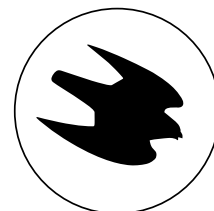


Cosmetics

Licence Terms and Conditions

1 March 2018



Bra Miljöval

GENERAL TERMS AND CONDITIONS

01.03.2018

Precedence

This is a translation of the Swedish terms and conditions. If there is uncertainty as to how a specific provision shall be interpreted, the original Swedish version always prevails.

1 Definitions

Application: The Licence Holder's application for a Licence, completed using the application form specified by the Swedish Society for Nature Conservation.

Application Fee: The fee that the Licence Holder shall pay to the Swedish Society for Nature Conservation for the Application to be considered.

Good Environmental Choice: A collective term for the distinctive marks that may be used and the references that may be made under the Licence issued, consisting of the Swedish Society for Nature Conservation's distinctive marks: the Bra Miljöval label, the words Bra Miljöval and Good Environmental Choice, and information about the environmental work of the Swedish Society for Nature Conservation and the Product's compliance with the Criteria.

Instructions: The Swedish Society for Nature Conservation's requirements for Inspections.

Inspection: The annual inspection that shall be carried out to check the Licence Holder's compliance with the Licence Terms and Conditions.

Criteria: The criteria determined by the

Swedish Society for Nature Conservation that the Product must satisfy for a Licence to be granted and retained.

Licence: The Licence Holder's non-exclusive right to use Good Environmental Choice in its business operation in accordance with the Licence Terms and Conditions.

Licence Fee: The fee that the Licence Holder shall pay to the Swedish Society for Nature Conservation for the Licence.

Licence Holder: The party applying for a Licence and whose contact details are stated in the Application.

Licence Term: The period that runs from when the Licence is granted until the Licence ceases to apply in accordance with the Licence Terms and Conditions.

Licence Terms and Conditions: The terms and conditions, comprising these General Terms and Conditions and Special Terms and Conditions, as well as associated appendices, such as the Application, Criteria, Use of the Good Environmental Choice eco-label (logo), etc., which govern how the Licence Holder shall apply for a Licence and how the Licence may be used.

Good Environmental Choice Label: The figurative marks which are included in Good Environmental Choice, the current design for which is shown in Use of the Good Environmental Choice eco-label (logo).

The Product: The goods, service or operations stipulated in the Application and for which the Licence Holder is applying for a Licence.

Special Terms and Conditions: Special rules adapted to the respective product category. The definitions in these General Terms and Conditions apply to the Licence Terms and Conditions and can be used in both the singular and plural without any effect on the meanings according to the above.

2 The rights to Good Environmental Choice

By submitting the Application, the Licence Holder acknowledges that the Swedish Society for Nature Conservation has exclusive rights to Good Environmental Choice. Furthermore, the Licence Holder undertakes not to contest, directly or indirectly, the Swedish Society for Nature Conservation's exclusive rights to Good Environmental Choice during the Licence Term or after the expiry of the Licence Term.

3 Consideration and granting of a Licence

3.1 An Application may only relate to one Product.

3.2 The Swedish Society for Nature Conservation will grant the Licence Holder a Licence for the specified Product, provided the Licence Holder:

- a) has correctly submitted the Application to the Swedish Society for Nature Conservation and thereby accepted the Licence Terms and Conditions,
- b) pays the Application Fee to the Swedish Society for Nature Conservation in accordance with the provisions contained in the Special Terms and Conditions, and
- c) demonstrates that the Product complies with the requirements according to the Criteria.

3.3 If a Licence has been granted, the Swedish Society for Nature Conservation shall, within a reasonable time, publish details of the granted Licence in a register that is available to the public.

