

TERMS AND CONDITIONS OF PURCHASE

THESE TIMBERPAK LLC STANDARD TERMS AND CONDITIONS (THE “CONDITIONS” AS AMENDED FROM TIME TO TIME) FOR THE PURCHASE OF GOODS ARE THE ONLY TERMS UPON WHICH TIMBERPAK LLC WILL PURCHASE GOODS OF ANY DESCRIPTION.

1. INTERPRETATION

1.1 In these Conditions the following words shall have the following meanings:

“the Company” Timberpak LLC, a Delaware limited liability company.

“the Contract” the Order and the Seller’s acceptance of the Order.

“Goods” any materials, goods or services agreed in the Contract to be purchased by the Company from the Seller (including any part or parts of them);

“Order” the Company’s written instruction to supply the Goods, incorporating these Conditions;

“Seller” the person, firm or company who accepts the Company’s Order.

1.2 In these Conditions references to any Statute or statutory provision shall, unless the context otherwise requires, be construed as a reference to that Statute or provision as from time to time amended, consolidated, modified, extended, re-enacted or replaced.

1.3 In these Conditions references to the masculine include the feminine and the neuter and to the singular include the plural and vice versa as the context admits or requires.

1.4 In these Conditions the headings are for reference only and will not affect the construction of these Conditions.

2. APPLICATION OF TERMS

2.1 Subject to the terms of the Contract, the Company agrees to purchase from Seller, and Seller agrees to provide to the Company, the Goods as are identified in the Order, and subject to these Conditions.

2.2 These Conditions are the only conditions upon which the Company is prepared to deal with the Seller and they shall govern the Contract to the entire exclusion of all other terms or conditions. The Company expressly rejects all other Terms and Conditions presented by Seller, including any additions or modifications to these Conditions presented by Seller, covering the Contract or the Goods, unless expressly agreed to in writing by the Company.

2.3 The Company reserves the right to modify these Conditions at any time, for any reason, and without notice to Seller, and Seller expressly waives any right or requirement to receive notice of any modification or alteration of these Conditions. The modified Conditions will become effective immediately, and will apply to all Orders placed after the date these Conditions are published on the Company’s website. SELLER IS URGED TO FREQUENTLY CHECK THE COMPANY’S WEBSITE FOR ALTERATIONS OR MODIFICATIONS TO THE CONDITIONS.

2.4 Each Order for Goods by the Company from the Seller shall be deemed to be an offer by the Company to purchase Goods subject to these Conditions and no Order

shall be accepted until the Seller either expressly by giving notice of acceptance, or impliedly by fulfilling the Order, in whole or in part unconditionally accepts the offer. Seller will be deemed to have accepted these Conditions, without modification, upon the earliest of:

- 2.3.1 Seller's acceptance via a formal written acknowledgment to Company;
- 2.3.2 Seller's delivery of any Goods that are subject of the Contract; or
- 2.3.3 Any other conduct by Seller that recognizes the existence of the Contract, including, without limitation, preparation for or commencement of any of the work stated in the Order.

2.5 No terms or conditions endorsed upon, delivered with or contained in the Seller's quotation, acknowledgement acceptance of order, specification or similar document will form part of the Contract and the Seller (a) waives any right which it otherwise might have to rely on such terms and conditions and (b) waives any right or claim against the Company that it will impose any other such conditions.

2.6 These Conditions apply to all the Company's purchases and any variation to these Conditions shall have no effect unless expressly agreed in writing and signed by an authorized representative of the Company.

2.7 To the extent the Company and the Seller enter into a separate, written, agreement signed by both Parties governing the sale of Goods, other than the Order and any accompanying acceptance of the Order (the "Subsequent Agreement"), these Conditions shall be supplemental to the Subsequent Agreement. The terms outlined in the Subsequent Agreement shall control over these Conditions.

3. QUALITY AND DEFECTS

3.1 Unless otherwise outlined in the Order, the Goods shall be of the best available design, of new materials and the best quality, material and workmanship, be without fault or defect and conform in all respects with the Order, specifications, and/or patterns supplied or advised by the Company to the Seller, comply with all applicable industry standards, all federal, state, local and foreign Laws and other governmental requirements in force in countries where the Goods are to be sold, be free of infringements of intellectual property rights of third parties, be free of any liens, encumbrances or claims of third parties, and will be merchantable and fit for its particular use as communicated by the Company to Seller, whether contained in the Order or otherwise.

