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General Purchasing Conditions of Glatfelter Dresden GmbH

(with effect from 1. September 2013)

§ 1 Scope of Application

(1) We order, contract and purchase exclusively according to the following conditions. By accepting and executing an order, the supplier accepts these conditions, even if they are not in line with his own general terms and conditions. Other terms and conditions, including those of the supplier, do not apply, even if we do not reply to relevant notifications in this matter.

(2) Differences between the order confirmation and our order are understood as a rejection of our order, unless the amendment is again accepted by us in writing. By completing a delivery that differs from our order, the supplier herewith accepts our delivery conditions.

(3) Our purchase conditions apply to all future orders. They also apply, if special conditions have been agreed in individual cases. Neither failure of objection, nor payment, nor receipt of goods shall be understood as consent to other terms and conditions.

§ 2 Conclusion of a Contract, Contractual Documents

(1) Our orders shall be confirmed in writing within the period stated in them, or within one calendar week. Confirmed deadlines shall be understood as binding dates. Orders placed verbally or over the telephone only take effect after receipt of a written confirmation from the supplier (by fax, e-mail).

(2) We shall not be charged for the supplier's offers or quotations.

(3) Inquiry confirmations of the supplier are interpreted as offers. The respective contract thus only becomes effective after written confirmation from us. If we do not object to the confirmation in writing within two working days from its receipt, the contract takes effect in accordance with the following purchasing conditions.

(4) All documents that are made available to the supplier in connection with the order remain our property and may not be made available or disclosed to third parties without our consent. The supplier is obligated to treat as confidential any information, commercial or otherwise, which is not obvious and of which he has become aware as a result of our business relationship. This obligation also applies to third-party suppliers and subcontractors and shall continue after termination of the business relationship.

(5) We shall be entitled to demand modifications to the delivery item after conclusion of the contract, provided that these modifications are reasonable for the supplier. Consequences for both contracting parties, particularly regarding additional costs or cost reductions as well as delivery dates, must thereby be taken into consideration, and the parties must come to an agreement.

(6) The supplier is not entitled to contract third parties with the execution of our order, or of essential parts of it, without our written consent.



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§ 3 Delivery, Delivery Date and Default in Delivery

- (1) Delivery shall be carried out to the destination stated by us and at the supplier's cost and risk. Packaging is included in the agreed price; packaging materials shall only be used to the necessary extent and must be taken back (from the place of delivery) by the supplier free of charge according to statutory packaging regulations.
- (2) The supplier is obligated to pack, mark and ship hazardous goods in accordance with national/international regulations.
- (3) All deliveries must be accompanied by a delivery note in duplicate, stating order number and order date.
- (4) The supplier must conform to the delivery deadlines and the agreed target dates. If delivery has not been completed after a reasonable period of grace, we shall be entitled to withdraw from the contract and/or claim compensation for damages. If the supplier's failure to deliver in time is likely to cause us major losses, particularly in connection with deliveries for scheduled repair and inspection work (general repair), we shall not be obliged to grant a period of grace. The supplier shall remain liable for damage in accordance with the relevant statutory provisions.
- (5) If a delivery is made earlier than agreed, we reserve the right to return the goods at the supplier's expense. Any goods delivered prior to the agreed delivery date will be stored at the supplier's cost and risk until the agreed delivery date.
- (6) Deliveries in part shall only be accepted, if they have explicitly been agreed upon in writing. If partial deliveries have been agreed upon, the yet outstanding deliveries must be specified.
- (7) The supplier may only assign missed deadlines to force majeure, if he informed us of this reason as soon as he became aware of it. In the event of force majeure, the mutual obligations shall immediately be amended to the changed conditions.

§ 4 Prices, Payments

- (1) The agreed prices are fixed prices including packaging and delivery to the agreed place of delivery. They also include any customs clearance charges and any other incidental expenses, if applicable.
- (2) Invoices must be submitted after delivery. The sequence of items and the prices in the invoice must correspond to that of the respective order. The invoice must also include the order number and order date. They must be issued in Euro ("€") and submitted in duplicate. Any cost differences or other deviations from the order must be indicated separately in the invoice.
- (3) Invoices that do not conform to the above clauses, shall only be deemed received after they have been corrected. Time limits for payment commence with the receipt of the invoice, but not before receipt of the goods according to contract.
- (4) Payment will be effected according to standard business practice, either within 14 calendar days less 3% discount, or net within 30 days, unless agreed otherwise.



