate has been signed for any Material that is not subject to deductions or rejection by Buyer.
- (b) "Applicable Laws" shall mean any all applicable federal, State, and local laws, rules, and regulations, including, but not limited to, the Clean Water Act, the Endangered Species Act, all

rules and regulations of the U.S. Department of Agriculture, the National Resource Conservation Service, the Environmental Protection Agency, and any applicable agency of any State from which the Material is sourced at all times, whether now enacted or that become law during the initial term or any extension hereof.

- (c) “Best Management Practices” shall mean the Best Management Practices for any State from which the Material is sourced, from time to time, and such practices shall be deemed to be automatically updated upon any supplement or amendment to such State’s Best Management Practices without any further action of the Parties.
- (d) “Business Days” shall mean any day that banks are open for business (other than Saturday or Sunday) in the State where the Destination is located.
- (e) “CITES” shall mean the Convention on International Trade in Endangered Species of Wild Fauna and Flora.
- (f) “Force Majeure” shall mean any cause, condition or event beyond BUYER’S and/or SELLER’S reasonable control that delays or prevents either Party’s performance of its obligations hereunder, including war, acts of terrorism (which shall not include civil demonstrations), acts of government (including stay at home orders), acts of public enemy, riots, lightning, fires, explosions, storms, floods, infestation, power failures, other acts of God or nature, labor strikes or lockouts by employees, or other disputes involving either Party, pandemics, adverse financial or market conditions, an involuntary ceasing of operations at the BUYER’S sawmill for a minimum of thirty (30) consecutive days, and other similar events or circumstances; provided, however, that “Force Majeure” shall not include (i) a Party’s financial inability to perform (unless such inability is caused by a general suspension of payments by banks in the United States), or (ii) an act, omission or circumstance arising from the negligence or willful misconduct of the Party claiming that a Force Majeure event has occurred.
- (g) “Market Influencing Forestry Event” shall mean any actual or threatened destruction of the source of the Material caused by wind, fire, insects, illness or animals or other natural or biological forest destruction the effect of which the price of pulpwood or logs decreases by more than fifteen percent (15%) according to applicable pricing statistics or by more than twenty-five percent (25%) of the regular annual felling potential in the relevant region suitable for harvesting. In such event, the SELLER shall immediately return to the Buyer all possible advance payments and other payments received by the SELLER.
- (h) “Specifications” shall mean the specifications of BUYER.
- (i) “State” any state within the United States of America.

Last updated: 19th January 2021