

General Delivery Terms and Conditions of Delivery

Definitions

1. These general terms and conditions of delivery are applied between the seller AB Ludvig Svensson (Svensson herein) and the buyer.

Applicability

2. These general terms and conditions of delivery apply to and are an integrated part of the quotes, tenders and agreements for which Svensson is the seller. These terms and conditions shall apply when the parties agree thereto, either in writing or otherwise. Deviation from these terms and conditions must be agreed to in writing in order to apply.

The terms 'written' or 'in writing' as used in these terms and conditions, refer to a document signed by both parties, or a letter, telefax, e-mail or other form of communication that the parties have agreed on.

Packaging

3. Prices in tenders, quotes and agreements shall, unless otherwise stated, include the standard packaging used by Svensson.

Compliance of the product with specifications

4. Svensson guarantees that the delivered products match the specifications in the order confirmation within tolerances that are standard and recognized in the industry.

Product information and volumes

5. Information in marketing material, price lists and other product information are binding only to the extent as expressly referenced in the agreement.

6. For delivery of orders for whole pieces, Svensson may deliver and charge the buyer for a quantity of +/- 10%. For coupon orders, the total meter length specified by the buyer shall be measured, cut and delivered. For delivery of non-standard products or colours, the buyer is required to purchase the entire production batch. Minimum order is 1 meter/colour. Svensson guarantee flawless cut measurements up to 9 m. Installations with cut measurements larger than 9 m are possible, but the customer is responsible for material cost due to increased fabric wastage

Delivery

7. If no delivery clause is stated, the delivery shall be 'Ex works' in accordance with INCOTERMS (as valid at the contract date). If a delivery clause is stated, it shall be interpreted in accordance with INCOTERMS (as valid at the contract date).

Delivery time – Delays

8. If the delivery is delayed due to an act or omission of the buyer, the delivery time shall be extended under a reasonable time when considering the circumstances. The delivery time shall also be extended when the reason for delay arises after the originally agreed delivery time has passed. The same applies, except for cases as defined in Section 21 second paragraph, if the delivery is delayed due to any of the circumstances for grounds of release as stated in Section 20.

9. If Svensson does not deliver the product within the appointed time, the buyer may notify Svensson in writing to set a reasonable grace period for the delivery and state that the buyer intends to cancel the agreement if delivery is not made within that period. If delivery has not been made within the final grace period, the buyer may cancel the agreement through written notification to Svensson.

If the material is delayed to the buyer, or if it is apparent that such a delay will arise, the buyer may immediately cancel the agreement through written notification.

Payment

10. Unless otherwise agreed, payment shall be made within 30 days after the product is delivered, and the related invoice was sent.

If the buyer refuses acceptance of the product on the specified date, they shall still pay as though delivery was made in accordance with this agreement.

11. If the buyer fails to make payment within the specified time, Svensson has the right to charge penalty interest at the rate applicable as provided in the Interest Act in force in the Svensson domicile country.

12. If the buyer does not pay within three (3) months of the due date, then Svensson may cancel the agreement through written notification to the buyer. Svensson shall then, in addition to penalty interest, have the right to compensation for damages suffered. However, such compensation shall not exceed the agreed price.

Liability for faults and returns

13. Svensson undertakes to deliver new product as replacement for any product that is defective due to deficiencies in design, material, or manufacture.

14. Svensson's liability extends only to defects as per Section 13 that appear within one year of the delivery date of the product.

The buyer shall inspect the product immediately after delivery. Defects shall be claimed in writing and without reasonable delay after the defect appears, and in no case later than eight days after the period of liability as provided in the first paragraph of this section.

If the buyer fails to make such claim in writing within the periods stated above, they shall forfeit their right to replacement delivery as per Section 13.

15. If Svensson fails to deliver replacement goods within reasonable time after the buyer has made their claim as per Section 14, the buyer may, by written notification to Svensson, cancel the agreement in regard to the defective product.

If the buyer cancels the agreement, they have the right to compensation from Svensson for the added expense of obtaining equivalent product from a third party.

16. Svensson policy is to refuse to accept returns for other reasons than defect in the product. In exceptional circumstances, Svensson may accept a return, but this must be approved by Svensson prior to the return. Svensson shall then deduct 30% for the return in handling fees. Request for return by the buyer shall be made within eight (8) days of the delivery date.

Returns that were not approved by Svensson are not accepted, and will be sent back to the buyer at their expense.

17. Claims and approved returns shall be returned using the reference number provided by Svensson, and shall be well packaged with a description of how the defect appeared and at the buyer's expense.

18. Svensson does not have any liability for defect or omission of replacement delivery other than as provided in Sections 13 and 15. This applies to all losses that may be caused by the defect or omission, such as loss of production, loss of profit, or other financial consequential damages. However, this limitation of liability of Svensson does not apply to circumstances where they are guilty of gross negligence.

Liability for property damage caused by the delivered product

19. Svensson is not liable for damage that the product causes to fixed or personal property, or for the consequential damages thereof if the damage arises when the product is in the possession of the buyer.

The buyer shall hold Svensson harmless to the extent that Svensson is held liable to any third party for such damage or loss that Svensson is not liable for as provided in the first paragraph.

However, this limitation of liability of Svensson does not apply to circumstances where they are guilty of gross negligence.

If any third party makes a claim against either Svensson or the buyer for compensation for damage or loss as stated in this section, then the party claimed against shall immediately notify the other.

Svensson and the buyer are liable to permit their summons to court or arbitration hearing claims for compensation against either of them, if the grounds for the claim of damages or loss are claimed to be caused by the delivered product. The mutual relationship between the buyer and Svensson shall, however, always be determined through arbitration proceedings as per Section 22.

Grounds for release (force majeure)

20 The following circumstances constitute grounds for release if they prevent full performance of the agreement or cause such performance to be unreasonably burdensome: labour conflict and every other circumstance that the parties cannot control, as with fire, natural catastrophe, and extreme natural events, war, military mobilisation or call-ups of similar scope, requisition, confiscation, trade and currency restrictions, revolt or riot, scarcity of means of transport, general shortages of goods, restrictions to supply of fuel, and fault or delay of deliveries from subcontractors, that are caused by such grounds for release.

The above circumstances constitute grounds for release only when their impact on the full performance of the agreement could not have been foreseen when the agreement was concluded.

21. The party invoking circumstances that constitute grounds for release as provided in section 20, shall notify the other party in writing without delay when such circumstance arises and when they cease.

If the grounds for release cause the delay in full performance by a party, and this is material to the other party, then that party has the right to cancel the agreement with immediate effect through written notification.

Regardless of application of other terms to these terms and conditions, a party may cancel this agreement through written notification to the other party if full performance thereof is delayed more than three months by any grounds for release stated in section 20.

Disputes and applicable law

22. Disputes arising in connection with this agreement shall be finally determined by arbitration administered at the Arbitration Institute of the Stockholm Chamber of Commerce (SCC).

The rules for expedited arbitration shall apply unless the SCC determines that the rules for the Arbitration shall apply to the procedure after considering the complexity of the issues, the value in dispute, or other circumstances. In the latter case, the SCC shall also determine whether the arbitration board shall consist of a single or three arbitrators.

However, the parties have the right to proceed in the public courts for payment of undisputed claims.

23. All disputes arising from this agreement shall be determined in accordance with Swedish law.