

General Terms and Conditions of Sale

(the “Conditions”), *Version Biomaterials V1*

Art. 1 Applicability and entire agreement

These Conditions apply to any order and order confirmation related to sale of Sappi Biomaterials including Sappi Symbio and Valida (the “Goods”)

1. through legal entities of Sappi Europe (the “Seller”);
2. through agents of legal entities of Sappi Europe;
3. to a buyer (the “Buyer”).

The Seller reserves the right to amend these Conditions from time to time and shall notify the Buyer of such amendments. Each agreement (the “Contract”) for the sale of Product by Sappi to the Purchaser is made up of these Conditions, the Order Confirmation, any Credit Facility Agreement and any Pricing Agreement. References by the Buyer to the Buyer’s own purchasing conditions in an order or other written document shall not be binding despite a subsequent sale of Goods by the Seller in response to this solicitation. Any conditions used by the Buyer are herewith explicitly excluded. Statements and agreements made by the Seller’s employees, officers, representatives and/or agents are not binding upon the Seller unless, and only to the extent that, these are confirmed or made in writing by a duly authorised representative of the Seller.

Any amendments to the Contract shall be expressly agreed in writing by authorised representatives of the Parties. In the case of any conflict or difference, the Credit Facility Agreement prevails over these Conditions, the Conditions prevail over the Order Confirmation and the Pricing Agreement and the Order Confirmation prevails over the Pricing Agreement.

Art. 2 Notification of Order

Every purchase order for the Goods shall clearly and unambiguously contain a minimum of the following information:

1. Reference to a relevant quotation or supply agreement for the Goods being ordered;
2. Quantity;
3. Quality, with reference to a product, grade, variant, samples supplied, as well as any other required indication;
4. Packing requirements;
5. Delivery dates, destinations and method of delivery (incl. applicable Incoterm);
6. Agreed price;
7. Agreed conditions of payment.

Art. 3 Formation of Contract by Order Confirmation (Confirmation of acceptance of order)

The Seller shall not be obliged to accept orders from the Buyer, but if the order is accepted by the Seller, confirmation shall be sent to the Buyer (the “Order Confirmation”) and the Contract shall be deemed to be formed. The Order Confirmation constitutes the basis and origin of the Contract and the Seller and the Buyer shall be bound thereto. The details listed in the Order Confirmation are considered correct and accepted by the Buyer unless the Buyer objects on the following business day. The Buyer shall not be permitted to cancel or amend a Confirmed Order unless agreed by the Seller in writing.

Art. 4 Specifications

The Seller will deliver the Goods in accordance with the specifications regarding quantity and quality as specified in the Contract (the “Specifications”). Any samples supplied to Buyer are supplied solely for information purposes and in no way imply any express or implied conditions or warranties of any kind, including as to quality, description, merchantability, suitability or fitness for any purpose and the Buyer shall be deemed to have satisfied itself as to such matters prior to ordering the Goods.

Art. 5 Transfer of risk and title

a) Risk

The risk of loss or damage to the Goods will pass to the Buyer in accordance with the agreed Incoterm.

b) Title

The Seller reserves ownership of the Goods delivered to the Buyer until the Seller has received payment for all sums owed by the Buyer through their business relationship.

The Buyer may process the Goods in the course of normal commercial operations and hereby assigns to the Seller all claims arising from the resale of the subsequent manufactured items concerned. The Buyer further acknowledges that until ownership passes the Buyer shall

- hold the Goods on a fiduciary basis as the Seller's bailee;
- store the Goods securely and be able to identify them as the Seller's property;
- insure the Goods against loss or damage and
- inform the Seller immediately of any action taken by third parties against the reservation of ownership (i.e. seizure etc.).

The Seller is entitled, without previous notice, to enter the Buyer's premises for the purpose of retaking possession of the unpaid Goods if payment of an invoice is not received in full by the respective due date and/or an insolvency proceeding in the meaning of Council Regulation (EC) No. 1346/2000 of 29 May 2000 (as amended) has been opened or rejected due to lack of funds.

