

GENERAL PURCHASING CONDITIONS

ORPA Paper a.s.

(valid from 1.11.2017)

1. SCOPE

1.1 These General Purchasing Terms ("VNPs") apply to purchases of materials, goods, products, parts, software and related services ("Goods") offered and supplied by the vendor (the "Seller"). They will be applied to all Buyer requests to submit cost calculations or other offers as well as offers made by the Seller and are an integral part of the Purchase Order ("Purchase Order") submitted by the Buyer to Sellers. For the purposes of these VNPs, the Order also means the contractual relationship between the Seller and Buyer arising out of an Order. 'Seller' means ORPA Paper a.s. including their legal successors. No conditions contained in the order confirmation, previous offers or other documents issued by the Seller are binding on the Buyer, even if they have not been explicitly rejected.

1.2. Seller and Buyer hereby exclude the use of Section 1740 (3) of Act No. 89/2012 Coll., The Civil Code, as amended, (the "Civil Code") for contractual relationships to which these VNPs apply, which provides that the contract is closed even when there is no full agreement of the parties' will.

1.3. In the event that certain specific provisions of the VNP cannot be applied for any reason, all other conditions remain unaffected.

1.4. Special Provisions Orders, specific terms agreed in writing with the Sellers, and any documents incorporated into them that may conflict with the VNP, take precedence over the applicable VNP provisions.

2. PRICES - PRICE CALCULATION - PAYMENT CONDITIONS - INVOICING

2.1 Bids and pricing of the Seller are binding for at least 60 days from the date of delivery to the Buyer, unless otherwise agreed.

2.2 All prices stated in the Order are fixed and cannot be changed without the buyer's consent. They include all costs incurred by the seller for the execution of the Order, including the delivery of the Goods to the final place designated by the Buyer, including the packaging.

2.3 Properly issued invoices are payable within 45 days from the date of receipt of the invoice by the Buyer. However, the buyer is entitled to withhold the payment if the Seller fails to meet the requirements set forth in the Order. In such a case, the Seller shall not be entitled to interest on late payment (any part of the price), a fine or any other compensation.

The invoices issued by the seller will be delivered electronically to fakturace@orpa.cz.

3. QUALITY - SAFETY - SUSTAINABLE DEVELOPMENT

3.1 Before submitting any offer or pricing, the Seller shall obtain all information regarding the Purchaser's request and the anticipated use of the Goods (services) to provide the Buyer with all the advice and information required for the proposed Goods (services). The seller guarantees the quality and quality of the goods or services in question. It undertakes to observe the principles of protection and improvement of safety, health and environment in connection with the supply of goods (services) in ORPA Paper a.s ..

3.2 The Seller shall inform the Buyer of all relevant information in the areas of safety or environmental protection that relates to the Goods and / or its processing, handling or use. In the event that the Seller violates his obligations in the field of safety, health or environmental protection, the Buyer has the right to withdraw from the Order, with the Seller bearing all the expenses and liability arising there from. The Seller agrees to provide the necessary proofs, declaration of conformity, safety data sheets, ... if required by the buyer for the goods (service) supplied.

4. DELIVERY - TRANSFER OF OWN RIGHTS - PACKAGING - TRANSPORT

4.1 Unless otherwise agreed, all Goods (Service) shall be sold under the terms of the Incoterms DDP unloading at the designated Buyer's site.

4.2 Before Delivery:

The Seller will check the Goods for compliance with the order stated on the Order, the quality, weight and physical dimensions requirements and whether the Goods or its packaging are not damaged. Goods must be packed in such a way that they are not damaged during transport or handling. All items must be properly labelled in accordance with (i) the applicable rules, particularly in the case of Dangerous Goods, (i) the Purchaser's instruction, and the marking must at least indicate the Buyer's Purchase Order Number, Seller Identification Numbers, Item Numbers, the number of items and all the markings required for the purposes

Ordering Supplies and assemblies. If the Purchaser asks for it, the Seller shall remove all packaging materials after delivery of the Supplies. Packaging materials and methods are chosen by the Seller to minimize costs and meet the following objectives: protection, security, recyclability, energy saving and disposal.

4.3 Transport:

The Seller shall ensure the shipment of the Goods to the place of destination in such a way as to prevent damage to the Goods and the difficulties of its unloading at the place of delivery.

