

General Terms and Conditions of Sale of Schut Papier

Article 1 - General

- 1.1 The following definitions apply to these General Terms and Conditions of Sale (“Terms of Sale”):
- **Supplier:** the private company with limited liability Papierfabriek Schut BV, established in (6866 NE) Heelsum at Kabeljauw 2.
 - **Buyer:** every natural person or legal entity that negotiates the formation of an Agreement with the Supplier and/or enters into an Agreement with the Supplier with regard to the delivery of Products by the Supplier.
 - **Agreement:** an agreement between the Buyer and the Supplier based on which the Supplier delivers Products, in whatever title.
 - **Parties:** The Supplier and the Buyer jointly.
 - **Products:** goods, services, rights of use and/or advice in the broadest sense of the word.
 - **In Writing/Written:** in writing and/or electronically.
 - **Day:** calendar day
 - **Appendix:** the Appendix that is attached to these Terms of Sale and is inextricably linked to them.
- 1.2 These Terms of Sale apply to all offers, quotations, order confirmations, Agreements and all related (legal) acts of the Supplier and the Buyer. In the event of any conflict between these Terms of Sale and the Agreement, the Agreement shall prevail over the Terms of Sale.
- 1.3 The applicability of the Buyer's General Terms and Conditions, however named, is explicitly rejected by the Supplier.
- 1.4 The nullity, voidability or unenforceability of one or more provisions of these Terms of Sale or part of a provision shall not affect the operation and validity of the remaining provisions. When applicable, the purport of the void, invalid or unenforceable provision shall be observed to the extent possible. In such a case, the Parties shall enter into consultations as soon as possible in order to fill the gap that has arisen.
- 1.5 If the Supplier does not require strict compliance with these Terms of Sale, this shall not affect its right to require strict compliance at a later time or in any other case.
- 1.6 The Supplier is entitled to unilaterally amend these Terms of Sale, which amended Terms of Sale will apply from the notified date and after the amended Terms of Sale have been sent to the Buyer In Writing.
- 1.7 Deviations from these Terms of Sale and from the Agreement are only valid if and insofar as they have been explicitly signed In Writing by (an authorised representative of) the Supplier and are valid until revocation by the Supplier.

Article 2 – Offers and formation of Agreements

- 2.1 All offers, quotations and order confirmations of the Supplier are free of obligation and can be revoked by the Supplier at all times, even after acceptance by the Buyer, even if they contain a period for acceptance, unless otherwise agreed In Writing.
- 2.2 Instructions, orders from the Buyer and acceptance by the Buyer of offers from the Supplier are irrevocable.
- 2.3 An Agreement shall only be concluded if the Parties have concluded a Written Agreement, or if the Supplier has sent a Written order confirmation to the Buyer, which in such a case shall be deemed to be a correct and complete representation of the Agreement that has been concluded between the Supplier and the Buyer.

- 2.4 If no Written Agreement has been concluded and no Written order confirmation has been sent, the Parties shall nevertheless be bound if the Supplier commences the execution of the Agreement. In this case, the Supplier's invoice will be regarded as the Buyer's order and as the correct representation of the Agreement between the Parties.
- 2.5 Instructions and orders from the Buyer for the delivery of Products, either to be manufactured or from a warehouse, must meet the relevant requirements set out in the Appendix and must also be clear with regard to the following points:
- Reference to a possible quotation (correspondence, visit, sending of price lists, etc.);
 - Number of Products;
 - Quality, with reference to a type, brand or sample provided or any other required indication, such as feed direction or machine direction of the Products;
 - For rolls: roll width, diameter of the roll, inside diameter of the sleeve/tube, grammage (g/m²) or thickness (in micrometres);
 - For formats: dimensions, feed direction (if important), grammage (g/m²) or thickness (in micrometres)
 - Preparation and packaging;
 - Agreed delivery time, destination and shipping method;
 - Agreed price;
 - Agreed payment method.

