

GENERAL SALES CONDITIONS

These General Sales Conditions (the “**Conditions**”) apply to all sales of wood containing publication paper grades (the “**Goods**”) sold and/or produced by Norske Skog Bruck GmbH (the “**Seller**”) to the relevant buyer (the “**Buyer**”).

These Conditions supersede all other documents, including Norske Skog’s/Seller’s previous Conditions, Buyer’s purchase conditions if any, unless otherwise specified in the Sale Contract/Order Confirmation or agreed in writing by Buyer and Seller. These Conditions and the Sale Contract/Order Confirmation are collectively referred to as the “**Contract**”.

Quantity, grammage tolerances and width and diameter of reel tolerances (Articles 3, 4 and 5) are collectively referred to as the specifications of the Goods (the “**Specifications**”).

1. OFFER

Seller’s written offer, sent by mail, fax or e-mail, shall be open for an order from the Buyer, unless otherwise stated in the written offer, for ten - 10 - working days from the date of the offer. On Seller’s receipt of an order after expiry of this time limit, Seller is not tied to his offer, and may freely adjust or present a new offer.

2. ORDER, SALE CONTRACT/ORDER CONFIRMATION

A written purchase order, made by the Buyer, for the receipt and delivery of the Goods, whereby the order also includes the relevant and necessary Specifications and commercial details about the Goods, binds the Buyer upon Seller’s receipt of the order.

A purchase order shall be deemed to have been accepted by the Seller, and thus constituting a binding Contract, when and if the Seller has submitted a signed order confirmation to the Buyer.

3. QUANTITY

The quantity of the Goods is stated as and based on weight (metric tonnes), which is determined at the time of the Goods’ manufacture and packaging. The weight is determined as gross for net (wrappings, cores and plugs included).

The quantity of the Goods is in conformity with the quantities specified in the Contract even if the deviation is of +/- 3% when the ordered quantity is more than 100 metric tonnes, and +/-5% when the ordered quantity is between 20 and 100 metric tonnes, and +/-10% when the ordered quantity is less than 20 metric tonnes.

4. GRAMMAGE TOLERANCES

A Lot of paper (i.e. one or more units/reels of paper of a single paper grade of specified characteristics and delivered at one time) is considered delivered in accordance with the Grammage specifications contained in the Contract, when the actual Grammage measured compared to the Grammage ordered, remains within the tolerances stated below.

“**Grammage**” means the weight in grams per square metre of paper. If a Delivery comprises two or more Lots, the actual Grammage of each Lot must be determined separately.

The actual Grammage of a Lot of paper is the arithmetic average of the Grammage as determined by sampling and testing the Lot in accordance with ISO 186 and ISO 536 {SCAN-P 1:61 and SCAN-P 6:75} respectively.

Weight of Lot in metric tonnes	Deviation (%)
≤ 5	± 4
500	± 1,5
≥ 1000	± 1,3

For Lots of paper of intermediate magnitude the tolerances are obtained by linear interpolation.

5. WIDTH AND DIAMETER OF REEL TOLERANCES

A Delivery of paper is deemed complete in accordance with the Contract if the delivered width differs from the contracted size by no more than ± 3 mm.

A Delivery of paper is deemed complete in accordance with the Contract if the delivered diameter differs from the contracted size by no more than + 40 mm or - 80 mm.

6. DELIVERY

The Goods are delivered according to Seller’s practices, unless specific packaging, labelling, or marking instructions are specified by Buyer and accepted by Seller in writing. Unless otherwise agreed in writing between the Seller and the Buyer, partial delivery by the Seller and the issuance of invoices for such partial deliveries are permitted.

The risk pertaining to the Goods will be deemed transferred from Seller to Buyer in accordance with the terms of delivery (Incoterms), as agreed in the Sale Contract/Order Confirmation (“**Delivery**”). If Buyer is in delay in taking over the Goods, the risk will be transferred to Buyer from the time that the Goods are available for the Buyer in accordance with the Sale Contract/Order Confirmation.