4.4. The delivery times specified in the Order are an essential requirement of these terms. If the Order does not take place within the specified deadline and in the required quality, the Buyer has the right to withdraw from the Order or to claim damages from the Seller.

The Seller is obliged to inform the Buyer of any delays without delay and at the same time to supply all information on the reason and / or extent of the delay, as well as information about the efforts the Seller intends to make in order to avoid or delay the Delivery.

In the event of a delay in the Delivery, the Buyer shall have the right, without prejudice to any other remedies evidenced by him, to a contractual penalty equal to 1% of the value of the agreed goods for each day of delay, up to a maximum of 10%. This contractual penalty is without prejudice to the Buyer's rights to damages.

4.5. In the event of a breach of the seller's obligation from a concluded contract, which will result in forced production stoppage by the purchaser, the seller commits the payment of the contractual penalty to the purchaser in the amount of extra costs, which amounts to CZK 2,594 for each commenced hour of forced production stoppage.

4.6. The right to ownership of the Goods is unconditionally transferred to the Buyer by delivery. Unless expressly agreed otherwise, the Seller is not entitled to retain ownership of the Goods until it is fully paid. However, the liability for the risk of property damage (damage) to the Goods remains with the Seller until the Purchaser Goods takes over the ownership of the goods.

5. TECHNICAL DOCUMENTS - OPERATIONAL AND SERVICE MANUAL

The Seller will deliver to the Buyer at times agreed upon by the parties, but at the latest by the delivery of the Goods, all technical documents relating to the Goods, such as Service and Service Manuals, Training Manuals, Drawings, Technical Data Sheets, Product Safety Data Sheets, , declaration of conformity and other documents. Unless otherwise stated in the Order, the delivery of software or merchandise containing software must include, for reasons of maintenance and / or adaptability, all associated source codes and product codes. This Technical Documentation or any specific Instrument related to the Purchase Order remains the Buyer's property and is considered to be an integral part of the Goods within the meaning of these Terms and Conditions.

6. WARRANTY - LIABILITY

6.1 The Seller is responsible for ensuring that the Goods conform to all agreed specifications and requirements that will be in accordance with current state of the technology and development and will be suitable for the intended purpose of the Buyer, have no structural defects, defects in materials or workmanship and satisfactorily perform to the requirements foreseen by the Buyer, as well as all legal requirements and standards, in particular those relating to environmental protection and safety. The seller is responsible for ensuring that the technical

specifications in the Order are sufficient to meet the specific needs of the Buyer and acknowledge that they have thoroughly studied these specifications.

7.2 The quality guarantee is negotiated for a period of 2 years from the regular delivery of the goods or services to the buyer, unless otherwise agreed in writing.

7.3 If any Goods are found to have defects, the Buyer shall, at its sole discretion, on the basis of a written notice delivered by the Seller:

(a) withdraw from the Order in accordance with the provisions of Article 11.2

(Termination of a Contractual Relationship);

(b) Accept the goods with a corresponding discount on the price; or

(c) not responding to the Goods and demand the supply of replacement Goods or make the necessary repairs at the Seller's expense. Any rejected Goods, irrespective of the reason, will be returned by the Seller at their risk and cost, or available for disposal for the Seller in the warehouses. Upon the expiration of 15 days from the date when the Seller was informed that the Goods had been rejected, the Seller is responsible for the warehousing charge for Goods, which is 55 CZK / day / m².

7.4 If the Seller fails to provide an appropriate remedy or does not provide immediate repair of the Goods, the Buyer has the right to replace or repair the Goods through another supplier and subsequently to recover from the Seller the cargo involved.

7.5 For any repaired or replaced Goods, the provisions of this Article apply and the warranty period under this Agreement begins to run again at the time of the new delivery or repair.

7.6 Seller is liable for any damages, including lost profits and non-property damage incurred by the Buyer due to delay in delivery, defects in the Goods or other lack of Seller's performance.

7.7 The Buyer's rights and remedies provided in the VNP may be applied in addition to other rights and remedies that are legally binding on the Buyer.

7.8 In any case, no check, acceptance or acceptance of the Goods shall absolve the Seller from liability for defects or other mistakes in the fulfillment of the Order's request.

