

DS SMITH PACKAGING - STANDARD TERMS AND CONDITIONS OF SALE AND DELIVERY

1. INTRODUCTION

a) "DS Smith", "we" or "our" refer to DS Smith Packaging Denmark A/S, "you" or "your" refers to whoever we are delivering goods and providing services to ("Goods"), and "us" refers to DS Smith and you together.

b) DS Smith is registered as a company in Denmark with CVR number 21 15 37 02, and we are located at Astrupvej 30, 8500 Grenå, Denmark.

c) We have made an offer ("Offer") and/or sent an order confirmation for our agreement to supply Goods. Order confirmation of these delivery terms and conditions ("Terms and conditions") apply to and govern both Offers and Order confirmations, although with the exception of those cases where there are specific deviations from the Terms and conditions in the Order confirmation, likewise Offers and Order confirmations include: A definition of the Goods (if our standard specifications do not apply), the price agreed, including delivery costs, and delivery and collection information.

d) The Order confirmation and the Terms and Conditions (together known as the "Agreement") constitute the entire agreement and supersede any previous agreement that we might have with you. No changes to the agreement are valid unless the changes are agreed in writing and either signed by or in some other way approved by individuals who are entitled to represent DS Smith and you respectively.

e) Unless we expressly agree otherwise in writing, these Terms and conditions apply to all agreements between us, so that any terms and conditions set out in other offers, catalogues, price lists, orders, the Order confirmation or any other document (such as but not limited to terms and conditions of purchase that accompany an order sent by you, and that you claim to use as a purchase order) shall not apply to the purchases you make from us.

2. CANCELLATION AND CHANGES

a) You can cancel your order at any time before delivery takes place. If you cancel an order, you may be required by DS Smith to pay a reasonable cancellation fee. This will cover payment for the work DS Smith has carried out in relation to the Order confirmation. These delivery terms and conditions otherwise are obliged to pay, and our lost earnings from the cancellation of the order.

b) If you request DS Smith to make changes to your order, and we agree to a price change and change to the time schedule for the delivery, we accept that we will ensure delivery in agreement with the changes agreed.

c) After entering into the Agreement, we are entitled to change the agreed price used to cover substantially increased fees for materials and manpower or other costs that we have incurred in the fulfillment of your order, including changes in shipping costs. We are also entitled to substitute the Goods and part-products with suitable alternative materials without informing you of this, or requesting your approval for this, unless the substitution results in a delay in the delivery time. In such cases we shall inform you of the length of the anticipated delay prior to our fulfillment of the Agreement. If we are not able to fulfil the order within a reasonable period of time due to the non-availability of materials - outside of our reasonable control - we can fully or partially cancel the order without this cancellation creating any obligations to you.

3. PRICE

a) Unless specified otherwise, you shall also pay, in addition to the agreed price including delivery costs:

- o VAT (and similar charges), import and export fees and any other tax, charge or fee of any kind that applies at any time from when the order confirmation is issued to when payment is made, and which is levied or imposed on the order in a country or region (either directly or indirectly) in connection with the sale, supply, delivery or use of the Goods.
- o with the sale of goods: costs for packaging and insurance, and
- o with the supply of services and Goods: costs for illustrations and layouts, design work, printing blocks, printing plates and costs for necessary tools and moulds.

4. PAYMENT

a) We invoice you when the goods have been manufactured or when the goods have been delivered. The invoice shall be paid within 20 days; you cannot offset or assert any counterclaims. If you believe you have a claim with respect to DS Smith, you shall immediately inform DS Smith of this and you are obliged to make all reasonable efforts to secure an amicable settlement of the dispute.

b) We are not obliged to deliver Goods to you as long as there is payment outstanding for an order under this Agreement or any other agreement between us.

c) In the event of delayed payment, we can request interest from you from the due day. The interest will be Denmark's central bank's discount rate in force at any given time + 8% and is calculated from the due date until payment is made. In addition to this, we can request reasonable costs that we have incurred in connection with your delayed payment, cf. §§ 9a and 9b of the Danish Overdue Payments Interest Act.

d) DS Smith can offset any amount that you owe DS Smith against any amount that we owe you.