3.2 Seller expressly warrants that for all Goods, Seller shall convey good title to the Company, free and clear of all liens, claims or other encumbrances, effective as of the earlier of (i) the delivery of the Goods, or (ii) the payment in full of the Order, or if the Order constitutes an instalment order, payment in full of such instalment.

3.3 The Company's rights under these Conditions are in addition to the statutory conditions implied in favour of the Company by the Uniform Commercial Code.

3.4 At any time (i) prior to, (ii) within 72 hours of delivery of the Goods to the Company, or (iii) within such reasonable time after delivery of the Goods to the Company if the Goods cannot be reasonably inspected earlier, the Company shall have the right to inspect and test the Goods. Seller acknowledges that the Company is under no obligation to perform an inspection of the Goods and waives any right to require the Company to conduct such inspections. The Company's acceptance, inspection, or failure to inspect does not relieve Seller of any of its

obligations, responsibilities or warranties, including without limitation its obligation to deliver conforming Goods.

- 3.5 If the results of such inspection or testing cause the Company to be of the sole opinion that the Goods do not conform or are unlikely to conform with the Order, to any specifications and/or patterns supplied or advised by the Company to the Seller, or to these Conditions, the Company shall inform the Seller and the Seller shall immediately take such action as mutually agreed is necessary to ensure conformity, and in addition the Company shall have the right to require and witness further testing and inspection. In the event Seller and the Company are unable to mutually agree to a process to ensure conformity as outlined above, the Seller shall cause the Goods to be returned to the Seller within two (2) business days, at the Seller's sole cost and expense, Seller shall refund the full value of the Order paid by the Company to Seller, and the Company shall be free of any and all faults or claims by Seller in, of, or related to the Goods or the Order, including claims for damage or loss as a result of the Company's testing or inspection of the Goods. If the Seller fails to cause the Goods to be returned to the Seller within two (2) business days, the Company may charge the Seller reasonable storage fees for each day the Goods remain on the premises of the Company beyond the second (2nd) day.
- 3.6 Notwithstanding any such inspection or testing, the Seller shall remain fully responsible for the Goods and any such inspection or testing shall not diminish or otherwise affect the Seller's obligations under the Contract.
- 3.7 If any of the Goods fail to comply with the provisions set out in this Section 3 the Company shall be entitled to avail itself of any one or more remedies outlined in Section 3, and/or any one or more remedies listed in Sections 12 or 13.
- 3.8 If necessary, Seller grants to the Company a worldwide, nonexclusive royalty-free, irrevocable license to repair and have repaired, to reconstruct and have reconstructed, to make or have made the Goods ordered under the Contract. Seller assigns to the Company all right, title and interest in and to all trademarks, copyrights and industrial design rights in any material created for the Company under the Contract. Seller agrees that technical information and data furnished to the Company in connection with the Contract are disclosed on a nonconfidential basis.

4. INDEMNITY

To the fullest extent permitted by applicable law, the Seller shall keep the Company indemnified, defend and hold harmless the Company, its affiliates, customers, and their respective shareholders, members, managers, directors, officers, employees, and agents, from and against all direct, indirect or consequential liability, loss, damages (including but not limited to property damage, personal or bodily injury, or death), claims, injury, costs and expenses (including but not limited to court costs and reasonable attorney's fees), inspection, sorting, testing, evaluations, storage, rework or re-procurement expenses, and penalties and/or citations of whatsoever kind, character or description awarded against or incurred or paid by the Company as a result of or in connection with:

- 4.1 defective or alleged defective workmanship, quality or materials;

- 4.2 failure by the Goods to conform to any warranty, including but not limited to any warranty of merchantability or fitness for a particular purpose;
- 4.3 an infringement or alleged infringement of any intellectual property rights caused by the use, manufacture or supply of the Goods;
- 4.4 any violation of any portion of these Conditions;
- 4.5 any negligence or fault or alleged negligence or fault of Seller in connection with the design, manufacture, or provision of Goods; and
- 4.6 any claim made against the Company in respect of any liability, loss, damage, injury, cost or expense sustained by the Company's employees or agents or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Goods.

