

# Vertical Positioning Group (VPG) 'S GENERAL CONDITIONS OF SALES

1.

## Definitions

"Agreement"	shall mean the agreement between VPG and the Purchaser in respect of the supply of and, as the case may be, the Installation Services related to, the Products, consisting of this main body of the agreement, the Order Confirmation, the Specification, the Quotation, Orgalime S 2012 applicable on supply of Products without Installation Services, and Orgalime SI 2014 applicable on supply of Products with Installation Services.
"Installation Services"	Shall mean the installation services to be provided by VPG in connection with the supply of the Products pursuant to the Agreement.
"Order Confirmation"	VPG's confirmation in writing to Purchaser, confirming the Products and, as the case may be, the Installation Services, to be provided to the Purchaser by VPG.
"Orgalime S 2012"	Orgalime S 2012 General Conditions for the Supply of Mechanical, Electrical and Electronic Products (an English language version is provided by VPG to Purchaser upon request).
"Orgalime SI 2014"	Orgalime SI 2014 General Conditions for the Supply and Installation of Mechanical, Electrical and Electronic Products (an English language version is provided by VPG to Purchaser upon request).
"Products"	shall mean the products to be provided by VPG pursuant to the Agreement.
"Purchaser"	shall mean the legal entity providing VPG with a Purchase Order.
"Purchase Order"	shall mean the Purchaser's written placing of an order for the supply of Products and, as the case may be, Installation Services.
"Quotation"	shall mean the offer of Products, and as the case may be, Installation Services by VPG to Purchaser.
"Specification"	shall mean the product/description included in the Order Confirmation.
"VPG"	Vertical Positioning Group (VPG) AB

2. **The Agreement**

2.1 This Agreement shall apply on all sales of Products, and as the case may be Installation Services made by VPG to Purchaser. The Agreement specifies the terms and conditions under which VPG will provide the Purchaser with Products.

2.2 In case of contradictions between the documents forming part of the Agreement, the documents shall be interpreted with the following priority:

- a) Order Confirmation
- b) this document, the main body of the Agreement,
- c) the Quotation,
- d) Orgalime S 2012, and
- e) Orgalime SI 2014.

2.3 Any general terms and conditions of purchase or sale referred to by the Purchaser in e.g., Purchase Orders, delivery schedules, etc, in conflict with or inconsistent with the terms of the Agreement, shall not be applicable between the parties. Any change to this Agreement must be executed in writing by both parties in order to apply.

3. **Orders**

No Purchase Order shall be binding for VPG unless confirmed by VPG in writing.

4. **Delivery**

4.1 The Product, the undertakings by the parties and the time schedule or the time for the delivery of the Products shall be as defined in the Order Confirmation.

4.2 Delivery shall be made according to the Order Confirmation construed in accordance with INCOTERMS® 2010.

4.3 Upon receipt of delivery, the Purchaser shall without delay examine the Products to ensure that the Products comply with the Specification. If, after such examination, Purchaser discovers any defect Purchaser shall promptly and without delay inform VPG of such defect in writing.

4.4 At all times, to the extent permitted by law, title to all Products delivered to the Purchaser, shall remain with VPG until VPG has received full payment for Products delivered. The retention of title shall not affect the passing of risk.

5. **Price and payment**

5.1 All prices are exclusive of taxes, duties and charges, unless otherwise agreed.

5.2 Payment shall be made within 30 days of the date of invoice and shall be made by way of bank transfer, unless otherwise agreed. All costs for executing the payment shall be covered by the Purchaser.

5.3 In case of failure of payment within the stipulated time VPG shall be entitled to interest of one tenth (0.1) of a per cent per calendar day from the day on which payment was due.

6. **Warranty and liability for defects**

6.1 VPG warrants that the Products shall be free from defects in material and workmanship under normal use and conditions, and as defined in the Specification.

6.2 VPG is not liable for,

- a) defects arising out of materials provided, or a design stipulated or specified by the Purchaser,
- b) defects caused by improper use, faulty maintenance, incorrect mounting or faulty repair by the Purchaser, or by alterations carried out without VPG's consent in writing,
- c) defects arising out of normal wear and tear or deterioration.

6.3 VPG's liability is limited to defects which appear within a period of 24 months from delivery. No warranty shall apply on prototypes, samples or other Products not intended for commercial use.

6.4 EXCEPT FOR THE WARRANTY SET FORTH ABOVE IN CLAUSE 6.1, VPG MAKES NO WARRANTIES OR REPRESENTATIONS WHATSOEVER WITH RESPECT TO THE PRODUCTS, EXPRESS OR IMPLIED, AND VPG DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY SPECIFIC PURPOSE, APPLICATION OR CIRCUMSTANCE.

6.5 Claims for breach of warranty shall be notified by the Purchaser to VPG in written form without undue delay after such breach has or should have been noticed by the Purchaser. Such notice shall under no circumstances be given later than two weeks after the expiry of the periods given in Clause 6.3.

6.6 On receipt of notice under Clause 6.5 VPG shall remedy the defect without undue delay, or, if VPG so decides, supply Purchaser with an equal Product. If exchanged, the defective Product shall be the property of VPG.

6.7 If VPG within a reasonable time does not fulfill its obligations under Clause 6.6 the Purchaser may by notice in writing fix a final time for the completion of VPG's obligations.

6.8 Should the defect not be successfully remedied as stipulated under Clause 6.7, the Purchaser is entitled to a reduction of the purchase price in proportion to the reduced value of the Product, such reduction not exceeding 15 percent of the purchase price.

6.9 VPG provides no other warranty and shall only be liable for defects to the extent it is provided for in this Clause 6 of the Agreement, the provisions in this Clause 6 exclusively govern VPG's liability for defects and no recourse shall be had to remedies under, for example, statutory law, case law, Orgalime S 2012 or Orgalime SI 2014. This applies to any loss the defect may cause including loss of production, loss of profit and other indirect loss, unless VPG has been guilty of gross misconduct.

7. **Patents**

Purchaser shall hold VPG harmless from any expense, cost or loss resulting from infringements of patents, trademarks, copyrights or any other proprietary rights arising from compliance with Purchaser's designs or specifications.

8. **Liability**

IN NO EVENT, REGARDLESS OF THE FORM OF THE CLAIM OR COURSE OF ACTION (WHETHER BASED ON CONTRACT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE), SHALL VPG'S LIABILITY EXCEED THE PRICE ACTUALLY PAID BY PURCHASER TO VPG FOR THE PRODUCTS GIVING RISE TO THE CLAIM OR CAUSE OF ACTION. SAVE AS OTHERWISE STATED IN THIS AGREEMENT THERE SHALL BE NO LIABILITY FOR EITHER PARTY TOWARDS THE OTHER PARTY FOR LOSS OF PRODUCTION, LOSS OF PROFIT, LOSS OF USE, LOSS OF CONTRACTS OR FOR ANY OTHER CONSEQUENTIAL OR INDIRECT LOSS WHATSOEVER.

9. **Governing law**

This Agreement and any non-contractual obligations arising out of, or in connection with it, shall be governed by and construed in accordance with the substantive laws of SWEDEN.

10. **Disputes**

Any dispute, controversy or claim arising out of or in connection with this contract, or the breach, termination or invalidity thereof, shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (the "SCC").

The Rules for Expedited Arbitrations shall apply where the amount in dispute does not exceed EUR 50,000. Where the amount in dispute exceeds EUR 50,000 the Arbitration Rules shall apply. The Arbitral Tribunal shall be composed of a sole arbitrator where the amount in dispute exceeds EUR 50,000 but not EUR 500,000. Where the amount in dispute exceeds EUR 500,000, the Arbitral Tribunal shall be composed of three arbitrators. The amount in dispute includes the claims made in the Request for Arbitration and any counterclaims made in the Answer to the Request for Arbitration.

The seat of arbitration shall be Malmö, Sweden.

The language to be used in the arbitral proceedings shall be English, unless the parties agree otherwise.