5. GUARANTEES, DEFECTS AND COMPENSATION

a) DS Smith guarantees that the Goods at the time of delivery shall not infringe any third-party intellectual property rights in Denmark, as the guarantee shall not apply to goods specified with legal action, legal claims, claims and demands of any kind incurred by or brought against DS Smith.

b) DS Smith guarantees that the Goods, at the time of delivery and for a period of three months thereafter, are not significantly flawed due to materials containing defects or other circumstances. The guarantee will be void if the defect will be carried out to a general level of skill and care, although on the condition that:

- o You shall immediately inform DS Smith of any defect and details of the latter, when the defect became apparent, and
- o The Goods have not in our opinion been overloaded or exposed to extra wear and tear due to improper or careless use or storage, excessive strain, improper application or similar.

In connection with the above, and after having examined the Goods after return, DS Smith can at its own discretion either repair or replace the defective Goods, or alternatively take the Goods back and at the same time refund the purchase price.

c) No other guarantee, explicit or implied, shall apply.

d) If you, within three working days after delivery of the Goods, inform DS Smith in writing of general defects, we can, at our discretion after inspecting the goods and if we believe that this condition has not deteriorated after delivery, and in the case of wear damage this has occurred with the Goods, slip at the time of delivery, either repair or replace the defective goods, or we can take them back and refund the purchase price to you.

e) You undertake to compensate and hold DS Smith harmless with respect to any obligations, losses, damage, costs, fees, expenses, including, without limitation, legal fees and other legal fees, connected with legal action, legal claims, claims and demands of any kind incurred by or brought against DS Smith:

- o that is suffered by DS Smith directly or indirectly or in connection with infringement of any of your obligations under this Agreement, or any willful violation or negligence on your part, including those caused by your employees, consultants or otherwise; DS Smith's consent in connection with the Goods;
- o that is suffered as a result of those actions we have taken in accordance with your instructions or that are attributable to your Materials, including, without limitation, any claim from a third party, if intellectual property rights are infringed in connection with the delivery of the Goods.

6. DELIVERY OR COLLECTION

a) All deliveries of the Goods will be carried out in good faith at the time agreed, as we draw your attention to the fact that these are only estimated delivery or collection dates. You can only refuse to accept delivery after the estimated delivery date if:

- o After the date of receipt of your Order confirmation you have sent DS Smith a written notification containing a deadline for delivery, and
- o DS Smith has explicitly accepted this deadline in writing.

b) When we deliver the Goods to you, we shall be made to the kerb, i.e. we will unload the goods and you accept the risk and thereby responsibility for the goods once they have been unloaded.

c) If you refuse to accept the delivery in accordance with the Agreement, you shall on request pay all costs paid by DS Smith for impoundment and extra transport costs, likewise DS Smith shall be held responsible for any faults or defects that arise in the Goods due to your circumstances at the time of unloading.

d) You are not entitled to refuse the delivery if it differs from the description in the Order confirmation, and this difference is unimportant in relation to the use or functionality of the Goods, or if it is only the quantity that differs and this within 10% of the quantity ordered (the "Quantity").

e) If you have requested that the delivery is made in instalments, each delivery constitutes a separate Agreement, and one or more defective deliveries shall not constitute a material infringement of this Agreement ("Defective Deliveries") that entitles you to terminate the Agreement.

f) In the event of such Defective Deliveries, you are only entitled to terminate the Agreement insofar as the Defective Delivery is concerned if DS Smith has been given reasonable opportunity to rectify the defects.

7. SHIPPING MATERIALS

a) We decide unilaterally how goods shall be packaged and packed. Packing materials and packaging are included free of charge and cannot be refunded.

b) If you receive Goods from us packaged on Euro pallets, we shall invoice you for the cost of the Euro pallets.

c) If you receive deliveries on other types of pallets, or you receive deliveries with top or bottom plates, we shall also invoice you for such pallets and top plates upon delivery.

d) Other types of dispatch materials that can be identified as belonging to DS Smith remain our property and shall be returned to DS Smith within 14 days of delivery at the latest. If you do not return the materials, we shall invoice you for the costs of replacing them.

