

# **GENERAL DELIVERY TERMS (March 2010)**

## **1. Applicability**

These general delivery terms shall be applicable as long as they are not altered by mutual agreement in writing. Statements and information that are not confirmed in writing when the agreement is made shall not set aside what is provided in the general delivery terms or in any other way affect the definition of the contents of the terms.

## **2. Quantity, weight**

Agreed weight, volume or stated number may for delivery technical reasons go under or be exceeded by 10 % at most.

## **3. Product information**

Statements in product information and price-lists are approximate and are binding only to the extent the terms expressly refers to them.

## **4. Delivery**

Delivery clauses shall be interpreted in accordance with the INCOTERMS valid when the agreement was made. If no clause of delivery has been agreed, the delivery is considered to be made Ex Works.

## **5. Time of delivery**

When the parties instead of a fixed point of delivery have agreed upon a space of time within which delivery shall be effected, this space of time runs from the conclusion of the agreement.

## **6. Delay**

In case delay in delivery occurs, due to any circumstance stated in article 12 or for reason that the purchaser is liable for, the time of delivery shall be prolonged by equitable time, all circumstances taken into account. With exception to the case referred to in the fifth paragraph below this regulation is applicable, no matter if the reason for the delay occurs before or after the expiration of the agreed time of delivery.

If the seller finds it impossible to deliver on time or if it is clear that he will fail to do so he shall without postponement notify the purchaser in writing and then also specify the reason for the delay and, if possible, state a calculated point of delivery. If the seller omits to leave such a message, he shall compensate the purchaser for the reasonable additional costs the purchaser may have had because of default of information.

Should the seller fail to deliver within agreed time or within prolonged delivery time stated in the first paragraph of this Clause the purchaser is entitled to cancel the contract if the delay is significant to him and the seller was aware of that fact or should have been aware of it.

Has the purchaser submitted a certain additional time of delivery to the seller and the additional time is not unreasonable, the purchaser may cancel the contract if delivery has not occurred within the additional time. If the contract covers successive deliveries, every single delivery is to be regarded as an independent sale.

If the purchaser cancels the contract in accordance with the third and fourth paragraphs of this Clause he is entitled to compensation from the seller for the additional and inevitable costs he has incurred at acquisition of equivalent goods elsewhere. The purchaser has no further right to compensation due to the seller's delay.

If the purchaser does not cancel the contract, he is - unless otherwise agreed - not entitled to any compensation due to the seller's delay.

## **7. Price adjustment**

If a fixed price is agreed and if, after the adoption of the contract, there are export fees or import fees, customs duty, tax at export, import or delivery initiated for the goods or is any other tax initiated or changed, the price shall be altered correspondingly if the initiation or change of the tax has not been taken into consideration in the contract.

## **8. Terms of Payment**

Unless otherwise agreed, payment shall be the seller to hand 30 days after invoice date at the latest.

Unless otherwise agreed, the seller is entitled to a penalty interest at an interest rate, that by 9 percentage points exceeds the Bank of Sweden's discount rate valid at any time.

If the buyer neglects to accept the goods on the stipulated day, payment shall nevertheless be made as if delivery had been executed in accordance with the contract.

If the buyer has not paid the amount due within three months, the seller has a right to cancel the contract by written notice to the purchaser. In addition to the penalty interest the seller then shall be entitled to compensation for the costs he has incurred as a result of the delay. However, the compensation shall not exceed the agreed price.

## **9. Insolvency**

If there is a reasonable ground to anticipate that the buyer will not fulfil his liability to pay, the seller is entitled to demand an acceptable security to be given. If this is not performed without delay the seller is entitled to cancel the contract in writing as far as concerns not delivered goods.

The seller owns the goods until full payment has been carried out, to the extent that such reservation of proprietary rights applies in accordance with law in force.

## **10. Liability for faults**

The seller undertakes to replace goods defective at delivery, within six months time from the date of delivery or the shorter storage time that may be stated and is typical for the goods.

Complaints about goods damages shall be made by notification in writing and without unreasonable delay from the day when the buyer noticed or should have noticed the damage.

Regarding defects, which the buyer without efforts should have noticed on receipt of the delivery, it is also his duty to notify the seller about the defects immediately after delivery. If the buyer neglects to let the seller know about what is stated in this paragraph, he loses the right to replacement of the goods in accordance with the first paragraph of this Clause.

If the seller does not replace the damaged goods within reasonable time after the buyer has found fault with the goods in accordance with paragraph two, the buyer has a right to cancel the contract in writing what refers to defective goods.

If the buyer cancels the contract, he is entitled to compensation from the seller for the additional costs that he may have suffered when purchasing corresponding goods from elsewhere. Such a demand for compensation shall be forwarded within reasonable time.

Above what is stated in paragraphs one, three, and four of this clause the seller has no responsibility for defects or for default of replacement of faulty goods. Thus the seller's liability does not cover compensation to the buyer for loss of production, non-profit, or any other indirect damage. This limitation of the seller's liability does not apply if the seller is liable for gross negligence.

#### **11. Liability for damage caused by the product**

The buyer shall indemnify the seller to the extent the seller has a third party liability for damage or loss, for which the seller is not liable towards the buyer in accordance with paragraphs two and three of this clause.

The seller is not liable for damage caused by the product

- a) to real estate or movable property if the damage occurs when the goods is in possession of the buyer, or
- b) to products manufactured by the buyer or to products containing the buyer's products, or for damage to real estate or movable property caused by these products because of the goods.

The seller is not in any case responsible for loss of production, non-profit, or any other financial consequential loss.

The above limitations of the seller's liability shall not apply where the seller has been guilty of gross negligence.

If a third party against one of the parties as described in this clause lodges a claim for damage, the other party shall be immediately informed thereof.

The seller and the buyer are obliged to appear in court or arbitration board, handling compensation claims against either of them, if the demand is based on damage or loss alleged to be caused by the goods delivered. The mutual relationship between buyer and seller shall however always be settled in accordance with clause 13.

#### **12. Force majeure**

If the fulfillment of the contract is prevented by any circumstance that either party not reasonably could have foreseen at the time of the settlement of the contract and the consequences of which he could not reasonably have avoided or surmounted, he shall to a corresponding extent be released from his obligation to deliver or accept the goods as agreed.

Such circumstances might e.g. be war, authority interventions, violence, restrictions of energy supplies, disturbances on the labour market, prohibitions, restrictions, permission failures, accidents, adverse transport conditions or weather conditions or failing deliveries from subcontractors

The party claiming to be affected by Force Majeure shall notify the other party in writing without delay on the intervention and on the cessation of such circumstance.

If Force Majeure prevents the purchaser from fulfilling his obligations he shall compensate the seller for expenses incurred in securing and protecting the goods.

If Force Majeure prevents the fulfillment of the contract by more than six months as per the first paragraph of this clause, either party is entitled to cancel the contract by notification in writing to the other party without restriction as to the rest of these regulations.

### **13. Disputes**

This agreement shall be governed by Swedish law.

Any dispute arising out of or in connection with this agreement shall be finally settled by one arbitrator in accordance with the Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce. If the dispute concerns less than SEK 1 000 000 the case may be settled by ordinary Swedish courts.