



# Textiles, Second Hand

Licence terms and conditions 01.04.2012

---

## GENERAL TERMS AND CONDITIONS

07.04.2011

---

### 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 version in Swedish shall have precedence.

## 1 Definitions

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

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

**Bra Miljöval:** 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.

**Bra Miljöval Label:** The figure marks which are included in Bra Miljöval and whose current design is shown in Appendix 1.

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

**Criteria:** The criteria determined by the Swedish Society for Nature Conservation that the Product must satisfy for a Licence to be granted and continue.

**Licence:** The Licence Holder's non-exclusive right to use in its business operation Bra

Miljöval 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 references 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, which govern how the Licence Holder shall apply for a Licence and how the Licence may be used.

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

**Audit:** The annual inspection that shall be carried out by an auditor to check the Licence Holder's compliance with the Licence Terms and Conditions.

**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 Bra Miljöval

By signing the Application, the Licence Holder acknowledges that the Swedish Society for Nature Conservation has an exclusive right to Bra Miljöval. Furthermore, the Licence Holder

undertakes not to contest, directly or indirectly, the Swedish Society for Nature Conservation's exclusive right to Bra Miljöval during the Licence Term or after the expiry of the Licence Term.

### 3 Consideration and grant of Licence

- 3.1 Every Application may only relate to one Product.
- 3.2 The Swedish Society for Nature Conservation will grant a Licence for the specified Product to the Licence Holder, 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, publicise details of a Licence granted in a register that is open 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 possible environmental offence;
  - c) has implemented a marketing measure with the use of environmental arguments resulting in an adverse judgment in the Market Court or the issue of a critical opinion by the Market Ethics Council; (Stiftelsen Reklamombudsmannen);
  - d) in its business operation has used Bra Miljöval or other references to the Swedish Society for Nature Conservation in violation of applicable law;
  - e) has held, or holds, a Licence and 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 (1975:1385), and any 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 a deficiencies referred to in sub-clause 3.2 or according to sub-clause 3.4 a), the Licence Holder has thirty (30) days within which to implement rectification following a written direction to do so by the Swedish Society for Nature Conservation. If rectification is not implemented within this period, a Licence will not be granted.
- 3.6 Irrespective of what is stated above, the Swedish Society for Nature Conservation has the right to refuse to grant a Licence for any Product that contravenes the objectives and policy of the Swedish Society for Nature Conservation.
- 3.7 In accordance with the terms of clause 20 below, the Licence Holder has the right to request 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 cost, to conduct inspections at the Licence Holder regarding the Product's compliance with the Licence Terms and Conditions. The right to perform such inspection shall continue to apply for two (2) years after the end of the Licence Term, unless it is manifest that there is no need for inspection.

### 4 Licence Fees

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

- 5.1 The Licence Holder shall:
- a) comply with applicable legislation and public authority requirements regarding the outdoor and indoor environment and also the working environment,
  - 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 have or may be of importance for the Licence. In the event of such a change, 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 in order to ensure that the Licence Holder complies with the Licence Terms and Conditions, including a certificate from an auditor in accordance with the provisions on Audit below, and
  - e) be responsible for the observance by sub-contractors, or other third party engaged, of 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 on any changes or events which occur at a sub-contractor engaged that have or may be of importance for the Licence.

## 6 Licence, reproduction of Bra Miljöval 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 the Bra Miljöval label and references to it for the purposes of marketing and selling the Product.
- 6.2 The Bra Miljöval label shall be reproduced as depicted in the current issue from the Swedish Society for Nature Conservation. The design of the Bra Miljöval label may not in any way be changed or corrupted. Furthermore, no additional text or symbols may be added to the Bra Miljöval label or placed immediately next to it.
- 6.3 The Bra Miljöval Label may not be reproduced negatively (inverted) or in other colours than as stipulated in the applicable edition.
- 6.4 The Bra Miljöval Label shall be placed clearly visible and in a relevant position so that it is

unambiguous what the labelling refers to.

