

GENERAL TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS FROM BILLERUD

1. Applicability.

(a) These terms and conditions of sale (these “**Terms**”) are the only terms which govern the sale of the goods (“**Goods**”) under the accompanying quotation, confirmation of sale, and/or invoice (the “**Sales Confirmation**”) by the Billerud International Trading (Shenzhen) Co., Ltd. or the selling entity named on the Sales Confirmation (“**Seller**”) to the buyer named on the Sales Confirmation (“**Buyer**”). Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Goods covered hereby, the terms and conditions of said contract will prevail to the extent they are inconsistent with these Terms.

(b) The Sales Confirmation and these Terms (collectively, this “**Agreement**”) comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Buyer's general terms and conditions of purchase regardless whether or when Buyer has submitted its purchase order or such terms. Fulfillment of Buyer's order does not constitute acceptance of any of Buyer's terms and conditions and does not serve to modify or amend these Terms.

2. Delivery.

(a) The Goods will be delivered within a reasonable time after Buyer's receipt of a Sales Confirmation following Seller's receipt of an applicable Buyer purchase order. Seller will not be liable for any delays, loss or damage in transit.

(b) Unless otherwise agreed in writing by the parties, Seller shall deliver the Goods to Seller using Seller's standard methods for packaging and shipping such Goods. Buyer shall take delivery of the Goods within fifteen (15) days of Seller's written notice that the Goods have been delivered to the delivery point (the “**Delivery Point**”). Buyer will be responsible for all loading costs and provide equipment and labor reasonably suited for receipt of the Goods at the Delivery Point.

(c) Seller may, in its sole discretion, without liability or penalty, make partial shipments of Goods to Buyer. Each shipment will constitute a separate sale, and Buyer shall pay for the units shipped whether such shipment is in whole or partial fulfillment of Buyer's purchase order.

(d) If for any reason Buyer fails to accept delivery of any of the Goods on the date fixed pursuant to Seller's notice that the Goods have been delivered at the Delivery Point, or if Seller is unable to deliver the Goods at the Delivery Point on such date because Buyer has not provided appropriate instructions, documents, licenses or authorizations: (i) risk of loss to the Goods will pass to Buyer; (ii) the Goods will be deemed to have been delivered; and (iii) Seller, at its option, may store the Goods until Buyer picks them up, whereupon Buyer will be liable for all related costs and expenses (including, without limitation, storage and insurance).

3. Non-Delivery.

(a) The quantity of any installment of Goods as recorded by Seller on dispatch from Seller's place of business is conclusive evidence of the quantity received by Buyer on delivery unless Buyer can provide conclusive evidence proving the contrary.

(b) The Seller will not be liable for any non-delivery of Goods (even if caused by Seller's negligence) unless Buyer gives written notice to Seller of the non-delivery within fifteen (15) days of the date when the Goods would in the ordinary course of events have been received.

(c) Any liability of Seller for non-delivery of the Goods will be limited to replacing the Goods within a reasonable time or adjusting the invoice respecting such Goods to reflect the actual quantity delivered.

4. **Quantity.** If Seller delivers to Buyer a quantity of Goods of up to five percent (5%) more or less than the quantity set forth in the Sales Confirmation, Buyer will not be entitled to object to or reject the Goods or any portion of them by reason of the surplus or shortfall and shall pay for such Goods the price set forth in the Sales Confirmation adjusted pro rata.

5. **Shipping Terms.** Unless otherwise indicated on the Sales Confirmation, Delivery will be made FOB Seller's location as such location is written on the face of the Sales Confirmation.

6. **Title and Risk of Loss.** Title and risk of loss passes to Buyer upon delivery of the Goods at the Delivery Point. As collateral security for the payment of the purchase price of the Goods, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title and interest of Buyer in, to and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing.

7. **Amendment and Modification.** These Terms may only be amended or modified in a writing which specifically states that it amends these Terms and is signed by an authorized representative of each party.

8. Inspection and Rejection of Nonconforming Goods.

(a) Buyer shall inspect the Goods within fifteen (15) days of receipt ("**Inspection Period**"). Buyer will be deemed to have accepted the Goods unless it notifies Seller in writing of any Nonconforming Goods during the Inspection Period and furnishes such written evidence or other documentation as reasonably required by Seller. "**Nonconforming Goods**" means only the following: (i) product shipped is different than identified in Buyer's purchase order; or (ii) product's label or packaging incorrectly identifies its contents.

(b) If Buyer timely notifies Seller of any Nonconforming Goods, Seller shall, in its sole discretion, (i) replace such Nonconforming Goods with conforming Goods, or (ii) credit or refund the Price for such Nonconforming Goods, together with any reasonable shipping and handling expenses incurred by Buyer in connection therewith. Buyer shall ship, at its expense and risk of loss, the Nonconforming Goods to Seller's facility as directed in a written instruction from Seller. If Seller exercises its option to replace Nonconforming Goods, Seller shall, after receiving Buyer's shipment of Nonconforming Goods, ship to Buyer, at Buyer's expense and risk of loss, the replaced Goods to the Delivery Point.

