

General Terms and Conditions of Sale

1. GENERAL

- 1.1 These General Terms and Conditions of Sale ("**Conditions**") govern the offering, sale and delivery of all goods and/or services, including consultancy services (hereinafter jointly referred to as the "**Product(s)**"), from or on behalf of Sontara AG (hereinafter referred to as the "**Supplier**"), to any customer (hereinafter referred to as the "**Purchaser**") and apply to all transactions between the Supplier and the Purchaser (collectively the "**Parties**").
- 1.2 By contracting on the basis of the Conditions, the Purchaser agrees to the applicability thereof, in respect of all transactions between the Supplier and the Purchaser.
- 1.3 **The Supplier explicitly rejects the applicability of any general terms and conditions of the Purchaser.** Furthermore, the Conditions supersede any and all terms of prior oral and written quotations, communications, agreements and understandings of the Parties in respect of the sale and delivery of the Products and shall apply in preference to and supersede any and all terms and conditions of any order placed and any other terms and conditions submitted by the Purchaser. Failure by the Supplier to object to any terms and conditions set by the Purchaser shall in no event be construed as an acceptance of any of such terms and conditions of the Purchaser. If the Conditions differ from any of the terms and conditions of the Purchaser, the Conditions and any subsequent communication or conduct by or on behalf of the Supplier, including, without limitation, confirmation of an order, performance of services, and delivery of Products, constitute a counter-offer and not acceptance of such terms and conditions submitted by the Purchaser. Any communication or conduct of the Purchaser which confirms an agreement for the delivery of Products by the Supplier, as well as acceptance by the Purchaser of any delivery of Products from the Supplier shall constitute an unqualified acceptance by the Purchaser of the Conditions.
- 1.4 Any electronic communication between the Parties shall be effective as originals and shall be considered to be a "writing" between the Parties. The electronic communication system used by the Supplier will serve as sole proof for the content and the time of delivery and receipt of such electronic communications.

2. QUOTATION, OFFER AND CONFIRMATION

- 2.1 Unless stated otherwise by the Supplier, quotations made by the Supplier in whatever form are not binding to the Supplier and merely constitute an invitation to the Purchaser to place an order. All quotations issued by the Supplier are revocable and subject to change without notice.
- 2.2 Unless stated otherwise by the Supplier, offers made by the Supplier in whatever form are only valid for the calendar quarter in which they were issued. An adjustment of the price (see section 3.3) or terms does not extend the period of validity of the offer.
- 2.3 The Purchaser is bound by the order sent to the Supplier. If the Purchaser demands a testing process of the Product, he is bound by the order under the condition of a positive test result. The Supplier is not bound by the order until he accepts and confirms the order in writing (the "**Confirmed Order**"). The Supplier shall be entitled to refuse a non-confirmed order without indicating the reasons. Verbal or written agreements and changes to orders that have been placed likewise always require written confirmation by the Supplier in order to become valid. In order to optimize the packaging of the Products, the Confirmed Order may contain a 10% higher or lower quantity of goods than ordered by the Purchaser.
- 2.4 The Purchaser must carefully check the Confirmed Order immediately and report any errors or omissions within 3 (three) calendar days upon receipt to the Supplier. Once this time has elapsed, the contract is deemed as definitively concluded according to the terms and conditions stipulated in the Confirmed Order.

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- 2.5 The Supplier may agree in writing to the cancellation or alteration of a Confirmed Order if the state of the works permits. The costs arising from the cancellation or alteration of a Confirmed Order will be exclusively borne by the Purchaser.
- 2.6 The benefits of the order is personal to the Purchaser and cannot be assigned or transferred to third parties without the Supplier's prior written consent.
- 2.7 The Purchaser undertakes to provide in a timely manner the necessary and correct information allowing the Supplier to deliver the order as agreed.
- 2.8 The Supplier has the right to opt for another type of material and to change the design of the goods to be delivered, if the replacement product complies with the usual standards and the characteristics required by the Purchaser. In such a case, the Purchaser cannot require the goods already delivered or ordered to be replaced.

