

Paptic Oy's General Sales Terms**1. General / Scope of Application**

These General Sales Terms apply to all purchase orders, agreements and obligations between Paptic Oy ("Paptic") and its customers (hereinafter also referred to as "Purchaser") concerning the sale of Paptic's products ("Product"), unless the contracting parties have expressly agreed otherwise in writing. Any purchase order of the Purchaser becomes binding only after a written confirmation of the purchase order by Paptic ("Agreement"). Any amendments to the Agreement must be confirmed in writing by Paptic in order to be effective. Any terms and conditions that intend to modify, supersede or supplement these General Sales Terms are hereby rejected and replaced with these General Sales Terms. These General Sales Terms may be updated at the sole discretion of Paptic and Paptic's General Sales Terms in force from time to time shall be applicable to 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 setoff. 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, according to the Finnish Interest Act (633/1982, as amended).

3. Delivery

The applicable Incoterms 2020 delivery terms and the mode and destination of the delivery shall be specified in the Agreement. Unless agreed otherwise, the Products will be delivered Ex Works (Incoterms 2020) at Paptic's or its sub-manufacturer's production site.

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 only. Paptic shall inform the 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. With a Purchaser pick-up-based Incoterms, the Purchaser shall collect the Products within a week from the agreed delivery schedule.

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

For Purchasers whose legal entity is located in Germany, 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 title 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

Paptic recommends that the Product is used within 12 months from production date and stored in temperatures between 8-30 °C. The following instruction are applicable to the Products: No direct sunlight, avoid odor contamination, dry conditions, protection against dampness, avoid freezing. Paptic shall not be liable for any damages, loss or costs incurred by the Purchaser or any other party resulting from the fact that such recommendations have not been followed.

6. Warranty and Claims

Paptic warrants that the Products at delivery will comply with agreed written specifications, subject to customary tolerances. The warranty period is twelve (12) months from the date of production of the Products. The warranty above is exclusive and in lieu of all other express or implied warranties, whether written or oral, statutory or contractual, including without limitation any warranty with respect to hidden defects, merchantability or fitness for an intended purpose or particular use.

Paptic's liability for Products found not to comply with the above warranty shall be limited, at the option of Paptic, to (i) replacing the non-conforming Products; (ii) reducing or refunding the purchase price of the non-conforming Products; or (iii) repairing the non-conforming Products, if feasible.

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 Paptic by specifying the defect, incompleteness or other variances, and quoting the invoice number. The Purchaser must retain the defecting Products until further notified by Paptic. 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 within the warranty period. 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 allegedly defective Products. 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.

Products delivered within the following tolerances are considered to be delivered as agreed. The tolerances are based on the General Trade Rules for Sales of Paper and Paperboard:

6.a Definition of terms

Delivery means the total amount of Products covered by one Agreement and delivered at one time.

Lot means one or more units of Product of a single kind and of specified characteristics, made by one and the same mill and delivered at one time.

Unit means a reel, bale, pallet, parcel or other transportation package.

Grammage means the weight in grams per square metre of Product

Ordered grammage means the grammage specified in the Agreement.

Actual grammage of a lot of Product is the arithmetic mean of the grammage as determined by sampling and testing the lot according to SCAN-P 1:61 and SCAN-P 6:75 respectively or such other SCAN methods, as may be adopted in their place.

6.b. Quantity tolerances

Where a delivery comprises of several lots, each lot shall be considered separately.

Contracted quantity (metric tonnes)	Permitted deviation
1 t <= Quantity < 5 t	± 15 %
5 t <= Quantity < 10 t	± 10 %
10 t <= t	± 5 %

6.c. Grammage tolerance

A lot of Products will be considered delivered correctly with regard to grammage when

(1) the actual grammage in relation to the ordered grammage stays within the tolerances given in the below table

(2) the test values for individual units in relation to the ordered grammage stay within the tolerances given in the below table for one ton.

If a delivery comprises two or more lots, the actual grammage of each lot must be determined separately.

Weight of lot (tons)	Tolerance %
1 (minimum)	± 7,0
5	5,1
10	4,4
20	3,8

6.d. Reel width tolerances

A delivery of Product shall be deemed to have been completed in accordance with the Agreement if the delivered reel sizes differ from the contracted sizes by no more than stipulated below:

Reel width	Tolerance
< 400 mm	± 2 mm
400 <= mm < 2000	± 3 mm
2000 <= mm	± 5 mm

Minimum 95 % of the measurements must be within these tolerances.

6.e. Reel external diameter tolerance

A delivery of Product shall be deemed to have been completed in accordance with the Agreement if the delivered reel sizes differ from the contracted sizes by no more than -5 %.

7. Limitation of Liability

In the event of Paptic being liable for damages under the Agreement, the damages shall be limited to proven direct damages incurred by the Purchaser up to a maximum amount equal to the net 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 or any other party in connection with the Products or the Agreement, including but not limited to loss of profits, revenue, business, reputation, opportunity, production, data, loss or excessive use of raw materials or energy, plant shut down, labor costs 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 or sub-manufacturers, or their 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 (including, but not limited to trademarks, patents, trade secrets, design rights, copyrights, know-how and technical information) 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. Confidentiality

The Purchaser shall not disclose to any third-party confidential information received from Paptic in connection with the sale and purchase of Products, such as the price agreed between the parties, and shall not use said confidential information for any other purpose than the implementation of the sale and purchase of the Products, except as required by law or with prior written approval of Paptic.

11. Trade Compliance

The Purchaser represents and warrants that it is in compliance with all applicable sanctions, export control laws, and trade restrictions, and agrees not to use, transfer, or resell the Products in violation of such laws. The Purchaser further certifies that it is not listed on any government sanctions or restricted parties list and shall immediately notify Paptic of any changes to its status.

12. 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 and other terms in respect of the Product due for delivery. If an agreement cannot be reached, Paptic may cancel the undelivered part of the contracted quantity.

13. 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 Purchaser.

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), except that Paptic may update these General Sales Terms in accordance with Section 1 hereof.

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.

14. 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 the Agreement, these General Sales Terms or the supply of the Products, 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.