- 6.5 The Licence Holder is responsible for ensuring that:
- a) the area of the Bra Miljöval label is not less than two (2)% of the area of the printing surface, and
  - b) all text in, or in conjunction with, the Bra Miljöval 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 6.5 may be granted for the use of the Bra Miljöval Label on very small or very large packages, tickets, signs or the like.
- 6.6 The Licence Holder shall in connection with all marketing and sales of the Product, be responsible for ensuring that:
- a) the Product is labelled with the Bra Miljöval label and the Bra Miljöval name is only used and referred to in accordance with the 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 may not be contrary to 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:
    - are not confusable with Bra Miljöval,
    - are administered by an independent environmental labelling body,
    - are based on relevant environmental criteria that are open to the public and pre-determined, and
    - are directly relevant to the Product and the Product's market.
- 6.7 All information about, or references to, Bra Miljöval on the Product in the marketing material, catalogues, product samples, etc. shall be

compatible with the Swedish Society for Nature Conservation's Guidelines applicable from time to time.

## 7 Audit

- 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. This inspection shall be examined and approved in writing by an auditor by means of an Audit. The Audit shall be carried out in accordance with the Instructions of the Swedish Society for Nature Conservation and be reported 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 Audit.
- 7.2 The Licence Holder is responsible for ensuring that:
- a) the Audit 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,
  - c) the Audit can be implemented at sub-contractors, 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 of the Licence Terms and Conditions are observed.
- 7.3 The audit must comply with good auditing practice and be carried out in accordance with the instructions.
- 7.4 In the event of delay in Audit, a fee for delay is charged of SEK 1,000 per week commenced.
- 7.5 In accordance with point 7.1, the auditor must be a member of Far and an authorised public accountant or an auditor who has passed the examination of professional competence as an approved public accountant. An approved auditor who has not passed the examination of professional competence as an approved public accountant may only be employed where the legislator has approved this for the Licensee's

ordinary accounting.

- 7.6 If the Licence Holder is registered in another country than Sweden, the auditor/accounting firm shall be a member of the European Federation of Accountants (FEE) if the Licence Holder is registered in a country that belongs to the European Union. If the Licence Holder is registered in a country outside the EU, the auditor or accounting firm shall be a full member of the International Federation of Accountants (IFAC) and satisfy the International Accounting Standards Committee's (IASC's) standard.
- 7.7 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 Audit.

## 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 terms of 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 from the date when 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 that the Product belongs to are brought to an end; or
  - 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.
- 9.3 Termination of the Licence by the Swedish Society for Nature Conservation in accordance with sub-clause 9.2 above, shall take place 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 for 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 terms of clause 20 below, the Licence Holder is entitled to request 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 determined in a subsequent audit.

## 10 Notice of termination with immediate effect

- 10.1 The Swedish Society for Nature Conservation is entitled to give notice terminating the Licence with immediate effect if:
- a) the Licence Holder or a sub-contractor engaged by it materially breaches the Licence Terms and Conditions;
  - b) the Licence Holder is put into or applies to be put into bankruptcy, enters into liquidation, initiates negotiations for a composition 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 upon the following Audit.

- 10.3 In accordance with the terms of clause 20 below, the Licence Holder is entitled to request 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 without the written consent of the Swedish Society for Nature Conservation use or refer to Bra Miljöval. This means among other things that Bra Miljöval 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, such as brochures, websites or media advertising, while using or referring to Bra Miljöval, 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 publicise that the Licence Holder is no longer entitled to use Bra Miljöval. If notice of termination of the Licence is made 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 publication.

## 13 Amendments

The Swedish Society for Nature Conservation is entitled, notwithstanding sub-clause 17.1, to implement minor amendments to the Licence Terms and Conditions, including the right to change the fees that are charged in accordance with the Special Terms and Conditions. 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.

## 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 party suffering harm for all damage that has arisen.

## 15 Liquidated damages

If the Licence Holder uses Bra Miljöval 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 violation, liquidated damages of five thousand kronor (SEK 5,000) per week commenced in which the infringement occurs. This clause 15 shall apply between the parties (1) following receipt of the Application, regardless of whether the Application is recalled or the Licence is otherwise not granted, (2) during the Licence Term, and (3) after expiry of the Licence.

## 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 responsible 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 improper information from the Licence Holder.
- 16.4 The Swedish Society for Nature Conservation is not responsible under any circumstances for the Product that the Licence Holder or its sub-contractors produce, market or sell with Bra Miljöval. It is an obligation of the Licence Holder to hold the Swedish Society for Nature Conservation harmless from claims from a third party in this respect.
- 16.5 The Swedish Society for Nature Conservation's liability in 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 supplies by sub-contractors owing to circumstances such as those stated here, then deviation from the Licence Terms and Conditions owing to such unforeseen occurrence comprises grounds for release from liability to pay compensation and other sanctions in accordance with the Licence Terms and Conditions.