3. PRICES – PRICE CHANGES – DISCOUNT

- 3.1 Prices and currencies of the Products of the Supplier are as set out in the Confirmed Order.
- 3.2 Prices do not include value added tax (VAT) or any other similar applicable taxes, duties, levies or charges in any jurisdiction levied in relation to the Products or the delivery thereof ("**Taxes**"). The amount of any Taxes levied in connection with the sale of Products to the Purchaser shall be for the Purchaser's account and shall either be added to each invoice or separately invoiced by the Supplier to the Purchaser.
- 3.3 Unless the prices have been expressly indicated as firm by the Supplier in the Confirmed Order, the Supplier is entitled to increase the price of the Products still to be delivered if the cost price determining factors have been subject to an increase between the date of execution and the date of delivery or performance. These factors include but are not limited to: raw and auxiliary materials, energy, products obtained by the Supplier from third parties, wages, salaries, social security contributions, governmental charges, freight costs, insurance premiums and exchange rates. The Supplier shall send an accordingly revised Confirmed Order to the Purchaser and thereby notify the Purchaser of such increase which shall not exceed the amount of the cost increase. The increase of the prices or costs will not affect the other conditions of the former Confirmed Order, the contract is still deemed to be definitively concluded upon receipt of the former Confirmed Order and the Purchaser has no right to withdraw from it in any way whatsoever.
- 3.4 If the Supplier grants a discount to the Purchaser, this discount only relates to the delivery specifically mentioned in the Confirmed Order.

4. TERMS OF PAYMENT

- 4.1 Unless stated otherwise in the Confirmed Order, the purchase price is payable by the Purchaser on receipt of the Products without any deductions or discounts.
- 4.2 The deadline for the payment stated on the invoice of the Supplier is imperative. Any amount not paid by the due date gives rise to the payment of penalties at a rate of three (3) times the legal rate of interest. All costs and expenses incurred by the Supplier with respect to the collection of overdue payments (including, without limitation, an administration fee of EUR 40.- per written reminder, reasonable attorney's fees, expert fees, court costs and other expenses of litigation) shall be for the Purchaser's account. Furthermore, the Supplier reserves the right to suspend or cancel the orders in progress without paying any compensation to the Purchaser and to claim compensation from the Purchaser.
- 4.3 If the Purchaser is in default with payments for supplies he has already received, the Supplier has the right to rescind in writing the part of the Confirmed Order not yet executed without allowing any further time and to cancel all Confirmed Orders, already confirmed but not yet executed. The Purchaser must compensate the Supplier fully for damages arising therefrom.

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- 4.4 If the Purchaser does not comply with the terms of payment or if he is unable to make payment, all outstanding credit balances become due for payment irrespective of the agreed payment deadlines and may be claimed by the Supplier immediately.

