

Paptic Oy's General Sales Terms

1. General / Scope of Application

These General Sales Terms shall apply to all agreements, purchase orders and sales relationships ("Agreement") between Paptic Oy and/or its affiliates ("Paptic") and the Purchasers of products ("Product") from Paptic ("Purchaser") during all stages of the sale and purchase process, unless otherwise separately and explicitly agreed in writing between the Parties. These General Sales Terms may be updated on the sole discretion of Paptic and Paptic's General Sales Terms in force from time to time shall be applicable on the Agreement.

2. Prices, Invoicing and Payment Terms

All prices, fees and charges shall be separately specified in the Agreement. Unless agreed otherwise, the prices, fees and charges do not include, and the Purchaser shall be responsible for payment of, VAT, any other taxes, withholding taxes, levies, duties, charges, assessments or fees of any nature (including interest, penalties and additions thereto) now existing or hereafter enacted which relate to the sale, delivery and purchase of the Products under the Agreement. The Purchaser shall also be responsible for any and all delivery costs and insurance fees, unless separately agreed otherwise.

Payment terms shall be separately specified in the Agreement. Payment shall be made without deduction or set. Payment shall be made in Euros by wire transfer to Paptic's bank account on or before the due date. When the price is payable in a currency other than Euro, Paptic is entitled to compensation if the rate of exchange is less favorable to Paptic on the day of delayed payment than it was on the day when payment was due.

Any amount that is not paid in full by the due date shall be subject to penalty interest as set out in the Agreement, or in case the Parties have not agreed thereon 5% per month.

3. Delivery

Applicable Incoterms 2010 delivery terms and the mode and destination of the deliver shall be specified in the Agreement. The products are at the risk of the Purchaser from the time of delivery pursuant to applicable delivery terms.

Paptic shall use its reasonable endeavors to deliver the Products in time in accordance with the delivery schedule agreed between the Parties. The delivery times in the delivery schedule agreed between the Parties are estimates. Paptic shall inform Purchaser of any foreseeable delay in delivery as soon as practicable after Paptic becomes aware of such fact. Paptic may refuse to make deliveries or provide services if the Purchaser has any unpaid amounts that are due, or if Paptic has reason to doubt the Purchaser's ability or readiness to pay.

Should the Purchaser fail to perform its obligations in regard to delivery, including failure to accept delivery, Paptic shall be entitled to arrange for the storage of the Products at the risk and cost of the Purchaser and claim costs originating for such arrangements, including related transportation costs. When the delay is caused by the Purchaser or its customers, it shall nevertheless make payment of the Products in full.

4. Retention of Title

Paptic reserves the title and ownership to all Products until the Purchaser has paid the purchase price of the Products in full. If the Purchaser sells the Products while Paptic still holds titled and ownership, it assigns the resulting claim to Paptic. The Purchaser must notify Paptic of the sale without delay, specifying the recipient. The retention of title remains applicable irrespective of where the Products are held or whether they are further processed or resold.

5. Storage

We recommend that the Product is used within 12 months counting from production date and stored between 8-30 °C. No direct sunlight, avoid odor contamination, dry conditions, protection against dampness, avoid freezing. Paptic shall not be liable for any damages or costs incurred by the Purchaser which result from the fact that such recommendation has not been followed.

6. Claims

The Purchaser is obliged to examine each delivery immediately upon arrival. Any apparent defects (including damage in transit), incompleteness of the goods or any other variances from the confirmation of the order have to be notified immediately upon arrival of the delivery in writing to the Seller by specifying the defect, incompleteness or other variances, and quoting the invoice number. Should there be any evidence of damage in transit, the Purchaser shall duly give notice of claim to the carrier. Any hidden defects (including defects surfacing during manufacturing) must be notified immediately after discovery. It shall be assumed that hidden defects are normally detectable within a period of thirty (30) days after arrival unless the Purchaser is able to prove that it could not have reasonably detected the defect within that period.