To the extent that the Buyer has not specified the Products in detail by indicating quantity, quality, size, weight, shape, appearance or commencement as indicated above, the risk of incorrect delivery rests entirely with the Buyer.

Article 3 – Delivery and delivery time

- 3.1 All deliveries shall be made ex works from the Supplier's registered office or another address indicated on the order confirmation in accordance with the most recent version of the Incoterms.
- 3.2 The Buyer must take delivery of the goods as soon as they are offered by the Supplier. If the Buyer does not take delivery of the Products or does not take delivery on time, the Buyer shall be in default without notice of default being required.
- 3.3 The delivery times specified by the Supplier are only an approximation and cannot be regarded as deadlines within the meaning of Section 6:83a of the Dutch Civil Code. Exceeding the delivery time shall not entitle the Buyer to any additional or replacement compensation or to dissolution, except in the case of intent or gross negligence on the part of the Supplier.
- 3.4 The Supplier is entitled to perform the Agreement in multiple stages or deliveries.

Article 4 – Risk and retention of title and transfer of ownership

- 4.1 The Buyer shall bear the risk of the goods to be delivered from the moment they leave the Supplier's factory, depot or warehouse. All Products delivered and to be delivered by the Supplier shall remain its property until the moment of full payment of all the Supplier has to claim from the Buyer pursuant to the Agreement or any other similar agreement with the Buyer for the delivery of Products, including damage, costs and interest.
- 4.2 If and as long as the Supplier is the owner of the Products, the Buyer shall not be entitled to sell, rent out or give into use, pledge or otherwise store them other than in the normal course of business.

4.3 The Supplier is entitled to free access to the Products it owns. The Buyer shall cooperate fully with the Supplier in order to give the Supplier the opportunity to exercise the retention of title set out in Article 4.1 by taking back the Products.

The Buyer shall be obliged to insure and keep insured the Products delivered to it subject to retention of title against damage and theft and to allow inspection of the policies at the Supplier's first request.

Article 5 – Force majeure

5.1 If the Supplier is prevented from fulfilling its obligations towards the Buyer as a result of force majeure, the period within which the Supplier must fulfil his obligations shall be extended. In addition to what the law and jurisprudence define as force majeure, force majeure shall in any case be understood to mean any circumstance beyond the control of the Supplier, such as but not limited to natural disasters, illness of persons employed by the Supplier, (work) strikes, government measures, breakdown of machines and/or malfunctions, shortages of the required raw materials and/or semi-finished products and trade and transport impediments, both if these occur at the Supplier's company as well as at our suppliers.

5.2 If it has been agreed between the Parties that the Supplier is responsible for the transport of the Products and the Supplier is in a temporary or permanent situation of force majeure, which makes it impossible to transport the Products, the Products shall be stored and made available to the Buyer at the Buyer's expense and risk. The Supplier shall immediately inform the Buyer of this situation.

5.3 If the situation of force majeure has lasted longer than thirty (30) Days, or if it is certain that it will last longer than thirty (30) Days, both Parties shall be entitled to dissolve the Agreement In Writing for the part that the Supplier has not yet fulfilled. If and insofar as the Supplier has partially fulfilled its obligations, it shall be entitled to invoice the Products pro rata, and the Buyer shall pay them in accordance with the provisions of Article 8.

5.4 In the event of force majeure, the Buyer shall not be entitled to any compensation.

Article 6 – Claims

6.1 Claims for noticeable defects (in quality and quantity) must be submitted immediately after discovery but in any case no later than 5 (five) Days after delivery of the Products by registered letter and stating the reasons, on penalty of forfeiture of rights. Claims for latent defects must be submitted immediately but in any case no later than 5 (five) Days after discovery or within 12 months after delivery of the Products by registered letter and stating the reasons.

6.2 At least 90% of the Products to which the claim applies must always be present for inspection by the Supplier.

6.3 In the event of a claim, (further) processing of the Products may only take place with the Written consent of the Supplier. The discovery of a defect in part of a batch of delivered Products shall not entitle the Buyer to refuse the entire batch of Products. The submission of a claim shall not entitle the Buyer to suspend payment in whole or in part.

