

General Purchase Conditions Lahnpaper GmbH

January 2017

Section 1 – Scope

- (1) These purchase conditions (hereinafter referred to as “Purchase Conditions”) shall apply to all contracts entered into between Lahnpaper (hereinafter referred to as “Purchaser”) and the supplier (hereinafter referred to as “Supplier”) concerning the delivery of goods and the rendering of services. They shall also apply to all future business transactions even if they have not been explicitly agreed beforehand. Upon execution of the first delivery at the latest, our Purchase Conditions are deemed to have been accepted. Any conditions of the Supplier that are conflicting or at variance with our Purchase Conditions shall not become part of the contract even if they have not been expressly rejected by us.
- (2) Arrangements that are at variance with these Purchase Conditions must always be made in writing.
- (3) If project/investment orders are placed, purchase conditions that are at variance with/go beyond our Purchase Conditions may be accepted.
- (4) Our Purchase Conditions shall, pursuant to section 14 of the German Code of Civil Law (*Bürgerliches Gesetzbuch/BGB*), only apply vis-à-vis companies.

Section 2 – Contract conclusion

- (1) An order is not deemed to have been placed unless it has been confirmed by us in writing. Orders placed verbally or over the telephone are binding upon us only if they have been confirmed by us via a written order sent in later. The written-form requirement is deemed to have been adhered to if the transmission takes place via fax, e-mail or another electronic remote data transmission system.
- (2) Should the documents, drawings and plans submitted by us contain any obvious mistakes, typographical errors or miscalculations, they are not binding upon us. The Supplier shall be duty-bound to notify us of such errors so that our order can be corrected and renewed.
- (3) For organisational reasons, every contract (hereinafter referred to as “Order”) must be confirmed in writing by the Supplier within three working days (hereinafter referred to as “Order Confirmation”); otherwise we have the right to cancel the Order. The respective period starts on the date indicated on the Order.
- (4) If the Order Confirmation of the Supplier differs from our Order, a specific reference thereto must be made. In such a case, the Purchaser has the right to withdraw from the contract within three working days after receipt of the Order Confirmation.

Section 3 – Prices/Invoices/Payments

- (1) The price indicated by us on the Order shall be binding and apply carriage paid unless otherwise agreed in writing between the parties (hereinafter referred to as “Parties”). The cost of packaging shall be included in the price.
- (2) If monthly instalments have been agreed, the invoice must be issued at the latest by the third day of the subsequent month. Invoices that do not feature our order number and our order date and do not include all statutory details pursuant to section 14 of the German Law on Sales Tax (*Umsatzsteuergesetz/UStG*) are not deemed to have been issued until the matter has been cleared up by the Supplier.

- (3) The settlement of the invoice shall be based on the quantity and the weight established by our goods-in department.
- (4) Invoices for goods that, contrary to our specifications, are delivered early shall – taking into account any agreed rebates for early payment – not be paid until the date set forth in the Order and in line with the payment conditions included therein.
- (5) We shall, unless otherwise agreed in writing, pay the purchase price within 14 days from the date of delivery and invoice receipt minus an early-payment rebate of 3 per cent, or in full within 30 days from the day of delivery and invoice receipt.
- (6) The Supplier may assign any claims against us to third parties only if we have given our consent. Payments shall be made to the Supplier only.

Section 4 – Delivery time

- (1) The delivery date indicated in the Order (hereinafter referred to as “Entry Date”) shall be binding.
- (2) The Supplier must notify us forthwith of any foreseeable delivery delays.
- (3) Our obligation of acceptance lapses if, due to Force Majeure, we are unable to accept the goods. Force Majeure includes natural disasters, unrest, regulatory measures, strikes, lock-outs and similar disturbances.

Section 5 – Transport and delivery

- (1) The goods must be forwarded to the delivery address indicated on the Order.
- (2) We reserve the right to determine the transport route and mode of dispatch as well as the means of transport and the type of packaging used.
- (3) Every shipment must be accompanied by dispatch notes. The dispatch notes must be issued separately for every Order. In the event of partial delivery, the dispatch note and the invoice must include a reference to “Partial Delivery” or “Remaining Delivery”.
- (4) Risk shall be transferred to us upon acceptance of the goods or services by us.

Section 6 – Defect inspection/Warranty

- (1) The Purchaser shall inspect the goods or services within an appropriate period of time to establish the existence of potential deviations from the required quality and quantity; a complaint is deemed to have been made on time if it arrives at the Supplier within ten working days from the day of goods receipt or, in the case of hidden defects, from the day of discovery.
- (2) Our right to statutory warranty claims remains unrestricted. We shall, irrespectively, have the right to ask the Supplier to either remedy the defect or replace the goods in question. In such a case the Supplier shall bear the costs required to remedy the defect or replace the goods.
- (3) If we have set the Supplier an appropriate period of grace to remedy the defect or to undertake a replacement delivery and if he fails to remedy the defect or undertake a replacement delivery within that set period, we shall have the right to take it upon ourselves to remedy the defect or have it remedied by third parties at the expense of the Supplier or to procure the goods from another source the costs of which shall be borne by the Supplier.
- (4) We reserve the rights arising from sections 437 et seq. of the German Code of Civil Law.
- (5) The Supplier shall be liable and must ensure that the delivery and use of the supplied goods does not breach any patent or industrial property rights of third parties. Otherwise we may claim damages from the Supplier due to non-performance. In the event of defects of title, the Supplier shall furthermore indemnify us against any potential claims made by third

parties. Defects of title are subject to a period of limitations of ten years. Any further statutory claims shall remain unaffected.

