

## SCA GENERAL TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS

### 1. Definition

The term “**Agreement**” as used in these General Terms and Conditions has the meaning set forth in the Frame Agreement, if one was entered into by SCA and Supplier. If there is no Frame Agreement, then the term refers to the Purchase Order, issued by SCA, together with any documents expressly incorporated therein.

### 2. Application

- 2.1 SCA’s obligation to purchase and Supplier’s obligation to sell Goods shall be evidenced by purchase orders issued from time-to-time by SCA (individually, a “Purchase Order”, and, collectively, “Purchase Orders”).
- 2.2 Supplier’s performance against a Purchase Order constitutes its unconditional acceptance of these General Terms and Conditions.
- 2.3 Terms and conditions proposed by Supplier that are different from or in addition to the provisions of the Agreement are expressly rejected by SCA and shall form no part of the Agreement.
- 2.4 In the event of a conflict between the Purchase Order and the Frame Agreement, the Frame Agreement shall take precedence.

### 3. Condition of the Goods

- 3.1 The Goods shall be defined by an agreed specification with a unique identification code.
- 3.2 SCA reserves the right at any time to change by written notification any of the following: (a) specifications, drawings and data incorporated in the Agreement where the items to be furnished are to be specifically manufactured for SCA; (b) quantity; (c) methods of shipment or packaging; (d) place of delivery; or (e) time of delivery. If any change by SCA causes an increase or decrease in the cost of Goods or change in the delivery schedule, the parties shall agree on an equitable adjustment in the contract price or delivery schedule, or both. Any claim by Supplier for adjustment under this clause shall be deemed waived unless asserted in writing within 10

days following Supplier's receipt of a written change notice from SCA.

#### **4. Competitive Pricing**

Should Supplier sell or offer goods of equivalent quality and quantity to a third party at a lower price than that in effect under a Purchase Order, then SCA shall receive the benefit of such lower price on all shipments of Goods made by Supplier to SCA while such lower price is in effect.

#### **5. Invoicing and Payment**

5.1 Unless otherwise provided in the Agreement or required by law, payment is due 90 days from the date of invoice, it being understood that Supplier shall not send invoices before the date upon which transfer of title and risk of loss to Goods occurs.

5.2 SCA may withhold payment if Supplier's invoice is inaccurate, does not meet SCA's reasonable requirements or fails to satisfy applicable legal or tax requirements. Supplier shall include all documentation reasonably required by SCA to support Supplier's claim for payment.

5.3 Payment for Goods shall not constitute acceptance.

#### **6. Delivery**

Delivery dates set forth in a Purchase Order are binding. Supplier shall inform SCA immediately of any potential delay in delivery of Goods. Acceptance of delayed delivery shall not constitute a waiver of SCA's rights or remedies.

#### **7. Title and Risk of Loss**

Title to and risk of loss with respect to Goods shall pass to SCA at the time and place of delivery determined in accordance with the agreed Incoterm.

#### **8 Warranties and Guarantees**

8.1 Supplier warrants and guarantees that:

- a) Goods covered by the Agreement shall conform with all specifications, drawings, samples and quality standards either (i) furnished by SCA, or (ii) furnished by Supplier and approved by SCA, and will be merchantable, of good material and

workmanship, free of defect and fit for the particular purposes intended by SCA;

- b) it shall convey full legal and beneficial title to the Goods, free and clear of any liens or other encumbrances;
- c) it shall comply with all applicable laws and regulations in the performance of its obligations under the Agreement, being understood and agreed that with respect to Goods that are aimed at being resold, leased or otherwise supplied by SCA to its own clients, the applicable laws and regulations that shall be complied with shall not be only the laws and regulations of the countries where SCA is located but also the laws and regulations of the Intended Market, including but not limited to all legislations and standards set forth in the Supplier Standard and all legally required labelling requirements as applicable. "Intended Market" means country(ies) where the Goods are placed or are to be placed on the market, as communicated by SCA from time to time ;
- d) Goods covered by the Agreement and their manufacture, importation, sale, offer for sale and use do not and will not violate, infringe, directly or indirectly, any patent, copyright, trademark, intellectual property or other proprietary rights owned by a person other than SCA;
- e) it shall comply in all respects with SCA's Global Supplier Standard ("Supplier Standard") published on [www.sca.com/gss](http://www.sca.com/gss) as updated from time to time;
- f) as relevant, it shall comply with the requirements of the European Union Regulation concerning the registration, evaluation, authorisation and restriction of chemicals (Regulation EC No 1907/2006), including any amendments and/or implementing legislation ("REACH Regulation") in its production of Goods, as well as with SCA requirements related to the REACH Regulation described in the relevant appendix to the Agreement or in a separate REACH Agreement; and
- g) as relevant, it shall comply with the requirements of the European Union Regulation 1223/2009 on cosmetic products, including any amendments and/or implementing legislation ("Cosmetic Regulation"), as well as with SCA requirements related to the Cosmetic Regulation described in the relevant Appendix to the Agreement.

8.2 Supplier's warranties and guarantees shall survive acceptance and shall continue until the date a warranty period for the Goods under applicable law expires, if any, or if no such warranty period exists, until SCA's right to claim shall be statute-barred under applicable law but in no event less than two years following SCA's receipt of the Goods. In addition, with respect to Goods that are intended to be delivered to final consumers, the warranty period(s) for the Goods shall be the same warranty period(s) set forth in the relevant laws and regulations enacted for the protection of consumers.