Art. 6 Delivery and Force Majeure

The estimated delivery date shall be indicated on the Order Confirmation. The place of delivery is defined by the agreed Incoterm. The Seller will inform the Buyer of any foreseeable delay in delivery. No damages or interest charges can be claimed for non-execution or late delivery of an Order. The Seller is entitled to deliver the Goods as stipulated the Order Confirmation in part deliveries and to invoice each delivery separately. Each delivery shall constitute a separate transaction and any failure to deliver shall have no consequences for other deliveries.

The Seller is freed of its obligation by any event beyond their reasonable control which prevents or retards delivery of the Goods and for which they could not be held responsible (such as lack of raw materials and other indispensable supplies, machine breakdowns or lack of motor power, labour problems, lack of means of transport, **the "Force Majeure Event"**).

The Seller is responsible for notifying the Buyer of the existence of, and reasons for, any temporary delay or inability to supply due to a Force Majeure Event. If the non-performance is only temporary, execution of the Contract will be suspended. If, however, its duration exceeds fourteen (14) days, either Party has the right to cancel the Contract without indemnity. If, at the time the Force Majeure Event arises, the Seller has already produced part of the Order, the Buyer is obliged to take delivery of the quantity made under the conditions already agreed. When the Seller is unable to deliver the Goods as a result of a Force Majeure Event, the said Goods will be clearly marked for the Buyer and put at the Buyer's disposal, expense and risk in the Seller's warehouses. The Seller shall without undue delay inform the Buyer when such action has been taken.

Art 6A: Failure to collect the Goods

Should the Buyer not collect the Goods when notified that they are available or should a due delivery be postponed, the Seller is entitled to put the Goods in a warehouse, raise the corresponding invoice and charge any costs related to the Buyer's delayed acceptance incurred between the initially agreed delivery date and the date of the actual physical supply of the Goods to the Buyer. The Buyer agrees that the transfer of risk occurs at the initially agreed delivery date.

Art. 7 Payment and payment delays

a) Period for payment

The agreed period for payment shall commence on the invoice date.

b) Place of payment

Unless otherwise agreed, the place of payment is the registered office of the Seller. Commercial representatives or agents of the Seller may not collect the amounts on the invoices unless they carry special authority to do so.

c) Risks and expenses in settlement

The risks and expenses pertaining to the transfer of funds are the responsibility of the Buyer. Should the Seller accept payment by draft, the cost thereof and any expenses arising from possible discounting will be for the Buyer's account.

d) Letter of credit

If payment is made by letter of credit, such letter of credit shall be presented to the Seller and confirmed by the Seller's bank at the set date. If the Buyer does not fulfil this obligation, the Seller is entitled to cancel the Contract.

e) Delays in payment and decrease of the Buyer's creditworthiness

If payment of an invoice is not received in the Seller's bank account at the latest on the due date, without prejudice to any other right, the Seller is entitled to:

- cancel confirmed Orders, including the right to stop any deliveries in transit and to suspend future deliveries;
- claim interest of twelve (12) % p.a.;
- claim an amount of 40 EUR for administrative and internal costs as well as reasonable compensation from the Buyer for any recovery costs exceeding the 40 EUR incurred due to the Buyer's late payment. This includes expenses for, inter alia, instructing a lawyer or employing a debt collection agency.
- ask for immediate payment of all outstanding invoices whether due or not;
- request payment before production or delivery of future Orders.

The Seller is also entitled to cancel confirmed Orders and to suspend future deliveries if the Buyer's creditworthiness has been reduced or the credit limit with the Seller has been reached.

Art. 8 Inspection of the Goods and Claims

a) Acceptance

The Buyer shall inspect the Goods immediately upon receipt thereof. Should the Buyer notice a difference between the quantities delivered and the quantities declared on the transport documents, or apparent damage to the Goods, the Buyer shall immediately, record such detail on the transport documents in the presence of the forwarding agent, who shall countersign same, and at the same time, the Buyer shall inform the Seller in writing.

