

SANDLER NONWOVEN CORPORATION

TERMS AND CONDITIONS OF PURCHASE

§ 1 Purchase of Products

(a) All shipments, services, sales and quotations between Sandler Nonwoven Corporation, ("Purchaser" or "Sandler") and the seller named herein ("Seller") of any products and services ("Products") shall be subject to these Terms and Conditions of Sale (the "Terms"). These Terms shall be deemed incorporated into each agreement ("Contract") between Sandler and Seller. Seller acknowledges receipt hereof and accepts the Terms. ANY ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS CONTAINED IN ANY RESPONSE HERETO BY SELLER OR IN SELLER'S INITIAL ORDER ARE HEREBY REJECTED BY SANDLER WITHOUT NEED OF FURTHER NOTICE OF REJECTION AND SHALL BE OF NO EFFECT NOR IN ANY CIRCUMSTANCES BINDING ON SANDLER. Sandler's acceptance of any Products offered by Seller is EXPRESSLY MADE CONDITIONAL on Seller's assent to these Terms, and under no circumstances will any terms or conditions other than these Terms apply to Sandler's purchase of the Products, except if such other terms or conditions have been expressly accepted in writing by Sandler. If Sandler does accept terms or conditions that differ from these Terms, such other terms and conditions shall apply only to the transaction at issue, and in particular not to any other past or future transactions.

(b) Seller's quotations are not binding on Sandler. Each order of Products shall be in writing and no order of Sandler's shall be binding on Sandler until the earlier of (i) shipment to Sandler of Products or (ii) transmittal of a written acceptance by Sandler.

(c) Seller may not cancel any order after it has become binding pursuant to subsection (b) above. Sandler may cancel all accepted orders and deliveries of Products if Seller (i) makes an assignment for the benefit of creditors; (ii) becomes party to a voluntary or involuntary proceeding of insolvency, bankruptcy or reorganization; (iii) generally becomes unable to pay its debts as they become due; (iv) fails to deliver Products to Sandler in accordance with the terms hereof or under any other agreement between Sandler and Seller; or (v) breaches any other term, provision, or condition contained in these Terms.

(d) All references in sales brochures, technical data sheets, and offers as to specifications, price and other details of the Products are not approximate and shall be binding on Seller unless expressly agreed to in writing. Seller shall not substitute updated Products, even if the updated Products meet the specifications of the Products ordered by Sandler in all material respects and are sold at the same price, without Sandler's written consent.

(e) Sandler reserves the right at any time to make changes to the Purchase Order ("Order"), or a part thereof upon written notice to Seller. No change to or modification of the items, specifications, terms, conditions and prices appearing on the Order shall be binding upon Sandler unless expressly agreed to in writing by Sandler and Seller.

§ 2 Delivery and Title

(a) Delivery of goods shall be executed based upon Incoterms® latest version agreed between Sandler and Seller.

(b) If Sandler rejects delivery of the Products, Seller shall store the Products at the Seller's cost and expense until such time as Seller can sell the Products to a third party for a reasonable price or arrange for their return or collection.

(c) Sandler shall not be responsible to indemnify Seller for the cost of recovery and recycling of packaging of Products that Sandler does not choose to dispose of itself. Seller shall bear all costs where Seller is under a statutory obligation to recover and/or recycle packaging.

(d) Time is of the essence with respect to delivery of Products. Seller shall make no partial delivery or delivery before the date(s) stated on the purchase order. Sandler may terminate any order where delivery is late or incomplete.

(e) Notwithstanding the "Ex Works" Incoterm, property or title to and risk in the Products shall remain with Seller until they are delivered at the point specified in the Order and accepted by Sandler by signing a delivery order. Passing of property or title to the Products shall not affect the right to reject the Products.

(f) If Seller is late with delivery of Products, Sandler shall be entitled to liquidated damages equal to 5% of the price of the relevant Products for each week or part of a week that delivery is delayed up to a maximum of 25%, which liquidated damages Sandler may recover by set off against any sums owed to Seller. Seller and Sandler hereby agree that such liquidated damages are fair and reasonable estimate in respect of the likely cost and damage to be incurred by Sandler as a result of such late delivery and do not constitute a penalty.