7. INSPECTION

Buyer is responsible for undertaking a reasonable examination of the quality, quantity, grammage, width and diameter of the Goods upon receipt of the documents and delivered Goods.

8. PRICE/PAYMENT

Prices include packaging. Prices are only subject to changes if agreed by both Seller and Buyer in writing.

All payments shall be made in the designated currency to the Seller’s bank account provided in the Sale Contract/Order Confirmation. All payments shall, at the latest, be made on the due date specified in the invoices. All payments shall be made without any deductions or set-offs for counterclaims, unless the Buyer’s claim is undisputed or has otherwise been resolved full and finally through court action, arbitration or amicable settlement.

If the supply of the Goods is split into one or more Deliveries, invoicing and payment shall be made for each separate delivery/Lot unless otherwise agreed in writing.

9. BUYER’S DEFAULT - REMEDIES

If the Buyer is in default of one or more of his obligations under the Contract, the Seller may claim one or more of the following remedies towards the Buyer:

Interest: Failure by Buyer to pay for the Goods on due date(s) shall, without prior formal notice from Seller, entitle Seller to charge interest on overdue payment at a rate of eight - 8 - per cent above the base interest rate (*Basiszinsatz*) as published by the Austrian National Bank (*Oesterreichische Nationalbank*) from time to time.

Compensation: Seller shall be entitled to claim compensation for any direct costs due to the Buyer’s default, including but not limited to storage costs, etc.

Seller shall also be entitled to compensation should the rate of exchange be less favourable to Seller on the date of the delayed or deferred payment actually and finally being made, as compared to the due date specified in the Contract.

If the Goods are sold “Ex. Works” or under similar conditions under which Buyer shall collect the Goods at premises under the control of Seller, any failure by Buyer to collect the Goods once these have been made available to Buyer in accordance with the Sale Contract/Order Confirmation, entitles Seller to store the Goods and resell the Goods two - 2 - weeks after notification of the intention to resell the Goods has been given by the Seller to the Buyer. Any losses suffered and/or expenses incurred on the hand of the Seller, in the event of Buyer’s failure to collect the Goods, shall be covered by Buyer.

Cancellation: If the Buyer is in substantial breach of one or more of his obligations under the Contract, Seller is entitled to cancel the Contract with immediate effect, claim for full compensation for losses suffered and costs incurred, claim default interest on overdue payment, etc. The following shall singly or jointly automatically be deemed as substantial breach of Contract and non-performance of substantial parts of Buyer’s obligations: (i) the failure on the part of Buyer to pay any amount hereunder in the currency and manner specified in the Contract, following a ten day grace period after the due date specified in the Contract has expired, and/or (ii) instances referred to in the last paragraph in Article 12, and/or (iii) if it is likely that the Buyer will, or may not perform a substantial part of his obligations under the Contract (“**Anticipatory breach of contract**”).

Right of stoppage in transit: If the Buyer is in substantial breach of his obligations under the Contract, Seller may prevent the actual handing over of the Goods to Buyer even if Delivery already has taken place.

10. SELLER’S DEFAULT - REMEDIES

Price Reduction: If the Goods are not in accordance with the Specifications, the Buyer may claim for a price reduction corresponding to any reduced value of the Goods, but may not otherwise claim any further compensation or damages.

In the event a Delivery is delayed due to Seller’s own gross negligent behaviour, Seller shall reimburse the Buyer all reasonable and necessary additional direct expenses incurred by Buyer by granting Buyer a reasonable reduction in price.

Rejection of Goods/Re-delivery: If the Goods are in breach of the tolerance levels defined in Article 4 and 5 above, and are unfit for the purposes of the Buyer, the Buyer may reject the Goods delivered and cause Seller, without unreasonable delay, to replace the Goods or otherwise remedy the delivery as Buyer and Seller may agree to. Seller shall reimburse Buyer for any reasonable direct expenses incurred for handling, storing and insuring the defective Goods until the Delivery is remedied by the Seller.