5. DELIVERY

- 5.1 The Goods shall be delivered, carriage paid, to the Company's place of business or to such other place of delivery as outlined in the Order or as agreed by the Company in writing prior to delivery of the Goods. The Seller shall off-load the Goods as directed by the Company.
- 5.2 The date for delivery shall be specified in the Order, or if no such date is specified then delivery shall take place within 28 days of the Order.
- 5.3 The Seller shall invoice the Company upon, separately from, dispatch of the Goods to the Company.
- 5.4 The Seller shall ensure that each delivery is accompanied by a delivery note which shows, inter alia, the order, number of packages and contents and, in the case of part delivery, the outstanding balance remaining to be delivered.
- 5.5 Time for delivery shall be of the essence.
- 5.6 Unless otherwise stipulated by the Company in the Order, deliveries shall only be accepted by the Company during normal business hours.
- 5.7 If the Goods are not delivered on the due date then, without prejudice to any other rights which it may have, the Company reserves the right to:
 - 5.7.1 cancel the Contract in whole or in part without any liability, cost or fault to the Company;
 - 5.7.2 refuse to accept any subsequent delivery of the Goods which the Seller attempts to make, without any liability, cost or fault to the Company for refusal to accept any subsequent delivery;
 - 5.7.3 recover from the Seller any expenditure reasonably incurred by the Company in obtaining all or some of the Goods in substitution from another supplier; and
 - 5.7.4 claim damages for any additional costs, loss or expenses incurred by the Company which are in any way attributable to the Seller's failure to deliver the Goods on the due date.
- 5.8 If the Seller requires the Company to return any packaging material to the Seller that fact must be clearly stated on any delivery note delivered to the Company and such packaging material will only be returned to the Seller at the cost of the Seller.
- 5.9 Where the Company agrees in writing to accept delivery by instalments the Contract will be construed as a single contract in respect of each instalment. Nevertheless failure by the Seller to deliver any one instalment shall entitle the Company at its option to treat the whole Contract repudiated.

5.10 If the Goods are delivered to the Company in excess of the quantities ordered the Company shall not be bound to pay for the excess and any excess will be and will remain at the Seller's risk and will be returnable at the Seller's expense. If the Seller fails to provide for the return of any excess within two (2) business days of the delivery of the Goods, the Company may charge the Seller a reasonable fee for storage of the excess. If the Seller fails to provide for the return of any excess within ten (10) business days of the delivery of the Goods, the Company may (i) destroy or dispose of the excess at the sole cost and expense of the Seller, in addition to any storage fees, or (ii) in satisfaction of any storage fees and/or destruction/disposal charges, use or retain the excess without making further payment to Seller for such excess.

5.11 Seller shall not, without prior written authorization from the Company, provide to the Company any package or packaging component (including coatings, inks, labels or glues) containing any mercury, cadmium, lead, or hexavalent chromium subject to the provisions of "toxics in packaging" laws.

6. WARRANTY

6.1 In addition to any warranty or representation that Seller has published or otherwise extended to the Company regarding the Goods and without limiting any warranties otherwise set forth in the Contract, Seller expressly warrants that all Goods will strictly conform to the specifications, all applicable industry standards, and all Laws and other governmental requirements in force in countries where the Goods or products equipped with such Goods are to be installed or sold, be free of infringements of intellectual property rights of third parties, and will be merchantable, of good material and workmanship and free from effects. Seller expressly warrants that for all Goods, Seller shall convey good title to the Company, free and clear of all liens, claims or other encumbrances.

6.2 In addition, Seller acknowledges that Seller knows of the Company's intended use of the Goods and expressly warrants that all Goods will be fit and sufficient for the particular purpose intended by the Company, including, without limitation, the specified performance in the component, system, and/or subsystems specified by the Company and the environment in which the Goods are or reasonably may be expected to perform.

6.3 THE WARRANTIES AND REMEDIES CONTAINED IN THIS CONTRACT SUPPLEMENT THE WARRANTIES AND REMEDIES PROVIDED BY THE UNIFORM COMMERCIAL CODE AND SHALL NOT BE DISCLAIMED OR LIMITED IN ANY WAY.

7. RISK/PROPERTY

7.1 Notwithstanding any provision governing the transfer of title to the Goods, the Goods shall remain at the risk of the Seller until delivery to the Company is complete (including off-loading and stacking) when risk of loss in the Goods shall pass to the Company.

7.2 Title to and property in the Goods shall remain with the Seller until the earlier of (i) payment in full is made by the Company, or (ii) delivery of the Goods is completed. In the instance of partial or instalment shipments, Title to and property in the Goods shall transfer upon the earlier of (i) payment of each instalment by the Company, or (ii) delivery of the instalment is completed.

