



GENERAL TERMS OF SALE

Revision.Date: May 2016

1. SCOPE

1.1 These General Terms and Conditions of Sale apply to all deliveries of paper and paperboard (Products) from Fiskeby Board AB (FBY) to its customers (Customers).

1.2 Any variations from these General Terms and Conditions of Sale are only binding when they are agreed upon in writing between the parties or explicitly confirmed in writing by FBY.

1.3 If the Customer when placing an order, stipulates conditions which are contrary to or inconsistent with the terms set out in FBY's confirmation of order or these Terms and Conditions of Sale, failure on the part of FBY to object to such conditions does not imply that they have been approved by FBY, but the confirmation of order and these General Terms and Conditions of Sale shall remain applicable.

2. FORMATION OF CONTRACTS

2.1 Unless stipulated in the offer or otherwise an offer is considered to be expired in case it is not confirmed by the Customer within one month.

2.2 A legally binding agreement regarding delivery of Products shall be deemed to be concluded when a written contract of sales (Contract) has been signed or FBY has issued a written confirmation of the order (Order Confirmation) placed by the Customer.

3. DELIVERIES

3.1 If no delivery terms have been agreed upon, the delivery shall be FCA Fiskeby, Norrköping Sweden (INCOTERMS 2000).

3.2 The Products shall be delivered on the delivery date fixed in the Order Confirmation or Contract.

3.3 Should FBY find that it cannot meet the agreed delivery time, FBY shall without unreasonable delay inform the Customer thereof and indicate the point in time when it is expected that delivery can take place.

3.4 Should the delay of a delivery occur as a result of any circumstance mentioned under Article 8, or because of any action or failure to act by the side of the Customer, the delivery time shall be extended by a period of time that, given all of the circumstances in the case, may be deemed reasonable.

3.5 FBY's liability in the event of delay is limited to substantiated direct losses (all indirect, incidental or consequential loss excluded), and shall not, in any event, exceed fifteen (15) per cent of the invoiced value of the delayed delivery.

3.6. In case of an Order Confirmation or a Contract for delivery of Products by instalments, each delivery shall be considered as an independent sale. The Customer is not entitled to cancel all deliveries as a result of a delay, defect or shortcoming of one delivery.

3.7 If the Customer asserts a delay in Products delivered by FBY, he must take all necessary measures to mitigate the loss resulting from the delay, provided that and in so far as he can do so without unreasonable inconvenience or cost. If he fails to take such measures FBY may claim a reduction in the damages.

3.8 Should the Customer fail to take delivery of the Products at the time stipulated in Order Confirmation or Contract, he is nevertheless obliged to make payment as if delivery of the Products in question had been taken. If the Customer, regardless of grounds, fails to take delivery of the

Products at the appointed time, FBY shall be entitled, by written notification to the Customer, to cancel the Order or the contract in respect of such outstanding part of the Products that, due to the Customer's failure, has not been received, and receive compensation from the Customer for the damage he is suffering because of the Customer's failure to fulfill his obligations.

3.9 The delivery schedule stipulated in the Contract or the Order Confirmation is an element of the price. Should the Customer decide to postpone delivery, FBY shall be entitled to charge storage and handling costs.

3.10 If the Customer fails to take delivery of the goods within 30 (thirty) days from the date stipulated in the Order Confirmation, if not previously invoiced, the Customer will be invoiced for the goods and FBY may store the goods until actual delivery and charge the Customer for all costs and expenses by reason of, or in any other way is generated, by the storage of the goods. Storage charge and any other expenses in relation thereto will be invoiced for a minimum of a full month, calculated from the first day of the month in which the goods are stored for the first time. In all conditions the goods will not be stored for more than 6 (six) months from the date on which the goods should be delivered according to the Order Confirmation or at such earlier date when the goods were previously available for delivery. If the Customer fails to pick up stocked goods within the time limit as indicated above, FBY is entitled to send the stocked goods to the Customer at the expense of the Customer and issue an invoice for FBY's costs and expenses related to the stocked goods.

4. QUANTITIES AND QUALITIES

4.1 Quantities: In the absence of a specification regarding tolerances of the quantities delivered, FBY shall be deemed to have performed adequately if quantities do not exceed the following:

for deliveries below 5 tons +/- 15 %

for deliveries between 5 - 15 tons +/- 10%

for deliveries in excess of 15 tons +/- 5 %

4.2 Quality - grammage, thickness, bending resistance and brightness: Unless otherwise agreed in writing allowed tolerances regarding grammage, thickness, bending resistance and brightness shall be determined in accordance with FBY's published specification found in web site: www.fiskeby.com as per the day of the formation of the contract.

4.3 Quality - size of sheets and reels: A delivery of Products shall be deemed to have been completed in accordance with the Contract if the delivered sizes differ from the contracted sizes by no more than stipulated below:

Sheets: 0, + 2mm

Reels: 0, + 2 mm

4.4 Quality - other characteristics: In the case of all other technical characteristics than those regulated under article 4.2 – 4.3 above, all Products delivered to the Customer shall be merchantable and of a fair average quality. However, FBY takes no responsibility for the Products suitability for specific purposes of the Customer or end user. The Customer shall autonomously consider if the quality of Products provided by FBY is suitable for the intended purposes, the manufacturing process and end users demands. In the case of all technical characteristics whose tolerances have not been stipulated in article 4.2 and 4.3 above, slight differences cannot be grounds for complaint on the part of the Customer as long as the Products are generally usable for the kind of manufacturing processes for which they are marketed.