8. CUSTOMER APPROVALS

a) If you supply wordings, prints, designs, layouts, logos, instructions or other information that is to be printed on the Goods, you are solely responsible for ensuring the accuracy of the information.

b) Where you provide drafts, print details, wordings or samples that are to be approved by you in advance of the Goods being produced, you shall promptly ensure you send written approval to us. DS Smith cannot be held liable for delays for which you are responsible. Your commitment is to supply the Goods as they have been approved. This means that we are not liable for any defects that you have not identified on samples submitted in advance for your approval.

c) The prices offered for printing are on condition that we receive suitable materials from you, likewise the prices are given under the condition that we can use our standard range of print colours. In the case of deviations from this basic foundation, we can add any additional costs to the price.

9. TRANSFER OF RISK AND TITLE

a) The risk for the Goods transfers to you when we have finished unloading the Goods at the delivery address, to the extent we are responsible for delivery, or

- o at the time of the agreed delivery, to the extent you fail to accept delivery of the Goods as agreed.

b) The right of ownership for the Goods does not transfer to you until DS Smith has received payment of the full purchase sum and any outstanding overdue amounts, regardless of whether the outstanding amount relates to this Agreement or to any other relationship between us. Until the right of ownership is transferred when:

- o you alone store the goods temporarily, and you shall ensure that the Goods are clearly identified as property belonging to DS Smith either on their own or in conjunction with other products into which these are integrated. You are also obliged to ensure that the Goods are stored correctly and preferably separate from other goods, where possible, and that the Goods are insured, and
- o you do not store the goods for a longer period of time and pay any of other outstanding amounts, or we have reasonable cause to believe that you are not able to pay on time, DS Smith can at any time make use of its retention of title and collect the goods from us, and in this connection you guarantee DS Smith an irrevocable right to collect the Goods from wherever they might be located.

10. CANCELLATION

a) In the event that one party commits a material infringement of this Agreement, the other party can terminate the Agreement with immediate effect by giving written notice to the other party if the party infringing the Agreement cannot or will not rectify the infringement within 21 days after receipt of the notice regarding the shortcoming. At the point of termination, all other claims that each party has against the other shall lapse.

b) DS Smith can at any time terminate the Agreement with immediate effect by giving notice to you if DS Smith has reasonable cause to expect that you are not able to pay the price or other payments at the correct time. In this case, any obligation for DS Smith under this Agreement shall lapse.

c) The Agreement's paragraphs regarding guarantees, limitations to liability, intellectual property rights, confidentiality and termination continue to apply after termination or expiry of the Agreement.

11. LIABILITY

a) Samples, descriptions, layouts, focus, brochures and other written materials that we have supplied on the Goods, do not constitute a guarantee of the goods and you should not base your expectations of the Goods on such materials.

b) DS Smith's responsibilities in the event of (i) death or personal injury as a result of our negligence or (ii) fraud are rigorously imposed.

c) Should DS Smith or one of our employees or representatives negligently cause damage to your property when delivering the Goods as the result of one or more connected circumstances, DS Smith's total financial liability shall be limited to a total of DKK 100,000.

d) DS Smith's total financial liability under this Agreement (although except from claims in relation to paragraph 5.a or part c) is limited to the maximum possible under applicable law and no claim can only be asserted in the case of direct losses. The total financial liability can equal a maximum of 10% of the price of the delivery that has given rise to the claim.

e) DS Smith cannot be held liable for (direct or indirect) loss of earnings, income, commercial opportunities, contracts, goodwill, anticipated savings, wasted expenses, corruption or computer data, or for any proportion of the indirect or direct losses, regardless of whether the loss was due to our negligence, breach of contract, tort, infringement of legal obligations or in any other way derives from, or is connected with, the Agreement.

f) DS Smith shall not be held liable for the lack of fulfilment of our respective obligations with respect to the other party if the lack of fulfilment is due to circumstances outside of our reasonable control.

