

General Terms and Conditions of Business of Cordier Spezialpapier GmbH

Art. 1 General provisions

- 1.1 We only supply to commercial customers that are merchants within the meaning of the German Commercial Code [HGB]. Our General Terms and Conditions of Business possess exclusive validity vis-à-vis those customers. We do not recognize conditions of the ordering party that are contrary to our General Terms and Conditions of Business or that deviate from them, unless we have explicitly agreed to the validity of such conditions in writing. Our General Terms and Conditions of Business also apply if we – with knowledge of conditions of the ordering party that are contrary to or deviate from our sales conditions – execute the delivery to the ordering partner without reservation.
- 1.2 To the extent that nothing to the contrary is agreed upon in our General Terms and Conditions of Business or by means of a written agreement, the General Sales Conditions [Allgemeine Verkaufsbedingungen (AVB)] of the paper and cardboard manufacturers of the EU of the European association of the cellulose, paper and cardboard industry (CEPAC) apply in addition. Those conditions can be made available on request.
- 1.3 Information about our products in our flyers and publications only serve the purpose of general information or the designation of the product, unless reference is made to that information in the quotation and/or in our order confirmation; however, this does not constitute a guarantee of an attribute.
- 1.4 Supplements to and modifications of a contract must be in writing in order to be effective.

Art.2 Quotation

Our quotations are subject to change without notice if nothing to the contrary is specified in the order confirmation.

Art. 3 Prices, payment conditions, collateral securities

- 3.1 Our specified prices are net prices and – if nothing to the contrary is agreed upon – they apply FCA (Free Carrier) as of the respective plant of Cordier Spezialpapier GmbH that dispatches the goods. The turnover tax is shown separately on our invoice with the turnover tax rate as of the date on which the invoice was issued.

- 3.2 The deduction of a cash discount shall require a special agreement in writing.
- 3.3 If nothing to the contrary is agreed upon, the payments must be remitted to our bank account without any deductions and free of fees. In the event of failure to comply with the statutory or agreed upon payment due dates, interest according to the respective bank rates for overdraft loans shall be calculated, but an interest rate of 10% p.a. shall apply at the minimum.
- 3.4 If a delay in payment occurs or in the event that our accounts receivable are endangered because of deterioration in the creditworthiness of the ordering party, we shall have the right to accelerate the maturity of our accounts receivable or to demand collateral securities. We shall also have the right to execute outstanding deliveries, including partial deliveries, only in exchange for advance payment or in exchange for the provision of collateral securities.
- 3.5 We reserve the right to modify our prices in an appropriate manner, if cost reductions or cost increases occur after conclusion of the contract, especially because of the conclusion of collective wage agreements or changes in prices of materials, and if more than 6 months have elapsed between the conclusion of the contract and the fulfillment of our principal contractual obligation. We shall substantiate the changed costs to the ordering party on request.
- 3.6 The ordering party shall only have a right of retention and authority for offsetting if counter-claims have been determined to be uncontested or non-appealable and those claims arise from the same contractual relationship.

Art.4 Terms of delivery

- 4.1 Custom-made products shall only be supplied as of a purchase quantity of 5,000 kg. Customary excess delivery or short delivery shall be permitted. Product and industry-typical fabrication tolerances with regard to color, format and quality within the limits that are customary in the specialist area as well as customary grammage fluctuations shall be permissible and shall not constitute a defect.
- 4.2 In the case of blanket and call orders, we shall have the right to stipulate an appropriate time limit of at least 14 days to the ordering party for purchase of the partial quantity, in the event of failure to adhere to the agreed upon call deadline. If the ordering party does not fulfill its call obligation even after expiry of the stipulated time limit, we shall have the right to deliver and invoice the outstanding total quantity.
- 4.3 If we are prevented from fulfilling our obligations by the occurrence of force majeure, which affects us or our sub-suppliers and which we were unable to avert by exercising the care that

was reasonable according to the circumstances of the case, we shall be exempted from our contractual obligations for the duration of the disruption and within the scope of its impact. Force majeure shall encompass in particular armed conflicts, internal unrest, intervention by authorities, natural disasters, accidents, unforeseeable interruptions of operations, the failure of our suppliers to adhere to delivery deadlines or failure to deliver, lack of personnel, energy or raw materials, strikes, lockouts and traffic disruptions. In the event that the occurrence giving rise to the force majeure situation continues for longer than 6 months, each of the contracting parties shall have the right to withdraw from the contract subject to the exclusion of all further claims.