Paptic shall be provided an opportunity to inspect the Products the notification relates to. No return of Products shall be accepted without Paptic's prior written authorization. If the Purchaser does not notify Paptic within the set time frame the Products shall be deemed to have been duly delivered in agreed quantity, quality and specification. Product delivered within +/- 10 % quantity tolerance is considered to be delivered as agreed. The General Trade Rules for Sales of Paper and Paperboard 1980 are applicable on quality tolerances.

7. Limitation of Liability

In the event of Paptic being liable for damages under the Agreement, the damages shall be limited to any proven direct damages incurred by the Purchaser up to the amount equal to the purchase price of the Products giving rise to such claim. Paptic shall under no circumstances be liable for any indirect, consequential, incidental or punitive damages or losses incurred by the Purchaser in connection with the Products or the Agreement, including but not limited to loss of profits, revenue, production or goodwill. The Purchaser shall use commercially reasonable efforts to mitigate the damages arising in relation to any claim which the Purchaser may bring against Paptic under or in connection with the Agreement.

8. Force Majeure

Neither Party shall be liable for whole or partial non-performance of its obligations under the Agreement if such non-performance is caused by any event beyond the reasonable control of the Party including, without limitation, fire, embargo, icing of sea, flooding or other natural disaster, strike, lock-out or other labor dispute, shortage of raw material, disruption in the energy supply or supply failures by Paptic's suppliers ("Force Majeure"). The Party invoking Force Majeure shall inform the other Party in writing of the Force Majeure and the expected duration of the Force Majeure and shall use its reasonable endeavors to mitigate the adverse effects of the Force Majeure, to overcome the effects of the Force Majeure and to resume performance of its obligations under the Agreement.

9. Ownership and rights to Intellectual Property

The delivery of the Products under the Agreement and/or under these General Sales Terms shall not be construed as granting any express or implied rights or licenses to Paptic's Intellectual Property other than necessary for the use of the Products by the Purchaser, which use is known to Paptic when entering into the Agreement. Each Party retains ownership and other rights to any Intellectual Property owned or used by the respective Party at the time of entering into the Agreement as well as to Intellectual Property created by the respective Party in connection with the fulfilment of the Agreement.

10. Increased Costs

Should there after the conclusion of the Agreement occur a substantial increase in the total costs, including in relation to production or transportation, Paptic shall have the right to demand renegotiation of the price in respect of the Product due for delivery. If an agreement cannot be reached, Paptic may cancel the undelivered part of the contracted quantity.

11. Miscellaneous

Paptic is entitled to use subcontractors for the performance of its obligations under the Agreement and these General Sales Terms without prior consent of the Buyer.

The Purchaser shall not be entitled to assign the Agreement or any of its rights or obligations under the Agreement, in whole or in part, to any third party without the prior written consent of Paptic. Paptic shall be entitled to assign its receivables under the Agreements to any third party.

Any amendments or variation to the Agreement shall be made in writing and accepted by both Parties (whether by explicit written approval, signature or other similar method).

If any term of the Agreement or these General Sales Terms is held invalid or unenforceable, such determination shall not invalidate or render unenforceable any other term of the Agreement or these General Sales Terms. The Agreement and these General Sales Terms constitute the entire agreement between Paptic and the Purchaser with respect to the delivery and provision of the Products and exclude and supersede prior representations of the Parties and any general purchasing conditions of the Purchaser or any other general or standard trading terms which may be written on or referred to in any order, request for quotation or other documentation used by the Purchaser.

12. Governing Law

These General Sales Terms are governed by and construed in accordance with the substantive laws of Finland, excluding its conflict of law rules and the United Nations Convention on Contracts for the International Sale of Goods.

Any and all disputes, controversies or claims between the Parties that relate to or arise from these General Sales Terms or the supply of the Products shall be resolved in good faith negotiations between the Parties.

Should the negotiations not lead to a mutually satisfactory outcome, such dispute, controversy or claim arising out of or relating to these General Sales Terms, or the breach, termination or validity thereof, shall be settled exclusively and finally by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce. The place of arbitration shall be Helsinki, Finland and the language of the arbitration proceedings shall be English.