## **9. Remedies for defective Goods**

- 9.1 SCA shall not be obliged to inspect the Goods prior to sale or following delivery. Neither omission to inspect the Goods nor SCA's knowledge of a defect shall in any way limit SCA's right to claim for remedies.
- 9.2 SCA shall have the right to put Supplier on notice of defects within a reasonable time following the detection of a defect provided that such defect appears to have been detected during the applicable warranty period.
- 9.3 Supplier shall, at SCA discretion, rectify the defect, deliver substitute Goods or reduce the price of the defective Goods. SCA's option in this regard is an absolute and unconditional right. Furthermore Supplier shall indemnify SCA against losses arising from defective Goods according to section 11 below.
- 9.4 If SCA elects to receive substitute Goods and so requests, Supplier shall replace the entire delivery containing defective Goods, at its own cost, or separate the defective Goods from the delivery/batch, provided such separation is practicable and can be performed in such a manner as not to interfere with the conduct of SCA's business.

## **10. Remedies in the event of delay in the delivery of the Goods**

If the Goods are not delivered or delivered late SCA shall have an absolute and unconditional right to demand performance or terminate the Agreement. Furthermore Supplier shall indemnify SCA against losses arising from such delay according to section 11 below.

## **11. Indemnity**

Supplier shall indemnify, defend and hold SCA harmless, from and against any and all claims, demands, suits, actions, causes of action, liabilities, fines, penalties, losses, damages and expenses, including, without limitation, attorney's fees and charges arising from or related to Supplier's acts or omissions in its performance of the Agreement, including, without limitation, a breach by Supplier of any of its warranties or guarantees.

## **12. Proprietary Rights**

12.1 SCA shall retain ownership of its intellectual property and other proprietary rights. Supplier may use such rights only to the extent necessary to fulfill its obligations under the Agreement.

12.2 Supplier shall make no reference to the Agreement, nor SCA names, logos, designs, images, trademarks and any other SCA intellectual property rights in any commercial document, advertising or other promotional material without the prior consent of SCA.

12.3 Goods manufactured utilizing intellectual property or other proprietary rights owned by or licensed to SCA may not be used for Supplier's own use or sold to third parties without SCA's consent.

12.4 Upon request, Supplier shall immediately return all materials containing SCA intellectual property or other proprietary rights, including, without limitation, moulds or other tooling, without retaining copies.

## **13. Termination**

SCA may terminate all or any part of the Agreement, without liability to Supplier, upon notice if Supplier (i) breaches the Agreement, (ii) states its intention not to perform or otherwise rejects its obligations under the Agreement, (iii) fails to make progress in performance so as to put at risk timely and proper delivery of Goods, or (iv) undergoes a direct or indirect change in control or ownership; provided, however, that if any failure or breach under clauses (i) through (iii) is curable, SCA shall provide Supplier with an opportunity to cure within a commercially reasonable period of time, but in no event more than 10 days following SCA's notice of default. Termination of the Agreement shall not limit or constitute a waiver of SCA's rights or remedies.

#### **14. Confidentiality**

Each party agrees not to disclose the other party's confidential information to third parties without the other party's prior consent, nor to use such confidential information for purposes other than performance of its obligations under the Agreement. Disclosure of such information shall be limited to those officers, employees, consultants and/or agents of the receiving party who have a need to know and who are bound by confidentiality obligations no less stringent than those contained herein. These confidentiality and non-use obligations shall survive for a period of five years from expiration or termination of the Agreement, except with respect to information that constitutes a trade secret or proprietary technical knowledge in which case such obligations shall survive for so long as such information is not publicly known.

#### **15. Audit Rights**

Supplier shall provide SCA or any independent auditing company with access to its premises and all pertinent information for the purpose of auditing Supplier's compliance with the terms of the Agreement or inspecting or conducting an inventory of finished Goods, work-in-process, raw materials, any of SCA's property and all work or other items to be provided pursuant to the Agreement located at Supplier's premises. Supplier agrees to pay for all reasonable fees and expenses incurred in implementing compliance audits, the estimated amount of which shall be communicated by SCA or the auditing company before implementation of the audit. Supplier will preserve all records pertinent to a Purchase Order, and Supplier's performance under such Purchase Order, for a period of not less than five years following SCA's final payment for Goods under such Purchase Order.

#### **16. Cooperation**

Supplier shall provide SCA, at no additional cost, with such documentation and/or information including but not limited to customs documentation, as SCA may reasonably request. Supplier shall cooperate fully with SCA in the event of investigations, enquiries or audits by public authorities or governmental agencies with respect to SCA's compliance with laws and regulations.

#### **17. Assignment; Subcontracting**

Neither party shall assign or subcontract its rights or obligations under the Agreement without the prior consent of the other party.

#### **18. Communications**

Notices, demands, consents and any other communications related to the Agreement must be in writing, all of which shall be deemed to have been properly served if delivered to the other party's contact person designated in the Purchase Order by (a) a recognized overnight courier service, (b) registered mail or (c) email.

#### **19. Entire Agreement**

The Agreement constitutes the entire understanding between Supplier and SCA with respect to the purchase and sale of Goods. No amendment, modification or waiver shall be effective unless in writing, signed by both parties.

#### **20. Governing Law**

The Agreement shall be governed by and construed in accordance with the laws of Sweden without reference to its conflict-of-laws provisions. The convention on contracts for the international sale of goods shall not apply to the Agreement.

#### **21. Disputes**

Any dispute, controversy or claim arising out of or in connection with the Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of three arbitrators. The seat of arbitration shall be Stockholm. The language to be used shall be English.

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