3.4 The Swedish Society for Nature Conservation reserves the right, notwithstanding the provisions contained in sub-clause 3.2, to refuse to grant a Licence if the Licence Holder:

- a) provides incorrect or incomplete information to the Swedish Society for Nature Conservation in, or in conjunction with, the Application;
- b) has been sentenced for an environmental offence or is the subject of an investigation or proceedings concerning a possible environmental offence;
- c) has implemented a marketing measure using environmental arguments resulting in a conviction in the Patent and Market Courts or a critical statement from the Swedish Advertising Ombudsman (Stiftelsen Reklamombudsmannen);
- d) in its business operation has used Good Environmental Choice or other references to the Swedish Society for Nature Conservation in violation of applicable law;
- e) has held, or holds, a Licence and has breached the Licence Terms and Conditions applicable from time to time; or
- f) is a group company in a parent and subsidiary relationship according to the Swedish Companies Act (2005:551), and one of the companies in the group has been refused a Licence, or if there is any reason as to why they may be refused a Licence according to this sub-clause 3.4.

3.5 If the Swedish Society for Nature Conservation does not grant a Licence to the Licence Holder on the grounds of deficiencies referred to in sub-clause 3.2 or sub-clause 3.4 a), the Licence Holder has thirty (30) days within which to rectify the situation following a written request to do so by the Swedish Society for Nature Conservation. If corrective action is not taken within this period, a Licence will not be granted.

3.6 Irrespective of what is stated above, the Swedish Society for Nature Conservation reserves the right to refuse to grant a Licence for any Product that contravenes the work and policy of the Swedish Society for Nature Conservation.

3.7 In accordance with the provisions of clause 20 below, the Licence Holder is entitled to request a re-examination of a decision by the Swedish Society for Nature Conservation not to grant a Licence.

3.8 The Application Fee is a one-off fee which passes to the Swedish Society for Nature Conservation and which is not repaid to the Licence Holder, even if it withdraws its Application or if a Licence is not granted.

3.9 The Swedish Society for Nature Conservation is entitled, at its own expense, to conduct inspections at the Licence Holder's premises to check the Product's compliance with the Licence Terms and Conditions. The right to perform such an inspection shall continue to apply for two (2) years after the end of the Licence Term, unless there is manifestly no need for an inspection.

4 Licence Fee

The Licence Holder shall pay the fees, including the Application Fee and the Licence Fee, to the Swedish Society for Nature Conservation in accordance with the Special Terms and Conditions.

5 Qualitative requirements

The Licence Holder shall:

- a) comply with applicable legislation and official requirements,
- b) ensure that the Product at all times satisfies the requirements contained in the Criteria,
- c) document any changes or events within the Licence Holder's operation or regarding the Product that are or may be of importance for the Licence. In the event of such a change, and prior to the change being implemented, the Licence Holder shall without delay notify the Swedish Society for Nature Conservation in writing of the nature of the change,
- d) at its own expense, provide information and implement the measures required by the Swedish Society for Nature Conservation to ensure that the Licence Holder complies with the Licence Terms and Conditions, including any certificate from an auditor, an environmental auditor or other party, in accordance with the provisions on Inspection below, and
- e) be responsible for ensuring that subcontractors, or other third parties engaged, observe the Licence Terms and Conditions

in those respects that are relevant for the Licence. The Licence Holder shall report to the Swedish Society for Nature Conservation any changes or events which occur at an engaged subcontractor that are or may be of importance for the Licence.

6 Licence, reproduction of the Good Environmental Choice label and marketing rules

6.1 After the Licence is granted the Licence Holder is entitled, in compliance with the Licence Terms and Conditions, to use Good Environmental Choice and references to it for the purposes of marketing and selling the Product.

6.2 The Good Environmental Choice label shall be reproduced as depicted in the applicable rules for Use of the Good Environmental Choice eco-label (logo) published by the Swedish Society for Nature Conservation. The design of the Good Environmental Choice label may not in any way be changed or distorted. Furthermore, no additional text or symbols may be added to the Good Environmental Choice label or be placed immediately next to it.

6.3 The Good Environmental Choice label shall be placed in a clearly visible and appropriate position so that it is obvious what the labelling refers to.

