

SALES CONDITIONS

1. Gruppo Cordenons S.p.A. (the "Company") sells its products under the terms and conditions set forth herein below.
2. Any **amendments or exceptions** should be specifically agreed in writing and shall be valid and effective solely for the agreement to which they relate.
3. Each and any order procured by the **Company's agents**, distributors and sales representatives shall be subject to the Company's unquestionable approval in writing. The customer shall verify the details set forth in the confirmation of the order and immediately notify in writing any discrepancy to the Company. Except in the case of gross material error, should the customer fail to notify the discrepancy within 3 (three) calendar days following receipt by the customer of the confirmation of the order, the agreement shall be deemed to have been entered into between the Company and the customer, under the terms and conditions set forth in the confirmation of the order. Should the Company not accept the above mentioned orders, no contractual or extra-contractual liability shall arise vis-à-vis the Company itself.
4. The **agreement** shall be considered entered into in Milan, where the Company has its registered office, regardless of the actual place where the order is collected, the products delivered or the customer's legal registered office is located.
5. The customer shall have no right to the **Warranty** (as defined below), unless the customer notifies to the Company the defects of the purchased products within 8 (eight) calendar days following the receipt of the above mentioned products. The defects should be notified in writing and in detail, setting forth, among other things, the reel or pallet number, to enable the Company to promptly verify such data. With regard to the paper sizes and weights, the allowances set forth by CEPAC - European Confederation of Pulp, Paper and Board industries - shall apply.
6. In the event of a dispute arising between the Company and the customer with respect to the notified defects concerning **the quality and the condition** of the products, such dispute shall be finally settled by the Experimental Cellulose, Paper, and Vegetable and Synthetic Textile

Fibres Station of Milan - (Stazione Sperimentale Cellulosa, Carta e Fibre Tessili Vegetali ed Artificiali di Milano) which shall act as an arbitrator and shall decide ex aequo et bono ("equity") and the nature of the award shall be irritable. The costs of the procedure shall be borne in full by the losing party. If the notified defects are acknowledged by the Company or ascertained according to the above procedure, the customer shall solely and exclusively be entitled to demand the **replacement of the defective products**. The Company shall replace them within a reasonable period of time, depending on the time required for manufacturing and delivery. The customer shall not be entitled to claim any other right, demand or action, including, but not limited to, damages, nor shall the customer be entitled to suspend or fail to fulfill its obligations, including payments for the purchased products (the "**Warranty**"). The customer shall not be entitled to raise any objections, other than in relation to the agreement's nullity, annulment and rescission, aimed at avoiding or delaying the performance of its obligations, including the obligation to pay, in whole or in part, the consideration due to the Company for the purchased products. This provision shall not apply in case of eviction resulting from the Company's own acts.

7. **No warranty** is provided in respect to the sale of left-over second-rate paper or stocks.
8. For no reason whatsoever the Company shall be held liable vis-à-vis the customer for an aggregate amount of money exceeding the price of the products purchased by the customer pursuant to the agreement from which the Company's liability arises. The Company shall not be held liable in the **event of slight negligence** ("colpa lieve") and/or in respect of any indirect damages and/or loss of profit.
9. The customer shall acquire the legal title and the ownership of the products purchased from the Company only upon payment of the relevant price and receipt of such amount by the Company. However the customer shall assume all the risks in relation to the products upon delivery of the products. It is understood that the products will be carried at the customer's own risk even if sold "free of carriage".
10. The prices listed in the price list or in the quotation are not binding for the Company until confirmed by the Company in the confirmation order. Until the issuance of the order confirmation, the Company shall be entitled to vary the prices on a discretionary basis in case of increase of the costs of raw materials and/or of the materials required for manufacturing the products and/or of export or import duties, customs charges, taxes on export, import and delivery or similar charges as a result of decisions made by national or foreign authorities. The

Seller and the Purchaser shall review in good faith the price of the Products in the event that, after the date of the Order Confirmation, (i) export or import duties, customs charges, taxes on export, import and delivery or similar charges increase as a result of decisions made by authorities; and/or (ii) new duties, taxes and charges are introduced and implemented in respect of the relevant Products or their conveyance; and/or (iii) raw materials, transportation costs or other cost components affecting the price of the Products in the Confirmation Order significantly increase; and/or (iv) there is a significant change in exchange rates affecting the price of the Products.

