

## GENERAL TERMS AND CONDITIONS OF SALE

### **Article 1 - Definitions**

1. In these general terms and conditions "customer" shall mean the other party as buyer, exporter or importer or contractor to whom HW Carlsen AB, hereinafter called "HW Carlsen", sells goods.
2. In these general terms and conditions "goods" shall mean systems, goods, services and work.
3. In these general terms and conditions "HW Carlsen" shall be deemed to include all companies or firms to whom HW Carlsen entrusts the execution of a contract either in whole or in part.

### **Article 2 - Applicability**

1. These general terms and conditions of sale shall apply to all offers by, sale by and contracts with HW Carlsen.
2. If the customer has also declared general terms and conditions applicable, these shall be binding upon HW Carlsen only if and to the extent they have been accepted by HW Carlsen explicitly and in writing.

### **Article 3 - Contract**

1. A contract between the parties shall come into existence by a written confirmation by HW Carlsen or by explicit acts by HW Carlsen towards its execution, in which case the customer shall be deemed to have waived the applicability of the customer's general terms and conditions of purchase.
2. If the customer supplies data, drawings etc. to HW Carlsen, HW Carlsen may assume them to be correct and may base its offer upon them.
3. Prices referred to in an offer by HW Carlsen are based on delivery ex works in accordance with Incoterms 2000. Prices are exclusive of duties, tax, packaging, freight, classifications, commissioning, and other similar additional costs.

### **Article 4 - Intellectual property rights**

HW Carlsen retains the copyright and all intellectual property rights in the offers made by HW Carlsen and in designs, know-how, drawings, software etc. supplied by HW Carlsen.

### **Article 5 - Advice, designs and materials**

1. The customer cannot derive any rights from advice and information obtained from HW Carlsen if they do not relate directly to an order acknowledged as accepted by HW Carlsen.
2. The customer is responsible for information, drawings and calculations made by him or on his behalf and for the functional suitability of prescriptions by him or on his behalf.
3. The customer shall indemnify HW Carlsen against any claim by third parties relating to the use of drawings, calculations, samples, models and so forth supplied by or on behalf of the customer.

## **Article 6 - Delivery**

1. Delivery times quoted by HW Carlsen are approximate.
2. In fixing the delivery period HW Carlsen assumes that HW Carlsen can execute the order in the circumstances known at the time of the offer or at the time of the providing of the information.
3. The delivery time starts when agreement has been reached on all technical details, and when all necessary data, final drawings etc. are in the possession of HW Carlsen, agreed to advance or part payment or instalment has been received and the necessary conditions for execution of the order have been fulfilled.
4. If circumstances occur other than those known to HW Carlsen when the delivery period was established, HW Carlsen may extend the delivery period by the time necessary to execute the order in the circumstances. If the goods cannot be fitted into the planning schedule of HW Carlsen, it shall be completed as soon as the planning schedule permits.
5. If the agreed to delivery period is exceeded, this shall not under any circumstances confer entitlement to compensation.

## **Article 7 - Price changes**

An increase in the cost determinants may be passed on to the customer, when four months have passed since the date on which the agreement was concluded and its performance has not yet been completed by HW Carlsen.

## **Article 8 - Force majeure**

1. HW Carlsen shall be entitled to suspend performance of its obligations if HW Carlsen is prevented from performing them by circumstances that could not be foreseen at the time of the conclusion of the agreement and which are beyond HW Carlsen's control.
2. Circumstances which could not be foreseen by HW Carlsen and which are beyond its control are deemed to include failure of suppliers and subcontractors to fulfil their obligations in the requested time, weather conditions, unavailability of raw material, fire, loss or theft of tools or goods, loss of processed materials, blockades, strikes or goods stoppages and import or trade restrictions.

## **Article 9 - Change of scope**

Alternations or extra goods shall be calculated on the basis of cost determinants applicable at the time when the extra goods is carried out.

## **Article 10 - Completion of the goods**

1. The goods shall be deemed to have been completed when the customer has approved the goods, or the goods has been used by the customer, or HW Carlsen gives notice in writing to the customer that the goods have been completed and the customer does not indicate in writing within fourteen days of the notice whether or not the goods have been approved, or the customer does not approve the goods on account of minor defects or missing parts which can be repaired or supplied within 30 days and which do not prevent the use of the goods.
2. If the customer does not approve the goods, he shall be obliged to give written notice of this to HW Carlsen specifying the reasons.