6.4 The Licence Holder is responsible for ensuring that:

- a) the area of the Good Environmental Choice label is not less than two (2) % of the area of the printing surface, and
- b) all text in, or adjoining, the Good Environmental Choice label is reproduced in such a format that even the small print text is legible under normal reading conditions.

However, exceptions from the provisions contained in sub-clause 6.4 may be granted for the use of the Good Environmental Choice label on very small or very large packages, tickets, signs or the like.

6.5 The Licence Holder shall in connection with all marketing and sales of the Product, ensure that:

- a) the Product is labelled with the Good Environmental Choice label and that the Good Environmental Choice name is only

used and referred to in accordance with the Licence Terms and Conditions. The Licence Holder must also ensure that any third party, such as but not limited to retailers or subcontractors, uses the Good Environmental Choice label in accordance with all the applicable Licence Terms and Conditions,

- b) the Product is otherwise marketed or sold only under the product name or the designation that is covered by the Licence,
- c) marketing or sales do not give the impression of relating to products or such part of the Licence Holder's operation that is not covered by the Licence,
- d) marketing or sales do not give the impression that the Product does not comply with the relevant Criteria,
- e) marketing or sales do not contravene the objectives or policy of the Swedish Society for Nature Conservation or the provisions of applicable law, and
- f) other expressions, symbols or labels that refer to the Product's environmental qualities satisfy the following requirements:
 - cannot be confused with Good Environmental Choice,
 - are administered by an independent environmental labelling body,
 - are based on relevant environmental criteria that are available to the public and predetermined, and
 - are directly relevant to the Product and the Product's market.

6.6 All information about, or references to, Good Environmental Choice on the Product, in marketing material, catalogues, product samples, etc. shall be compatible with the Swedish Society for Nature Conservation's guidelines applicable at any time.

7 Inspection

7.1 Unless otherwise stated in the Special Terms and Conditions, the Licence Holder shall voluntarily carry out an annual inspection of the Product's compliance with the Licence Terms and Conditions, and report the results

to the Swedish Society for Nature Conservation. The Inspection shall be carried out in accordance with the Instructions of the Swedish Society for Nature Conservation. The Inspection shall be examined and approved in writing by the Licence Holder's authorised signatory, auditor, environmental auditor or other party in accordance with the Instructions and be submitted within the time specified in the Instructions. The Licence Holder will be informed of the Instructions no later than three (3) months before the final date for the Inspection.

7.2 The Licence Holder is responsible for ensuring that:

- a) the Inspection covers those parts of the Licence Holder's operation that are affected by the provisions contained in the Licence Terms and Conditions,
- b) copies of the Application, the Licence Terms and Conditions and the Licence are stored together, readily available at the Licence Holder's premises,
- c) an Inspection can be conducted at subcontractors, regarding everything of importance for the Licence, and
- d) the Licence Holder has financial systems and routines in such good order that it is possible to verify that the provisions in the Licence Terms and Conditions are being observed.

7.3 In the event of a delayed Inspection, a late fee is charged of one thousand Swedish kronor (SEK 1,000) per week commenced.

7.4 Where an Inspection in accordance with the Instructions must be examined and approved in writing by an auditor, the auditor must be a member of FAR (the Institute for the Accountancy Profession in Sweden) and an authorised public accountant. An approved public accountant without the examination of professional competence may only be engaged in those cases where the legislator has approved this for the Licence Holder's ordinary bookkeeping.

7.5 If the Licence Holder is registered in a country other than Sweden, the auditor/audit firm shall comply with that country's legislation.

7.6 The provisions contained in this clause 7 shall

continue to apply for two (2) years after the end of the Licence Term, unless there is manifestly no need for an Inspection.

8 Licence Term

The Licence shall apply indefinitely, though at most up to and including the end of the term of validity for the Criteria.