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(5) We are entitled to set off payment against outstanding receivables from the supplier's debts and to exercise the right of retention.

§ 5 Warranty

(1) The supplier must execute delivery/performance without any deficiency so that the commodity has the guaranteed or expected qualities, is not defective and does not have deficiencies that diminish the value or suitability for its usual purpose, or the purpose discernable from our order. Furthermore, the supplier guarantees that the delivery item meets the general approved technical standard, the latest regulations of the relevant authorities, the requirements of the German Technical Plant and Equipment Act and the safety requirements, as well as workplace safety and accident prevention regulations as amended.

(2) If the delivery item does not fulfil the aforementioned requirements, we shall be entitled to opt for repair or replacement. In the event of non-fulfilment of guarantees or qualities, we shall be entitled to cancel the contract, reduce the purchase price and/or claim compensation for damages or reimbursement of expenses and we may assert any rights from the warranty with consideration of the lawfully required steps.

(3) We shall inform the supplier of any deficiencies in the delivery item immediately after having become aware of them during the normal course of business. In accordance with section 377 German Commercial Code, we shall give notice of any defects within a period of 10 days after receipt of the item. In the case of hidden defects, the statutory regulations apply.

(4) The aforementioned conditions shall apply in the general sense also to services such as assembly, maintenance etc., as well as to incomplete operating instructions or process descriptions.

(5) The statutory periods of limitation apply unless agreed otherwise.

(6) In urgent cases, or where the supplier fails to carry out a warranty-related repair within the agreed time period, we shall be entitled to eliminate the defect ourselves, or to contract a third party with the repair, at the expense of the supplier. Alternatively, we shall be entitled to seek remedy by other means, in accordance with the warranty of the supplier mentioned herein.

(7) The supplier shall indemnify us against any claims arising from manufacturer's liability or product liability, provided that the claim is based on a defect for which the supplier or his third-party supplier are responsible. This also applies to delivery items that are processed or finished by us.

§ 6 Quality Assurance

(1) The supplier shall be obliged to perform quality assurance that is suitable in its scope for his purposes and in line with best practice and technology. On request, he must provide evidence of the implementation of such a system.

(2) If required, the supplier shall conclude a separate quality assurance agreement with us.



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§ 7 Ownership, Assignment of Receivables

- (1) Retention of ownership is only binding, if it has been agreed upon separately and in addition to our own or the partner's terms and conditions.
- (2) Material handed over to the supplier for processing on a contractual basis remains our property. The mixing, combining and processing of these materials with other materials shall be performed exclusively on the basis of our order, which means that we become proportionate co-owners of the new commodity. A combination with other movable objects that are regarded as principal items is only permitted with our explicit written consent, or if this is required in connection with our order. The supplier shall be liable for loss of or damage to our property.
- (3) Claims by the supplier against us may only be transferred to another party with our prior written consent. If the supplier assigns such claims against us to a third party without our consent, we may choose to agree to the assignment. When exercising our right of choice, we shall be entitled to make payments to the third party or to the supplier with discharging effect.
- (4) The supplier may only set off undisputed or non-appealable claims or rights of retention against our claims.

§ 8 Industrial Property Rights

- (1) It is the supplier's responsibility to ensure that industrial property rights and third party copyrights are not violated by the delivery. He must enable us to utilise the delivery, including any repairs, changes or additions to the delivered items, on the domestic and foreign markets and must indemnify us against any claims by third parties. We shall be entitled to seek the right of use of the delivery items and services in question from the beneficiary at the supplier's cost.

§ 9 Applicable Law, Definition of Clauses

- (1) These terms are subject to German law. The application of the CISG (United Nations Convention on Contract for the International Sale of Goods of 11/04/1980) as amended is excluded. The contractual language is German.
- (2) The place of performance for all deliveries and services is the location of delivery as specified by us, if not stated otherwise in the order.
- (3) The place of jurisdiction is Dresden. We shall be entitled to proceed against the supplier at his registered place of business.

Adresse:

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