7.9 Equipment defects, lack of material or other reasons that the Buyer cannot influence, and for which the Goods ordered can not be used or due to which the demand for the Goods is reduced on their part, are the reason that the Buyer has the right, at his own discretion, to either suspend or postpone or terminate the Order in whole or in part, without incurring any liability or liability.

8. INTELLECTUAL PROPERTY RIGHTS

8.1 The Seller is obliged to ensure that neither the Goods nor the sale thereof under the Order infringe the trademarks, patents, copyrights or other rights of third parties or violate them in any way.

9. OBLIGATION OF OWNERS' RIGHTS

9.1 Any written or oral information provided by the Buyer to the Seller about Buyer's know-how, specifications, procedures and needs and any technical information, documents and data shall be treated as confidential and will be treated as such and may not be disclosed to third parties without prior written consent from the Buyer for at least 10 years from the date the order was provided. This information will be used exclusively for the purpose of fulfilling the Order or by producing bids or price calculations.

9.2 Proprietary rights and copyrights to designs, drawings, samples and other documents provided to the Seller are the property of the Buyer, and may not be copied or provided to third parties without their prior written consent.

10. 'FORCE MAJEURE'

10.1 A Contracting Party affected by an event which could not, or has reasonably foreseen, avoided or prevented it, including (but not limited to) terrorist acts, riots, epidemics, floods, earthquakes or similar natural disasters ("force majeure"), notify the other party without undue delay in writing to the other party and provide it with all relevant information and documents relating thereto, in particular the duration which the event may delay the performance of the Order. Strikes that affect the Seller, public transportation, or events of any kind (including those that are defined as force majeure under these terms) that affect the Seller's subcontractor or supplier are not considered to be Force Majeure events that would justify the noncompliance of the Order.

10.2 In the event of force majeure affecting the Seller, the Buyer shall have the right, in its sole discretion:

(a) agree with the Seller to extend the delivery period; or (b) withdraw from the Order or any part of it without any obligation or liability and request the refund of any sums already paid.

11. TERMINATION OF CONTRACTUAL RELATIONS

11.1 In the event that the Seller fails to observe any of the terms of the Order, the Buyer has the right to withdraw from the Order, in whole or in part, by written notice of resignation delivered to the Seller, regardless of the other rights testifying to it and without any obligation or liability, reimbursement of any money paid to them for this Order, reimbursement of extra costs incurred to secure substitute Goods from another supplier and compensation for losses or damages incurred by the Buyer as a result of Seller's breach of the Obligation.

12. INSURANCE

The Seller is required to enter into and maintain in force any insurance that will cover its liability under these VNPs. The Seller undertakes to provide the Buyer with a proof of the existence of the insurance as required by the Buyer for the insurance cover and fulfill all its requirements, including liability insurance for third party liability and liability to the Buyer.

13. SUBSIDIARIES

If the Seller is entitled to subcontract all or some of its obligations to third parties, the Seller shall bear all costs and liabilities arising from such subcontracts in full. The Seller is obliged to inform all subcontractors about the

provisions of these VNPs as well as the provisions of the relevant Order and to provide them with all information about Buyer's requirements, in particular the relevant safety rules, and the Buyer reserves the right to refuse subcontractors who will not comply with these conditions.

14. POSITION

The Seller is not entitled to assign the Order, any rights arising from the Purchase Order or any claim against the Buyer to a third party without the prior written consent of the Buyer.

15. JUDICIAL COMPETENCE - DETERMINED LAW

15.1 All disputes arising in connection with this Order will be submitted to the appropriate courts according to the Buyer's place of incorporation in the Commercial Register. However, the buyer also has the right to submit a dispute, to which the Seller is a party, to the courts in the jurisdiction of the Seller or the courts competent in the place of delivery of the Goods.

16. FRAUD AND INCIDENCE

The Seller guarantees and undertakes not to take any gift or commission in connection with this Order or any other agreement concluded with the Buyer, nor does it commit or commit to pay any commission to any of its employees, agents, cooperating persons or Buyer's representatives. If the Seller, or anyone acting on its behalf, violates the above provisions, the Buyer has the right to withdraw from the Order and claim damages from the Seller.

17. OTHER ARRANGEMENTS

17.1. Seller confirms the order, demand, and contract and confirms that he has become acquainted with these general terms and conditions of purchase ORPA Paper a.s.

The General Purchase Conditions are published on www.orpa.cz