

Suominen Corporation
GENERAL TERMS AND CONDITIONS OF PURCHASE

1. GENERAL. These General Terms and Conditions of Purchase (the "Terms") shall govern the purchase orders made by these Suominen Corporation subsidiaries, including Windsor Locks Nonwovens, Inc., Green Bay Nonwovens, Inc. and Bethune Nonwovens, Inc. (collectively, "Suominen" or "buyer") with a third party seller.

2. APPLICATION. The purchase order is an offer by buyer for the purchase of the goods specified on the face of the purchase order from seller in accordance with and subject to these Terms. The purchase order as referred to in these Terms may be in any form offering the purchase of goods, including a standard purchase order used by buyer or a purchase agreement. The purchase order, together with these Terms, constitutes the sole and entire agreement of the parties with respect to the order, and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, with respect to the subject matter of the order. The order expressly limits seller's acceptance to these Terms. Suominen does not agree to any proposed amendment, alteration or addition by seller. These Terms prevail over any terms or conditions contained in any other documentation and expressly exclude any of seller's general terms and conditions of sale or any other document issued by seller in connection with the order. These Terms also apply to any repaired or replacement goods provided by seller under purchase order.

3. ACCEPTANCE. The purchase order is not binding until buyer receives seller's signed acknowledgment or seller commences performance under the purchase order. Buyer may withdraw the purchase order at any time before it is accepted by seller.

4. PRICE. Purchase prices shall be as stated on the face of buyer's purchase order, and shall not be subject to escalation without buyer's advance written consent. Purchase prices are inclusive of all extra charges, including charges for packing, containers, insurance and transportation, except as otherwise specifically provided on the purchase order. All taxes based upon and measured by sale, use or manufacture shall be shown separately on seller's invoice.

5. MOST FAVORED CUSTOMER. Seller represents and warrants that the price charged in the purchase order is the lowest price charged by the seller to any of its external buyers for similar volumes or similar goods. If seller charges any other buyer a lower price, seller must apply that price to all goods under this purchase order. If seller fails to meet the lower price, buyer, at its option, may terminate this purchase order without liability pursuant to Section 18 below.

6. CHANGES. Buyer shall have the right to make, by a reasonably advance notice at any time prior to the date of delivery, changes as to packing, testing, destination, specifications, designs, quantity and delivery schedule. Seller shall promptly notify buyer when such changes affect price or any other terms of delivery and, in such event, the previously agreed purchase order shall only be deemed modified if such changes are approved in writing by both parties.

7. DELIVERY. Seller shall deliver the goods in quantities and by the date(s) specified in the purchase order. Time of delivery as stated in the purchase order is of the essence. Deliveries made in advance of the designated schedule are prohibited without buyer's prior written consent. In the absence of such written consent, buyer has the right to return any goods delivered prior to the delivery date at seller's expense and seller shall redeliver such goods on the delivery date. If Seller fails to deliver the goods in full on the delivery date, buyer may, at its option (a) reject the shipment by returning to seller at seller's risk and expense and terminate the purchase order immediately by providing written notice to seller, (b) approve a proposed revised delivery schedule, or (c) reduce the total quantity covered by the purchase order by the amount of omitted shipments and reduce the price pro rata without liability for any such reduction, and, in each such case, seller shall indemnify buyer against any losses, claims, damages, and reasonable costs and expenses directly attributable to seller's failure to deliver the goods on the delivery date, including for purchasing substitute items from a third party supplier.

8. EXCESS QUANTITY. Buyer shall have the option to accept or reject any shipments made in excess of the quantity designated in the purchase order. Any such rejected goods shall be returned to seller at seller's risk and expense.

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9. SHIPPING AND PACKAGING. All items shall be delivered to buyer's address as specified in the purchase order during buyer's normal business hours or as otherwise instructed by buyer. All goods must be packed for shipment according to buyer's instructions or, if there are no instructions, in a manner sufficient to ensure that the goods are delivered in undamaged condition. An itemized packing slip referencing buyer's order number must be enclosed with each shipment. Failure to provide packing slips may result in excusable delay in processing seller's invoices. Buyer's count shall be accepted as conclusive on all shipments not accompanied by a packing slip.

10. PAYMENT AND DISCOUNTS. Seller shall issue an invoice to buyer on or any time after the completion of delivery and only in accordance with these Terms. Buyer shall pay all properly invoiced amounts due to seller within the time period specified in the purchase order after buyer's receipt of such invoice, except for any amounts disputed by buyer in good faith. Payment for goods covered by the purchase order will be made in U.S. dollars by ACH check or wire transfer of funds. For purposes of determining whether payment has been made on time or whether the discount was earned, payment is deemed to be made on the date of postmark of buyer's check or the wire transfer of funds by buyer. In the event of a payment dispute, buyer shall deliver a written statement to seller no later than 15 days prior to the date payment is due on the disputed invoice listing all disputed items and providing a reasonably detailed description of each disputed item. Amounts not so disputed are deemed accepted and must be paid, notwithstanding disputes on other items, within the period set forth in this Section 10. The parties shall

seek to resolve all such disputes expeditiously and in good faith. Seller shall continue performing its obligations under the purchase order notwithstanding any such dispute.

