

TERMS OF CONTRACT

1. SPECIFICATIONS

Specifications for shipments shall be submitted to the Seller 30 days preceding the month in which shipments are to be made. For all the product sold hereunder, the following specifications, where applicable shall apply: grammage, basis of weight, width of rolls, diameter of rolls, core, marks, packaging.

2. PRICE

Should there after the conclusion of the contract occur a substantial increase of not less than ten per cent (10%) of the total costs for the production and the transportation of the product, the seller shall have the right to demand a renegotiation of the price in respect of quantities due for shipment thirty (30) days after notice of renegotiation has been served in order to obtain reimbursement for his increased costs as long as these continue. If agreement cannot be reached within these thirty (30) days, the seller may cancel the undelivered part of the contract quantity.

3. RISK

All risk in the product shall pass to the Buyer in accordance with incoterms, unless otherwise expressly agreed in writing by the Seller and the Buyer.

4. INSURANCE

The Seller shall, where a contract of sale is concluded under the CIF or CIP rule, provide on behalf of the Buyer and at the expense of the Seller marine insurance cover under the Seller's marine insurance policy. The Seller's marine insurance shall cover the goods against loss or damage from the point of delivery to the named port of discharge or place of destination. The insured value shall be 110% of the total invoice value.

5. GROUNDS OF DISCHARGE FROM LIABILITY (FORCE MAJEURE)

5.1 The following shall be considered as grounds of discharge from liability 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 production in which the Buyer (or if the Buyer is a wholesale dealer his customer provided named in the contract) intends to use the goods or the Buyer's acceptance of the goods or the Seller's production or delivery by agreed means, viz:

war; war risk; insurrection; blockade; requisition; embargo; calling 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 at port of shipment; loss or detention at sea; non-delivery, faulty or delayed delivery by the Seller's suppliers of raw material and other commodities for industrial production; mechanical failure and any other circumstances beyond the control of the parties.

5.2 The Buyer or the Seller, as the case may be, may suspend performance under this contract on the grounds of discharge from liability, neither party being responsible to the other party for any damage resulting from such suspension. Goods released by the Seller and already manufactured or in the course of manufacture or in transit from the Seller's mills must, however, always be accepted by the Buyer.

5.3 In the event of suspension of performance for less than twenty (20) consecutive days, deliveries shall be resumed as soon as practicable for the full contract quantity. When such suspension shall have continued for a period of twenty (20) consecutive days or more, the delivery or deliveries omitted during the period of suspension can be cancelled without liability to either party, and subsequent deliveries shall be resumed thereafter according to contract.

5.4 The party wishing to claim relief by reason of any of the said circumstances shall notify the other party in writing, by telex or by cable without delay on the occurrence of the intervention and on the cessation thereof and, as soon as practicable, notify the other party to what extent the claim will necessitate a suspension.

6. CLAIMS

All claims of whatever nature applying to any shipment made under this contract must be made in writing within thirty (30) days after the shipment in question has reached the port of discharge, and not less than one-half the shipment in dispute shall be held intact pending examination by the Seller or its nominee for this purpose. No claim shall be allowed for incidental or consequential damage. Buyer shall not be entitled to deduct from the price invoiced to it by the Seller and the amount to any claim asserted by the Buyer against the Seller unless such claim shall have been allowed by the Seller.

7. DELAYED PAYMENT AND OWNERSHIP OF THE GOODS

7.1 Failure by the Buyer to pay for the goods within the time payment is due under the contract shall entitle the Seller to receive interest on the sum outstanding at the rate of five (5) per cent units above the bank rate or minimum lending rate officially or generally applied in the country of the Buyer from time to time while such payment remains outstanding.

If the Buyer is in default of payment and the delay is not attributable to errors by the transferring banks, the Seller has the right to cancel the contract with effect fourteen (14) days after giving notice if the payment has still not reached him. In the case of instalment contracts such cancellation applies to the balance of the contract including or not including, as the Seller so elects, the shipment for which the Buyer is in default of payment.

7.2 Delivered paper or paperboard or delivered pulp, as applicable shall – to the extent permitted by the law of the Buyer's country – remain the property of the Seller until the whole sum payable under the contract is paid. The ownership of the paper or paperboard, or pulp, as applicable, includes the right to the goods as delivered or converted and the right to the receivables and the money which the Buyer may have acquired from disposing of the goods or products made thereof. Money so received in payment must be kept on a separate account by the Buyer.

7.3 Should the Buyer be in default in making a payment due under the contract, the Seller shall have the right upon giving notice to the Buyer in writing to withhold deliveries due to the Buyer under the particular contract and under all other contracts made between them until such payment is received by the Seller.

7.4 Should the Buyer or the Seller become insolvent or go into liquidation or have a receiver appointed or otherwise be found to be in such a financial position that it may reasonably be assumed that he will not be able to fulfil his obligations, the other party shall have the right to cancel the contract if the first party has not within ten (10) days after given notice furnished a satisfactory guarantee for the fulfilment of the contract.

8. CREDIT

Notwithstanding the provision of 7 above and without detracting from the generality thereof, should the credit of the Buyer in the judgement of the Seller become impaired, the Seller shall have the right to decline to make shipments or deliveries except for cash paid in advance. Nothing in this clause contained shall affect the obligation of the Buyer to accept and pay for the product herein contracted for.

9. ASSIGNMENT

This contract shall bind the successors and assigns of the parties.

10. GOVERNING LAW

This agreement shall be interpreted in accordance with English law.

11. DISPUTES

All disputes and controversies arising in connection with this contract, which cannot be settled by mutual accord, shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the Rules. Incoterms 2010 shall apply.

12. GENERAL CONDITIONS

12.1 If in the Buyer's orders, letters, etc. stipulations exist which do not agree with these provisions such stipulations will be deemed null and void unless otherwise expressly agreed upon in writing signed by both parties. No unilateral writing on the part of the Buyer shall be effective to vary the terms of this agreement. Any shipments accepted by the Buyer shall be under and pursuant to the terms of this agreement.

12.2 The failure of the Seller to enforce any term or condition set forth in this contract shall not be deemed a waiver of any such terms or condition.