5. DELIVERY – EXAMINATION – ACCEPTANCE / COMPLAINT

- 5.1 Unless otherwise agreed, the delivery takes place « DAP » (delivered at place to the agreed destination) in accordance with the Incoterms 2010 of the International Chamber of Commerce. On the other hand, in the event of maritime transport or by inland waterways, the delivery takes place "CIF" (Cost, insurance and freight to the agreed port of destination).
- 5.2 Unless stated otherwise in the Confirmed Order, any times or dates for delivery by the Supplier are estimates and shall not be of the essence. The Supplier is entitled to deliver the Products as stated in the Confirmed Order in parts and to invoice separately. Delay in delivery of any Products shall not relieve the Purchaser of his obligation to accept delivery thereof, unless the Purchaser cannot reasonably be expected to accept such late delivery. In any event, delays in delivery cannot justify the cancellation of the order by the Purchaser nor give rise to any payment of penalties or damages by the Supplier.
- 5.3 The Purchaser shall be obliged to accept the Products and pay the amount specified in the Confirmed Order for the Products delivered by the Supplier. If dispatch is delayed at the Purchaser's responsibility, the Supplier will invoice the Purchaser the resulting storage costs, at least EUR 200.- (two hundred) per packing list and per a period of 30 (thirty) calendar days the total amount mentioned in the Confirmed Order, starting with the notification that the Products are ready for dispatch.
- 5.4 The Purchaser must inspect the Products and their packaging (including lower disks of the rolls and plastic films) immediately upon receipt and satisfy himself that the Products delivered meet the agreed specifications for the Products as stated in the Confirmed Order or, in the absence of agreed specifications, to the most recent specifications used by the Supplier at the time of delivery of the Products (the "**Specifications**").
- 5.5 Complaints about the Products shall be made by fax or email within 8 (eight) days from the date of delivery of the Products (except Sundays and public holidays) in respect of any defect, default or shortage which would be apparent from a reasonable inspection on delivery, and 8 (eight) days from the date on which any other claim (e.g. hidden defects) was or ought to have been apparent, but in no event later than the expiry of (i) a 6-month period running from the date of delivery of the Products or (ii) the warranty period mentioned in the Confirmed Order (if different), whichever occurs first.
- 5.6 In case of a disaccord between the Parties concerning the quality of a Product delivered by the Supplier to the Purchaser, the Supplier will submit the purported defective Product to an independent expert reasonably acceptable to the Purchaser to have determined whether or not the Product in question has met the Specifications. The results of such analysis shall be binding upon the Parties, and the Party unable to uphold its position shall bear the related costs of the expert.
- 5.7 Defects in parts of the Products do not entitle the Purchaser to reject the entire delivery of the Products, unless the Purchaser cannot reasonably be expected to accept the delivery of the remaining non defective parts of the Products. Complaints, if any, do not affect the Purchaser's obligation to pay as defined in Section 4. The Purchaser is obliged to provide on first request any information needed to identify the purported defective Products (e.g. batch no., pallet no).
- 5.8 Failure to complain within the appropriate time or any use of the Products shall be deemed to be an unconditional acceptance of the Products as of the date of delivery and waiver of all claims in respect of the Products.

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6. CANCELLATION

The Purchaser's wrongful non-acceptance or rejection of Products or cancellation of the Confirmed Order shall entitle the Supplier to recover from the Purchaser, in addition to any other damages caused by such action:

(i) in the case of Products which reasonably cannot be resold by the Supplier to a third party, the price of such Products as quoted in the Confirmed Order; or

(ii) in the case of Products which can be resold by the Supplier, damages equal to 50% (fifty percent) of the price for the Products as quoted in the Confirmed Order as liquidated damages, unless the Purchaser can demonstrate that the actual damages incurred by the Supplier are lower than 50% of the price or were not suffered at all.

7. TRANSFER OF RISK

Benefit and risk are transferred to the Purchaser at the latest when the Products are available at the place of delivery notified by the Supplier to the Purchaser prior to delivery. If dispatch is not possible and no fault is attributable to the Supplier, risk transfers to the Purchaser with the notification that the Products are ready for dispatch.

8. RETENTION OF TITLE

8.1 The Supplier retains the title of the goods until the price for them has been fully received, in principal and costs. Notwithstanding the absence of transfer of title, the Purchaser is liable for the goods under the conditions specified in Article 7; it therefore undertakes to take out an insurance policy covering the risks of loss, theft or destruction of said goods.

8.2 During the period when the title of the goods is retained by the Supplier, the Purchaser must see to it that all care is taken in keeping and protecting the goods and that an insurance policy is taken out covering the damage which it might sustain.

9.3 As expressly stipulated, as the goods are fungible, the Supplier will be able to make use of the rights which it holds under this clause for any of its debts, concerning all its products in the customer's possession, the latter being assumed by agreement to be those which have not been paid for; the Supplier will be able to take them back or claim them as compensation for all its unpaid invoices, without prejudice to its right to terminate the sales in progress.