(c) Buyer acknowledges and agrees that the remedies set forth in Section 8(b) are Buyer's exclusive remedies for the delivery of Nonconforming Goods. Except as provided under Section 8(b), all sales of Goods to Buyer are made on a one-way basis and Buyer has no right to return Goods purchased under this Agreement to Seller.

9. Price. Buyer shall purchase the Goods from Seller at the prices (the "**Prices**") set forth in the Buyer's purchase order that Seller accepts in the applicable Sales Confirmation. All Prices are exclusive of all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any governmental authority on any amounts payable by Buyer. Buyer will be responsible for all such charges, costs and taxes; provided, that, Buyer will not be responsible for any taxes imposed on, or with respect to, Seller's income, revenues, gross receipts, personnel or real or personal property or other assets.

10. Payment Terms. Buyer will pay all invoiced amounts due to Seller in accordance with the payment terms and instructions on Seller's invoice. Buyer shall pay interest on all late payments at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Buyer shall reimburse Seller for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees. In addition to all other remedies available under these Terms or at law (which Seller does not waive by the exercise of any rights hereunder), Seller will be entitled to suspend the delivery of any Goods if Buyer fails to pay any amounts when due hereunder and such failure continues for fifteen (15) days following written notice thereof. Buyer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with Seller, whether relating to Seller's breach, bankruptcy or otherwise.

11. Limited Warranty.

(a) Seller warrants to Buyer that for a period of ninety (90) days from the date of shipment of the Goods ("**Warranty Period**"), that such Goods will materially conform to the specifications set forth in the Sales Confirmation and will be free from material defects in material and workmanship.

(b) **EXCEPT FOR THE WARRANTY SET FORTH IN SECTION 11(A), SELLER MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE GOODS, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.**

(c) Products manufactured by a third party ("**Third Party Product**") may constitute, contain, be contained in, incorporated into, attached to or packaged together with, the Goods. Third Party Products are not covered by the warranty in Section 11(a). For the avoidance of doubt, **SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY THIRD PARTY PRODUCT, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.**

(d) The Seller will not be liable for a breach of the warranty set forth in Section 11(a) unless: (i) Buyer gives written notice of the defect, reasonably described, to Seller within fifteen (15) days of the time when Buyer discovers or ought to have discovered the defect; (ii) Seller is given a reasonable opportunity after receiving the notice to examine such Goods and Buyer (if requested to do so by Seller) returns such Goods to location as instructed by Seller at Seller's cost for the examination to take place there; and (iii) Seller reasonably verifies Buyer's claim that the Goods are defective.

(e) The Seller will not be liable for a breach of the warranty set forth in Section 11(a) if: (i) Buyer makes any further use of such Goods after giving such notice; (ii) the defect arises because Buyer failed to follow Seller's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods; or (iii) Buyer alters or repairs such Goods without the prior written consent of Seller.

(f) Subject to Section 11(d) and Section 11(e) above, with respect to any such Goods during the Warranty Period, Seller shall, in its sole discretion, either: (i) repair or replace such Goods (or the defective part) or (ii) credit or refund the price of such Goods at the pro rata contract rate provided that, if Seller so requests, Buyer shall, at Seller's expense, return such Goods to Seller.

(g) THE REMEDIES SET FORTH IN SECTION 11(F) WILL BE THE BUYER'S SOLE AND EXCLUSIVE REMEDY AND SELLER'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN SECTION 11(A).

12. Limitation of Liability.

(a) IN NO EVENT WILL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

(b) IN NO EVENT WILL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE GOODS SOLD HEREUNDER.

13. Compliance with Law. Each party warrants that it has complied with, and covenants that it will comply with, all applicable laws in connection with the activities, actions and transactions contemplated by and leading up to this Agreement, including, but not limited to, applicable laws relating to anti-bribery, anti-corruption, anti-trust, anti-money laundering and anti-terrorism.

