

1. APPLICATION

- 1.1 These general terms and conditions of supply and payment ('Terms and Conditions') constitute an integral part of each contract ('Contract') concluded between DS Smith Packaging Sweden AB, Corp. Reg. No. 556036-8507, ('DS Smith') and the company ordering or purchasing goods or services ('Products') from DS Smith, or assuming liability for the payment of such goods or services ('Customer'). The Terms and Conditions apply to all goods and services provided by DS Smith.
- 1.2 The Contract consists of offers, orders and order confirmations, the price list agreed periodically between the parties in writing (Price List), these Terms and Conditions and other documents on which the parties intend to base DS Smith's provision of goods and services to the Customer.
- 1.3 The latest version of the Terms and Conditions is available on DS Smith's website:
<http://www.dssmith.com/leveransochbetalningsvillkor>

2. DELIVERY

- 2.1 Delivery is made EXW (Incoterms 2010), which means that the transportation is at the risk of the Customer, who also bears the costs of freight and insurance.
- 2.2 Upon receipt of the goods the Customer shall check the goods delivered for visible defects, that the number of pallets and the Products matches that given on the packaging slip and that the quantities delivered correspond to those stated for the Products, and acknowledge receipt of the Products on the carrier's delivery note.
- 2.3 The delivery is deemed to be completed in accordance with the Contract if the quantity supplied does not exceed or fall short of the quantity ordered by over 10 per cent.

3. LATE DELIVERY

- 3.1 All delivery times given by DS Smith are DS Smith's closest estimation of the calculated delivery date. If DS Smith has reason to believe that the delivery cannot be made by the calculated delivery date, DS Smith shall advise the Customer of this and when the delivery is expected to be made.
- 3.2 If the delivery is delayed for any reason that is attributable to the Customer, DS Smith will be entitled to adequate compensation for the costs and losses incurred by the delay.
- 3.3 If the delivery is delayed for any reason that is attributable to DS Smith, the Customer will only be entitled to cancel the order for the Products and claim compensation for any direct damages caused by the delay if (i) it is quite clear from the Contract or other circumstance that the delivery is of no use to the Customer after a certain point in time and it is obvious that the delivery cannot be completed before this time, or (ii) the Customer has otherwise made it clear to DS Smith that the delivery must be made by this time at the latest.

4. LIABILITY FOR DEFECTS

- 4.1 Defects in the Products are only recognized if they constitute more than minor deviations from the packaging specification. DS Smith cannot be held liable, for example, for defects arising out of non-compliance with care advice or instructions by the Customer or a third party, or defects caused by incorrect handling. Less serious deviations in the performance of the (material) packaging or minor deviations in print cannot be deemed as constituting defects in the delivery.
- 4.2 Products deviating from what is stated about DS Smith's liability in Point 4.1 constitute defective Products. DS Smith's liability for defects in the

Products is limited to defects that were present at the time of delivery to the Customer and that are identified and claimed within 10 days after delivery.

- 4.3 If the Products are defective in accordance with 4.2 above and the Customer is entitled to make a claim for the defect, DS Smith undertakes, at its own discretion, to supply a re-placement product or to credit the Customer for the defective Products. The Customer is not entitled to cancel the order or the Contract on the grounds of defective Products.

5. PRICES

- 5.1 Costs incurred as a result of the Customer changing his address, providing incomplete documentation or changing the same shall be borne by the Customer.
- 5.2 All prices are given exclusive of value added tax and other taxes and levies.

6. PAYMENT

- 6.1 Payment terms are 30 days from the invoice date. Payment shall be made in the currency specified on the invoice.
- 6.2 Prompt payment is vital for DS Smith and hence late payment constitutes an essential breach of contract. Late payment will incur an annual late payment interest of 24 per cent. In the event of late payment DS Smith is also entitled to discontinue deliveries to the Customer and demand that the Customer provides an acceptable security.
- 6.3 If the Customer fails to pay on time, DS Smith has the right to send payment reminders and charge for such reminders without prior notification, and to pass the invoice to a debt collection agency and impose a statutory fee for such action.
- 6.4 If the Customer wishes to contest an invoice, this must be done without delay, at the latest 10 days after receipt of the invoice. If the Customer does not contest the invoice within the prescribed timescale, the Customer will no longer be entitled to contest the invoice.

7. LIMITATIONS OF LIABILITY

- 7.1 DS Smith's liability under the Contract is limited to direct damages and, for each instance of damage, to an amount of 5 per cent of the price for all Products delivered to the Customer by DS Smith during the previous twelve-month period. DS Smith's total liability under the Contract per calendar year is further limited to 10 per cent of the price for all Products delivered to the Customer by DS Smith during the previous twelve-month period. If DS Smith has delivered Products to the Customer over a shorter period than twelve months, the amount given above will be limited to twelve times 5 per cent, or 10 percent, of the monthly average for Products delivered by DS Smith to the Customer. DS Smith accepts no liability under any circumstances for indirect losses or consequential losses such as lost profits or loss of production.
- 7.2 DS Smith accepts no liability for damages caused by the Products to persons or property, unless DS Smith has caused the damage through serious carelessness or intent. The Customer shall indemnify DS Smith should the latter be held liable in accordance with the product liability law currently in force.
- 7.3 DS Smith's liability for defects, omissions, delays and other breaches of contract is limited to what is expressly stipulated in this Contract. The Customer is not entitled to demand any other penalties than those specified in the Contract.
- 7.4 The stipulations given above in this Point 7 shall also apply to requirements that may be imposed on DS Smith after the Contract is terminated.

