

STANDARD TERMS OF SALE
of
WILFRIED HEINZEL AKTIENGESELLSCHAFT („WHAG“)

1. Application of the Terms

The following Terms shall constitute an integral part of all agreements concluded with WHAG or any subsidiary or affiliate of WHAG (collectively "WHAG") on the delivery of paper, paper board, pulp and chemicals, including raw and auxiliary products for the paper- and pulp industry. Deviating stipulations, in particular such included in Standard Terms used by the customer, even if uncontested, shall only apply upon written consent hereto by WHAG. The acceptance of an order by WHAG shall under no circumstances be deemed acknowledgement of deviating stipulations.

Persons placing an order shall be deemed authorized to accept the Terms and to make reservations hereto for and on behalf of the customer.

Besides these Terms, the General Conditions of Sale recommended by the Confederation of European Paper Industries (CEPI) and the commonly accepted General Trade Rules for Paper and Paper Board or, as the case may be, for Woodpulp shall apply. Upon request by the customer WHAG shall make available a copy of those Conditions and Rules.

2. Conclusion of Contract

A contract shall be deemed concluded final and binding only upon WHAG issuing of a written order confirmation. Any information, advice or other particulars disclosed by WHAG in the course of initiating a business relation shall only constitute a non-committal suggestion for the customer's orientation, without any obligation on the side of WHAG to enter into a particular contract. WHAG only warrants for the accuracy of prices and technical data disclosed in formal and written offers.

If in the offers, order confirmations or other correspondence of WHAG trade terms are used, the interpretation of same, except otherwise agreed upon, shall be made in accordance with the Incoterms 2010 in its prevailing version.

3. Delivery, Packing

Unless otherwise agreed upon, any and all deliveries shall be made ex-works of the suppliers of WHAG, not including transport, whereby also all risks for detention, loss or damages of the goods, but not ownership, shall pass to the customer.

4. Date of Delivery, Delay

Notwithstanding an agreed delivery date, WHAG may postpone delivery up to four weeks by written notice to the customer, the same not being entitled to raise claims of any kind whatsoever in respect to such postponement. In the event of a postponement of the delivery beyond the above term, with the exception that such postponement was not caused by grounds of force majeure, the customer may terminate the contract upon giving reasonable notice thereof. Further claims of the customer due to late delivery, in particular, but not limited to, damages, shall be excluded in cases of negligence and otherwise be limited to the net value of the delivery delayed.

If the customer having terminated the contract wishes to enter into a hedge purchase on the contracted goods, the customer, otherwise waiving any and all claims in respect of the previously contracted goods, must allow WHAG to submit an offer for such hedge purchase.

5. Force Majeure

In particular the following shall be considered as grounds of force majeure if they occur after the conclusion of the contract - or when they have occurred before that time, if their effects were not clearly foreseeable before the conclusion - and they prevent, hinder or delay the contractual obligations of WHAG:

War; war risk; insurrection; blockade; requisition; embargo; recruiting up of personnel for military service; currency restrictions; export or import prohibitions or restrictions; restrictions in the use of power; labour conflicts; general shortage of labour, transport and materials; water shortage; fire; flood; storm, obstruction of railways; obstruction of navigation by ice or low water at port of dispatch or port of shipment; loss or detention at sea; non-delivery, faulty or delayed delivery by our suppliers of raw material or other commodities for production; any other circumstances beyond the control of WHAG.

In the event of a case of force majeure WHAG may, at its option, either suspend performance under the contract or immediately or at a later stage cancel the contract. The customer may not raise claims of any kind whatsoever against WHAG on the grounds of such suspension or cancellation of the contract. WHAG shall without delay notify the customer of the occurrence of a case of force majeure and of its further action in respect to the contract. In the event of a case of force majeure at the side of a supplier of WHAG, WHAG shall be fully released from its duties of notification towards the customer by forwarding the notifications received from such supplier.

6. Prices, Costs

All prices shall exclude VAT and, unless otherwise stated, be denominated in Euro. Unless otherwise agreed, any and all imposts, duties, fees, taxes, freight- and insurance costs related to the delivery and the transport of the goods shall exclusively be borne by the customer.

Should there, after the conclusion of the contract, occur a substantial increase of the relevant price-determinants, as for instance of the price for raw materials and auxiliary commodities, wages and other social costs, costs of energy, taxes and likewise expenses, on the side of WHAG or on that of the suppliers of WHAG, WHAG shall be entitled to adjust the prices accordingly for such deliveries which are to be made later than four weeks after conclusion of the contract.

7. Payments, Retention of Title

All invoices shall be payable immediately upon receipt of the invoice, free of charge with the bank account of WHAG.

In the event payment has been agreed by documentary letter of credit, beside the terms of the order confirmation the „Uniform Rules and Customs for Documentary Letters of Credit“, Revision 2007, ICC-Publication No. 600, in the prevailing version shall apply.