7.3 Notwithstanding the provision contained in clause 7.2 the Seller by accepting the Order gives its consent for the Goods to be used in the manufacturing process of the Company whereby they may be mixed, comingled with, form part of, be indistinguishable from the Goods, and become inseparable from a product which the Company has the power to sell.

8. PRICE

8.1 The price of the Goods shall be stated in the Order and unless otherwise agreed in writing by the Company shall be inclusive of any and all taxes, levies, charges, duties and impositions charged against the Goods, as well as all storage, handling, packaging and all other expenses and charges of Seller. Seller shall have the right to request from the Company evidence of any tax exempt status as it relates to the sale of the Goods.

8.2 The price of the Goods is fixed for the duration of the Contract and not subject to increase for any reason, including but not limited to increase raw material costs, increased labor or other manufacturing costs, increased development costs, currency fluctuations or changes in volumes or project duration. No variation in the price nor extra charges will be accepted by the Company without formal, written amendment, signed by both parties.

9. PAYMENT

9.1 Unless the Order stipulates otherwise the Company shall pay the price of the Goods at the later of (i) the last business day of the month following the month of delivery of the Seller's invoice for the Goods to the Company, or (ii) thirty (30) days following delivery of the Seller's invoice for the Goods to the Company. Notwithstanding anything contrary herein or in the Contract, time for payment shall not be of the essence of the Contract.

9.2 Without prejudice to any other right or remedy, the Company reserves the right to set off any amount owing at any time from the Seller to the Company against any amount payable by the Company to the Seller under the Contract or any prior Contract.

10. CONFIDENTIALITY

The Seller shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the seller by the Company or its agents and any other confidential information concerning the Company's business or its products which the Seller may obtain and the Seller shall restrict disclosure of such confidential material to such of its employees, agents or sub-contractors as need to know the same for the purpose of discharging the Seller's obligations to the Company and shall ensure that such employees, agents or sub-contractors are subject to like obligations of confidentiality as bind the Seller. Any obligation or term as outlined herein shall be cumulative and in addition to any terms, rights or obligations as outlined in any Non-Disclosure Agreement, or other such similar agreement, to the extent the same has been entered into, in writing, and signed by both Parties, whether before or after the issuance of any Order by Company.

11. THE COMPANY'S PROPERTY

11.1 Materials, equipment, tools, dies, moulds, delivery schedules, estimates, forecasts, projections of volume or quantity requirements, copyright, trademark,

patent, trade secret, design rights or any other forms of intellectual property rights in all drawings, specifications and data (the "Information") supplied by the Company to the Seller or not supplied but used by the Seller specifically in the manufacture of the Goods shall at all times be and remain the exclusive property of the Company but shall be held by the Seller in safe custody at its own risk and maintained and kept in good condition by the Seller until returned to the Company and shall not be disposed of other than in accordance with the Company's written instructions, nor shall such items be used other than as authorized by the Company in writing.

11.2 To the extent any Information is provided to Seller from Company, the same is being provided on an AS IS, WHERE IS, and WITH ALL FAULTS basis, and the Company expressly denies any warranty, including as it relates to the accuracy or completeness of the same. Seller shall independently verify the accuracy or completeness of any Information provided by Company to Seller.

11.3 Upon demand by the Company, Seller shall immediately return or destroy any originals and copies of any Information provided by the Company to Seller. If Seller destroys any Information instead of returning the same, Seller shall present to Company a certification of destruction, in a form satisfactory to the Company.

11.4 Seller agrees to and shall assign any and all copyright, trademark, patent, trade secret, design rights or any other forms of intellectual property rights developed by Seller, Seller's agent, or Seller's employee, to the Company, to the extent the same was based on, incorporated, built upon, or in any way was a result of the use of any Information.

12. TERMINATION

12.1 The Company shall have the right at any time and for any reason to modify or terminate the Contract in whole or in part by giving the Seller written notice whereupon all work on the Contract shall be modified or discontinued as set forth in the notice.

12.1.1 If the Company provides notice of modification or termination to Seller in accordance with Paragraph 12.1 above no less than 45 days before delivery is scheduled, as set forth in the Order, the Company shall not be liable for any damages or liability to the Seller, for any reason.

12.1.2 If the Company provides notice of modification to Seller in accordance with Paragraph 12.1 above less than 45 days before delivery is scheduled, the Contract shall be modified equitably based on the modification and, unless otherwise agreed to in writing by the Company and the Seller, the purchase price shall be modified, either an increase or a decrease, on a pro-rata basis.

12.1.3 If the Company provides notice of termination to Seller in accordance with Paragraph 12.1 above less than 45 days before delivery is scheduled, the Company shall pay to the Seller fair and reasonable compensation for work-in-progress at the time of termination. Fair and reasonable compensation for work in progress shall include the reasonable cost for Seller to produce the work in progress, as mutually agreed between the Parties. To the extent the Company issues any payment to Seller in accordance with this Paragraph 12.1.3, the Company shall have the right,

but not the obligation, to acquire the portion of the Goods, in their then present condition, that the Company paid for, and the Company shall pay for any and all reasonable transportation costs associated with acquiring the same.

12.1.4 Notwithstanding anything to the contrary anywhere else in these Conditions, under no circumstances shall the Company be liable to the Seller for any consequential or incidental damages, including any lost or anticipated profits.

12.2 The Company shall have the right at any time by giving notice in writing to the Seller to terminate the Contract forthwith if:

12.2.1 the Seller commits a breach of any of these Conditions, or any terms and conditions of the Contract;

12.2.2 any distress, execution, lien or other process is levied upon or threatened against any of the assets of the Seller;

12.2.3 the Seller enters into any compromise or arrangement with its creditors, commits any act of bankruptcy, whether voluntary or involuntary, or if an order is made or an effective resolution is passed for its winding up (except for the purposes of amalgamation or reconstruction as a solvent company), if a petition is presented to court, or if a receiver and/or manager, or administrator is appointed in respect of the whole or any part of the Seller's undertaking or assets;

12.2.4 the Seller ceases or threatens to cease to carry on its business; or

12.2.5 the financial position of the Seller deteriorates to such an extent that in the opinion of the Company the capability of the Seller adequately to fulfil its obligations under the Contract has been placed in jeopardy.

12.3 In the event the Company terminates the Contract pursuant to Paragraph 12.2 above, the Company shall not be liable to the Seller for any damages, including any damages for the purchase price of the Goods, related to such termination, and the Company reserves the right to assert any and all rights and claims against the Seller in addition to asserting termination of the Contract.

12.4 The termination of the Contract, however arising, will be without prejudice to the rights and duties of the Company accrued prior to termination. The Conditions which expressly or impliedly have effect after termination will continue to be enforceable notwithstanding termination.

13. REMEDIES

13.1 Without prejudice to any other right or remedy which the Company may have, if any Goods are not supplied in accordance with, or the Seller fails to comply with any of the terms of this Contract the Company shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Goods have been accepted by the Company:

13.1.1 to rescind the Order;

13.1.2 to reject the Goods (in whole or in part) and return them to the Seller at the risk and cost of the Seller on the basis that a full refund for the Goods so returned shall be paid forthwith by the Seller;

13.1.3 at the Company's option to give the Seller the opportunity at the Seller's expense either to remedy any defect in the Goods or to supply

replacement Goods and carry out any other necessary work to ensure that the terms of the Contract are fulfilled;

13.1.4 to refuse to accept any further deliveries of the Goods but without any liability to the Seller;

13.1.5 to carry out at the Seller's expense any work necessary to make the Goods comply with the Contract; and

13.1.6 to claim such damages as may have been sustained in consequence of the Seller's breaches of the Contract.

14. ASSIGNMENT

14.1 The Seller shall not be entitled to assign the Contract or any part of it without the prior written consent of the Company.

14.2 The Company may assign the Contract or any part of it to any person, firm or company without notice to the Seller.

15. FORCE MAJEURE

The Company reserves the right to defer the date of delivery or payment or to cancel the Contract or reduce the volume of the Goods ordered if it is prevented from or delayed in the carrying on of all or a part of its business due to circumstances beyond the reasonable control of the Company including, without limitation, acts of God, governmental actions, war or national emergency, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labour disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate, or suitable materials.

16. GENERAL

16.1 Each right or remedy of the Company under the Contract is without prejudice to any other right or remedy of the Company whether under the Contract or not.

16.2 If any provision of the Contract is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceability or unreasonableness, it shall be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.

16.3 Failure or delay by the Company in enforcing or partially enforcing any provision of the Contract will not be construed as a waiver of any of its rights under the Contract.

16.4 Any waiver by the Company of any breach of, or any default under, any provision of the Contract by the Seller will not be deemed a waiver of any subsequent breach or default and will in no way affect the other terms of the Contract.

