

## CONDITIONS OF SALE

Unless otherwise agreed in writing, these Conditions of Sale ("Conditions") apply exclusively to each transaction ("Contract") for the sale of goods ("Goods") by the Company (hereinafter referred to as "We", "Our" or "Us") to a buyer of Goods ("Buyer") (together "the Parties").

1. (a) We shall not be liable for any loss or damage whatsoever arising from failure by us to perform the contract, whether wholly or in part, which is caused by:

- i. default by our suppliers, or
- ii. any cause whatsoever beyond our control.

(b) Our liability whether in contract or in part shall in all cases be limited to the amount of the invoice to which the claim relates.

(c) In no circumstances whatsoever shall we be liable for indirect or consequential loss or for loss of profits, costs, expenses or other claims for consequential compensation whatsoever (and whether caused by our or our employees' or agents' negligence or otherwise) which arises out or in connection with the supply of Goods or their use or resale by the Buyer, except as expressly provided in these Conditions.

2. Dates for shipment or delivery of goods to be sold or delivered by us ("Goods") shall not be and must not be relied on or treated by a Buyer as terms of the contract unless they are specified as such in the contract documents. Where dates for shipment or delivery are so specified we shall not be under any absolute obligation to ship or deliver by the dates specified but our obligation shall be to ship or deliver (as the case may be) within a reasonable time of the date specified. Any contractual obligation on our part to ship or deliver as aforesaid shall not be a condition of the contract and accordingly any breach of such obligation shall be and is to be treated as a breach of warranty only

3. In cases where the Goods is used as an intermediate in secondary processes, Arjowiggins Chartham Mill Limited's responsibility extends to supplying Goods that conforms to our specification, which may also include any specific changes to this specification that has been agreed in advance with the Buyer (e.g. specific colour). However, Arjowiggins Chartham Mill Ltd will not be responsible for the performance of the Goods after processing by the Buyer. We therefore strongly recommend that the Buyer fully evaluates the Goods including subsequent final end-use applications to satisfy themselves that the Goods when used as a component in the final product conforms to the Buyer's own product specification.

4. (a) The price referred to in the contract documents shall prevail unless before the date of despatch of the Goods or part thereof:

- i. In the case of Goods included in any of our current price lists there is an increase in the list price for such Goods above the list price therefore in force when the order was accepted or:
- ii. In the case of Goods not included in any of our current price lists there is an increase in the list price for comparable goods above those in force when the order was accepted, in which case the Goods or the undelivered balance thereof shall be invoiced and paid for at the agreed price plus the amount of the relevant increase.

Provided that sub-clauses (i) and (ii) above shall not apply where the price referred to in the contract document is stated to be fixed. Subject to the provisions of this Condition, we are entitled to increase the price at any time before we accept the Contract to reflect any increase in our costs because of any factor beyond our control or any changes in delivery dates, quantities or specifications requested by the Buyer or any delay caused by the Buyer's failure to provide adequate information or instructions.

(b) All duties and charges are for a Buyer's account unless Goods are sold on free delivery terms. Any increase to us in the cost of delivery (including carriage, freight, consular certificates and all duties charges and insurances whatsoever) over the cost thereof calculated by us at the date of the contract are for a Buyers account whether the Goods are sold on free delivery terms or not.

(c) If by reason of any war hostilities or warlike operations the cost to us of fulfilling the contract or any part thereof would exceed the cost calculated by us at the date of the contract, we shall give a Buyer notice thereof and the Buyer shall have the option (to be exercised in writing within seven days of receipt of the notice) of paying such excess in addition to the price payable under the contract or of cancelling the contract or any unfulfilled part thereof without prejudice to the accrued rights of either party.

5. (a) Delivery to persons in the UK will, unless otherwise agreed, be made at our premises when the Goods are handed over to the Buyer, its agent or carrier. The export term in condition 14 apply to goods to be delivered outside of the UK.

(b) If the Buyer fails to take delivery of the Goods or fails to give adequate delivery instructions then, without affecting our rights or remedies, we may store the Goods until actual delivery and charge the Buyer for the reasonable costs (including insurance) of storage. We may, after 30 days, sell the Goods at the best price readily obtainable and (after deducting reasonable storage and selling expenses) account for the excess over the Price to the Buyer or charge the Buyer the amount of any shortfall.

(c) The risk in Goods shall pass immediately they are delivered in the physical custody of a Buyer or his agents, or otherwise to his order. We shall retain sole and absolute property in such Goods as legal and beneficial owner until the buyer has paid the full invoice price and until that time the Buyer shall be in possession of the Goods as bailee for us and shall be deemed to have so acknowledged. Until the full invoice price has been paid the Buyer shall store the Goods separately from other goods and in a manner which makes them readily identifiable as Goods delivered by us.

(d) A Buyers right to possession of any Goods for which the full invoice price has not been paid shall cease if being an individual, he commits an available act of bankruptcy or, being a company, a receiver becomes entitled to take possession of any of its assets or any person becomes entitled to present a petition for its winding up or its resolved that it be wound up. We shall be entitled in these events to enter at any time and with or without vehicles upon any premises of the Buyer at which we reasonably believe such goods to be stored and to repossess them.