9 Termination of the Licence

9.1 The Licence Holder is entitled, in compliance with the provisions in this clause, to give written notice of termination of the Licence at any time to the Swedish Society for Nature Conservation. The notice period for termination of the Licence by the Licence Holder is six (6) months calculated from the date on which the notice of termination is received by the Swedish Society for Nature Conservation.

9.2 The Swedish Society for Nature Conservation is entitled to terminate the Licence if:

- a) the Criteria or material parts of the Licence Terms and Conditions are revised;
- b) limitations for products subject to criteria assessment are changed with the consequence that the Product no longer belongs to any group that is subject to criteria assessment;
- c) ecolabelling activities for the product group to which the Product belongs are brought to an end;
- d) it transpires that according to new scientific information the Product no longer meets the requirements that the Swedish Society for Nature Conservation imposes in the Criteria; or
- e) it becomes evident that the Product contravenes the Swedish Society for Nature Conservation's work and policy.

9.3 Termination of the Licence by the Swedish Society for Nature Conservation in accordance with sub-clause 9.2 above shall be in writing and shall be sent to the Licence Holder's last notified address. The notice period for termination of the Licence by the Swedish Society for Nature Conservation is a minimum of six (6) months from the end of the month immediately after the notice of termination is received by the Licence Holder.

9.4 If the Swedish Society for Nature Conservation

terminates the Licence in accordance with sub-clause 9.2 d), the Licence Holder is entitled to a period of thirty (30) days to submit amendments and have the Product re-examined free of charge. If the Product is approved on re-examination, the notice of termination shall be without effect.

9.5 In accordance with the provisions of clause 20 below, the Licence Holder is entitled to request a re-examination of a decision by the Swedish Society for Nature Conservation to terminate the Licence under this clause.

9.6 If the Licence is terminated according to clause 9, the Licence Holder shall pay the Licence Fee during the notice period for termination, irrespective of which party is terminating the Licence. The Licence Fee shall be finally settled through a subsequent Inspection.

10 Notice of termination with immediate effect

10.1 The Swedish Society for Nature Conservation is entitled to terminate the Licence with immediate effect if:

- a) the Licence Holder or a subcontractor engaged by it materially breaches the Licence Terms and Conditions;
- b) the Licence Holder is declared or applies to be declared bankrupt, enters into liquidation, initiates composition negotiations or if the Licence Holder is otherwise insolvent; or
- c) the performance of the contract by the parties is essentially impeded during a consecutive period of more than two (2) months as a consequence of circumstances referred to in sub-clause 16.6 below.

10.2 In the event of notice of termination in accordance with sub-clause 10.1 a) and b), all Licence Fees paid shall pass to the Swedish Society for Nature Conservation. The Licence Holder shall also pay any outstanding Licence Fees that are determined during a subsequent Inspection.

10.3 In accordance with the provisions of clause 20 below, the Licence Holder is entitled to request a re-examination of a decision by the Swedish Society for Nature Conservation to terminate

the Licence under this clause.

11 Prohibition on use after the Licence Term

After the end of the Licence Term, the Licence Holder may not use or refer to Good Environmental Choice without the written consent of the Swedish Society for Nature Conservation. This means, among other things, that Good Environmental Choice may neither be used nor referred to in marketing, sales or distribution of the Product, nor may the Licence Holder in any other way disseminate the Product or information material, such as brochures, websites or media advertising, while using or referring to Good Environmental Choice, without the written permission of the Swedish Society for Nature Conservation.

12 Publication of notice of termination of Licence

Following notice of termination of the Licence, the Swedish Society for Nature Conservation is entitled to announce that the Licence Holder is no longer entitled to use Good Environmental Choice. If notice of termination of the Licence is given in accordance with sub-clause 10 a) or b), the Swedish Society for Nature Conservation is entitled to reasonable compensation from the Licence Holder for this announcement.

13 Amendments

- 13.1** The Swedish Society for Nature Conservation reserves the right to correct or amend these Licence Terms and Conditions and the fees that shall be paid in accordance with the Special Terms and Condition at any time.
- 13.2** The Swedish Society for Nature Conservation shall in good time and no later than six (6) months in advance give the Licence Holder written notice of the amendments in order for the amendments in question to apply between the parties.
- 13.3** Applicable terms and conditions can be accessed through the Swedish Society for Nature Conservation's website.
- 13.4** In addition to the provision in sub-clause 13.1, the Swedish Society for Nature Conservation

is also entitled to adjust the Criteria in order to implement minor concessions and clarifications. The Swedish Society for Nature Conservation shall ensure that applicable Criteria are available on the Swedish Society for Nature Conservation's website and that the adjustments to this section enter into force when they are published on the website.

14 Damages

A party that breaches a provision of the Licence Terms and Conditions shall, subject to a reservation for the provisions regarding limitation of liability contained in clause 16, compensate the injured party for all damage that has arisen.

15 Penalties

If the Licence Holder uses Good Environmental Choice in violation of the Licence Terms and Conditions, the Licence Holder shall pay to the Swedish Society for Nature Conservation, in addition to damages and compensation for any trademark infringement, a penalty of ten thousand Swedish kronor (SEK 10,000) per week commenced during which the infringement occurs. This clause 15 shall apply between the parties (1) following receipt of the Application, regardless of whether the Application is withdrawn or the Licence is otherwise not granted, (2) during the Licence Term, and (3) after expiry of the Licence. Where the Swedish Society for Nature Conservation is able to provide proof that the damage caused exceeds the penalty amount, the Swedish Society for Nature Conservation shall be entitled to lodge a claim for the higher amount, notwithstanding the penalty provision above.

16 Limitation of Liability

- 16.1** The Swedish Society for Nature Conservation is only liable for a breach of contract caused by gross negligence or intent on the part of the Swedish Society for Nature Conservation.
- 16.2** The Swedish Society for Nature Conservation is not liable for errors or omissions that are of no significance to the Licence or that do not involve anything except minor inconvenience to the Licence Holder.
- 16.3** The Swedish Society for Nature Conservation is not liable under any circumstances for

errors caused by incorrect information from the Licence Holder.

- 16.4** The Swedish Society for Nature Conservation is not liable under any circumstances for the Product that the Licence Holder or its subcontractors produce, market or sell with Good Environmental Choice. It is incumbent on the Licence Holder to indemnify the Swedish Society for Nature Conservation against claims from a third party in this respect.
- 16.5** The Swedish Society for Nature Conservation's liability for damages shall never exceed what the Swedish Society for Nature Conservation has received for the Licence.
- 16.6** If performance of any of the parties' obligations in accordance with the Licence Terms and Conditions is impeded by unforeseen circumstances outside the control of the parties, such as significant industrial conflict, war, large scale mobilisation or military call-up, requisition, currency restrictions, riot, civil commotion, limitations as regards fuel, general shortage of transport, goods, energy or faults or delays in deliveries by subcontractors owing to circumstances such as those stated here, then deviation from the Licence Terms and Conditions owing to such unforeseen occurrence comprises grounds of release from liability to pay compensation and other sanctions in accordance with the Licence Terms and Conditions.
- 16.7** Any party that cites circumstances in accordance with sub-clause 16.6 shall immediately and in writing notify the other party of the above-mentioned occurrence and its cessation.

17 General

- 17.1** The Licence Terms and Conditions constitute the complete regulation between the parties regarding the issues governed by the Licence Terms and Conditions. No other provisions, terms and conditions or amendments to terms and conditions shall be applied between the parties unless agreed in writing between the parties.
- 17.2** To the extent that it transpires that there are conflicting clauses or regulations within the Licence Terms and Conditions and contracts later prepared, the latter contract shall be

given priority of interpretation.

- 17.3** If any terms and conditions or parts of terms and conditions contained in the Licence Terms and Conditions are adjudged by a competent court to be invalid or unenforceable, the term and condition concerned shall continue to apply subject to such adjustments as the party that has benefited from the adjudication of the court can reasonably request. This party shall direct the other party to apply the adjusted term and condition fully. Invalid or unenforceable terms and conditions do not affect the validity or applicability of other terms and conditions contained in the Licence Terms and Conditions.
- 17.4** All fees that shall be paid to the Swedish Society for Nature Conservation in accordance with the Licence Terms and Conditions are specified as the total amount payable, as the Swedish Society for Nature Conservation is not liable for value-added tax (VAT).
- 17.5** Payment terms for all invoices from the Swedish Society for Nature Conservation are twenty (20) days net, or a longer period if specified by the Swedish Society for Nature Conservation on any invoice. In the event of failure to pay, interest is payable in accordance with Section 6 of the Interest Act until such time as full payment has been made.
- 17.6** All headings in the Licence Terms and Conditions are only given with the purpose of facilitating reading and shall not in any way affect the interpretation of the provisions contained in the Licence Terms and Conditions.
- 17.7** Failure of the Swedish Society for Nature Conservation to claim its rights under the Licence Terms and Conditions does not constitute a waiver of said rights, but they shall continue in full force and effect.
- 17.8** Information that has been submitted to the Swedish Society for Nature Conservation in conjunction with the Application and during the Licence Term is not subject to a confidentiality requirement and shall not be regarded as a business secret under the Act on the Protection of Trade Secrets (1990:409), unless otherwise agreed in writing between the parties.
- 17.9** "Year", "month" and "week" in the Licence

Terms and Conditions mean calendar year, calendar month and calendar week respectively.

17.10 Where personal data is processed within the framework of the Swedish Society for Nature Conservation's licensing procedure, data will be processed in accordance with the policy of the Swedish Society for Nature Conservation. This policy can be found on the Swedish Society for Nature Conservation's website.

17.11 In approving these General Terms and Conditions, you consent to data being processed in accordance with the policy of the Swedish Society for Nature Conservation.

18 Notices

18.1 All notices regarding the Licence and the Licence Terms and Conditions shall be in writing and be sent to the other party. The Licence Holder is responsible for ensuring that all the contact details are correct and must promptly notify the Swedish Society for Nature Conservation of any changes or updates to such details.

18.2 Notices may be given by:

- a) messenger. If it can be shown that delivery has taken place, the notice shall be deemed to have been received by the other party at the time of delivery; or
- b) registered letter. The notice shall be deemed to have been received by the other party no later than ten (10) days after it was sent, or
- c) e-mail. The notice shall then be deemed to have been received by the other party once it has been sent.

18.3 Notices may be given by other means if it can be shown that the other party has received the notice or if receipt is confirmed by the other party.

19 Transfer

A Licence may not be transferred without the written consent of the Swedish Society for Nature Conservation.

20 Requests to re-examine a decision

If the Swedish Society for Nature Conservation does not grant a Licence or if a Licence is terminated, the Licence Holder can choose to request re-examination of the Swedish Society for Nature Conservation's decision by the national board of the Swedish Society for Nature Conservation.

Any request for re-examination must be made in writing and must reach the Swedish Society for Nature Conservation no later than thirty (30) days after the original decision was received by the Licence Holder. The request shall state which decision is to be re-examined, the change to the decision that is requested, and the factual grounds for the request.

If a request is made to re-examine a decision taken by the Swedish Society for Nature Conservation to terminate a Licence with immediate effect in accordance with clause 10 above, the original decision of the Swedish Society for Nature Conservation will remain valid until the national board of the Swedish Society for Nature Conservation decides whether to change this decision.

21 Disputes

Swedish law shall apply in the event of disputes regarding the interpretation or the application of the Licence Terms and Conditions, the Licence and legal relationships related thereto. The proceedings shall take place at a general court in Stockholm, Sweden.

If the Licence Holder is registered in the Nordic countries, i.e. Sweden, Norway, Finland, Denmark or Iceland, any such dispute shall be finally settled by a general court in Stockholm.

If the Licence Holder is registered outside of the Nordic countries, any such dispute shall be finally settled by arbitration in accordance with the Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce. The seat of arbitration shall be Stockholm. The language to be used in the arbitral proceedings shall be Swedish.

SPECIAL TERMS AND CONDITIONS

01.03.2018

1 Introduction

These Special Terms and Conditions, together with the General Terms and Conditions 1 March 2018, form the Licence Terms and Conditions that govern the use of Good Environmental Choice for cosmetic products.

2 Definitions

Please note that the definitions given in the General Terms and Conditions 1 March 2018 also apply for these Special Terms and Conditions, with the addition of the following definitions:

Ingredient: A pure chemical substance or a mixture of several chemical substances

Main Product: Stipulated by the Licence Holder in the Application as the Product on which Product Variants are based.

Original Licence: The Licence on which a Simplified Application is based.

Packaging: Packaging refers to the Product's consumer packaging or the equivalent for professional users. Does not include transport packaging.

Product: The Product stipulated in the Application and for which the Licence Holder is applying for a Licence.

Product Category: The category (Level 2) specified for the Product in the European Cosmetic Products Notification Portal (CPNP).

Product Line: Products that are not covered by the same Licence but which are included in one and the same line, characterised by a common product line name with uniform labels and other product information.

Product Variant: A variant of a Product that is covered by the same Licence and which is included in the same Product Category as the Product.

Recipe: The combination of chemical substances that make up a Product.

Recipe Variant: A variant of a Recipe that differs only in respect of water content, perfume, aroma and colouring agent, but which otherwise comprises the same chemical substances as the Recipe of which it is a variant.

Simplified Application: A licence application for a Product, whose Recipe is identical to or a Recipe Variant of a Recipe covered by an existing Licence for another Product and is made by the same manufacturer.

3 Requirements for cosmetic products

In addition to the terms of sub-clause 9.2 in the General Terms and Conditions, the Swedish Society for Nature Conservation reserves the right to terminate a Licence, even though the relevant Criteria are fulfilled, if new scientific information indicates that the Product or constituents of the Product are likely to cause significant risks to health or the environment.

4 Requirements for Packaging and Recipes, and for Applications that refer to Product Variants or Simplified Applications

4.1 Unless the parties have reached a special agreement to some other effect, the Product shall be sold in a Packaging, that may be of different sizes. The Good Environmental Choice label shall appear on the front of the Packaging in a clearly visible and appropriate position.

4.2 The Recipe shall specify the Ingredients and precise concentrations of the chemical substances that make up the Product.

4.3 The Licence Holder is not entitled to change the Product without written approval from the Swedish Society for Nature Conservation.

4.4 Product Variants may be covered by the same Application and the same Licence as the Main Product, on condition that:

- a) the Product Variants are marketed and sold under the same product name or designation as the Main Product, in combination with a distinguishing supplementary name, and
- b) the Packaging and labels for the Product Variants are designed in such a way that it is obvious they belong to a Product Variant and not a new Product, and
- c) the Product Variants belong to the same Product Category as the Main Product.

4.5 If an Application refers to a Product Variant or a Simplified Application this shall be clearly stated in the Application. The provisions in the Licence Terms and Conditions shall also apply to these Product Variants or the Licence granted on the basis of the Simplified Application. The expiry of an Original Licence will not affect a Licence that has been granted on the basis of a Simplified Application.

5 Fees and payment routines

5.1 The Licence Holder shall pay to the Swedish Society for Nature Conservation non-refundable Application Fees in accordance with this clause.

5.1.1 For each Application for a Licence (except for a Simplified Application), the following applies: The Licence Holder shall state in the Application whether the Application Fee will be paid in a single payment at the time of Application, or if the Licence Holder wishes to divide the payment into three instalments.

- a) Where the Application Fee is to be paid in a single payment at the time of Application, the fee for each Application is: SEK 14,500.
- b) If the Licence Holder chooses to divide the Application Fee into three instalments, the total fee is SEK 17,000, divided into three consecutive payments of SEK 7,000, SEK 5,000 and SEK 5,000.

