



GENERAL TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES

Business Use: These terms & conditions ("AGREEMENT") apply to any purchase orders, releases, or other means of ordering between Supplier/Vendor ("SUPPLIER/VENDOR") and Royal Paper ("BUYER") (individually "PARTY"; collectively "PARTIES") relating to goods/services (individually "GOODS" "SERVICES" and collectively "GOODS/SERVICES").

1. **DUE DATE FOR PAYMENT.** The due date for payment is calculated from the later of (i) the date the accurate invoice is received at the location as designated by BUYER, (ii) BUYER's receipt of the GOODS or the date of performance of the corresponding SERVICES, or (iii) BUYER confirms proof of SUPPLIER/VENDOR's performance. In no event will payment occur prior to BUYER's receipt of any government approval required for payment. BUYER may withhold payment if SUPPLIER/VENDOR's invoice is inaccurate, does not meet BUYER's invoice requirements, or does not meet legal or tax requirements. Each invoice submitted by SUPPLIER/VENDOR will describe the work performed and the corresponding charges in a manner reasonably satisfactory to BUYER.

2. **INSURANCE REQUIREMENTS.** SUPPLIER/VENDOR will maintain and cause its subcontractors to maintain at their expense sufficient and customary insurance coverage with generally acceptable underwriters. Such insurance will include Royal Paper as additional insured in connection with SUPPLIER/VENDOR's performance under this AGREEMENT to be stated explicitly on the Certificate(s) of Insurance.

3. **RETURN OF GOODS.** BUYER is entitled to return any GOODS that are not in full compliance with this AGREEMENT. SUPPLIER/VENDOR will reimburse BUYER the PRICE of such GOODS plus all reasonable costs and expenses associated with such return.

4. **SERVICES NOT IN COMPLIANCE.** If SERVICES are not in full compliance with this AGREEMENT, then BUYER is entitled to: (i) a credit or to withhold payment in whole or in part, or (ii) upon notice to SUPPLIER/VENDOR, employ a third party to perform the noncompliant SERVICES at SUPPLIER/VENDOR's cost.

5. **TERMINATION FOR CONVENIENCE.** BUYER is entitled to terminate this AGREEMENT in whole or in part for convenience with not less than 5 calendar days' notice to SUPPLIER/VENDOR without any further obligation.

6. **REPRESENTATIONS AND WARRANTIES RELATING TO THE GOODS/SERVICES.** SUPPLIER/VENDOR represents and warrants that at the time when title passes to BUYER, and for the shelf life of the GOODS, the GOODS and its parts: (i) are in full compliance with the specifications either set forth in the AGREEMENT or transmitted via BUYER's specifications system and incorporated by reference (collectively, "SPECIFICATIONS"); (ii) are safe and otherwise appropriate and fit for BUYER's use; (iii) are of merchantable quality and free from latent and patent defects; and (iv) are in full compliance with all applicable LAWS. SUPPLIER/VENDOR represents and warrants that at the time of performance of the SERVICES, and continuously thereafter, the SERVICES will be: (i) in full compliance with the SPECIFICATIONS; (ii) done in a competent, workmanlike manner and free from defects in materials and workmanship, whether latent or patent; (iii) in conformity with the standards of care employed by leading vendors in the services industry for similar projects; and (iv) in full compliance with all applicable LAWS. BUYER waives its right for breach of this Section if BUYER does not notify SUPPLIER/VENDOR within the earlier of one year after BUYER's discovery of the breach, or one year after the breach occurred.

7. **INTELLECTUAL PROPERTY RIGHTS.** SUPPLIER/VENDOR represents and warrants that: (i) the GOODS/SERVICES and its parts will not infringe, violate, or misappropriate any copyrights, patents, trademarks, design rights or registrations, trade secrets, confidential information or other intellectual property rights (collectively "IP RIGHTS"); and (ii) at the EFFECTIVE DATE, there are no claims being asserted and no actions pending or threatened against SUPPLIER/VENDOR that the GOODS/SERVICES or its parts allegedly infringe, violate or misappropriate IP RIGHTS. SUPPLIER/VENDOR will promptly notify BUYER of such claims or actions.

8. **SANCTIONS.** SUPPLIER/VENDOR will and will cause its agents in performance under this AGREEMENT to: (i) fully comply with (a) all sanctions and anti-boycott laws of the United States of America ("USA"), and (b) the terms of any export/import license notified to SUPPLIER/VENDOR ("LICENSE") and (ii) act in a manner that Royal Paper does not violate or incur any liability or penalty under any LAWS or LICENSE. SUPPLIER/VENDOR represents and warrants that SUPPLIER/VENDOR: (i) is not subject to sanctions imposed by the United Nations ("UN"), European Union ("EU") or USA whether by means of a designated list (including OFAC's (Office of Foreign Assets Control), SDN (Specially Designated Nationals) and BIS (Bureau of Industry and Security) or otherwise ("SDN"); (ii) is not owned, in whole or in part, or controlled by a SDN; (iii) will not in any way be associated with a SDN on behalf of BUYER; (iv) will not source anything used in the provision of goods or services to BUYER from a SDN or from a country subject to embargo by the UN, EU or USA; and (v) will not subcontract or assign any of its obligations to a SDN. SUPPLIER/VENDOR will promptly notify BUYER if SUPPLIER/VENDOR violates this section.

9. **SUPPLIER/VENDOR'S INDEMNIFICATION OF BUYER.** SUPPLIER/VENDOR will indemnify and defend BUYER, its parent, its affiliates and subsidiaries and their respective agents, officers, directors and employees (collectively, "ROYAL PAPER") in accordance with section 16 against any damages, third party claims and reasonable cost of defense ("DAMAGES"), arising out of or relating to (or in the case of third party claims, alleging): (i) SUPPLIER/VENDOR's breach of this AGREEMENT; (ii) the negligence, gross negligence, bad faith, intentional or willful misconduct of SUPPLIER/VENDOR or SUPPLIER/VENDOR'S REPRESENTATIVES; (iii) bodily injury, death, or damage to personal property arising out of or related to SUPPLIER/VENDOR's or SUPPLIER/VENDOR'S REPRESENTATIVES' acts or omissions; (iv) SUPPLIER/VENDOR'S REPRESENTATIVES alleging employment with BUYER; or (v) the GOODS/SERVICES or any of its parts infringing, violating or misappropriating IP RIGHTS.

10. **BUYER'S INTELLECTUAL PROPERTY INFRINGEMENT INDEMNIFICATION.** BUYER will indemnify and defend SUPPLIER/VENDOR against any DAMAGES to the extent arising out of or relating to (or in the case of third-party claims, alleging) the GOODS or any of its parts infringing, violating or misappropriating IP RIGHTS arising out of or relating to specifications provided by BUYER and not offered by SUPPLIER/VENDOR as an option where such infringement would not have arisen but for the specifications.

11. **INDEMNIFICATION PROCEDURE.** A PARTY seeking indemnification in accordance with section 9 or 10 ("INJURED PARTY") will notify the other PARTY ("BREACHING PARTY") within 30 calendar days after INJURED PARTY's receipt of notice of the commencement of any third-party legal proceeding. BREACHING PARTY is relieved from its indemnity obligation to the extent BREACHING PARTY has suffered actual prejudice resulting from a failure to notify in accordance with the preceding sentence. BREACHING PARTY will assume, at its expense, the defense of any such third-party legal proceedings with reputable counsel reasonably acceptable to INJURED PARTY and is entitled to settle any such third-party legal proceedings with INJURED PARTY's written permission, not to be unreasonably withheld or delayed. INJURED PARTY will, at BREACHING PARTY's cost and request, reasonably cooperate with BREACHING PARTY in the defense of such action. BREACHING PARTY will reimburse INJURED PARTY for any damages assessed against INJURED PARTY. If BUYER seeks indemnification in accordance with section 9 or 10 arising out of an alleged breach of personally identifiable information, or a third-party claim involving a government entity, then BUYER is entitled to assume the defense, and SUPPLIER/VENDOR will reimburse BUYER for all DAMAGES in connection with such defense.

12. **SUPPLIER/VENDOR'S INTELLECTUAL PROPERTY REMEDIATION.** If any GOODS/SERVICES, or any of their parts, become, or are likely to become, subject to an IP RIGHTS infringement, violation, or misappropriation claim, then SUPPLIER/VENDOR will, at its expense, promptly secure the rights necessary to continue using the GOODS/SERVICES and any of its parts, or if SUPPLIER/VENDOR is unable to secure such rights, replace or modify the GOODS/SERVICES or their parts.

13. **PRIVACY AND INFORMATION SECURITY.** SUPPLIER/VENDOR will comply with BUYER's privacy and information security requirements. SELLER will ensure that an information technology plan is in place to prevent against cyber-attacks. SELLER will have a backup of required information to provide continued support to BUYER.

14. **GOOD TITLE AND LIENS.** SUPPLIER/VENDOR will pass to BUYER title to the GOODS free and clear of encumbrances once risk of loss passes to BUYER. SUPPLIER/VENDOR will not encumber BUYER's property and will identify BUYER's property in SUPPLIER/VENDOR's possession as BUYER's property.

15. **DISPOSAL.** If SUPPLIER/VENDOR disposes any item associated with BUYER's products or that incorporates BUYER's IP RIGHTS ("DISPOSAL ITEM"), then SUPPLIER/VENDOR will: (i) make the DISPOSAL ITEM unsalvageable; (ii) not subcontract the disposal without BUYER's written permission; and (iii) take reasonable steps to prevent the counterfeiting of BUYER's products or the infringement of BUYER's IP RIGHTS.

16. **PUBLIC DISCLOSURES.** Except as required by LAWS, SUPPLIER/VENDOR will not disclose the existence or terms of this AGREEMENT or the existence of a relationship between the PARTIES.

17. **USE OF BUYER'S NAME.** SUPPLIER/VENDOR will not use BUYER's, its parent's, its affiliates' or its subsidiaries' corporate names or trademarks without BUYER's written permission.

18. **ASSIGNMENT.** SUPPLIER/VENDOR will not assign this AGREEMENT, whether in whole or in part, without BUYER's written permission. BUYER is entitled to assign this AGREEMENT, whether in whole or in part, without SUPPLIER/VENDOR's written permission.

19. **CONTRACTOR STATUS.** SUPPLIER/VENDOR will perform under this AGREEMENT as independent contractor to BUYER. SUPPLIER/VENDOR acknowledges BUYER has no employment relationship with, or right or duty to select or direct any of, SUPPLIER/VENDOR's employees, subcontractors, or other representatives (collectively, "SUPPLIER/VENDOR'S REPRESENTATIVES").

20. **PRICING.** The price will be the amount quoted by the SELLER to the BUYER in writing at or before the purchase order has been placed. SELLER will provide BUYER 30-day notice prior to any price increases. Price increases will not apply to open purchase orders. All price increases must be in writing and approved by the Chief Financial Officer (CFO) or the Procurement Manager. All prices will be in USD unless otherwise agreed by the BUYER.

21. **FREIGHT CHARGES.** SUPPLIER/VENDOR will separately list on invoice any freight, fuel, fuel surcharges or freight surcharges.

22. **MODIFICATION AND WAIVER.** Any modification of this AGREEMENT or waiver of rights must be in writing and signed by the PARTIES. A failure of a PARTY to exercise its rights under this AGREEMENT will not constitute a waiver of such rights.

23. **GOVERNING LAW.** This AGREEMENT is governed by and interpreted in accordance with the internal laws of the Country, state, or province where the BUYER is located ("LOCAL"), applicable to contracts made and to be performed wholly within the LOCAL without reference to principles of conflicts of laws. The United Nations Convention on International Sale of Goods and the Sales of Goods Act (Ontario, Canada) will not apply.

24. **SURVIVAL PROVISIONS.** Any term of this AGREEMENT which must survive for the PARTIES to receive the benefit of the AGREEMENT, will survive the expiration or termination of this AGREEMENT.

25. **ACCEPTANCE.** SUPPLIER/VENDOR REPRESENTS AND WARRANTS THAT (I) THIS AGREEMENT PREVAILS OVER ANY GENERAL TERMS AND CONDITIONS OF TRADE, INCLUDING BUT NOT LIMITED TO SUPPLIER/VENDOR'S GENERAL TERMS AND CONDITIONS AND HAS BEEN REVIEWED AND ACCEPTED BY SUPPLIER/VENDOR AND (II) PERFORMANCE AGAINST THIS AGREEMENT CONSTITUTES SUPPLIER/VENDOR'S UNCONDITIONAL ACCEPTANCE OF THE AGREEMENT. THIS AGREEMENT EXPRESSLY LIMITS ACCEPTANCE TO THE TERMS OF THIS OFFER AND BUYER HEREBY OBJECTS TO ANY DIFFERENT OR ADDITIONAL TERMS CONTAINED IN ANY RESPONSE TO THIS PURCHASE ORDER.

Revised: June 14, 2022 -END-