

GENERAL TERMS AND CONDITIONS OF PURCHASE PAPERLINX FEBRUARY 2011

1. INTERPRETATION

1.1 **Buyer:** the entity from the PaperlinX group of companies which issues the Purchase Order.

Conditions: these purchase conditions.

Contract: the Purchase Order and its acceptance by Seller.

Goods: any goods and/or services agreed in the Contract to be bought by Buyer from Seller.

Intellectual Property Rights includes copyright, design rights and any other form of rights over intellectual property.

Purchase Order: Buyer's written instruction to supply the Goods, incorporating these Conditions.

Seller: the person or firm accepting the Purchase Order.

2. CONDITIONS OF PURCHASE

2.1 These Conditions shall govern the Contract and apply to all Buyer's purchases of the Goods.

2.2 In case of inconsistency, specific arrangements agreed in writing prevail over these Conditions.

3. WARRANTIES

3.1 Seller warrants to Buyer that the Goods shall be of the best available design, quality, material and workmanship, fit for purpose, without fault and conform in all respects to the Purchase Order and as specified in any applicable specification supplied or advised by Buyer to Seller.

3.2 Seller warrants to Buyer that the Goods and the manufacturing, performance, sale, transportation, packaging and labelling thereof comply with all relevant laws and regulations, including but not limited to laws and regulations regarding quality, safety, environment and hazardous materials.

4. INSPECTION

4.1 Buyer shall have the right to inspect the Goods, following delivery thereof or upon reasonable notice by Buyer to Seller before dispatch thereof. Any inspection of the Goods shall not affect Seller's responsibility in respect of the Goods nor its obligations under the Contract.

5. INDEMNITY

Seller shall keep Buyer fully indemnified against all direct, indirect or consequential liabilities whatsoever awarded against or paid by Buyer as a result of or in connection with:

(a) a breach of any warranty given by Seller in Condition 3;

(b) an actual or alleged infringement of any Intellectual Property Rights caused by the use, manufacture, resale, importation or supply of the Goods;

(c) any claim made against Buyer in respect of any liability, loss, damage, injury, cost or expense sustained by Buyer's employees or agents or by any customer or third party to the extent that the same was caused by, relates to or arises from the Goods as a consequence of any breach or negligent performance or failure or delay in performance of the Contract by Seller; and

(d) any act or omission of Seller or its employees, agents or sub-contractors in supplying, delivering and installing or otherwise in respect of the Goods;

6. DELIVERY

6.1 Goods shall be delivered, delivery duty paid in accordance with Incoterm DDP, to Buyer's place of business or otherwise as agreed by Buyer in the Purchase Order. Seller shall off-load the Goods at its own risk and as directed by Buyer.

6.2 In case of delivery of the Goods to a warehouse of Buyer, the PaperlinX Benelux Delivery Guidelines 2010, a copy of which has been provided to Seller, shall apply to such delivery

6.3 The date for delivery shall be specified in the Purchase Order. Time for delivery shall be of the essence.

6.4 Seller shall ensure that each delivery is accompanied by a delivery note showing Purchase Order number, date of Purchase Order, number of packages and contents, Buyer's part number if shown on the Purchase Order and, if part delivery, the balance remaining to be delivered.

6.5 If Buyer agrees in writing to accept delivery by instalments, the Contract shall be construed as a single contract in respect of each instalment but failure by Seller to (timely) deliver any instalment shall entitle Buyer at its option to treat the whole Contract as repudiated.

7. RISK/PROPERTY

7.1 Goods shall remain at Seller's risk until delivery (in accordance with Condition 6) to Buyer is complete when their ownership shall pass to Buyer.

7.2 In case Buyer provides Seller with materials, such as raw materials, drawings, specifications and software for purposes of complying with its obligations under the Contract, such materials remain the property of Buyer. Seller shall mark such materials as property of Buyer and keep them separate from its own goods.

8. PRICE AND PAYMENT

8.1 The price of the Goods shall be as stated in the Purchase Order and unless otherwise agreed in writing by Buyer shall be:

(a) exclusive of any applicable Value Added Tax; and

(b) inclusive of all charges, such as but not limited to charges for handling, packaging, packing, shipping, carriage, insurance and delivery of Goods to the delivery address and all duties, other than Value Added Tax.