3. If the customer does not approve the goods he shall give HW Carlsen the opportunity to complete the goods. The provisions of this article shall then apply once again.

## **Article 11 - Warranty**

1. HW Carlsen warrants the proper execution of the agreed performance for a period of twelve months after delivery.
2. If the goods or the materials used are unsound, HW Carlsen shall repair or replace them. The parts which HW Carlsen shall repair or replace must be sent to HW Carlsen free of charge for HW Carlsen. The dismantling and re-assembly of these parts and any travelling and accommodation expenses incurred shall be borne by the customer.
3. If a delivery is not sound, HW Carlsen may decide to repair the goods, to replace the goods, or to provide the customer with a credit note for a proportionate part of the invoiced amount.
4. The customer must in all cases offer HW Carlsen the opportunity to repair a defect for which HW Carlsen is responsible.
5. No warranty is given for defects resulting from normal wear and tear, unsound use, lacking or defective maintenance, or modifications or repair by the customer or by third parties.

## **Article 12 - Liability**

1. HW Carlsen is liable for damage which the customer suffers and which is the direct and sole result of a failure attributable to HW Carlsen. However, only loss or damage for which HW Carlsen is insured or for which he should reasonably have been insured is eligible for compensation.
2. Consequential loss or damage, including loss or damage due to business standstills and loss of profit, is not eligible for compensation

## **Article 13 - Claims**

The customer must invoke an instance of non-performance within 14 days of the date on which he discovers the defect or could reasonably be expected to discover it.

## **Article 14 - Payment**

1. Payment shall be made with 40 percent at order and with 60 percent at delivery, if not otherwise mutually agreed to.
2. Payment shall be made within 30 days after date of invoice.
3. HW Carlsen may request a documentary credit facility to be opened in its favour, or other form of security to be provided.
4. The customer does not have the right to set off claims against HW Carlsen.
5. The full claim for payment shall be immediately due and eligible if a payment period has been exceeded, the customer has been declared bankrupt or has applied for a suspension of payments, or the customer is subject to liquidation process.
6. If payment has not been made within the agreed to period for payment, the customer shall immediately owe interest to HW Carlsen. The interest shall be two percent per month. For the purpose of calculating the interest, part of a month shall be treated as a full month.

7. If correct and full payment has not been made within the appropriate period of payment, the customer shall reimburse HW Carlsen all costs of recovery. The costs shall be assumed to be 20 percent for the first 5'000 EUR, and 10 percent for amounts there above. A minimum recovery cost of 600 EUR applies. If actual costs are higher, the actual costs shall be borne by the customer.

## **Article 15 - Transfer of ownership**

1. HW Carlsen retains ownership and title to goods until fully paid; including all dues owed.
2. As long as title to delivered goods is retained by HW Carlsen, the customer may not encumber the goods.
3. After HW Carlsen has invoked its reservation of ownership, HW Carlsen may retake possession of the delivered goods. The customer shall thereby assist HW Carlsen to the best of its ability.

## **Article 16 - Termination**

If the customer wishes to terminate the agreement in circumstances where HW Carlsen is not in default and HW Carlsen agrees to this, the agreement shall be terminated. HW Carlsen shall in that case be entitled to compensation of all damage, such as any loss suffered, loss of profit and costs incurred.

## **Article 17 - Confidentiality**

HW Carlsen shall keep confidential all information which shall have come to their knowledge or to the knowledge of any persons working in their employment or under their supervision within the framework of the contract, unless it concerns information which is generally known or has been published or consented to be published by the customer.

## **Article 18 - Third-Party Clause**

All clauses relating to the exclusion or limitation of the liability of HW Carlsen and the clause relating to the obligation to indemnify HW Carlsen from and against claims of third parties, have been stipulated also for the benefit of those, both in the employ of HW Carlsen and third parties, for whose acts or omissions HW Carlsen may be liable.

## **Article 19 - Nullity**

In the event that any of the clauses of these general terms and conditions are declared null and void or otherwise not binding, this shall not bar the validity of any other clause of these general terms and conditions.

## **Article 20 - Applicable Law**

All contracts to which these general terms and conditions are applicable shall be governed by Swedish law, with jurisdiction in Malmö, Sweden.

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