6.4 After expiry of the periods referred to in Article 6.1 of these Terms of Sale, the Buyer shall be deemed to have unconditionally accepted the delivery and any claim by the Buyer against the Supplier in respect of those defects shall lapse.

6.5 Any legal action must be brought before the court within 1 (one) year of the timely claim, at the risk of forfeiture of that claim.

6.6 In the event of unwarranted claims, the costs involved shall be borne by the Buyer.

Article 7 – Liability

- 7.1 The Supplier shall not be liable for damage suffered by the Buyer or third parties, except insofar as this damage is the direct result of intent or deliberate recklessness on the part of the Supplier.
- 7.2 Under no circumstances shall the Supplier be liable for indirect damage such as consequential damage, damage caused by delay and loss of profit or turnover.
- 7.3 The Buyer shall indemnify the Supplier against all claims by third parties, directly or indirectly related to (the use of) the Products and shall compensate the Supplier for all damage that the Supplier suffers as a result of such claims.

Article 8 – Payment and security

- 8.1 Unless agreed otherwise In Writing, the Supplier's domicile shall be considered the place of payment. Representatives of the Supplier may only collect invoice amounts due if they have been authorised to do so In Writing.
- 8.2 The risks and costs associated with any form of payment shall be borne by the Buyer. In the event of payment by bill of exchange, the costs thereof shall be borne by the Buyer.
- 8.3 Payments must be made within the number of days agreed in the order confirmation. All payment terms are final. The Buyer shall pay the invoiced amounts without deductions, discounts or settlements and shall not be entitled to suspend any payment obligation towards the Supplier.
- 8.4 If the term of payment is exceeded and discounts granted to the Buyer shall lapse, the Buyer shall be in default immediately and without prior notice of default being required, and all claims of the Supplier against the Buyer, for whatever reason, shall become immediately due and payable. Furthermore, from the due date of the invoice, the Buyer will owe statutory commercial interest as referred to in Section 6:119a of the Dutch Civil Code on the outstanding amount up to the time of payment of the amount due. In addition, in the event of late payment, all judicial and extrajudicial costs incurred in collecting the amount owed shall be borne by the Buyer. The extrajudicial collection costs are set at 15% of the principal sum, including VAT, with a minimum of € 100.00, without prejudice to the right of the Supplier to demand reimbursement of the actual costs if these costs are higher.
- 8.5 Payments received shall first be applied to the longest outstanding claim that the Supplier has against the Buyer, including interest and costs, and subsequently to the longest outstanding claim until all claims that the Supplier may have against the Buyer are paid, including interest and costs. All costs, including the extrajudicial costs involved in collecting the claim, shall be borne by the Buyer.
- 8.6 Any disputes, regardless of the nature thereof, shall not entitle the Buyer to suspend payment.
- 8.7 Any complaints regarding an invoice must be submitted to the Supplier In Writing within 5 days of the invoice date. After this period, complaints will no longer be handled and the Buyer's right to complain will have lapsed. The submission of a complaint does not affect the payment obligation of the Buyer.

Article 9 – Dissolution and suspension

- 9.1 If the Buyer fails in any obligation to the Supplier arising from the Agreement and from these Terms of Sale, or if the Supplier can reasonably expect that the Buyer will fail in the fulfilment of any obligation to the Supplier, the Supplier shall be entitled to suspend the (further) fulfilment of its obligations under the Agreement by means of a Written notification, without

the Supplier being obliged to pay any compensation, all this without prejudice to its other rights.