5. COMPLAINTS AND LIABILITY FOR DEFECTS

5.1 It shall be the responsibility of the Customer to check the quality of delivered Products before processing.

(i) If the quality is not in accordance with the quality contracted, or if the Customer upon a visual inspection has 2(2) reason to believe that the Products may raise difficulties in processing, the Customer shall not allow processing to commence, unless he has received permission to do so from FBY.

(ii) When a claim concerns damage occurred during transport, storing or handling, the claim must be made immediately upon receipt of the Products.

(iii) If the Customer should discover a defect in the Products during processing or if the defect is such that it may cause any damage, he shall immediately give notice of such defect to FBY.

(iv) Any claim concerning a consignment must be made in writing within 3 days after the commenced processing and at the very latest 3 months after the date of delivery.

If the Customer has not checked the quality of delivered Products before processing and claimed a defect in accordance with the paragraphs (i) – (iv) set up in this article 5.1 above, the Customer has forfeited his rights to claim defects.

5.2 If the Products do not conform with the quality agreed upon, according to section 4 above, the Customer may, provided that the products have been properly used and stored, ask for replacement of the defective Products or a reduction of the price in the same proportion as the value that the Products delivered had at the time of delivery bears to the value that conforming Products would have had at that time. Under the same conditions the Customer may also claim reimbursement for certain kind of expenses according to article 5.3 and for product liability according to article 5.4 below.

5.3 FBY shall, up to a maximum amount of either 15 (fifteen) per cent of the invoiced value of the defective delivery or EUR 1 500, whichever amount is the higher, reimburse necessary, reasonable and clearly verified expenses incurred by the Customer for (i) damages to production equipment, (ii) cleaning or other remedies to disturbances incurred in the manufacturing process, (iii) manual sorting of defective Products and (iv) handling and storing of defective Products, all provided that the expenses incurred, solely are due to defective Products. FBY shall not otherwise be liable to the Customer for compensation of any kind whatsoever because of defective Products or short delivery. All liability for loss of profit, loss of production, claims of recourse regarding damage to third party or any other indirect, incidental or consequential damages is explicitly excluded.

5.4 If a defective Product causes bodily injury or damage to property, other than to the Products delivered, FBY shall be liable for such damages provided that FBY is also liable under applicable product liability law and that the damages are covered by FBY's liability insurance.

5.5 If the Customer alleges a defect in Products delivered by FBY, he must take all necessary measures to mitigate the loss resulting from the defect as far as he can without unreasonable inconvenience or cost. If he fails to take such measures FBY is entitled to claim a reduction in the damages.

6. OWNERSHIP OF THE PRODUCTS

6.1 To the extent permitted by applicable law, FBY

shall retain its right of ownership over Products supplied pending full payment of the relevant invoice.

7. PRICES, INVOICING AND PAYMENT

7.1 Unless otherwise agreed upon Products delivered will be invoiced at the prices stipulated in the Order Confirmation or Contract. Unless otherwise stipulated in the Order Confirmation or Contract the prices of the Products do not include duty, excise, use or other taxes or charges now in effect or hereafter levied by reason of the purchase. All such charges shall be paid by the Customer.

7.2 If, after an agreement regarding delivery of Products has been concluded increase in duties occur as a result of the decisions taken by authorities, or if new taxes, duties or insurance premiums are levied on ordered Products or their transportation, the parties shall re-negotiate the price in good faith. If no reasonable agreement can be reached, FBY reserves the right to terminate the agreement unilaterally.

7.3 FBY is entitled, prior to delivery, to demand acceptable security for payment of the delivery in question, and for previously delivered but still unpaid Products if any.

7.4 FBY shall be entitled to invoice the Products on the day of shipment from FBY's premises.

7.5 Unless otherwise agreed upon in writing, payment has to be made within 30 days net of the day of the invoice.

7.6 FBY is entitled to charge penalty interest at the rate of 5 per cent units above the bank rate or at the minimum lending rate officially or generally applied in the country of the Customer, from the due date and until full payment is made.

7.7 The Customer shall, irrespective of if he has lodged or is going to lodge claims, pay the invoice when due. Final adjustment shall be made when agreement is reached or the decision of arbitrators is given.

8. FORCE MAJEURE

8.1 Force majeure such as strikes, lack of raw material, machine break downs, lack of motorpower, uprising, riots, war, thunderstorms or any other event beyond the control of FBY which may disrupt supply or performance of the contract releases FBY from its supply obligations. If circumstances permit, written warning of FBY to the Customer will take place.

9. DISPUTES

9.1 Any dispute, controversy or claim arising out of or in connection with any agreement relating to delivery of Products, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.

9.2 The arbitral tribunal shall be composed of three arbitrators.

9.3 The place of arbitration shall be Stockholm, Sweden.

9.4 The language to be used in the arbitral proceedings shall be English.

9.5 All agreements relating to delivery of Products as well as all legal relations between FBY and its Customers shall be governed by the law of Sweden except for Article 6.1 where the law of the country of the Customer shall apply.

10. CERTIFICATES

Copies of all our certificates can be downloaded from our website: www.fiskeby.com