

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

### 1. Definition

The term “**Agreement**” as used in these General Terms and Conditions shall mean either (i) the purchase order, issued by SCA, together with any documents expressly incorporated therein, including these General Terms and Conditions, or (ii) the service agreement, if one was entered into by SCA and Supplier, all appendices attached thereto, including these General Terms and Conditions (collectively the “**Frame Agreement**”), and the relevant purchase orders made pursuant to the Frame Agreement. These documents are an integral part of the Agreement and are meant to supplement each other.

### 2. Application

- 2.1 SCA’s obligation to purchase and Supplier’s obligation to provide Services 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 Services

- 3.1 The Services to be provided shall be defined by an agreed specification included in the Purchase order, the Frame Agreement or in a separate document.
- 3.2 The Services shall be of first-class quality and the Supplier shall exercise due care and diligence in the performance of the Services.
- 3.3 Supplier shall freely and independently arrange its activities, which it undertakes to pursue with all due diligence and in compliance with all laws and regulations applicable to these activities. If Supplier



performs all or part of the Services on an SCA site, it shall abide by SCA's corporate and local safety standards (a copy of which will be made available upon request).

- 3.4 Supplier shall bear all costs occasioned by its activity and all social security and tax charges in relation to its business.
- 3.5 Unless otherwise agreed, Supplier shall provide all tools, supplies and any other means, as well as sufficient skilled human resources, necessary to fulfil its obligations under the Agreement.
- 3.6 The staff assigned by Supplier to perform the Services shall not have any subordinate relationship with SCA and shall at all times comply with the guidelines and instructions of Supplier.

#### **4. Invoicing and Payment**

- 4.1 Unless otherwise provided in the Agreement or required by law, payment is due 90 days from the date of invoice.
- 4.2 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.
- 4.3 Payment for the Services shall not constitute acceptance.

#### **5. Delivery**

- 5.1 The Services shall be performed in accordance with the agreed time table.
- 5.2 Supplier shall inform SCA immediately of any potential delay in delivery of the Services. Acceptance of delayed delivery shall not constitute a waiver of SCA's rights or remedies.

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

Title to and risk of loss with respect to goods, materials or other results ("Work Product") included in the Services, if any, shall pass to SCA on delivery.

#### **7. Warranties and Guarantees**

- 7.1 Supplier warrants and guarantees that:

- a) the Services shall conform with all specifications and quality standards either (i) furnished by SCA, or (ii) furnished by Supplier and approved by SCA, and shall be free of any defects in materials and workmanship and fit for the particular purposes intended by SCA;
  - b) Work Product included in the Services, if any, shall conform with all specifications, drawings, samples and quality standards either (i) furnished by SCA, or (ii) furnished by Supplier and approved by SCA, shall be of good material and workmanship, free of defect and fit for the particular purposes intended by SCA;
  - c) it shall convey full legal and beneficial title to the Work Product included, if any, free and clear of any liens or other encumbrances;
  - d) it shall comply with all applicable laws and regulations in the performance of its obligations under the Agreement including but not limited to all legislations and standards set forth in the Supplier Standard;
  - e) Services and Work Products covered by the Agreement 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; and
  - f) 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.
- 7.2 Supplier's warranties and guarantees shall survive acceptance and shall continue until the date a warranty period for the Services 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 Services.

## **8. Remedies for defective Services**

- 8.1 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 or claim period.

8.2 Supplier shall, at SCA discretion, rectify the defect, re-perform the Services, deliver substitute Work Product included in the Services, if any, or reduce the price of the defective Services. SCA's option in this regard is an absolute and unconditional right. Furthermore Supplier shall indemnify SCA against losses arising from defective Services or Work Product included in the Services according to section 10 below.

## **9. Remedies in the event of delay in the delivery of the Services**

If the Services 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 10 below.

## **10. 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.

## **11. Proprietary Rights**

11.1 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. In particular, Work Product 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.

11.2 Except as provided under section 11.3, all intellectual property and/or proprietary rights obtained during the performance of Services and included in the Work Product shall be assigned to and become the property of SCA for all methods and means of exploitation, for the entire duration of the respective rights and for the whole world. Supplier agrees that it shall sign all documents required or deemed appropriate by SCA to effect such assignment.

11.3 To the extent that a Work Product includes any material or information in which Supplier has pre-existing rights, Supplier shall grant to SCA a fully paid-up, nonexclusive, worldwide, irrevocable license to use such material or information for the intended purposes set forth in the Agreement and for the entire duration of these rights.

Supplier shall be free to use or exploit any independently obtained discovery or improvement of its own knowledge or existing rights contained in the Work Product, provided, however, that (i) Supplier shall not disclose the full content of the Work Product, and (ii) said discoveries or improvements shall never include or refer to SCA's proprietary and/or confidential information, data, knowledge, technology, processes, products, specifications and any other information that is considered by nature as being confidential and/or proprietary to SCA.

11.4 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.

11.5 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.

## **12. Insurance**

The Supplier shall at all times carry and maintain liability insurance coverage to satisfactorily cover its respective liabilities under the Agreement.

## **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 performance of the Services, 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 included in the Services, 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 Services under such Purchase Order.

## **16. Cooperation**

Supplier shall provide SCA, at no additional cost, with such documentation and/or information, 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 and Subcontracting**

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

In the event that SCA would authorize Supplier to subcontract part of the Services, Supplier shall not be relieved of any of its responsibilities and obligations under this Agreement and shall be primarily liable for all acts or omissions of any subcontractor.

## **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 supply of Services. 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.

## **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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