Limitation of Liability: Except for product liability and unless attributable to the Seller's wilful misconduct or gross negligence or in case of personal injury, any damages or compensations shall in no case exceed the invoiced value of the Delivery concerned. Damages or compensations shall further not exceed any loss that could reasonably have been foreseen at the time of the entry of the Contract. Under no circumstances may damages or compensations include any consequential or indirect damages or losses, unless Buyer has received a specific written guarantee against such losses, or unless the losses are attributable to wilful misconduct on the part of Seller.

Cancellation of Contract: Buyer is entitled, with a prior notice of 15 working days, and if not remedied within the time limit, to cancel the Contract should the conditions referred to below in the last paragraph in Article 12, emerge with regard to Seller. However, such cancellation right shall only apply to this Contract to the extent the Delivery of the Goods has not yet occurred and the Buyer shall be obliged to perform its obligations under this Contract in relation to Goods delivered before the cancellation becomes effective.

11. BUYER'S OBLIGATIONS REGARDING COMPLAINTS/CLAIMS

Buyer shall take all appropriate measures to mitigate any loss. If Buyer fails to take such measures, Seller may claim a proportional reduction in any compensation to be granted Buyer.

In case of delivery of an incorrect quantity or quality, or any other defect, Buyer shall notify the Seller as soon as possible after he became or should have become aware of such incorrect quantity or quality, and in no event no later than one month following Delivery. Following such notification, the Buyer shall within - 15 - working days present to the Seller a claim fully documenting such alleged defects and the cause thereof.

In the event of any damages, shortages, etc occurring during transportation, Buyer must notify the carrier as well as Seller. Notification concerning any transport issues or claims must comply with applicable rules of transportation.

12. CHANGE(S) IN FINANCIAL POSITION(S)

Should any substantial change occur in Buyer and/or Seller's financial or economic position which might be expected to negatively impact the ability to fulfil the Contract, the other party is entitled to demand security within reasonable time, provided notice is given and the other party is permitted to explain or remedy the situation if deemed reasonable under the circumstances.

Should any party become insolvent, enter into liquidation, have a receiver appointed or be in a similarly difficult financial position, it shall always be the presumption that the other party will not be able to fulfil a substantial part of his obligations and that a material breach of Contract exists.

13. FORCE MAJEURE

A party is not liable for a failure to perform any of his obligations in so far as he proves: (i) that the failure was due to an impediment beyond his control, and (ii) that he could not reasonably be expected to have taken into account the impediment and its effects upon his ability to perform at the time of the conclusion of the Contract, and (iii) that he could not reasonably have avoided or overcome it or its effects.

A party seeking relief shall, as soon as practicable after the impediment and its effects upon his ability to perform become known to him, give written notice to the other party of such impediment and its effects on his ability to perform his obligations under the Contract. Written notice shall also be given when the ground of relief ceases.

Failure to give such notice(s) makes the party thus failing liable in damages for loss which otherwise could have been avoided.

Without prejudice to the above, a ground of relief under this clause relieves the party failing to perform from liability in damages, from penalties and other contractual sanctions, except from the duty to pay interest on money owing as long as and to the extent that the ground of relief subsists.

Either Party is entitled to cancel the delivery of the actual Lot, if the delay lasts for more than 6 months, with the exception of Goods already produced by Seller at the time when the impediment beyond his control and causing the non-performance arose.

14. RETENTION OF TITLE

Notwithstanding Article 9, Seller reserves title to all Goods delivered by him until Buyer has paid the purchase price for the Goods. As long as title is reserved, Buyer shall be obligated to treat and store the Goods with due care. During the term of the reservation of title, Buyer may not pledge the reserved Goods to any third party

or transfer ownership of the Goods to any third party for security purposes. Any action taken by third parties with respect to the reserved Goods must promptly be notified to Seller.