(g) Seller shall be liable to Sandler for failure to deliver to Sandler any or all of the Products in accordance with the Contract even if such failure to deliver is caused by the incorrect and/or delayed supply to Seller of such Products (or any components thereof) by its suppliers.

§ 3 Acceptance & Product Defects

(a) Sandler shall inspect Deliveries of Products for obvious damages, identity and amount within a reasonable amount of time after receipt and shall give Seller written notice of any defect or non-conforming Products within a reasonable amount of time after inspection. Failure to give notice of any defect or non-conforming Products shall not affect any warranty or operate as acceptance of any Product with a latent defect.

(b) The Seller shall confirm the compliance with the conditions by handing over a delivery certificate before each delivery. Complaints regarding defects are acceptable after any processing of the delivered goods has begun. Complaints may be based on commercially customary, slight or technically unavoidable deviations in terms of quality, color, width, thickness, weight, equipment, odor or design. Weight and Amount of Products: Without prejudice to any further claims of Sandler, in case of deviations in weight, the weight determined by Sandler at the time of receipt shall apply, unless Seller proves that the weight calculated by it was correctly determined at the time of transfer of risk by a generally accepted method; the same shall apply mutatis mutandis to quantities.

In the event that characteristics are not agreed, the following is applicable:
For each delivery of Fibers: Titer: target=nominal titer, tolerance +/-10%, method DIN EN ISO 1973: 1995-12; Staple length: target=nominal length, tolerance +/-10%, method DIN 53808 T1 or equivalent method; Avirage content in % according to factory standard; this is to be shared with Sandler on request;

For each delivery of hygiene-related Products, the following microbiological limits are considered agreed upon:
* Total number of bacteria below 100cfu/g (according to Ph.Eur. 2.6.12.); * Total number of molds below 20cfu/g (acc. Ph.Eur. 2.6.12.); * Total viable count (bacteria+molds) below 100cfu/g (acc. Ph.Eur. 2.6.12.); * Absence of pathogenic germs (acc. Ph.Eur. 2.6.13.)

(c) Seller must collect rejected Products within a reasonable period after notification of rejection. All Products must be packed, marked and transported as specified in the Order, and if not specified, in a proper and suitable manner, consistent with industry practice.

§ 4 Terms of Payment & Prices

(a) The price of the Products is the price stated on the Order. Seller must attach the acknowledged delivery receipt and a copy of the Order to the invoice or billing statement and forward all documents to the Finance/ Accounting Department of Sandler for payment processing. Unless otherwise stated in the Order, Sandler shall pay all properly invoiced/billed amounts due to Seller within thirty (30) calendar days after receipt of such invoice or billing statement, except for any amounts disputed by Sandler. Seller must issue an official receipt to evidence payment by Sandler. Sandler shall have no obligation to pay any invoice/billing statement issued more than ninety (90) calendar days after delivery of all Products stated in the Order.

(b) Payments made by Sandler of any amount (whether in dispute or not) will not constitute acceptance of the Products or admission of any liability or of an obligation to make the payment. Sandler may deduct from monies due or to become due to Seller the following amounts (plus Sales Tax, if any, in respect of deductions payable): (i) all debts and monies due from Seller to Sandler arising from or in connection with the Order; and (ii) all liabilities which Sandler may have paid, suffered or incurred and which Seller is liable to bear pay or reimburse Sandler.

(c) Seller shall have no right of offset by virtue of any claim against Sandler, unless Sandler has acknowledged the validity and amount of such claim in writing or Seller's claims have been confirmed by a final judgment entered by a court or arbitral tribunal.

(d) Seller shall notify Sandler in writing if any prices for Products are subject to change. Sandler reserves the right to reject the increased prices and pay only the price agreed upon before the price increase.

