

TERMS AND CONDITIONS OF SALE AND DELIVERY KRONOSPAN APS - NOVOPAN

1 SCOPE OF APPLICATION

- 1.1 All orders and delivery transactions of NOVOPAN shall be exclusively subject to the following terms and conditions if not explicitly agreed otherwise.
- 1.2 At the latest upon receipt of the offer, said terms and conditions shall be deemed accepted.
- 1.3 Entering into a contract based on these terms and conditions substantiates the applicability thereof to all other delivery transactions with the Purchaser, even if NOVOPAN does not make explicit reference thereto in future.
- 1.4 NOVOPAN Terms and Conditions of Sale and Delivery apply exclusively. Purchaser's terms, which may be contrary to or deviate from NOVOPAN's conditions, will not be recognized. Conditions of Purchase stipulated by the Purchaser, similarly any notes which the Purchaser may append to NOVOPAN's Terms and Conditions of Sale and Delivery will not be binding for NOVOPAN, even if NOVOPAN do not expressly reject them. In the event of a copy of NOVOPAN's Terms and Conditions of Sale and Delivery not having been send to the Purchaser along with NOVOPAN's offer, or not having been given to Purchaser on some other occasion, they will nevertheless apply if they were already known to Purchaser - or should have been known to Purchaser - from earlier business dealings with NOVOPAN. NOVOPAN's Terms and Conditions of Sale and Delivery apply to NOVOPAN's delivery transactions.
- 1.5 Only written orders and agreements are legally binding. Agreements reached verbally or over the phone become valid only after they have been confirmed in writing.
- 1.6 Any support in the shape of technical advice, calculated quantities, etc. provided by NOVOPAN to the Purchaser or a third party is regarded as a service ("Service"). The Purchaser is obliged to ensure that he receives the necessary guidance with regard to correct use, storage and maintenance, etc.

2 OFFERS AND CONCLUSION OF CONTRACT

- 2.1 Offers of NOVOPAN shall not be binding as regards pricing and delivery times. Drawings, depictions, dimensions, weights or other performance data shall only be binding if explicitly agreed in writing.
- 2.2 When the Purchaser places an order, this shall be considered a binding offer on the part of the Purchaser. NOVOPAN may accept this offer within a period of 2 weeks by sending the Purchaser an order confirmation. A Purchasing Agreement shall come into existence by written order confirmation of NOVOPAN.

3 PRICE AND PAYMENT CONDITIONS

- 3.1 The prices are Ex Works unless otherwise agreed
- 3.2 The prices are net prices and will be added statutory value added tax and do not include freight, customs, import duties, ancillary levies. Price increases apply for all deliveries as from the date communicated by NOVOPAN.

- 3.3 In the event that during the period between conclusion of the contract and delivery the raw material prices, wages and/or other obvious circumstances impacting the prices, change to the disadvantage of NOVOPAN, NOVOPAN shall be entitled to adjust the prices corresponding to such changes in circumstances to the extent that such adjustment can be considered reasonable for the Purchaser.
- 3.4 Invoices of NOVOPAN shall be paid upon receipt, if not agreed otherwise. All payments shall be exclusively effected in DKK.
- 3.5 In cases of delayed payment the Purchaser automatically forfeits any promised rebates, turnover bonuses, freight refunds, and any similar price concessions. Furthermore, in all such cases we are also entitled to demand immediate payment of all amounts and accounts otherwise not yet due plus all collection costs so far incurred, the costs of reminders and costs for prosecution, in particular court fees and attorney fees, and to cancel any pending deliveries to the purchaser in question.
- 3.6 In the event the Buyer defaults payment, NOVOPAN may claim default interest from the Purchaser in the amount of 0.05 percent for each day of default. Further claims of NOVOPAN shall remain unaffected thereby.
- 3.7 Bills of exchange and checks are only accepted on account of performance and the debt shall only be cleared upon receipt of full payment. If bills of exchange are not negotiated within 14 calendar days after the term agreed upon, NOVOPAN may demand immediate payment in cash. NOVOPAN shall assume no liability for correct and timely presentation and protesting with regard to the negotiated check or bill of exchange. Discount charges (2 % above the discount rate charged by NOVOPAN's bank, minimum DKK 375), and all expenditure and costs in connection with the honoring of bill of exchange and check amounts shall be borne by the Purchaser. All receivables of NOVOPAN shall become due for payment immediately irrespective of the term of any bill honored and conditionally credited, if the terms and conditions for payment are not complied with or circumstances become known that potentially reduce the credit standing of the Purchaser. NOVOPAN shall assume no liability for correct and timely presentation and protesting with regard to the negotiated check or bill of exchange. Discount charges (2 % above the discount rate charged by NOVOPAN's bank, minimum DKK 375), and all expenditure and costs in connection with the honoring of bill of exchange and check amounts shall be borne by the Purchaser. All receivables of NOVOPAN shall become due for payment immediately irrespective of the term of any bill honored and conditionally credited, if the terms and conditions for payment are not complied with or circumstances become known that potentially reduce the credit standing of the Purchaser.
- 3.8 If, after the closing of the sales contract, circumstances arise which give NOVOPAN reason to doubt either the solvency or the creditworthiness of the Purchaser, alternatively, if the Purchaser's solvency or creditworthiness were in doubt at the time of the closing of the sales contract, but NOVOPAN only became aware of this later, NOVOPAN shall be entitled full payment in cash or the giving of suitable security by the Purchaser prior to delivery. Failing this, NOVOPAN shall be entitled to withdraw from contract and to demand compensation in particular for all expenses incurred, unless the Purchaser is not responsible for the non-payment in cash or the non-giving of a suitable security. Furthermore NOVOPAN is entitled to revoke any deferred payment terms already allowed, and to demand the immediate payment of all open accounts. In case of inadequate insurance cover, any delivery obligations and fixed prices will not apply.
- 3.9 Despite conflicting determinations of the Purchaser, NOVOPAN shall be entitled to initially offset payments against the older debts and shall notify the Purchaser of the nature of any offset. If costs and interest have already accrued, NOVOPAN shall be entitled to have payment initially offset against the costs, then against the interest and finally against the main debt.