11. Set-Off. Without prejudice to any other right or remedy it may have, buyer reserves the right to set off at any time any amount owing to it by seller against any amount payable by buyer to seller.

12. TITLE AND RISK OF LOSS. Title to and risk of loss on all items shipped by seller to buyer shall pass to buyer upon buyer's inspection and acceptance of such items at buyer's plant specified in the purchase order.

13. INSPECTION AND NON-CONFORMITY. Seller shall provide buyer at buyer's request with access to inspect and test the goods during the manufacturing process prior to the date of delivery. Notwithstanding any prior inspections or testing, buyer has the right to inspect the goods on or after the delivery date, including after the payment for the goods has been made by buyer to seller. Buyer, at its sole option, may inspect all or a sample of the goods, and may reject all or any portion of the goods if it determines the goods are nonconforming or defective, including with the terms of warranty in Section 14 below. If buyer discovers that any goods are nonconforming or defective, buyer may, at its sole option and without waiving any right to damages or indemnification, effective upon written notice to seller, to: (a) rescind the purchase order in its entirety; (b) accept the goods at a reasonably reduced price; (c) reject and return the goods and, at buyer's option, (i) require full refund of any payments already made by buyer to seller immediately and in any event no later than within 3 days from the notice thereof or (ii) apply any payments already made by buyer to seller for seller's credit to be used at any time for future purchase orders or any other payments due from buyer to seller; or (d) reject and return the goods and require replacement of the rejected goods. Any such rejected goods shall be returned to seller at seller's risk and expense, including transportation charges for the return of the rejected goods. If buyer requires replacement of the goods, seller shall, at its expense, promptly and in any event no later than within 7 days replace the nonconforming goods and pay for all related expenses, including transportation charges for the delivery of replacement goods. If buyer rejects any goods or, if replacement is requested by buyer, seller fails to timely deliver replacement goods conforming to these Terms, buyer may replace such goods with goods from a third party and charge seller for any costs and expenses for purchasing substitute items from a third party supplier. Any inspection or other action by buyer under this Section 13 shall not reduce or otherwise affect seller's obligations under the order, and buyer shall have the right to conduct further inspections after seller has carried out its remedial actions.

14. WARRANTIES. Seller warrants to buyer that for a period of 18 months from the date the items are delivered to and accepted by buyer or such other term as may be agreed in the purchase order, all items will: (a) be free from any defects in workmanship, material and design; (b) conform to applicable specifications and any drawings, designs, samples and other requirements specified by buyer; (c) be fit for their intended purpose and operate as intended; (d) be merchantable; (e) be free and clear of all liens, security interests or other encumbrances; and (f) not infringe or misappropriate any third party's patent or other intellectual property rights. These warranties survive any delivery, inspection, acceptance or payment of or for the items by buyer. These warranties are cumulative and in addition to any other warranty, express or implied, provided by law or equity, and shall benefit buyer, its successors, assigns and customers. Any applicable statute of limitations runs from the date of buyer's discovery of the noncompliance of the goods with the foregoing warranties. Any goods replaced or returned during the warranty term are warranted for the remainder of the original warranty term for the said goods, or 12 months following the date such repaired or replaced items are delivered to and accepted by buyer, whichever is longer.

15. GENERAL INDEMNIFICATION. Seller will defend, indemnify and hold the buyer, its affiliates, successors and assigns and their respective directors, officers, shareholders and employees and buyer's customers (collectively, "Indemnitees"), harmless from any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "Losses") arising out of or occurring in connection with the goods purchased from seller or seller's negligence, willful misconduct or breach of these Terms, including a breach of the warranty in Section 14 above and any Losses due to any work by seller or anyone on seller's behalf performed on buyer's premises under a purchase order. Seller shall not enter into any settlement without buyer's or Indemnitee's prior written consent.

16. INTELLECTUAL PROPERTY INDEMNIFICATION. Seller shall, at its expense, defend, indemnify and hold harmless buyer and any Indemnitee against any and all Losses arising out of or in connection with any claim that buyer's or Indemnitee's use or possession of the goods purchased from seller infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. In no event shall seller enter into any settlement without buyer's or Indemnitee's prior written consent.