8. INTELLECTUAL PROPERTY RIGHTS

- 8.1 Unless expressly agreed in writing, this Contract does not allow for the transfer of any intellectual property rights from one party to the other.
- 8.2 DS Smith owns all rights, including intellectual property rights, in respect of the Products (but not rights to trademarks or protected designs to which the Customer owns the original rights and which are used for the manufacturing of the Products), including, but not limited to, trademarks, protected designs, copyrights and patents.
- 8.3 The Customer shall notify DS Smith immediately and in writing if a third party makes a claim against the Customer on the grounds that the Products infringe or are alleged to infringe the third party's immaterial property rights. The Customer undertakes to handle all such claims in accordance with DS Smith's instructions and DS Smith will not be held liable for any infringement if the Customer breaches this undertaking. If an infringement is found to exist, or if it is DS Smith's own belief that such an infringement is likely to exist, DS Smith shall, at its own expense and discretion, either (i) assign the Customer the right to continue to use and sell the Products in question, (ii) replace the Products with other similar Products the use of which does not constitute an infringement, or (iii) alter the Products so that the infringement does not exist.
- 8.4 DS Smith is not liable for infringements or alleged infringements of a third party's intellectual property rights caused by the Products if DS Smith has modified or produced the Products in accordance with the Customer's specifications, as approved by DS Smith. The Customer shall replace and indemnify DS Smith against any claim, court summons or other legal action arising as a consequence of an actual or alleged infringement of the Products and for all losses, costs, damages and expenses (also including the costs of legal consultation and the costs of administrative work carried out) incurred by DS Smith on the grounds hereof or in connection herewith.
- 8.5 The stipulations given above in this Point 8 shall also apply to requirements that may be imposed on DS Smith after the Contract is terminated.

9. COMMUNICATIONS

- 9.1 Communications in respect of the requirements of Point 7, notification in respect of Point 8.3, consent as referred to in Point 11.1 or assignment as referred to in Point 12 will only be valid if sent to the recipient's address, as given below.
- 9.2 Such communications to DS Smith should be sent to:
DS Smith Packaging Sweden AB
Attention: The Director of Finance
Box 733
331 27 Värnamo
Email address: avtal@dssmith.com
- 9.3 Such communications to the Customer should be sent to the Customer's general postal address or email address.

10. FORCE MAJEURE

If a party's fulfilment of its obligations under the Contract is essentially hindered or made particularly difficult for reasons including, but not limited to, strikes, natural disasters or war, over which the party has no control and which the party cannot reasonably be expected to foresee on entering into the Contract and the consequences of which could not reasonably have been avoided or overcome, this shall constitute grounds for releasing the party from claims for damages and other penalties for as long as the circumstances prevail.

11. CONFIDENTIALITY

- 11.1 Both parties undertake, during the contract period and afterwards, not to disclose to a third party any information (whether verbal or in written, electronic or other form) about the other party's business that may be regarded as a business or trade secret (including but not limited to drawings, construction solutions and costs calculations) or otherwise use such information for any purpose other than the party's fulfilment of its obligations under the Contract without the other party's written consent. Information the party specifies as confidential shall be regarded as a business or trade secret at all times.
- 11.2 The duty of confidentiality does not apply to such information that the party can demonstrate it was aware of by means other than through the Contract or information that is generally known. Nor does the duty of confidentiality apply when the party is obliged to provide the information in compliance with the law, regulations or the decisions of the authorities.

12. ASSIGNMENT

Neither of the parties may assign its rights or obligations under this Contract in whole or in part without the other party's prior written consent. DS Smith has the right, however, to assign the Contract, including its rights and obligations, to another company within the group without the Customer's prior consent.

13. ENTIRE CONTRACT

The Contract constitutes the parties' entire regulation of the Contract's purpose and replaces all previous and current negotiations and agreements, written as well as verbal, between the parties in connection therewith. The Customer's general terms and conditions of supply or purchase or similar regulations that are referred to in, for example, an order, delivery note or similar shall not be applicable between the parties under this Contract.

14. AMENDMENTS AND ADDITIONS

- 14.1 Additions and amendments to this Contract, including its annexes, shall only be valid if made in writing and duly signed by both parties.
- 14.2 Irrespective of the stipulation in Point 14.1 above, DS Smith reserves the right to make amendments to these Terms and Conditions at any time. All amendments to these Terms and Conditions will be posted on the Website. The amendments will be valid upon the Customer's acceptance of the Terms and Conditions (through a new purchase) or 30 days after DS Smith posts the amendments on the Website, whichever is the earlier. DS Smith recommends, therefore, that the Customer regularly checks the Website to be aware of any amendments to the Terms and Conditions.

15. DISPUTE RESOLUTION AND APPLICABLE LAW

- 15.1 Disputes arising out of these Terms and Conditions will be resolved, if DS Smith so wishes, by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce. The Rules for Simplified Arbitration Procedure of the Arbitration Institute of the Stockholm Chamber of Commerce shall apply, unless the Institute decides - taking the case's degree of difficulty, the value of the object of the dispute and other circumstances into account - that the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce shall apply in the proceedings. In the latter case, the Institute shall also decide whether the arbitration panel should consist of one or three arbiters. The arbitration proceedings shall take place in Malmö. The language of the proceedings shall be Swedish.
- 15.2 This Contract shall be interpreted and applied in compliance with Swedish law.