3.10 The Purchaser shall only be entitled to offset, hold back or reduce payment, even if defects have been notified or counterclaims asserted, if the counterclaims have been finally and conclusively been established by a competent court of law or are undisputed.

4 DELIVERY AND DELIVERY TERMS

4.1 Deliveries shall be affected Ex Works, unless otherwise agreed in an individual contract.

4.2 Delivery terms (if differing from clause 4.1) as well as form, modality and scope of packaging are in the sole discretion of NOVOPAN, if not explicitly agreed otherwise.

4.3 If it is agreed that the goods shall be delivered at the Purchasers address the Purchaser is responsible for unloading the goods. If the unloading process is not completed within two hours of the trailers arrival between the hours of 07.00-15.00, the Purchaser will be invoiced for waiting time. If the Purchaser does not accept delivery of the goods, NOVOPAN may allow the goods to be unloaded at the Purchaser's address at the Purchaser's expense or take back the goods. The cost of returning the goods and transportation and storage/warehousing costs will be charged to the Purchaser. In either case the goods will be deposited at the Purchaser's expense and risk.

4.4 NOVOPAN may rescind the contract if the agreed payment securities are not available; in particular if no sufficient trade credit insurance coverage is given.

4.5 Foreseen delivery dates shall be specified in the order confirmation or shall be agreed in written form and will be complied with to the extent possible. If a delivery date is exceeded by more than two weeks, the Purchaser shall be entitled to set NOVOPAN an adequate subsequent period of time for due delivery. If delivery shall not be made within two weeks from expiry of the subsequent period of time, the Purchaser shall be entitled to rescind the contract. The right of rescission of the contract needs to be declared in written form. The right of rescission of the contract shall not exist if NOVOPAN has been unable to comply with the subsequent period of time set for delivery because of circumstances for which NOVOPAN is not responsible and it is reasonable to expect from the Purchaser to adhere to the contract.

4.6 For the period of the existence of circumstances outside of the control of NOVOPAN (Force Majeure), including but not limited to inability to provide raw materials and transportation means, fires, explosions, natural catastrophes like earthquakes, drought, tidal waves or floods, war, hostilities (whether declared or not), invasion, act of foreign enemies, mobilization, requisition, import or export embargo, rebellion, revolution, insurrection, military dictatorship, usurped power, civil war, any threat related to or event of radioactivity, toxicity, or any other hazardous threat or event, riot, commotion, stoppages in operations, strikes and lock-outs, mechanical breakdown, transport breakdown or traffic jams, missing delivery from NOVOPAN's customary suppliers, as well as any other event or occurrence even if not expressly stated herein, NOVOPAN shall be discharged from its delivery obligation and shall be exempted from liability of any kind. Delivery deadlines agreed shall be extended by the period of the existence of the circumstances of Force Majeure. The Purchaser shall only have the right to reject the deliveries after the circumstances of Force Majeure have ended if it is not reasonable to expect from the Purchaser to off-take the delivery after lapse of such time.