8.4 The Purchaser shall not under any circumstances be able to pledge or give security on unpaid goods, nor pawn them or transfer the title to them by way of guarantee.

8.5 In the event of seizure or any other action by a third party, the Purchaser is required to immediately inform the Supplier and inform the third party concerned of the Supplier's rights to the unpaid goods.

9. LIMITED WARRANTY

9.1 The Supplier solely warrants that, on the date of delivery and for an additional 6 (six) month period as from the date of delivery, the Products shall conform to the Specifications. If and to the extent that Products are in breach with such warranty, as determined in accordance with Section 5, the Supplier may at his own option and within a reasonable time either repair or replace the Products at no charge to the Purchaser. Accordingly, the Supplier's obligation shall be limited solely to repair or replacement of the Products, to the exclusion of any other remedy, service or compensation for the Purchaser.

9.2 The Supplier's obligation to repair or replace shall be contingent upon the following two cumulative conditions be met:

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(i) receipt by the Supplier of a timely notice (registered letter) by the Purchaser of any alleged non-conformance of Products and, if applicable, the return of the Products, in accordance with section 5, especially section 5.5, and

(ii) absence of abnormal or abusive use of the Products, which is an utilization which does not comply with the instructions listed on the user manual or with the product specifications, deterioration or damage of the Products resulting especially from inappropriate storage, collisions, objects falling, fire, vandalism, malicious intent, misuse, damages caused by animals, or accidents resulting from a lack or supervision.

9.3 Slight, unavoidable differences in (without limitation) quality, colour, width, handling, weight, equipment or design do not confer any right of the Purchaser to make a claim.

9.4 The foregoing is exclusive and in lieu of all other warranties, representations, conditions or other terms, express, implied, statutory, contractually or otherwise, including, without limitation, any warranty of merchantability, suitability or fitness for any purpose, or absence of infringement of any claim in any intellectual property right covering the Products.

10. LIMITED LIABILITY

10.1 The Supplier's liability for any and all claims arising out of or in connection with the Products and the use thereof shall per occurrence be limited to direct damages of the Purchaser and shall under no circumstances exceed the sales value of the defective relevant Product supplied to the Purchaser.

10.2 The Supplier shall under no circumstances be liable to the Purchaser or any other person for any kind of special, incidental, indirect, consequential or punitive damage or loss, cost or expense, including without limitation, damage based upon lost goodwill, lost sales or profit, delay in delivery, work stoppage, production failure, impairment of other goods or based on any other cause, and whether arising out of or in connection with breach of warranty, breach of contract, misrepresentation, negligence or otherwise.

11. FORCE MAJEURE

11.1 Neither Party shall be liable in any way for any damage, loss, cost or expense arising out of or in connection with any delay, restriction, interference or failure in performing any obligation towards the other Party caused by any circumstance beyond its reasonable control, including, without limitation, acts of God, laws and regulations, administrative measures, orders or decrees of any court, earthquake, flood, fire, explosion, war, terrorism, riot, sabotage, accident, epidemic, strike, lockout, slowdown, labour disturbances, difficulty in obtaining necessary labour or raw materials, lack of or failure of transportation, breakdown of plant or essential machinery, emergency repair or maintenance, breakdown or shortage of utilities, delay in delivery or defects in goods supplied by suppliers or subcontractors ("**Force Majeure**").

11.2 Upon the occurrence of any event of Force Majeure, the Party suffering thereby shall promptly inform the other Party by written notice thereof specifying the cause of the event and how it will affect its performance of its obligations under the Confirmed Order. In the event of any delay, the obligation to deliver shall be suspended for a period equal to the time loss by reason of Force Majeure. However, should a Force Majeure event continue or be expected to continue for a period extending to more than 6 (six) weeks after the agreed delivery date, either Party is entitled to cancel the affected part of the Confirmed Order by registered letter without any liability to the other Party.