9.2 In the event the Buyer:

- fails to fulfil its obligations under the Agreement or these Terms of Sale;
- is declared bankrupt, is admitted to the Statutory Debt Rescheduling Scheme for Natural Persons, applies for its own bankruptcy or suspension of payments or admission to the Statutory Debt Rescheduling Scheme for Natural Persons, surrenders its assets, or if (part of) its assets are seized;
- is placed under administration or otherwise loses the power to dispose of all or part of its assets;
- goes on strike or transfers its business or a part thereof, including the transfer of its business to a prospective or existing company, or proceeds to change the purpose of its business;
- dies;
- does not, not timely or not properly comply with any obligation under the law, the Agreement or the Terms of Sale;

the Supplier shall be entitled to dissolve the Agreement in whole or in part with immediate effect, without notice of default or judicial intervention, by means of a Written notification, all this without prejudice to its other rights.

Article 10 – Disputes and applicable law

10.1 These Terms of Sale as well as the Agreement are governed exclusively by Dutch law.

10.2 All disputes arising from the Agreement or these Terms of Sale shall be submitted to the competent court in the Supplier's place of residence, on the understanding that the Supplier shall have the right to bring claims against the Buyer before other courts that are competent to take cognisance of such claims.

Appendix: Technical information and specifications.

Paragraph 1. Permitted tolerances in the weight of deliveries.

(a) Paper and cardboard in formats.

The difference between the weight ordered and that delivered must be established prior to the delivery of an order or part of an order with the same delivery time and of the same quality (fabric composition, colour, surface and other properties) and the same format. The permitted tolerances in proportion to the tonnages delivered are as follows for graphic paper and cardboard in formats, in the customary standard qualities.

Definition: The customary qualities of a manufacturer are those qualities of which the type, grammage and size are stated in its price lists, catalogues and other commercial printed matter.

Ordered quantity	Without a prescribed maximum or minimum quantity
More than 20 tonnes	+/- 6%
10 to 20 tonnes	+/- 10%
3 to 9 tonnes	+/- 12%
Less than 3 tonnes	+/- 15%

If only one-sided tolerances are allowed, the tolerances in this table will be doubled.

Remark: There is no tolerance between the number of sheets ordered, and the number of sheets invoiced for the customary qualities sold on standard pallets (i.e. pre-packaged units, defined by the manufacturer as containing a theoretically fixed number of sheets and mentioned in his catalogues, price lists, etc.). The accuracy of the count, i.e. any difference between the number of sheets invoiced and the number of sheets delivered is addressed in Paragraph 2.

b) Paper and cardboard on rolls.

Quantitative tolerances cannot be determined uniformly due to the large variety of roll sizes. As a consequence, the Supplier and the Buyer will need to determine specific tolerances. If, however, they fail to reach an agreement, the tolerances set out in point (a) for paper and board in formats will be applied.

Paragraph 2. Tolerances in the number of sheets.

The following tolerances apply to orders for a specific number of sheets:

- a) Number of sheets per order. When invoicing for counted sheets, the calculated number of sheets may show a deviation of 3% in relation to the number of sheets delivered.
- b) Number of sheets per packaging unit. The difference between the theoretical and the actual number of sheets per packaging unit may not exceed 3% for 95% of the packages delivered.

Paragraph 3. Deviation in grammage (weight per m2).

Distribution of the unit value within a delivery:

The difference between the ordered and the delivered grammage may not exceed the following values for 95% of the delivered quantity (in sheets or on rolls):

Ordered grammage	Without a prescribed maximum or minimum quantity
70 to 179 g/m ²	+/- 4%
180 to 224 g/m ²	+/- 4%
225 and more	+/- 4%

Where a maximum or minimum weight is prescribed, the tolerances are doubled.

Paragraph 4. Thickness - Tolerance of a delivery.

If a certain thickness is required for a particular purpose, the Supplier and the Buyer must agree on a suitable thickness tolerance to replace the grammage tolerance.

A tolerance of +/- 6% on the specified thickness requirement applies to paper manufactured by the Supplier.

Paragraph 5. Tolerance for dimensions of paper and cardboard on rolls.

Width:

For rolls with an ordered width of less than 1.60 m, the tolerance for the width is +/- 0.5 %, but at most +/- 3 mm.