4.7 NOVOPAN shall be entitled to effect partial deliveries and services, if (i) the partial delivery is usable for the Purchaser within the intended purpose of the contract, (ii) the delivery of the remainder of the ordered goods is secured and (iii) no substantial additional expenses occur for the Purchaser through this (unless NOVOPAN agrees to take over these expenses).

4.8 In case of orders on call, the Purchaser promises to off-take the goods to the due-date determined in the order confirmation, in lack thereof at the latest 28 calendar days from notice of completion.

Otherwise, the goods shall be automatically delivered and/or if refused, at NOVOPAN's choice been stored at NOVOPAN premises at a fee of DKK 750 net/day and truck load or placed in public storage at the expense of the Purchaser. NOVOPAN's further claims remain unaffected. The Purchaser is entitled to prove that NOVOPAN have incurred lower or no costs at all. Delivery will be regarded as having been effected.

5 TRANSFER OF RISK

- 5.1 The risk of accidental loss of the goods shall pass over to the Purchaser in all cases as soon as the consignment is handed over to the party effecting the transport or has left NOVOPAN's warehouse for dispatch purposes. This shall in particular apply in the case of deliveries "freight prepaid".
- 5.2 If dispatch cannot be carried out within the agreed delivery period for reasons for which NOVOPAN is not responsible, the risk of accidental loss of the goods shall pass over to the Purchaser upon its receipt of the notification of readiness for dispatch.
- 5.3 The Purchaser promises to off-take the goods on the agreed date, otherwise NOVOPAN may charge customary warehousing costs.

6 WARRANTY; PERIOD OF LIMITATION

- 6.1 Any obvious defects as well as any other effects, which become apparent following a proper inspection of the goods, are to be reported to NOVOPAN in writing by the Purchaser immediately upon receipt of the goods but not later than within 24 hours. Any defects of a type not apparent even after an orderly inspection of the goods must be reported to NOVOPAN immediately following their discovery but not later than within 24 hours. The same applies with regard to complaints of incorrect deliveries and shortfalls in delivered quantities. Failure to comply with this reporting procedure will result in the lapsing of the guarantee, warranty or other claims.
- 6.2 The Purchaser shall be obliged prior to processing the delivered goods, to inspect them for their suitability for the purposes of use even if samples of goods have been supplied.
- 6.3 Minor discrepancies in dimensions and formats shall not entitle the Purchaser to raise complaints for defects. Potential discrepancies listed in the relevant quality guidelines known to the Purchaser are all in consistency with the contract. Complaining about defects requires that the reduction of the value resulting from the defects exceed 4% of the value of the goods but not less than DKK 375. For orders of cut-to-size panels, discrepancies in piece numbers of up to 10% shall be recognized by the Purchaser as being in consistency with the contract.
- 6.4 Complaints may only be raised in respect of first class goods which have not been sold as part of a promotion and that are available for inspection or return. Precondition of warranty obligations is the fulfilling of the payment obligations of the Purchaser, in particular of the agreed Payment Terms. Without prior mutual agreement products may not be returned to NOVOPAN.
- 6.5 In the event of defective contract products duly and timely notified in accordance with clause 6.1 above, NOVOPAN shall at its own choice render subsequent performance either by removing the defect or by delivering a contract product free of defects. If said delivery turns out to be unsuccessful, the Purchaser shall be entitled to reduce the purchasing price or at its choice to rescind the contract. There are no claims for compensatory damages, except as provided for in clause 8 hereinafter.
- 6.6 The warranty obligation shall expire if the goods delivered are changed, processed or improperly handled.

- 6.7 NOVOPAN shall not be liable for a deterioration of products if they are used outside of the EU unless the foreseen application and the country have been notified to NOVOPAN prior to the use and the quality of the material for this purpose has been guaranteed by NOVOPAN in writing.
- 6.8 The limitation period for claims based on defects asserted by the Purchaser shall amount to one year (including building-related defects and defective contract products used for construction works). This limitation period shall also apply for claims in tort based on a defect of the contract products. The limitation period shall begin to run from the delivery of the contract products. Liability pursuant to damages resulting from a breach of a warranty or from harm to life, physical injury, or harm to health as well as in case of intent and gross negligence shall remain unaffected thereby. Any comment of NOVOPAN on a claim based on defects asserted by the Purchaser shall not constitute entry into negotiations on such claim or on the facts giving rise to the claim, provided that NOVOPAN rejects the claim based on defects to the full extent.
- 6.9 Subject to contractual provisions explicitly agreed on otherwise or compulsory legal provisions, the above paragraphs comprehensively and exclusively provide for the warranty obligations of NOVOPAN. There are no further ones.