Additional claims by Seller notwithstanding, any proceeds received by Buyer from a resale of the Goods during the term and in breach of the reservation of title are assigned to Seller, and Buyer shall be obliged to promptly transfer any such amounts to Seller. On Seller's request Buyer must notify this assignment to third parties.

In the event of Buyer's breach, including any anticipated breach, of any material obligation under this Contract, Seller shall be entitled to recover the reserved Goods. Such recovery shall not be deemed a cancellation of Contract unless Seller makes a written statement to this effect. Prior to recovery, Seller shall be entitled to sell the Goods and the proceeds from such sale shall be applied towards any outstanding payment of Buyer after deduction of reasonable administrative costs.

Seller shall, at the request of Buyer, release security as determined by Seller if and to the extent that the objective value of the security existing in favour of Seller should exceed the secured claims by more than 15% in aggregate.

If the reserved Goods at the time of repossession are located in a country in which this retention of title clause would not be held legally effective, such other security shall be deemed agreed upon as between Seller and Buyer that comes as close as possible under the laws of such country. If any acts of Buyer should be required in this respect, Buyer shall be obliged to perform such acts at the request of Seller.

15. MISCELLANEOUS

Amendments and Waivers: No addition or amendment to this Contract shall be deemed valid unless made in writing by both parties.

Should any provision of the Contract between the parties be, or become, illegal, invalid or unenforceable in any respect under the law of any jurisdiction at any time, the legality, validity or enforceability of the remaining provisions shall not be affected.

Failure of either Party to insist on performance of a term and/or condition contained in the Contract shall not be considered as a waiver or relinquishment of future compliance therewith, nor shall a waiver by either Party of any breach of terms and/or conditions be regarded as a waiver of any other term or condition unless otherwise expressly stated within the Contract.

Assignment: Neither Party shall, directly or indirectly, reassign or transfer this Contract to any third party, in whole or in part, without the prior written consent of the other Party, except as provided below. The Seller may assign or transfer all or any part of its rights, title or interest under this Contract to any affiliate of the Seller and/or any company or person providing or arranging direct or indirect funding or other financial services ("Funding") to the Seller or any of its affiliates (a "Funder").

Confidentiality: Each party undertakes to the other to keep confidential all information (written or oral) concerning the business and affairs of the other which it has obtained or received as a result of discussions leading up to entry into this Contract, or which it has obtained during the course of this Contract, except any information that is (i) subject to an obligation to disclose under law, or that is required to be disclosed by any competent regulatory authority, by notice or otherwise; or (ii) already in its possession other than as a result of a breach of this Contract; or (iii) in the public domain other than as a result of a breach of this Contract. Nothing in this Article 15 shall prevent the Seller from disclosing on a continuing basis any information referred to in the paragraph above to its professional advisors, any affiliate or any Funder and their professional advisors or in connection with any Funding.

16. JURISDICTION, GOVERNING LAW AND ARBITRATION

This Contract and any non-contractual obligations arising out of or in connection with this Contract shall be governed by and construed in accordance with substantive Austrian law, thus, excluding Austrian conflicts of law provisions. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is explicitly excluded.

Any disputes, controversies or claims arising out of, in relation to or in connection with this Contract, including any question regarding its formation, existence, validity, amendment, enforceability, performance, interpretation, breach or termination, shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with said Rules. The place of the arbitration shall be Vienna. Arbitration shall be conducted in the English language provided, however, that any documents may be submitted in German or English language.

Notwithstanding the above, the Seller reserves the right and shall be entitled to institute any legal action or proceedings arising out of or in connection with this Contract in the competent court with jurisdiction over Bruck an der Mur, Austria, or any other competent court having jurisdiction over the Buyer or its assets. The Buyer hereby submits to the jurisdiction of each such court.

Bruck, Austria, 1st August 2012

Norske Skog Bruck GmbH

Sign

Thomas Reibelt

Managing Director