17. FORCE MAJEURE. Neither party shall be liable to the other for any delay or failure in performing its obligations under the purchase order to the extent that such delay or failure is caused by an event or circumstance that is beyond the reasonable control of that party, without such party's fault or negligence, and which by its nature could not have been foreseen by such party or, if it could have been foreseen, was unavoidable ("Force Majeure Event"). Force Majeure Events include, but are not limited to, acts of God or the public enemy, government restrictions, floods, fire, earthquakes, explosion, epidemic, war, invasion, hostilities, terrorist acts, riots, strike, embargoes or industrial disturbances. Seller's economic hardship or changes in market conditions are not considered Force Majeure Events. Seller shall use all diligent efforts to end the failure or delay of its performance, ensure that the effects of any Force Majeure Event are minimized and resume performance under the purchase order. If a Force Majeure Event prevents seller from carrying out its obligations under the purchase order for a continuous period of more than 30 days, buyer may terminate this purchase order immediately by giving written notice to seller and, in such event, seller shall not be entitled to any form of compensation in relation to the termination.

18. TERMINATION. The purchase order, or any contract made pursuant hereto, may be terminated by the buyer, in whole or in part, for undelivered goods as provided in Section 7 above or as otherwise specified in these Terms. In addition to any remedies that may be provided under these Terms or be available to buyer at law or in equity, buyer may terminate the purchase order with immediate effect upon written notice to seller, either before or after the acceptance of the goods (a) if seller has not performed or complied with any of these Terms, in whole or in part, (b) if seller fails to provide adequate assurance of performance following buyer's request, (c) seller ceases or threatens to cease to carry on business in the ordinary course, or (d) upon the occurrence of

any one of the following events: (1) the seller's insolvency; (2) the appointment of a receiver for the seller; or (3) an assignment by the seller for the benefit of creditors. If buyer terminates the purchase order for any reason, seller's sole and exclusive remedy is payment for the goods received and accepted by buyer prior to the termination.

19. **INSURANCE.** During the term of the purchase order and for a period of 18 months thereafter, seller shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability) in a sum no less than \$5,000,000, workers' compensation in a sum no less than \$5,000,000 and property damage in a sum no less than \$5,000,000 with financially sound and reputable insurers, except to the extent the purchase order specifies other requirements for insurance coverage. Seller agrees upon buyer's request to furnish a certificate from its insurance carrier evidencing the insurance coverage specified in these Terms.

20. **CONFIDENTIALITY.** All non-public, confidential or proprietary information of the buyer, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by buyer to seller, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential," in connection with the purchase order is confidential, solely for the use of performing the purchase order and may not be disclosed or copied unless authorized by buyer in writing. Upon buyer's request, seller shall promptly return all documents and other materials received from buyer. Buyer shall be entitled to injunctive relief for any violation of this Section 20. This Section shall not apply to information that is: (a) in the public domain; (b) known to the seller at the time of disclosure; or (c) rightfully obtained by the seller on a non-confidential basis from a third party.

21. **MATERIALS AND EQUIPMENT.** All information, equipment and materials including but not limited to, drawings, specifications, artwork, data or the like furnished by buyer to seller, or paid for by buyer, for the performance under the purchase order shall remain the property of the buyer, shall be used by seller only for work being done for the buyer, shall not be furnished to any third party without buyer's written consent and shall be held in strict confidence. In addition, all such items shall be held at seller's risk, seller shall keep such items in good condition and subject to regular maintenance and seller shall repair or replace, at its own expense, any such items that are misused or otherwise damaged such that the items will be returned to their good working condition, including in circumstances of normal wear and tear if the items are damaged to the extent that their future use is no longer possible, Buyer may carry out periodic inventory checks as reasonably requested by buyer. Seller shall return all such items to buyer at the conclusion of the work in good condition or otherwise dispose thereof on buyer's instructions at its expense.

22. **LIMITATION OF LIABILITY.** Nothing in the purchase order or these Terms shall exclude or limit seller's liability for fraud, personal injury or death caused by its negligence or willful misconduct.

23. **COMPLIANCE WITH LAWS.** Seller is in compliance with and shall comply with all applicable laws, rules, regulations and orders, including international and national export control laws and regulations. Upon request, seller shall furnish buyer a certificate, in form and substance satisfactory to buyer, confirming seller's compliance with such laws, rules, regulations and orders. Seller has and shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under the purchase order.

24. **ASSIGNMENT.** Seller shall not assign, transfer, delegate or subcontract under any circumstances, in whole or in part to any person, government agency, partnership, firm or corporation, its rights or obligations under any order or any contract entered into based thereon, without first obtaining written permission of buyer. Any such assignment without the written consent of buyer shall be void. No assignment or delegation shall relieve the seller of any of its obligations hereunder.

25. **WAIVER.** No waiver by any party of any of the provisions of the purchase order shall be effective unless explicitly set forth in writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from the purchase order shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

26. **GOVERNING LAW.** All matters arising out of or relating to the purchase order shall be governed by and construed in accordance with the laws of the State of Delaware.

27. **SURVIVAL.** Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of the purchase order including, but not limited to, the following provisions: Set-Off, Warranties, General Indemnification, Intellectual Property Indemnification, Insurance, Compliance with Laws, Confidentiality, Governing Law and Survival.