§ 5 Warranty

(a) In addition to all warranties provided under the Uniform Commercial Code and/or other applicable laws, Seller warrants that all Products furnished shall conform to all applicable specifications, be new, merchantable and of good workmanship and quality, free of all defects, liens and encumbrances and fit for the ordinary purposes for which the Products are used. Seller also warrants that the Products shall comply with applicable laws, codes, regulations and standards, shall not infringe the intellectual property of any third party.

(b) If Seller breaches any warranty, Sandler may, at its election and in addition to any rights or remedies it may have: (i) return such items to Seller at Seller's risk and expense; (ii) require Seller, at Seller's expense, to promptly replace or correct such items; (iii) pending redelivery, require payment of any amounts paid for returned items; (iv) effect cover by purchase or manufacture of similar items or repair such items at Seller's expense; and/or (v) accept or retain non-conforming items and equitably reduce their price. Additionally, Seller shall reimburse Sandler for any and all direct and indirect costs, expenses and penalties arising out of or related to Seller's breach. Such remedies are not exclusive, and Sandler hereby reserves all of its rights and remedies under applicable law.

§ 6 Indemnification

Seller shall defend, hold harmless, and indemnify Sandler, and its parents, subsidiaries, and affiliates, and the directors, members, officers, managers, attorneys, employees, and agents of each from and against all claims asserted by third parties, including governments, for damages or other relief arising out of, or relating to, or alleging: (i) the breach of any obligation for which Seller is responsible under the law, the Contract, or these Terms; (ii) any negligence, gross negligence, or willful misconduct of Seller or its personnel; (iii) any act or omission by Seller that results in personal injury, death, or damage to property; or (iv) Seller's infringement of intellectual property rights of third parties.

§ 7 Limitation of Liability

(a) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, IN ALL EVENTS, THE LIABILITY OF SANDLER HEREUNDER, WHETHER BASED IN TORT, BREACH OF CONTRACT, BREACH OF WARRANTY, OR OTHERWISE, SHALL NOT EXCEED THE PRICE OF THE PRODUCT IN QUESTION.

(b) SANDLER SHALL NOT BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF ANY CONTRACT OR OF THIS CONTRACT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR OTHER THEORY (A) FOR INTERRUPTION OF USE OR COST OF PROCUREMENT BY SELLER OF SUBSTITUTE PRODUCTS, SERVICES, OR TECHNOLOGY; (B) FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FROM LOST CONTRACTS OR BUSINESS; OR (C) FOR ANY MATTER BEYOND ITS REASONABLE CONTROL, EVEN IF SANDLER IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR SUCH DAMAGES COULD HAVE BEEN REASONABLY FORESEEN OR AVOIDED.

(c) Seller acknowledges and agrees that Sandler has set its prices and entered into this Agreement in reliance upon the disclaimers of warranty and limitations of liability set forth in these Terms, that the same reflect an allocation of risk between the parties (including the risk that a contract remedy may fail its essential purpose and cause consequential loss), and that the same form an essential basis for the bargain between the parties. Seller also acknowledges and agrees that the limitations of liability in subsections (a) and (b) of this Section function and apply independently from the terms of the limited warranties provided by these Terms and that those limitations of liability shall apply even if the limited warranties fail of their essential purpose.

§ 8 Security Interest

Seller shall not have a security interest in the Products and all proceeds thereof to secure Sandler's obligations to Seller. All Products shall be free from any such security interest.

§ 9 Intellectual Property Rights

(a) Seller may not use any of Sandler's intellectual property rights, including, but not limited to patents, copyrights, trademarks, and service marks, without Sandler's prior written consent.

(b) By accepting this Order, Seller guarantees that the goods hereby ordered and the sale or use thereof will not infringe any United States or foreign Letters Patent. Seller shall defend, at its own expense, any suit or claim that may be instituted against Sandler or any customer of Sandler for actual or alleged infringement of patents, copyrights or other intellectual property matters relating to Products furnished pursuant to this Order, except for any such infringement necessarily resulting from compliance with detailed designs provided by Sandler, and Seller shall indemnify, protect, hold Sandler, its successors, assigns, users of such goods and its customers harmless in connection with all suits, claims, liability, loss, damages, costs or expenses arising out of such alleged infringements. Sandler and/or Sandler's customer or the use may be represented by and actively participate through its own counsel in any such suit or proceedings, if it so desires.