12. MISCELLANEOUS

a) If a licence or permit is required from a legislative body or an authority to acquire, transport, store or in any other way use the Goods, you as the Customer are responsible for acquiring such a licence or permit, and if DS Smith so desires, shall submit proof that it has been acquired.

b) Equipment used in the production, such as punching dies, die cutting tools, printing blocks, drawings, photo work and wraps, belongs to you, if you have paid the costs for such equipment in full. Where you and DS Smith each have paid parts of the costs, you may purchase the equipment in full by reimbursing us our costs. Upon termination of our cooperation, you may request to be reimbursed for the equipment that you have paid for in full. If you do not, at the latest delivery date, DS Smith will dispose of any and all equipment placed with us, regardless of the ownership.

c) This Agreement does not confer on third parties any right or value, and an individual that is not a party to the Agreement cannot enforce the Agreement's terms and conditions.

d) Any notification, including any notice in relation to the Agreement, shall be in writing and in the case of personal delivery or registered letter, shall be addressed to DS Smith or you respectively. Any such notification is regarded as having been received:

- o in the case of personal delivery, at the time of delivery, and
- o in the case of pre-paid documented delivery or registered letter, 48 hours from the time of dispatch, provided that delivery is confirmed prior to 8.00 am on a weekday, as the notification is then regarded as having been received at 8.00 am on the weekday in question, or at 9.00 am on a weekday if it is not a weekday, or on a day that is not a weekday, the notification shall be regarded as having been received at 9.00 am on the following weekday.

e) Any paragraph in the Agreement can be separated from the Agreement. If a part of the Agreement is or at any time is declared invalid or unenforceable due to a legal ruling or regulation, and this part does not affect the other parts of the Agreement, the remaining sections and parts of the Agreement shall continue to be valid. If a provision in the Agreement is invalid, illegal or cannot be enforced in any other way, but would be legally valid or enforceable if a part of the provision were deleted or amended, the provision shall apply in amended form to the extent that is necessary for its enforcement. Invalidity in one legal system does not affect the validity or possibility of enforcement in another legal system.

f) Property is left to DS Smith at your own risk and you must ensure you receive an acknowledgement of this.

g) A waiver of liability from DS Smith concerning an infringement of this Agreement that is committed by you can or shall be regarded as a waiver of any subsequent breach of the same provision or any other provision in this Agreement.

h) DS Smith is the owner of all intellectual property rights that have arisen in light of this Agreement. If necessary, you shall transfer or ensure transfer of all such rights (including moral rights) to DS Smith. Subject to full payment for the Goods, you are granted a non-exclusive right, which cannot be sublicensed, to use the Goods in connection with business operations in Denmark.

i) DS Smith is responsible for supplying the Goods but can choose to transfer the duty to a sub-supplier.

j) You cannot sub-delegate, transfer or in any way transfer parts of or all rights, interests or obligations in relation to this Agreement without DS Smith's prior written consent, which cannot be withheld unreasonably.

k) The Agreement and its content are confidential and may not be passed on to any person without DS Smith's consent.

l) Any reference to written communication in this Agreement shall include electronic forms of communication such as e-mail. If we communicate with you electronically, the electronic communication shall be enforceable from the time when the communication leaves our mailbox. Any electronic communication from you to DS Smith shall take effect from the time when it arrives in our electronic mailbox.

13. CHOICE OF LAW AND VENUE

a) This Agreement and any dispute arising from or in connection with this Agreement and the content of the Agreement (including any non-contractual disputes or claims) shall be settled in accordance with Danish law, to the exclusion of the CISG and applicable Danish law.

b) Subject to paragraph c) below, we irrevocably agree that either the District Court of Copenhagen or the Commercial Court in Copenhagen shall be the venue for any lawsuits, actions or prosecutions and shall deal with any dispute that arises from or in any other way is related to the Agreement or the coming into force of the Agreement ("Lawsuits"), in addition to any need for assistance in enforcing either a judgement or other claim.

c) Paragraph 13 shall not be interpreted as a restriction of DS Smith's right to sue you in any country where you might operate, or with any other competent authority, likewise lawsuits in one or more jurisdictions shall not exclude DS Smith's option to sue in other jurisdictions (regardless of whether this happens at the same time or not), if and to the extent that applicable law permits this.