5.1.2 Where a Licence Holder submits Applications for several Licences at the same time for Products included in the same Product Line but which will be covered by different Licences, a volume discount on the Application Fee is possible as follows:

Application Fee for Applications 1 - 2:
SEK 14,500/application

Application Fee for Applications 3 - 6:
SEK 10,000/application

Application Fee for Application 7 and upwards:
SEK 8,000/application

5.1.3 For each Simplified Application, there will be an Application Fee of: SEK 3,500.

5.1.4 In addition to the Application Fees specified in 5.1.1 - 5.1.3 above, there will also be an Application Fee for each Product Variant included in the Application. This fee is based on each Ingredient that is not included in the Main Product, as indicated below.

Number of Ingredients in the Product Variant not included in the Main Product	Application Fee (in SEK)
0 – 3	3 500
4 – 6	5 500
7 – 9	7 500
10 – 12	9 500
13 – 15	11 500
16 – 18	13 500
>18	14 500

5.2 The Licence Holder shall also pay an annual Licence Fee based on the Licence Holder's invoiced annual turnover in SEK, excluding VAT, per year for the Product, including Product Variants. Licence Fees are to be paid as follows and the minimum annual Licence Fee is SEK 3,000.

Turnover (annual in SEK)	Licence Fee (per year)
0 – 1 000 000	SEK 3 000
1 000 001 – 33 330 000	0.3 % of the annual turnover
33 330 001 – 100 000 000	SEK 100 000
> 100 000 000	0.15 % of the annual turnover

- 5.3** The first two payments of Licence Fees are based on the information on expected invoiced annual turnover in SEK for the Product, and Product Variants, provided by the Licence Holder in the Application. Licence Fees for subsequent years are based on the latest approved Inspection. If the Inspection shows that the true Licence Fee differs from that paid by the Licence Holder, this shall be adjusted between the parties as soon as possible.
- 5.4** If Products are sold in a currency other than SEK, the turnover shall be calculated on the basis of the currency exchange rate in effect on the date the Application was signed and at the end of the year to which the Inspection refers.
- 5.5** On notification of changes, the Licence Holder shall pay the following fees to the Swedish Society for Nature Conservation:
- a) SEK 1,000 per hour, with a minimum payment of SEK 4,200, for assessment and any approval of changes to a Recipe, and
 - b) SEK 1,000 per hour, with a minimum payment of SEK 2,000, for other work on assessing changes to a granted Licence, and
 - c) SEK 1,000 + Application Fee as per 5.1.4, for adding a Product Variant to a previously granted Licence.
- 5.6** The Swedish Society for Nature Conservation will invoice for the fees specified in this clause 5 as follows:
- a) the Application Fee, or the first instalment of the Application Fee, will be invoiced when the Application reaches the Swedish Society for Nature Conservation,
 - b) the Application Fees for any Product Variants and Simplified Applications will be invoiced when such an Application reaches the Swedish Society for Nature Conservation,
 - c) the second instalment of the Application Fee will be invoiced in January of the year after the Application reaches the Swedish Society for Nature Conservation, with the third instalment being invoiced in January the following year. Where a Licence is not granted or a Licence expires, any outstanding instalments of the Application Fee as specified in sub-clause 5.1.1 b above will become immediately due for payment,
 - d) the first Licence Fee will be invoiced by the Swedish Society for Nature Conservation when the Licence has been granted and will be calculated on the basis of the number of months remaining in the current year, excluding the month in which the Licence is granted,
 - e) subsequent Licence Fees will be invoiced by the Swedish Society for Nature Conservation annually in advance, and
 - f) amendment fees and other administrative fees will be invoiced in arrears.
- 6 Inspection**
- The Licence Holder is responsible for ensuring that the Inspection accurately reports the invoiced turnover from the Product in SEK, based on the currency exchange rate in effect at the end of the year to which the Inspection refers.