

General Terms and Conditions

Perlen Papier AG, Perlenring 1, CH-6035 Perlen

1. Coverage

- 1.1 These GTC cover the modalities concerning the contents and execution of delivery contracts between Perlen Papier AG and its customers.
- 1.2 The GTC are binding for all parties unless otherwise agreed by Perlen Papier AG.
- 1.3 The Perlen GTC rule out general or current conditions laid down by customers.
- 1.4 These GTC are applied to all current and future tradings unless otherwise stated and for a single delivery within existing business connections.

2. Conclusion of Contract

- 2.1 Each order placed by a customer will be confirmed in writing, by fax or e-mail considering all the necessary specifications and availability.
- 2.2 The contract concerning a delivery is being regarded as concluded if the customer does not immediately object to it in writing. Thus the customer accepts the GTC concerning the delivery of the ordered goods.
- 2.3 Personally signed documents, signed faxes, photocopies as well as e-mails electronically signed are all accepted.
- 2.4 Specifications especially such as technical nature, pricelists or brochures are not binding for Perlen Papier AG. At any time and without any advance notice they can be amended.

3. Delivery conditions

- 3.1 Deliveries are made free delivery destination mentioned in the contract unless otherwise specified or another delivery endorsement had been agreed on.
- 3.2 The fact that the client who bears the risk has adjourned a confirmed delivery.
- 3.3 Perlen is responsible for an adequate packaging. Disposal of packaging is the buyer's business and at his expenses.
- 3.4 Transportation is executed at the carrier's risk. Perlen Papier AG assures the carrier of insuring the goods adequately.

4. Tolerances

- 4.1 Quality tolerance according to special production specifications (technical sheets).
- 4.2 Quality tolerances:
If there were no maximum nor minimal quantities were agreed on the following tolerances are applied:

| | |
|----------------|--------------------------|
| more than 20 t | +/-2,5 %, maximum 1/-1 t |
| from 20 - 10 t | +/- 4 % |
| below 10 - 5 t | +/- 5 % |
| below 5 - 3 t | +/- 7 % |

5. Force majeure

- 5.1 Perlen Papier is entitled to cancel the contract in cases of energy crisis, shortages of raw material, official decree, war and all other unforeseen events.
- 5.2 Manufacturing interruptions of any cause or nature which reduce or prevent production as well as disturbances in traffic and shortage of raw material will result in an automatic extension of the delivery terms.
- 5.3 By cancelling a contract or delaying a delivery term the customer cannot claim compensation for any damage, loss or cancellation of the contract.

6. Payment Conditions

- 6.1 All prices are calculated in the agreed currency, net, incl. packaging, excl. VAT, customs or any other public duties.
- 6.2 Invoices are to be paid within the agreed terms of payment. In case payment is delayed, Perlen is entitled to charge the customer the current interest of arrears without issuing a reminder.
- 6.3 Perlen has the right to adjourn any delivery and to ask for securities in case the customer is in default of payment or Perlen fears that the customer might not be able to fulfil the agreed terms of payments due to an unforeseen incidence occurred after conclusion of the contract.
- 6.4 If the customer delays payment or Perlen is not in receipt of adequate securities see para 6.3, Perlen has the right to withdraw from the contract.

7. Warranty and Use

On delivery, all rights (excl. para 3.2) are passed over to the customer whose address is given in the contract.

8. Deficiencies

- 8.1 The client has to examine the goods of its completeness and whether they are in accordance with the confirmation and possible promises. Transport damages must be claimed immediately vis-à-vis the carrier. Abroad the CMR bill of lading will be applied.
- 8.2 Perlen has to be informed in writing within about damages, deficiencies and other complaints within five working days from receipt of the goods.
- 8.3 Deviations from normal tolerances of assured and/or implied qualities concerning the products do not represent any deficiency.
- 8.4 Later discovered/disclosed deficiencies must be communicated immediately with the seller.
- 8.5 If the client misses to complain about any deficiencies, the goods are declared to be accepted by the buyer.
- 8.6 The client is only entitled to process further rejected goods with the Perlen's written consent.

9. Warranty / Disclaimer

- 9.1 Six months after delivery all guarantee claims vis-à-vis Perlen expire if they have not been disclosed by them.
- 9.2 Complaints put forward within six months from delivery Perlen is only liable for qualities and characteristics lined out in the confirmation and the goods do not feature any deficiency that could impair its value or its suitability.
- 9.3 Are the agreed characteristics partially or totally non-existing, it is up to Perlen's choice either to compensate for the reduced value, to improve the consignment or to deliver a replacement within a reasonable period.
- 9.4 Any further liability by Perlen is explicitly excluded. Price reduction claimed by the customer for impairment and/or compensation are limited to the stipulated price concerning the goods in questions.

10. Conditional Sale ¹

- 10.1 Perlen reserves the right to retain ownership of the delivered goods until all its requirements are fulfilled and according to para 6.6 is entitled to cancel the contract or to sell them directly.
- 10.2 The customer has to handle the goods in question with due care and to insure it adequately.
- 10.3 The customer is authorised to sell or to process the goods as long as he is not behind schedule with his payments. In case of sale of credit the customer has to forward the conditional sale in favour of Perlen. The customer is not entitled to pledge or assign as security.
- 10.4 The customer surrenders in its entirety all existing and future claims or legal grounds concerning the goods in retention. Perlen is entitled to ask for the list of debtors, to notify them of the assignment of claims and to collect these claims on Perlen's behalf. The customer shall be reimbursed by any surplus.
- 10.5 The processing is carried out by Perlen but without any liability. Expires Perlen's ownership through mixing or bonding, the (co) ownership of the customer is partially passed into Perlen's ownership.
- 10.6 The existing securities for Perlen can be released at Perlen's choice if the realised value of the claims is exceeded by more than 20 %.

11. Legal Venue / Applicable Law

The legal venue for all direct or indirect disputes arising for this contractual relationship is subject to Swiss Law. The Vienna Convention on Contracts for International Sale by the United Nations is excluded.

12. Jurisdiction

The venue and place of jurisdiction for all terms, conditions and contracts set out in this GTC shall be the head office of Perlen Papier AG, Perlen (canton of Lucerne) Switzerland. However, Perlen is entitled to prosecute any customer at its head office or domicile.

¹In Switzerland only valid if entered in the retention of title register.