(e) A Buyer shall be at liberty in the ordinary course of business to process and make products from and as our agent, to sell Goods for which the full invoice price has not been paid. The proceeds of any such sales shall be for our account and shall be held in trust for us until the buyer has paid the full invoice price for the goods.

6. Deliveries made under the contract shall be deemed to have been made in respect of separate sales of each weight description or quality of goods which each such delivery may comprise. Unless otherwise specifically agreed in writing payment for each delivery is due on the date thereof and payment on that date or upon the date(s) otherwise so agreed shall be a condition precedent to any further deliveries. The failure of a buyer to pay our invoice in full on the due date shall entitle us to charge interest from the due date at 4% above National Westminster Bank PLC Base Rate on the amount from time to time outstanding. Such interest to be compounded at quarterly intervals and to be payable both before as well as after any judgement provided that we shall not be entitled to recover interest under an invoice where a negotiable instrument which has been tendered in payment also carries interest.

7. In the event of any loss or damage or delay to any Goods delivered at our risk to a Buyer or to his agent or otherwise to his order notice of the same shall be given to us in writing by the Buyer forthwith upon delivery for in the case of the loss of any Goods at the time when the Goods should have been delivered and the Buyer shall at the same time take all necessary steps to notify the carrier in writing of any such loss damage or delay and shall in all cases where possible enter a note of the same upon the carriers receipt. If by reason of the failure of the Buyer to give any such notice as provided above we are precluded from making a recovery from the carrier in respect of the loss or damage or delay complained of then we shall not be liable for any claim by the buyer in respect thereof and the Buyer shall be liable to pay for the Goods as though no such loss damage or delay had occurred.

8. (a) Orders are accepted subject to the incorporation in the contract of these Conditions of Sale and any special conditions of sale, which shall override and exclude any terms and conditions proposed by a buyer, except insofar as acceptance of the same has been communicated by us to the buyer in writing. No order placed by the Buyer shall be deemed to be accepted by us until a written acknowledgement of order is issued by us or (if earlier) we deliver the Goods to the Buyer.

(b) Terms and conditions proposed by a Buyer cannot be accepted by our staff without express written sanction; it is the Buyer's responsibility to ensure that such sanction has been given.

9. Any claim of whatsoever nature by a Buyer shall be notified to us in writing before Goods are converted, processed or dealt with.

10. We shall not be liable to the Buyer for any failure or delay in performance of the Contract which is beyond our reasonable control including any labour disputes between us and our employees.

11. Where the context admits:

- (i) the singular shall include the plural and vice versa;
- (ii) the male gender shall include the female gender and vice versa;
- (iii) the term "person" shall include a corporate as well as an unincorporated person
- (iv) the invalidity or unenforceability of any part of these Conditions of Sale shall not affect the remainder which shall continue in full force and effect.

12. Unless the parties formally agree otherwise in writing, Arjowiggins Chartham Mill Limited shall have full and unencumbered ownership of any object or thing developed, designed or made by Arjowiggins Chartham Mill Limited in connection with any products sold to the Buyer. Accordingly, the Buyer hereby recognises the existence of these rights of Arjowiggins Chartham Mill Limited and undertakes that it will not make any claim relating to any such object or thing against Arjowiggins Chartham Mill Limited or any of the successors or assigns of Arjowiggins Chartham Mill Limited.

13. All information, drawings, specifications, documents, design material and all other data which we give to the Buyer is proprietary and confidential. The Buyer agrees that it will not disclose this information to third parties, whether directly or indirectly, without our prior written consent.

14. Where the Goods are supplied for export from the UK, the provisions of this condition 14 apply (subject to any special terms agreed in writing between the Parties) and any term or expression which is defined in or given a particular meaning by the provisions of Incoterms 2010 has the same meaning in these Conditions, unless there is any conflict, in which case these Conditions will prevail:

(a) The Goods will be delivered FOB the air or sea port of shipment.

(b) Payment of all amounts due to us must either be made in advance of dispatch or by irrevocable letter of credit opened by the Buyer in our favour and confirmed by a bank acceptable to us.

(c) The Buyer is responsible for ensuring that the Goods comply with the laws and regulations of the country to which it requires the Goods to be supplied and for obtaining the necessary export/import licenses. The Buyer will not hold us liable for any failure to comply with those laws and regulations or to obtain the necessary licences.

15. Each Contract will only confer rights and benefits on the Parties and no third party will acquire any rights or benefits under the Contract or these Conditions.

16. Any notice given under these Conditions must be made in writing and addressed to the registered office of the person to whom it is sent.

17. The Contract may not be assigned by the Buyer, but we may assign or sub-contract all or any of our rights or obligations.

18. Any waiver by us or breach of the Contract by the Buyer will not be treated as waiving any subsequent breach of the same or any other provision.

19. The validity construction and performance of the Contract shall be governed by the laws of England and both parties shall submit to the non exclusive jurisdiction of the English courts.

20. The British Paper and Board Trade Customs 1988 shall apply to the contract except insofar as they may be inconsistent with these Conditions of Sale.