11. The **payment of the products** price shall be made, and shall in any case be considered as made, in Milan, at the Company's registered office, regardless of the place where the bills or drafts are issued for payment. This provision shall also apply to any other form of payment that may have been accepted, as an exception, in a different place.
12. The **time limit for the fulfillment** of the payment obligation of the purchased products is exclusively set in favor of the Company. Upon expiration of the Client's obligation to pay the price of the products, regardless of any default action, delay interests shall accrue on the products price for an amount equal to the official discount rate, plus 5 (five) percentage points, and the Company shall be entitled to issue a draft on demand. If applicable mandatory laws or regulations set a maximum interest rate for delayed payments, such maximum rate shall be applied instead. The Company shall be entitled to forthwith demand the fulfillment of the customer's obligations in the event of the customer's insolvency.
13. If the **customer fails to timely fulfill its obligations**, the Company shall be entitled either to withdraw from any existing agreement entered into with the customer, or to refuse to fulfill its own obligations towards the customer, without any further obligations or liability of the Company and without prejudice to any other rights of the Company.
14. The Company will be entitled to **suspend the fulfillment** of its own obligations if the customer's financial conditions have become such as to jeopardize the performance of its own obligation, unless an appropriate warranty is provided.
15. If the **Company's obligations** become extremely burdensome for extraordinary and unforeseeable events, the Company shall be entitled to demand the termination of the agreement. The termination of the agreement may be avoided should the client offer to amend the agreement as to have fair contractual terms and conditions.

16. The Company shall not be held liable for non-fulfillment or delays if prevented from carrying out its **own obligations** for reasons beyond the Company's control. The Company is fully discharged from its obligations when, for reasons not attributable to the Company, the fulfillment of the obligations has become impossible. In the event of strikes, fires, floods, blackout, and any other Act of God, the Company shall in no way be held responsible for any delay in fulfilling its obligations.
17. Unless otherwise agreed in writing, the Company shall be **discharged from the obligation** to deliver the products purchased by the customer by delivering them to a carrier or forwarding agent. Carriage shall be done on the customer's behalf and the relevant expenses shall be borne by the customer. Any freight, duty, custom duty, excise, levy, tax, and any other expense to be paid on the products shall be charged to the customer only. Unless otherwise agreed in writing, the delivery shall be considered as carried out at the place where the products are being delivered to the carrier or forwarding agent. It is understood that, in the event of "free of carriage" sales, any increase in transportation charges following the confirmation of the order, and any storage and/or demurrage charges shall be borne by the customer only.
18. **Without prejudice** to the above, the time of delivery is approximate, with at least 15 (fifteen) business days' grace period. Failure to comply with such deadline does not entitle the customer to withdraw from the agreement, to demand its termination, to refuse the delivery of the products, or to claim damages for delayed delivery.
19. Anything not expressly regulated in this agreement, shall be **governed by Italian law** and the business usage and customs applying to paper and cardboard as set forth by the general terms and conditions of sale for paper and cardboard manufacturers in the European Community as implemented by CEPAC - European Confederation of Pulp, Paper and Board Industries.
20. The **Court of Milan** shall have the exclusive jurisdiction for any dispute arising out of or from the interpretation and the performance of any sale agreements entered into between the Company and the customer, including payments by draft. If, for any reason whatsoever, a sale agreement entered into between the Company and the customer ceases to be in force, such event shall not affect the terms and conditions of sale agreement relating to the applicable law and the settlement of disputes, including the exclusive jurisdiction clause, or



governing the parties' rights and obligations as a result of the ineffectiveness of the sale agreement.

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The Client expressly accepts clauses under paragraphs 3, 5, 6, 7, 8, 9, 10, 12, 13, 14, 16, 17, 18, 19 and 20.