- (6) Unless otherwise agreed or unless longer statutory periods apply, the warranty period for material defects is 24 months starting upon the delivery of the subject matter of the contract or the acceptance of performance (transfer of risk). The same applies to goods or parts provided by the Supplier as part of the warranty (supplementary performance).
- (7) Any arrangements made concerning the chemical, physical and technical properties, measurements, type of execution and quality must, as far as the respective tolerances are concerned, be strictly adhered to. Unless the properties of chemicals have been specified in the Order, the specifications included in the safety data sheets, bulletins, product leaflets and manufacturer's instructions that were handed over last and/or the product sample sent to us last shall be binding.
- (8) We shall have the right to have the ordered goods examined by independent inspectors on site at the factory of the Supplier. The inspection does not release the Supplier from his duty of warranty.

Section 7 – Product liability/Recall

If, due to a breach of regulatory safety rules or on account of German and foreign product liability regulations or laws resulting in the defectiveness of our product that is attributable to an item provided by the Supplier, a claim is made against us, we shall have the right to ask the Supplier to either compensate us for the damage or indemnify us against any claims. Such compensation also includes the costs of any recall action that may be required.

Section 8 – Occupational safety/Accident prevention/Environmental protection/insurance

- (1) The Supplier shall assume liability and ensure that as far as the structural properties (construction and execution) of the technical means of work (installations and machinery) are concerned, at least the currently valid and relevant accident prevention regulations, the German Workplace Regulation (*Arbeitsstättenverordnung/ArbStättV*), the German Hazardous Materials Regulation (*Arbeitsstoffverordnung/ArbStoffV*) as well as the general safety and occupational health regulations are complied with. Any further requirements that arise as a result of transposing EU Directives into national law must also be adhered to.
- (2) If Suppliers need to undertake work in some of our factory and production areas, we shall only be liable for breaches of duty arising from wilful misconduct or gross negligence. This does not apply to cases where we are liable for bodily injuries including death and other impairments to health or act in breach of a material contractual duty.
- (3) In the case of deliveries of material that is newly used by us, safety data sheets and bulletins must be added.
- (4) If the hired equipment of a Supplier is used on our factory premises, the Supplier/lessor shall be obliged to insure the devices accordingly (all-risk coverage).

Section 9 – Place of performance/Place of jurisdiction/Applicable law

- (1) The place of performance is the factory and/or installation site of the Purchaser indicated in the respective Order.
- (2) The place of jurisdiction for all disputes arising from the contractual relationship is the local court/regional court (*Amtsgericht/Landgericht*) that is competent for the place of performance. We shall, at our discretion, also have the right to instigate legal proceedings where the Supplier has his registered office.

- (3) The contractual relations are exclusively subject to the law of the Federal Republic of Germany. The use of the 'United Nations Convention on Contracts for International Sale of Goods' is excluded.

Section 10 – Retention of title

We do not accept any extended and, in particular, prolonged retention of title by the Supplier. If, as part of some Orders (in particular repair orders or contract processing), we provide the Supplier with components, we shall retain title to such items. Any processing or transformation undertaken by the Supplier takes place on our behalf. If items are processed or transformed, we acquire co-ownership of the new item to the extent proportionate to the value of our item vis-à-vis the other processed items at the time of processing.

Section 11 – Business secrets/Design protection

- (1) The Supplier shall be obliged to keep confidential all inhouse information disclosed to him in connection with the execution of the Order. This also includes information on production procedures, formulations and installation configurations. The duty of confidentiality ends when and as far as the facts enter the public domain without such disclosure being the result of a breach of contract by the Supplier. The Supplier must not tell other customers about the use of his products in our factory or use them as a reference.
- (2) As far as the ordered parts or installations are produced by the Supplier on the basis of our own design, all rights in connection with the design shall remain with us. Upon order acceptance the Supplier undertakes to neither supply nor offer, now or later, the surrendered parts or installations to third parties.
- (3) If the Supplier or one of his agents breaches the provisions set forth in paragraph 2 and 3 above, we shall have the right to demand damages unless the Supplier is not culpable.

Section 12 – Transfer of contract/Final provisions

- (1) Without our explicit written consent, the concluded contract may neither wholly nor in part be transferred to third parties.
- (2) If one of the above provisions agreed were to be or become wholly or partially ineffective, the effectiveness of the remaining Purchase Conditions shall not be affected thereby.