8.2 Seller may invoice Buyer on or after delivery of the Goods to Buyer. Each invoice shall quote the Purchase Order number.

8.3 Unless otherwise stated in the Purchase Order Buyer shall pay the price of the Goods within 60 days after the end of the month of receipt by Buyer of a proper invoice or, if later, after delivery of the Goods to Buyer. Time for payment shall not be of the essence of the Contract.

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

9. PACKAGING

9.1 Buyer shall at all time be entitled to return the (transportation)packaging materials to Seller at Seller's cost.

9.2 Seller is responsible for processing or destroying the (transportation)packaging materials. Processing or destruction of the (transportation)packaging materials executed by Buyer or a third party at the request of Seller shall be for the account and risk of Seller.

10. CONFIDENTIALITY

Seller shall keep confidential all information which has been disclosed to Seller by Buyer.

11. SELLER CONDUCT

11.1 Seller shall comply with all laws applicable to its business.

11.2 The Seller supports the principles of the United Nations Global Compact ("UNGC"), the UN Universal Declaration of Human Rights as well as the 1998 International Labour Organization Declaration on Fundamental Principles and Standards, including but not limited to company rules and practices.

11.3 Seller and its employees, agents or sub-contractors shall comply with all applicable safety, occupational health and environmental laws, regulations and standards, including but not limited to company rules of the Buyer, which company rules shall be available upon request.

12. TERMINATION

12.1 Buyer may at any time and for any reason terminate the Contract in whole or in part by giving Seller one month prior written notice whereupon the Contract shall be discontinued. Buyer shall pay to Seller fair and reasonable compensation for work-in-progress at the time of termination. Such compensation shall not include loss of anticipated profits or any consequential loss.

12.2 Buyer may at any time give notice in writing to Seller to terminate the Contract at once if:

(a) Seller commits a material breach of any of the terms and conditions of the Contract; or

(b) any proceedings are started or any action is taken which is likely to lead to the bankruptcy or insolvency of the Seller; or

(c) Seller ceases or threatens to cease to carry on its business; or

(d) Seller's financial position deteriorates to such an extent that in the opinion of Buyer its ability to fulfil its obligations under the Contract is jeopardised.

12.3 Termination of the Contract shall be without prejudice to the rights and duties of Buyer accrued prior to termination.

13. REMEDIES

Without prejudice to any other right or remedy of Buyer, if any Goods are not supplied in accordance with, or Seller fails to comply with, any of the terms of the Contract and/or the warranties of Seller in Condition 3, Buyer may, whether or not it has accepted or paid any part of the Goods and without notice of default being required:

(a) rescind the Purchase Order;

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

(c) suspend payment of the Goods;

(d) may give Seller the opportunity at Seller's expense either to remedy any defect in the Goods or to supply replacement Goods and carry out all necessary work to ensure the terms of the Contract are fulfilled;

(e) refuse to accept further (instalment) deliveries of Goods but without any liability to Seller;

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

(g) claim such damages sustained in consequence of Seller's breach of the Contract.

14. ASSIGNMENT

Seller may not assign all or part of the Contract without prior written consent of Buyer, which consent may be subjected to reasonable conditions.

15. GENERAL

15.1 If any provision of the Contract is found by any court to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable it shall, to such extent be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.

15.2 Failure or delay by Buyer in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of any of its rights under the Contract.

15.3 Any waiver by Buyer of any breach of, or any default under, any provision of the Contract by Seller shall not be deemed a waiver of any subsequent breach or default and shall not affect the other terms of the Contract.

15.4 A notice required or permitted to be given under these Conditions shall be in writing addressed to the other party at its registered office or principal place of business or such other address as may have been notified under this provision to the party giving the notice.

15.5 The construction, validity and performance of the Contract shall not be governed by the United Nations Convention on Contracts for the International Sale of Goods, 1980, but shall exclusively be governed by the law of the Netherlands. The parties submit to the exclusive jurisdiction of the Dutch courts.