12. SUSPENSION AND TERMINATION

12.1 If the Purchaser is in default of performance of his obligations towards the Supplier and fails to provide to the Supplier adequate assurance of the Purchaser's performance before the date of scheduled delivery; or if the Purchaser becomes insolvent or unable to pay his debts as they mature, or goes into liquidation (other than for the purpose of a reconstruction or merger) or any bankruptcy proceeding shall be instituted by or against the Purchaser or if a trustee or receiver or administrator is appointed for all or a substantial part of the assets of the Purchaser or if the Purchaser enters into a deed of arrangement or

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makes any assignment for the benefit of his creditors, then the Supplier may by notice in writing forthwith, without prejudice to any of its other rights:

(i) demand return and take repossession of any delivered Products which have not been paid for and all costs relating to the recovery of the Products shall be for the account of the Purchaser; and/or

(ii) suspend its performance or terminate the Confirmed Order for pending delivery of Products unless the Purchaser makes such payment for Products on a cash in advance basis or provides adequate assurance of such payment for Products to the Supplier.

12.2 In any such event of Section 11.1, all outstanding claims of the Supplier shall become due and payable immediately with respect to the Products delivered to the Purchaser and not repossessed by the Supplier.

13. INTELLECTUAL PROPERTY

13.1 All intellectual property rights arising out of or in connection with the Products shall be the exclusive property of the Supplier.

13.2 The Supplier has not verified the possible existence of third party intellectual property rights which might be infringed as a consequence of the sale and/or delivery of the Products and the Supplier shall not be held liable for any loss or damage in that respect.

13.3 The sale of Products shall not, by implication or otherwise, convey any license under any intellectual property right relating to the compositions and/or applications of the Products, and the Purchaser explicitly assumes all risks of any intellectual property infringement by reason of the use of the Products, whether singly or in combination with other materials or in any processing operation.

14. MISCELLANEOUS

14.1 Independent Contractors: The Supplier and the Purchaser are independent contractors, and the relationship created hereby shall not be deemed to be that of principal and agent.

14.2 Compliance with Laws and Standards: The Purchaser acknowledges that the use of the Products may be subject to requirements or limitations under any law, statute ordinance, regulation, code or standard ("**Laws and Standards**"). The Purchaser shall be exclusively responsible for (i) ensuring compliance with all Laws and Standards associated with his intended use of the Products; and (ii) obtaining all necessary approvals, permits or clearances for such use.

14.3 Non-Assignment: Neither Party may assign any of the rights or obligations under the Confirmed Order without the prior written consent of the other Party, except that either Party may assign such rights and obligations to any of its affiliates or to a third party acquiring all or a substantial part of its assets or business relating to the Products.

14.4 Severability: If any provision of the Conditions is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the legal and economic intent of the Parties to the fullest extent possible. In any event, all other provisions of the Conditions shall remain valid and enforceable to the fullest extent possible.

14.5 Heading: The headings contained in the Conditions are included for mere convenience of reference and shall not affect the latter's construction or interpretation.

14.6 Waiver: Failure by the Supplier to enforce at any time any provision of the Conditions shall not be construed as a waiver of the Supplier's right to act or to enforce any such term or condition and the Supplier's rights shall not be affected by any delay, failure or omission to enforce any such provision. No waiver by the Supplier of any breach of the Purchaser's obligations shall constitute a waiver of any other prior or subsequent breach.

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15. APPLICABLE LAW AND JURISDICTION

15.1 The Confirmed Order and the Conditions shall be governed by and construed in accordance with the substantive laws of France, without regard to the conflict of laws provisions thereof. The United Nations Convention on Contracts for the International Sale of Goods dated 11 April 1980 (CISG) shall not apply.

15.2 Any dispute arising out of, or in connection with, the Confirmed Order, the Conditions and/or any additional agreement between the Supplier and the Purchaser shall be exclusively submitted to the courts of Colmar France.

16. LANGUAGE

The original version of the Conditions is made in the French language. In the event of any inconsistency or contradiction between the French version and any translation thereof, the French version shall prevail.

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