(c) Sandler shall have the right at no additional charge to use and/or reproduce for its use Seller's literature provided to Sandler and related to the Products, such as operating and maintenance manuals, technical publications, prints, drawings, training manuals and other similar supporting documentation and sales literature. During the period of performance of this Order, Seller shall supply Sandler with any updated information relative to such literature and documentation.

§ 10 Arbitration

Any controversy or claim arising out of or relating to these Terms or the breach hereof, shall be submitted to and be finally resolved by binding arbitration, pursuant to the Federal Arbitration Act, 9 U.S.C. § 1, et seq., to be conducted in English by Judicial Arbitration and Mediation Services, Inc. ("JAMS"), with such arbitration to be held in Atlanta, Georgia, in accordance with JAMS's Comprehensive Arbitration Rules and Procedures then in effect. Any civil action to enforce this arbitration clause may be brought in the United States District Court for the Middle District of Georgia (or if subject matter jurisdiction for that court is lacking, in a Georgia Superior Court located in Houston County, Georgia), and each party consents to and waives any challenge to personal jurisdiction or venue with respect to those courts. Each party hereby irrevocably agrees that service of process, summons, notices, and other communications related to the arbitration procedures shall be deemed served and accepted by the other party five (5) working days after having been mailed by first class registered mail, return receipt requested, postage prepaid, to the other party, or if actually received by the other party. The arbitration shall be conducted by one arbitrator, as selected by the procedure established by JAMS rules, except that the parties agree that they will be entitled to conduct discovery, and third-party pre-hearing discovery, in accordance with the United States Federal Rules of Civil Procedure. Any award or decision rendered in such arbitration shall be final and binding on both parties, and judgment may be entered thereon in any court of competent jurisdiction if necessary. Except as may be provided to the contrary herein, each party shall pay its own expenses incurred in connection with such arbitration proceeding, unless the arbitrator finds that a party engaged in bad faith or fraud, in which case the arbitrator may award attorney's fees and costs to the other party. Notwithstanding the foregoing, either party may seek injunctive relief against the other party from any court of proper jurisdiction with respect to any and all preliminary injunctive or restraining procedures pertaining to this purchase order/contract or the breach thereof. The parties agree that although these Terms are to be governed by the laws of the State of Georgia, and that the arbitrator shall decide the dispute in accordance with the substantive laws of the State of Georgia, this arbitration clause, and whether it is enforceable, is to be governed and determined by the federal laws of the United States of America, particularly the Federal Arbitration Act, 9 U.S.C. § 1, et seq., and related federal jurisprudence.

§ 11 Export Compliance

Should Seller sell any Product or part of any Product to any customer located outside of the U.S., the export of such item or technical information may be regulated by the Export Administration Regulations ("EAR") of the Bureau of Industry and Security ("BIS") at the U.S. Department of Commerce or the International Traffic In Arms Regulations ("ITAR") of the Directorate of Defense Trade Controls ("DDTC") at the U.S. Department of State. Further restrictions on sales to certain customers/entities and to customers in certain countries may also be imposed by the U.S. Treasury Department's Office of Foreign Assets Control and other U.S. government agencies. Seller is responsible for obtaining any needed export license from BIS or DDTC, registering with DDTC, and for otherwise complying with any applicable U.S. law and regulation.

§ 12 Limitation Period

Any warranty claims and claims for damages based on actual or alleged defects of the Products shall be subject to the applicable statutory limitation period or to a limitation period of two years after the cause of action accrued, whichever is longer.

§ 13 Subcontractors

Seller shall not assign, delegate, or subcontract its performance under any Order of Sandler or these Terms without the prior written consent of Sandler, which Sandler may withhold in its sole discretion.