- 4.4 In the event that we are behind schedule and the ordering party suffers damage as a result, it shall have the right to demand compensation for the loss occasioned by the delay. For every full week of the delay this shall amount to 0.5% of the value of that part of the object of the contract that cannot be delivered in time or not in accordance with the contract, but with a maximum of 5%. If we continue to be in default after the above-mentioned maximum compensation for loss occasioned by the delay has been reached, the ordering party shall have the right to withdraw from the contract after expiry of an appropriate period of grace that it has stipulated in writing; the same shall apply if the delivery or performance becomes impossible for us because of reasons that we are responsible for.
- 4.5 As a matter of principle, a right of withdrawal to which the ordering party or we are entitled to Section 4.3 or 4.4 shall only encompass that part of the contract that has not been fulfilled yet. Further rights of the ordering party resulting from delay, in particular claims for damage compensation, shall be excluded. This exclusion of liability shall not apply in the case of premeditation or gross negligence on the part of our legal representatives or executive staff.

Art. 5 Warranty

- 5.1 In the event that the goods delivered have a defect that we are responsible for, we shall only have the right and the obligation to make a substitute delivery.
- 5.2 In the event that we do not make a substitute delivery within an appropriate stipulated time limit, the ordering party shall be able to demand the lowering of the remuneration (reduction) or the rescission of the contract (withdrawal). However, in the case of an only insignificant lack of conformity with the contract, especially in the case of only minor defects, the ordering party shall not have a right of rescission.
- 5.3 Notification of obvious defects must be provided in writing within a time period of 10 days after receipt of the delivered goods; otherwise the assertion of the warranty claim shall be excluded. Sending the notification of defects within the prescribed time shall be sufficient for compliance with the time limit.

- 5.4 Defects can only be acknowledged for the part of the goods that has not yet been processed, unless the defect was not recognizable for the ordering party and continues to exist in the newly created work piece. Defectiveness of a part of the delivered goods shall not give a right to reduction or to rescission from the contract with reference to the total scope of supply.
- 5.5 The warranty period shall amount to 12 months as of delivery of the goods for delivered goods not yet processed.
- 5.6 In the event that the ordering party chooses to withdraw from the contract because of a legal or material defect after subsequent fulfillment has failed, it shall not be additionally entitled to a damage compensation claim because of the defect.
- 5.7 In addition, we shall only be liable according to the statutory provisions if the ordering party asserts damage compensation claims that are based on premeditation or gross negligence including premeditation or gross negligence on the part of our representatives or vicarious agents. If we are not charged with a premeditated violation of the contract, the liability for damage shall be limited to the foreseeable damage that typically occurs.
- 5.8 We shall be liable in accordance with the statutory provisions if we culpably violate a material contractual obligation; in this case, the liability for damage shall be limited to the foreseeable damage that typically occurs.
- 5.9 Apart from that, liability for damage compensation shall be excluded.

Art. 6 General exclusion of liability

- 6.1 Liability for damage compensation that goes beyond what is stipulated in Art. 5 shall be excluded irrespective of the legal nature of the claim that is asserted. This shall apply in particular for damage compensation claims because of culpa in contrahendo, a positive contract violation or a tortious act.
- 6.2 Damage compensation claims because of impossibility shall remain unaffected. The same shall apply to the extent that statutory liability provisions are mandatory.
- 6.3 If liability for damage compensation against us is excluded or limited, this shall also apply with regard to the personal liability of our employees and vicarious agents.
- 6.4 The limitations on liability shall not apply to claims of the ordering party arising from product liability or because of loss of life, damage to body or health.