14. Sanctions.

- (a) Buyer warrants that it currently is in compliance with, and agrees to comply with sanctions and export control laws and regulations applicable with respect to all activities, actions and transactions conducted under or in connection with the Agreement, including, but not limited to, economic, financial and trade sanctions and export controls as amended from time to time, ordered or administered by the European Union ("EU"), the United States ("US"), the United Kingdom ("UK") and the United Nations ("UN"), and other jurisdictions to the extent applicable ("**Sanctions and Export Control Laws**"). Buyer shall apply adequate control system to ensure its compliance with Sanctions and Export Control Laws and shall, upon request, provide Seller with evidence of such measures.
- (b) Buyer shall not sell, or otherwise transfer possession of or title to, goods or technology, including Goods, subject to the Agreement to any third-party subject to or the target of, or for use in any manner inconsistent with Sanctions and Export Control Laws.
- (c) Buyer warrants that as of today and during the term of the Agreement, (i) Buyer and its subsidiaries are not and have not been listed on any list of prohibited parties or subject to sanctions imposed by the UN, EU, UK, US or other jurisdictions if applicable, including, but not limited to, the Specially Designated Nationals and Blocked Persons List maintained by the US Department of the Treasury's Office of Foreign Assets Control (OFAC), the Entity List and Denied Persons List maintained by the Bureau of Industry and Security of the US Department of Commerce (BIS), the Consolidated list of persons, groups and entities subject to EU financial sanctions, the Consolidated UN Security Council Sanctions List, and the UK HM Treasury Consolidated List of Financial Sanctions Targets in the UK as amended from time to time ("**Prohibited Party List**") or subject to or the target of any Sanctions and Export Control Laws; (ii) Buyer and its subsidiaries are not and have not during the last five (5) years been directly or indirectly owned (50 percent or more) by, controlled by, or acting on behalf of a legal or physical person listed on Prohibited Party List or subject to or the target of Sanctions and Export Control Laws; and (iii) the person(s) in charge of the supervision and daily management of the Buyer and any agent or other person associated with or acting on behalf of the Buyer are not and have not been subject to or the target of any Sanction and Export Control Laws or listed on any Prohibited Party List.
- (d) Buyer undertakes to immediately inform the Seller if and when the Buyer becomes aware of any circumstance(s) (including but not limited to change of ownership, control, appointed representatives or usage of Goods) which constitute or could constitute or lead to a breach of the warranties and undertakings set out in clause 14 subsection (a) – (d) herein.
- (e) Furthermore, Buyer acknowledges and agrees that in the event of (i) a breach or failure by Buyer to comply with any of the warranties or undertakings of this section; or (ii) Seller, in its sole discretion, determines that the performance of its obligations, or that any action of Buyer, could constitute a violation of, or place Seller in violation of, or expose Seller to

risk of penalties under Sanctions and Export Control Laws, then Seller shall be entitled to immediately suspend or terminate its obligations, including any purchase contracts and/or future quotes, inquiries, orders and order confirmations, without right for Buyer to remedy such breach and without any right of compensation for Buyer.

- (f) If this Agreement is terminated pursuant to this Section or as a result of a breach of this Section, Seller will not be liable for any harms, damages, loss or restitution to Buyer and the Buyer shall indemnify and hold Seller harmless for any loss or damage suffered by Seller as a result of the Buyer's breach of or failure to comply with this Section 14.

15. Termination. In addition to any remedies that may be provided under these Terms, Seller may terminate this Agreement with immediate effect upon written notice to Buyer, if Buyer: (i) fails to pay any amount when due under this Agreement and such failure continues for fifteen (15) days after Buyer's receipt of written notice of nonpayment; (ii) has not otherwise performed or complied with any of these Terms, in whole or in part; or (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.

16. Waiver. No waiver by Seller of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Seller. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

17. Confidential Information. All non-public, confidential or proprietary information of Seller, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller's request, Buyer shall promptly return all documents and other materials received from Seller. Seller will be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Buyer at the time of disclosure; or (c) rightfully obtained by Buyer on a non-confidential basis from a third party.

18. Force Majeure. The Seller will not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, business impracticability, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lockouts, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage.

19. Assignment. Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Seller. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Buyer of any of its obligations under this Agreement.

20. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement will be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party will have authority to contract for or bind the other party in any manner whatsoever.

21. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or will confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.

22. Governing Law. All matters arising out of or relating to this Agreement is governed by and construed in accordance with the substantive laws of Sweden, without regard to its principles of conflict law.

23. Arbitration. Any dispute, controversy or claim arising from or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be settled through negotiations between the Parties on the written request of any Party. In the event that no settlement is reached within 30 days after such written request has been received, then it shall be submitted to the China International Economic and Trade Arbitration Commission (CIETAC) before the Beijing headquarters for arbitration, which shall be conducted in accordance with the CIETAC's arbitration rules in effect at the time of applying for arbitration. The arbitral award is final and binding on the Parties. The place of arbitration shall be in the city of Beijing. The language of the arbitration shall be English. The tribunal shall consist of one arbitrator who shall be appointed by agreement between the Parties or, failing agreement, in accordance with CIETAC's arbitration rules. The sole arbitrator shall not be a national of the People's Republic of China. To the fullest extent permitted under the CIETAC arbitration rules, any arbitrator to the arbitration (including any arbitrator appointed by CIETAC) may be nominated and appointed from outside CIETAC's panel of arbitrators.

24. Notices. All notices, request, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") will be in writing and addressed to the parties at the addresses set forth on the face of the Sales Confirmation or to such other address that may be designated by the receiving party in writing. All Notices will be delivered by personal delivery, nationally

recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

25. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

26. Survival. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Compliance with Law (Section 13), Sanctions (Section 14), Confidential Information (Section 17), Governing Law (Section 22), Arbitration (Section 23), and Survival (Section 26).