§ 14 Miscellaneous

(a) Notwithstanding anything to the contrary, Sandler shall not be liable for any delay or failure to perform hereunder when such failure or delay is, directly or indirectly, caused by, or in any manner arises from fire, floods, accidents, civil unrest, acts of God, war, terrorism, pandemic or other health emergency, governmental interference, embargoes, strikes, labor difficulties, shortage of labor, fuel, power, materials or supplies, breakage of machinery or apparatus, transportation delays, or any other cause or causes (whether or not similar in nature to any of those hereinbefore specified) beyond Sandler's control. In the case of a delay caused by any such disruption, the delivery date shall be extended for the period of such disruption. If the disruption persists for over two months, either party is entitled to withdraw from the Contract with regard to the quantity to which the disruption relates, to the exclusion of all other claims.

(b) Seller's failure to initial any clause hereof, shall have no effect on the enforceability of said clause.

(c) Seller shall not assign the Contract—except for claims for payment—without the express prior written consent of Sandler.

(d) Except as otherwise expressly provided herein or in a written document signed by Sandler and Seller, the Terms, Contract, and attachments and exhibits thereto constitute the entire agreement between Sandler and Seller with respect to the subject matter herein contained and supersede all prior agreements and communications between Sandler and Seller, whether oral or written.

(e) Amendments to these Terms or any recurrent fees may be made by Sandler unilaterally with proactive effect during the life of the Contract as follows: Sandler shall be entitled to amend these Terms or any recurrent fees by unilateral notice with proactive effect, observing three months' notice with the effect to the end of an agreed minimum contract term or any other date on which Sandler could alternatively terminate the Contract in accordance with its terms. In such case the Seller shall have the right to withdraw from the Contract by unilateral notice, observing one month notice with effect to the effective date of the proposed amendment. Where Seller does not exercise this right, the amendment shall become effective. The amendment shall apply to future supplies and services under Contracts providing for continuous or recurrent performance such as support contracts or limited-term licenses only, pre-existing perpetual licenses shall not be affected by such amendment.

(f) No modification, limitation, waiver or discharge of the Contract or these Terms shall bind Sandler unless in writing and signed by a duly authorized employee of Sandler.

(g) The failure of Sandler to insist, in one or more instances, on performance by Seller in strict compliance with the terms and conditions hereof shall not be deemed a waiver or relinquishment of any right granted hereunder with respect to any succeeding breach of the same or other provision hereof.

(h) Each Party shall deliver all notices required hereunder by personal delivery, nationally recognized overnight courier (with all fees prepaid), facsimile or e-mail of a PDF document (with confirmation of receipt), or certified or registered mail (in each case, return receipt requested, postage prepaid) to the address set forth on the signature page hereto, or such other address as a party may hereafter specify with respect to itself by notice given in accordance with these Terms. To be effective, any notice sent by facsimile or e-mail must be promptly followed by delivery of a physical copy of such notice, in a manner permitted by the preceding sentence.

(i) The Contract shall be governed by, and construed, interpreted and enforced under the laws of the State of Georgia without giving effect to conflict of laws principles, provided, however, that all aspects relating to arbitration hereunder shall be governed by the federal laws of the United States of America. **The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.**

(j) In case any conditions of the Contract or these Terms should be or become unenforceable under applicable law, the remaining provisions, stipulations, and conditions of the Contract or these Terms shall not be affected thereby.

§ 15 Execution in Counterparts

Although not necessary to become binding, these Terms may be acknowledged and executed in counterparts. Each counterpart will be considered an original, and all of them, taken together, will constitute a single agreement. Facsimile or PDF signatures will be deemed original signatures for all purposes under this agreement. Neither these Terms, nor any amended or modification of them may be executed by means of an electronic signature. When properly signed, these Terms may be delivered by facsimile or electronically, and any such delivery will have the same effect as physical delivery of a signed original.

Seller

By

Name

Title

Date

Address

Purchaser

By

Name

Title

Date

Address