Art. 7 Passing of risk, forwarding

- 7.1 The danger of accidental destruction and accidental deterioration of the purchased item shall be passed on to the ordering party when they are handed over to the forwarding agent or carrier, however, at the latest when they leave the plant. This shall also apply to partial deliveries that are part of a total quantity.
- 7.2 The point in time of the passing of risk according to Art. 7.1 shall also apply if we deliver to a destination specified by the ordering party at the request of the latter. The means of transportation and transportation routes shall be left to our choice. The same shall apply to the selection of the forwarding agent or the carrier.
- 7.3 The INCOTERMS in the respective version that is applicable at the time of contract conclusion shall apply for the interpretation of the trade terms.

Art. 8 Reservation of ownership

- 8.1 We reserve the ownership of the purchased item until all payments arising from the underlying delivery contract have been received completely.
- 8.2 In the event of default in payment or deterioration of the financial circumstances of the ordering party, in particular in the event of imminent insolvency, we shall have the right to take back the purchased item at the expense of the ordering party. The demand for return shall not be deemed to be a withdrawal from the contract. After the return of the goods, we shall have the right to utilize them after specification of an appropriate time limit. The proceeds from such exploitation must be offset against the payables of the ordering party after deduction of the exploitation costs.
- 8.3 The ordering party is obligated to insure the goods that are subject to reservation of ownership at its own expense against theft, fire and water damage for the duration of its obligations vis-à-vis us and to provide us with evidence of that on request. It hereby irrevocably assigns all of its rights arising from the corresponding insurance contracts to us until complete fulfillment of its obligations. We shall accept the assignment.
- 8.4 If the ordering party does not fulfill its obligations according to No. 8.3, we shall have the right to conclude the above mentioned insurance policies within the scope that we deem to be necessary at the expense of the ordering party and with the stipulation that the rights from the insurance contracts are to be directly due to us.
- 8.5 The ordering party shall be obligated to inform us in writing without delay about any endangerment of our property, especially attachment or other intervention measures by third parties, and in this way to ensure the assertion of our rights to the purchased item vis-

à-vis the third party. If the third party is not in a position to reimburse our costs out of court and/or in court, the ordering party shall be liable for those costs vis-à-vis us.

- 8.6 The ordering party is entitled to resell the purchased item. It now already assigns to us all accounts receivable in the amount of the final invoice amount including the statutory value added tax that accrue to it against its purchaser or third parties from the resale, irrespective of whether the purchased item is resold without or after processing. We shall accept the assignment. The ordering party shall remain entitled to collect this amount receivable even after this assignment. Our authority to collect the account receivable ourselves shall remain unaffected by this. However, we undertake not to collect the account receivable from the third party as long as the ordering party fulfills its payment obligations, does not fall into arrears and in particular if no petition has been filed for institution of composition or insolvency proceedings or if cessation of payments has occurred. If this is the case, we can demand the ordering party to notify us regarding the assigned accounts receivable and the respective debtor, to provide all information required for collection, to hand over the respective documents and to disclose the assignment to its debtors or other third parties.
- 8.7 If the ordering party wants to further process the purchased item with other objects that do not belong to us, we shall acquire co-ownership of the new thing proportionately according to the ratio of the value of the purchased item (final amount of invoice) to the value of the other processed objects at the point in time of processing. The same shall apply to the thing that is created through processing as applies to the purchased item that is delivered subject to the reservation of ownership.
- 8.8 We undertake to release the collateral securities due to us at the request of the purchaser, if their value exceeds the accounts receivable that are to be secured by more than 20%.

Art. 9 Place of performance

The place of performance for our deliveries shall be Bad Dürkheim.

Art. 10 Place of jurisdiction, applicable law

- 10.1 The relevant law of the Federal Republic of Germany shall apply exclusively for all legal relationships between the ordering party and us. The provisions of the United Nations Conventions on Contracts for the International Sales of Goods that were adopted on April 11th, 1980, shall not be applicable.
- 10.2 The place of jurisdiction for all legal disputes, including special procedures deciding claims arising from bills of exchange or cheques, shall be Bad Dürkheim, Federal Republic of

Germany. We shall also have the right to bring action against the ordering party before the court of its general place of jurisdiction.

- 10.3 In the event that individual provisions of the contract with the ordering party including these General Terms and Conditions of Business should be or become entirely or partially ineffective, this shall not affect the validity of the remaining provisions. The entirely or partially ineffective provision is to be replaced by a provision that conforms to as great an extent as possible with the economic purpose of the ineffective provision.

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