Diameter:

If the diameter of the rolls is specified in the order and accepted by the Supplier, the permitted tolerance will be as follows:

- If no maximum or minimum diameter is specified: -4 cm and +2 cm
- If a minimum diameter is specified: +4 cm
- If a maximum or diameter is specified: -8 cm
- Rest rolls must be accepted by the Buyer

Paragraph 6. Tolerances for dimensions and squareness.

The permissible deviation from the ordered format and the squareness respectively the ordered width is:

- a) For paper and cardboard not cut to size:
 - For the supplied batch 0.5%, with a minimum of 2 mm downwards and 3 mm upwards.
 - The deviation in the 90 degree squareness for one right angle may not exceed 0.15% with a minimum of 1 mm of the length of one of the sides when measured perpendicularly.
- b) For paper and cardboard cut to size on all sides:
 - 2 mm upwards in both directions.
 - For reams and for sheets in one ream, maximum 2mm in both directions
 - The deviation in the 90 degree squareness shall not exceed 0.15% with a minimum of 1 mm of the length of one of the sides when measured perpendicularly.
- c) Rolls: 3 mm upwards and downwards, unless agreed otherwise.

Paragraph 7. Other features:

- Wood-free graphic paper may contain a maximum of 10% wood pulp, CTMP or unbleached paper.
- For all technical characteristics, for which no tolerances are specified above, minor deviations cannot give rise to disputes, as long as the delivered goods are suitable for the use for which they were ordered.
- The corrugated positioning of paper and cardboard is not considered a hidden defect.
- The Buyer of production batches is obliged to accept that up to a maximum of 10% of the quantity of paper or cardboard ordered may differ slightly from the product ordered, yet is as suitable for the intended purpose as the paper or cardboard ordered.

Paragraph 8. Normal distribution of the measured values.

All the tolerances specified in this Appendix shall be deemed to be respected if 95 % of the measured values in the batch are within the prescribed tolerances. On the other hand, for 4.5% of the measured value-units, the deviation may not exceed 1.5 x the tolerance value. A maximum of 0.5% of the total number of measurements may exceed this limit of 1.5 x the tolerance value.

Paragraph 9. Research methods.

The latest NEN- TAPPI or ISO-standards apply for the research methods to be applied. If no standards exist, the applicable research method must be agreed in advance.

Paragraph 10. Size and feed direction

Size:

The size of paper or cardboard is determined by its two dimensions, length and width, with the smallest size being mentioned first.

Feed direction:

The feed direction or machine direction of paper or cardboard means the direction corresponding to the direction of the pulp flow in the paper machine. The transverse direction is the direction of the paper or cardboard perpendicular to the feed direction. If a certain feed direction is required, this must be specified on both the order and on the order confirmation. The feed direction must be indicated clearly on the reams, packages and pallets.

Paragraph 11. Weight to be invoiced.

Paper and cardboard on rolls and in sheets:

- On rolls: All rolls are invoiced per gross weight (weighed weight), which includes paper, cardboard and common packaging paper, reels, plugs, strip steel and pallets.
- In sheets (uncounted): Paper and cardboard in sheets, uncounted, delivered in packs or on pallets are invoiced per gross weight (weighted weight), which includes both the paper and cardboard and common packing material, including pallets.
- In sheets (counted): The packing unit of paper and cardboard in counted sheets is invoiced at nominal weight. This weight equals the product of the actual ordered grammage (g/m²), multiplied by the surface of the number of sheets.

Overweight and underweight for deliveries of graphic paper and cardboard:

- In case of both underweight and overweight, the actual weight within the permissible limits specified in Article 15 will be calculated, subject to the exceptions below.
- If the price per ream or per 1000 sheets was agreed at the time of purchase, the scheme specified in the article “in sheets (counted)” shall apply.
- In case of delivery in sheets and calculation in weight unit, half the overweight will be invoiced within the permissible limits mentioned in Article 15.