Any complaint which the Buyer may have with respect to the quality of the Goods shall be made in writing immediately and before use but not later than

- ten (10) business days after receipt of the Goods for obvious defects which can be revealed by simple examination or elementary check; and
- not later than six (6) months after receipt of the Goods and within ten (10) business days following the discovery of the defect for concealed defects which can only be revealed by a thorough examination, test or normal passage through the machine.

After notification at the proper time of any defects, the subsequent conversion of the Goods which form the object of the complaint shall only take place with the prior written approval of the Seller.

If the Buyer does not observe the time limits stipulated above in this clause, the Goods are considered to have been accepted. Consequently, no claims will be effective against the Seller and the Buyer will lose all right to compensation. The portion of the consignment already converted cannot form the object of a claim and for any claim to be considered, at least ninety (90) % of the quantity of the contested Goods shall remain available, intact and readily identifiable. Observation of a defect in one portion of the Goods cannot justify rejection of the whole consignment. A complaint about a portion of the Goods does equally not release the Buyer from the obligation to pay within the agreed period for the whole consignment.

b) Action following a justifiable complaint

Should a complaint be accepted by the Seller, the Seller will take back or dispose of the defective Goods at the Seller's own expense. The Buyer shall make them available in good condition (other than the defects notified to the Seller) and in the original or equivalent presentation and packing. The Seller will then replace the Goods at once or as soon as production capacity and other engagements permit. Such replacement precludes any further compensation to the Buyer.

Should the Seller not supply the replacement Goods within a suitable period, however, or should the new Goods also be defective, the Buyer is entitled to an agreed reduction in the selling price or to cancellation of the Contract. The Buyer is not entitled, however, to claim for any damages and interest to cover consequential losses. The liability of Seller for any claims for damages arising out of use of or in connection with the Goods shall be limited to the sum of Buyer's payments for the Goods that are the subject of the claim.

Art. 9 Applicable law and jurisdiction

This Contract is governed by and construed in accordance with the laws of Belgium, with the exclusion of its conflict of laws principles and the 1980 United Nations Convention on Contracts of the International Sale of Goods (Vienna Convention).

Exclusive jurisdiction for all disputes arising out of or in connection with this Contract will be the Courts of Brussels (Belgium).

Additional considerations

Intellectual Property

Seller has not verified the possible existence of third party intellectual property rights which might be infringed as a consequence of the sale and/delivery of the Goods and Seller shall not be held liable for any loss or damages in that

respect. The sale of Goods shall not, by implication or otherwise, convey any licence under any intellectual property right relating to the Goods, the compositions and/or applications of the Goods, and/or the trademarks or logo's owned and/or controlled by the Seller. The Buyer expressly assumes all risks of any intellectual property infringement by reason of its importation and/or Use of the Goods, whether singly or in combination with other materials or in any processing operation.

Non-assignment

Neither party may assign any of the rights or obligations under the Order Confirmation without the prior written consent of the other party, provided however, that the Seller may assign such rights and obligations, wholly or partly, to any of its parent companies, subsidiaries or affiliates or to a third party acquiring all or a substantial part of Seller's assets or business relating to the Goods. The Seller shall not be entitled to resell the Goods unless authorised by the Seller.

Prices

Prices and currencies of Seller's Goods are as set out in the Order Confirmation. Unless agreed otherwise, Seller's prices include standard packaging but do not include Value Added Tax or any other similar applicable taxes, duties, levies or charges in any jurisdiction levied in relation to the Goods or the delivery thereof ("Taxes"). The amount of any Taxes levied in connection with the sale of the Goods to Buyer shall be for Buyer's account and shall be added to each invoice or separately invoiced by Seller to Buyer. If Seller grants a discount, this discount only relates to the delivery specifically mentioned in Seller's Confirmation.

Unless the prices have been indicated as firm by the Seller in the Order Confirmation the Seller is entitled to increase the price of the Goods still to be delivered if the cost price determining factors have been subject to an increase. These factors include but are not limited to: raw and auxiliary materials, energy, products obtained by the Seller from third parties, wages, salaries, social security contributions, governmental charges, freight costs and insurance premiums. The Seller shall notify the Buyer of any increase.