7 RETENTION OF TITLE

- 7.1 Until such time as all receivables according to the agreement with the Purchaser and the companies associated with the Purchaser have been paid, NOVOPAN shall retain title (ownership) to the purchased goods. To the extent NOVOPAN agrees with the Purchaser on payment of the purchasing price on the basis of check / bills of exchange procedure, the retention of title shall also extend to the encashment as well as any claims against the Purchaser in connection with a potential liability of NOVOPAN towards respective third parties holding rights in such bills and does not expire with the receipt of money from such check / bills of exchange procedure.

8 RESTRICTIONS ON LIABILITY

- 8.1 NOVOPAN shall be fully liable for damages resulting from a breach of a warranty or from harm to life, physical injury, or harm to health. The same shall apply in case of intent or gross negligence. For slight negligence, NOVOPAN shall be liable only to the extent material duties are breached, such duties resulting from the nature of the contract and being of essential importance for the attainment of the purpose of the contract. In case of breach of such duties and in case of default and impossibility of performance, NOVOPAN's liability shall be limited to damages that are typically expected to occur within the context of the contract and NOVOPAN shall under no circumstances be liable for any indirect or consequential loss or loss of profit. Statutory product liability shall remain unaffected.
- 8.2 Any compensation sum that NOVOPAN has to pay will be limited to the invoice value of the individual delivery.
- 8.3 Any preclusion or limitation of NOVOPAN's liability shall also apply for the personal liability of NOVOPAN's employees, staff members, representatives, and auxiliary persons.
- 8.4 The Purchaser shall take the sole risk as between the Parties as co-producer, if the damage falls within his domain of control and organization and if he is liable as producer against third parties. The above condition in particular applies to a situation that the final product is defective and/or instructions given to the end-costumer are incorrect or incomplete. The Purchaser shall indemnify NOVOPAN explicitly from any claims and shall provide security in case as far as its liability in the internal relationship is concerned.

- 8.5 In the event NOVOPAN is caused to call back or send a warning notice due to a defect in the contract products, the Buyer shall use its best efforts to support NOVOPAN and take part in all reasonable measures that NOVOPAN deems reasonable and appropriate; in particular, the Buyer will establish the necessary customer data. The Buyer shall bear the costs for the product recall or warning notice unless it is not responsible for the defect in the contract products and the loss occurred according to the principles of product liability laws. Further claims of NOVOPAN shall remain unaffected thereby.
- 8.6 The Buyer will inform NOVOPAN in writing without delay about all possible risks in connection with the use of the contract products that become known to it, and any possible defects in the contract products.
- 8.7 NOVOPAN has taken out product liability insurance with maximum coverage of DKK 2.5 million per insurance event. NOVOPAN's product liability is otherwise and in all circumstances limited to the insurance coverage.
- 8.8 Notwithstanding anything to the contrary NOVOPAN shall under no circumstances be liable for any error that may occur in connection with or as a result of any Service.

9 APPLICABLE LAW & VENUE

- 9.1 All contractual and non-contractual relationships of the parties shall be governed by Danish Law (excluding its rules on choice of law). The application of the uniform UN Convention on the International Sale of Goods (CISG) shall be excluded.
- 9.2 Court of Venue for all disputes arising out of or in connection with the contract, including disputes over the conclusion of it, shall be the Municipal Court of Randers, Denmark. NOVOPAN may sue the Purchaser also at its registered office. Aforesaid does not apply if compulsory legal provisions provide for any other exclusive Court of Venue.

10 OTHER PROVISIONS

- 10.1 Should particular provisions of these conditions be or become invalid, the validity of the remaining provisions shall not be affected hereby. The parties to the contract shall be obliged to agree on a new provision by which the targets pursued by the invalid provision are reached the best way possible. The same applies in case of a gap.
- 10.2 Changes and deviations to the preceding provisions require written form to become effective. This also applies to a change of the written form requirement itself.

In case these Terms and Conditions of Sale, Delivery and Payment diverge from the individual concluded contract, the provisions of the individual contract shall prevail.

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