- 16.7 A party that refers to a circumstance in accordance with sub-clause 16.6 shall immediately and in writing give notice to the other party of the above-mentioned.

## 17 General

- 17.1 These Licence Terms and Conditions constitute the complete rules 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 rules within the Licence Terms and Conditions and contracts later prepared, the latter contract shall enjoy priority for the purpose 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 are to be paid to the Swedish Society for Nature Conservation according to the Licence terms are specified as the total amounts to be paid, as the Swedish Society for Nature Conservation is exempt from VAT.

- 17.5 Terms of payment 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 our 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 them, 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 secrecy obligation and shall not be regarded as a business secret under the Business Secrets Act (1990:409), unless otherwise agreed in writing between the parties.
- 17.9 "Year", "month" and "week" in the Licence Terms and Conditions means calendar year, calendar month and calendar week respectively.

## 18 Notices

- 18.1 All notices regarding the Licence and the Licence Terms and Conditions shall be made in writing and sent to the other party at the last address notified by the party for this purpose. 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;
  - 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) telefax. If a successful transmission report with the correct telephone number can be produced, the notice shall be deemed to have been received by the other party on the next working day
- 18.2 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

This 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 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 immediately 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 public court in Stockholm, Sweden.

## SPECIAL TERMS SECOND HAND

01.04.2012

### 1. Introduction

These Special Terms, along with the General Terms dated 07.04.2011, constitute the Licence terms that regulate the use of Bra Miljöval in respect of textile products Second Hand.

### 2 The Product

The Products covered by the Licence must comprise textile products that have been collected in after having been used by consumers or other users, and that have not in any way been altered or processed following collection.

When being sold, the products must be sorted into the Swedish Society for Nature Conservation's various specified sorting categories, e.g. children's clothes, ladies' clothes, men's clothes, sport and leisure cloths, home textiles, etc. The Licensee must specify in the Application which sorting categories the Licence is to encompass.

### 3 Marketing/Labelling the Product

The Products must be marketed along with written and graphical information, which presents and markets Bra Miljöval for Second Hand products in connection with the physical location of the Products in the store. The design of the information material may not be changed without written approval from the Swedish Society for Nature Conservation.

However, it is not necessary to label each individual Product with Bra Miljöval.

### 4 Fees and payment routines

4.1 For each Application for a Licence for Bra Miljöval Second Hand, the Licensee must pay an Application fee of SEK 2,500 to the Swedish Society for Nature Conservation.

The Application fee includes the processing of 5 sorting categories. For each additional set of up to five sorting categories, there is an additional Application fee of SEK 500.

4.2 The Licensee must also pay an annual Licence fee amounting to 0.3% of the Licensee's invoiced

sales of each Product in SEK, excl. VAT, although not less than SEK 2,500.

4.3 The first two payments of the Licence fees are based on information regarding anticipated annual invoiced sales of the Product in SEK, which the Licensee has indicated in the Application. Licence fees for subsequent years are based on the most recent approved Audit. If the Audit shows that the actual Licence fee deviates from that which the Licensee has paid, this must be adjusted between the parties as soon as possible.

4.4 In the event of sales of the Product in a currency other than SEK, the turnover in SEK must be calculated on the basis of the exchange rate that existed on the date when the Application was signed, or at the end of the year to which the Audit relates.

4.5 In the event of notification of changes to the Licence, the Licensee must pay SEK 1,000 per hour for the Swedish Society for Nature Conservation's work, although not less than SEK 1,500.

4.6 Invoicing by the Swedish Society for Nature Conservation in respect of the fees specified in this point 4 takes place as follows

- Application fees are invoiced when the Application has been received by the Swedish Society for Nature Conservation,
- the first Licence fee is invoiced by the Swedish Society for Nature Conservation when the Licence has been granted, and is calculated on the basis of the number of months remaining in the current year, not including the month in which the Licence is granted,
- subsequent Licence fees are invoiced by the Swedish Society for Nature Conservation annually in advance, and
- fees for alterations and other administrative charges are invoiced in arrears.

### 5 Revision och kontroll

The Licensee is responsible for ensuring that the Audit correctly specifies the invoiced sales in SEK for the Product during the year to which the Audit relates, based on the exchange rate that exists at the end of the year to which the Audit relates.

During the Audit, the Licensee is responsible, at its own expense, for supplying the Swedish Society for Nature Conservation with the



requested information with the aim of ensuring that the Licensee satisfies the Licence terms.