16.5 The formation, existence, construction, performance, validity and all aspects of the Contract shall be governed by the laws of the State of North Carolina. The Federal and State Courts situated in Davidson County, North Carolina shall have sole and exclusive jurisdiction to interpret the Contract or decide on any dispute of, involving, or related to the Contract, and the parties submit to the exclusive jurisdiction of the Federal and State Courts situated in Davidson County, North Carolina. The Seller waives any right or claim of improper venue or forum non conveniens.

16.6 The relationship of the Company and Seller under the Contract is and will at all times be that of independent contractors, and no agency, partnership, joint venture or other similar relationship is intended or create hereby.

16.7 Seller shall not at any time use the Company's name or any of Company's trademark(s) or trade name(s) in any advertising or publicity without the prior written consent of the Company.

17. SUPPLIER CODE OF CONDUCT

Timberpak, LLC, as a subsidiary of EGGER, expects its suppliers to comply with applicable law and especially with the following provisions. Seller agrees to comply, and will ensure that its suppliers, subcontractors, employees and agents comply, and will take all necessary steps to assist the Company in complying, with any of the following provisions and any standards of business conduct prescribed by Law as may be in effect from time to time. Whenever a supplier is found not to comply with the applicable law, this will be recognised as a breach of contract, and the Company reserves the right to claim immediate termination.

17.1 Business conduct:

17.1.1 The Company expects its suppliers to behave fairly and honestly in competition. The Company particularly expects its suppliers to observe antitrust and competition laws, anti-bribery laws, to not tolerate corruption, not to become involved in any money laundering activities whatsoever, not to engage in unfair or deceptive practices, and not to engage in abusive employment or corrupt business practices.

17.2 Behaviour towards employees:

17.2.1 The Company expects its suppliers to grant applicable employees' rights.

17.2.2 The Company particularly expects the rejection of child labor, discrimination or forced labor and to ensure that there is no slavery or human trafficking present in their business of supply chain. The supplier will ensure a recruitment process that fully confirms and records identity and right to work for all employees.

17.2.3 The Company expects its suppliers to comply with applicable federal, state and local laws with respect to working hours and remuneration of their employees.

17.3 Health management and work safety:

17.3.1 The Company expects its suppliers to comply with applicable laws with respect to health protection and work safety and maintain an appropriate work safety management.

17.4 Environmental protection:

17.4.1 The Company expects its suppliers to comply with applicable laws with respect to applicable environmental laws, regulations and standards and maintain an appropriate environment management system.

17.5 Relationships to subcontractors:

17.5.1 The Company expects its suppliers to respect all of the above mentioned principles and requirements also when selecting their own subcontractors and suppliers.

17.6 EGGER Supplier Code of Conduct:

17.6.1 The Company is entitled to verify the suppliers' compliance with the Supplier Code of Conduct by audits.

Any violation of the principles and requirements mentioned in the Supplier Code of Conduct shall be considered a significant impairment of the contractual relationship. Upon suspicion of violation of the Supplier Code of Conduct, the Company reserves the right to demand further information about the respective issue. In addition, the Company shall be entitled to extraordinarily terminate single or all contractual relationships with suppliers who demonstrably do not comply with the EGGER Supplier Code of Conduct.

18. INSURANCE

18.1 Seller shall, at its own cost and expense, during the term of the Contract and for a period of five (5) years after the date of Seller's last shipment of Goods under the Contract, purchase and maintain the following insurance policies:

18.1.1 General Liability, Premises Liability, Products/Completed Operations Liability, Blanket Contractual, with coverage written on an occurrence form, including minimum policy limits of \$2,000,000 per occurrence.

18.1.2 Commercial Automobile Liability, with the minimum policy limit of \$1,000,000 per occurrence.

18.1.3 Worker's Compensation, including Employer's Liability (or local equivalent) written on an occurrence form, with minimum policy limits of \$500,000 per occurrence.

18.1.4 Product Liability Insurance, which shall be written on an occurrence form, with minimum policy limits of \$5,000,000 per occurrence.

18.1.5 Commercial Umbrella Liability Policy, with a minimum policy amount of \$10,000,000.

18.2 Seller shall furnish the Company with certificates of insurance evidencing the coverages and minimum limits set forth above upon demand.

19. GOVERNING LAW AND JURISDICTION

19.1 The governing law of the contract and of the relationship of the parties arising out of it shall be subject to the laws of the State of North Carolina.