In the event of delayed payment, without prejudice to further claims, WHAG shall be entitled to charge interest in the amount of 4 points above the prevailing discount rate of the Austrian Federal Reserve Bank or above the rate replacing such interest rate. Same WHAG shall be entitled to employ a debt collecting office and instruct counsel, the costs thereof being borne by the customer.

Should the customer be put under adjudication or any other insolvency proceedings, WHAG may call all its claims immediately due and in addition cancel all contracts not or not fully completed either in parts or entirely.

Goods delivered shall remain the free property of WHAG until full settlement of the respective claims of WHAG. The customer shall store goods delivered by WHAG which are subject to retention of title separately and in a proper manner and also has the duty to take out appropriate insurance cover for the goods. If the goods are processed or joined to or mixed with other materials, If the delivered goods are processed or otherwise combined with goods not being property of WHAG, the property rights of WHAG shall comprise the processed or combined goods proportional to the invoicing value of the delivered goods in relation to the value of the processed respectively combined goods. Until further notice by WHAG the customer may process or resell the goods, treated or untreated or as part of other goods, within its normal course of business, but not pledge or otherwise offer the goods as a security. The customer, however, as a security now and therewith transfers to WHAG, to the extent transferable, any and all accounts receivable and security rights which he has or may have towards his buyers and WHAG accepts the assignment. The customer undertakes to supply WHAG with the name and address of his customers as well as to inform WHAG of the amounts owing as a result of the sales. The customer also has the duty to note the assignment in his books and to prove this to us by means of an appropriate certified document on request. If the customer is selling the goods on credit basis he shall secure the rights of WHAG in an appropriate way. The customer shall be entitled to collect claims assigned to WHAG in his own name but for the account and benefit of WHAG until such time as WHAG withdraws such entitlement, without, however, WHAG's exclusive right to the claims being affected in any manner whatsoever. In the case of delayed payment WHAG shall be entitled to notify the assignment to said buyers. Except for his banks, the customer is not entitled to assign claims from the onward sale of goods subject to WHAG's retention of title to third parties.

Unless otherwise agreed, the customer may neither withhold payments on grounds of warranties or any claims whatsoever, nor request a retainer or compensate such claims with debts towards WHAG.

WHAG may set off all accounts receivable and other claims whatsoever against the customer, which WHAG or any other company of Heinzl Group has or may have, against any accounts payable by the customer to WHAG irrespective of such accounts payable being due.

8. Warranties

Warranty shall be given by WHAG for a period of six months, such period, unless otherwise agreed, commencing as of the date the risk of the goods passes to the customer in accordance with Clause 3 above.

It shall be the responsibility of the customer to check the goods immediately upon delivery and to notify WHAG of any defects in respect to quality or quantity, which the customer discovered or which may reasonably be discovered; such notification must comprise a detailed description of the defects. The customer may neither process nor otherwise dispose of the goods reported defective unless he has received written permission from WHAG to do so. Defects which could not have been reasonably discovered at delivery must be notified to WHAG immediately upon discovery, but no later than by the end of the term of warranty, observing the above principles of notification. A violation of the above duties on checking of the goods and notifying of defects shall exonerate WHAG from any warranty in respect to those defects which were discoverable and notifiable if such violation had not occurred.

The warranty from WHAG shall be limited to the improvement of defective goods or the delivery of missing goods. The customer shall not be entitled to rescind the contract or request a price reduction.

WHAG does not warrant for the compliance of the goods with particular requirements of the customer or of his buyers unless such requirements were explicitly stated in the order and confirmed by WHAG. Damages to persons, equipment and other property (in particular, but not limited to, damages caused by interruption of production) shall be excluded, if caused by negligence, and otherwise be limited to the net value of the delivered goods. WHAG shall not be liable for damages in cases where it is relieved from warranty.

The limitation of warranties shall apply for goods as well as for packing.

Unless otherwise agreed, WHAG shall not be liable for any damages caused by negligence. In addition claims for damages shall be limited to the net value of the delivered goods.

9. Product Liability

Damages to property caused by a defective product, which the customer suffers as a merchant, shall be excluded. Indemnities in respect to a defective product may not be requested in cases of negligence. The customer, otherwise being liable for any damages, shall be obliged to agree to this exoneration accordingly with his customers.

The limitation of our product liability shall apply on goods as well as on packing.

10. Place of Delivery, Applicable Law, Arbitration

Any and all present and future obligations related to contracts with the customer shall be fulfilled at the place of business of WHAG in Austria, where all court proceedings shall be instituted.

All contracts with the customer, including all claims arising in connection herewith, shall exclusively be governed by, and construed in accordance with, Austrian Substantive Law. The rules of the United Nations Treaty on the International Purchase of Goods shall not apply.

All disputes arising in connection with the present and future contracts with the customer shall be referred to the Commercial Court of Vienna, save, that WHAG shall be entitled to institute legal proceedings also with the competent courts at any of the customers' places of business.

Accepted and agreed by the customer:
