

General conditions of sale for the EFG Furniture for offices and public areas

January 2010

1. Preamble

- 1.1 These General Conditions shall apply, save as varied by express agreement confirmed in writing by both parties.

2. Formation of contract

- 2.1 The contract shall be deemed to have been entered into, when, upon receipt of an order, the Vendor has sent an acceptance in writing within the time-limit (if any) fixed by the Purchaser.

- 2.2 Where the Vendor, in drawing up his tender, has fixed a time-limit for acceptance, the contract shall be deemed to have been entered into when the Purchaser has sent an acceptance in writing before the expiration of such time-limit.

- 2.3 Where an export or import licence, a foreign exchange control authorization or similar authorization is required for the performance of the contract, the party responsible for obtaining the licence or authorization shall act with due diligence to obtain it in good time. If appendix from the date of the formation on the expiration of three months, from the date of the formation of the contract, the requisite licence or authorization cannot be obtained, either party shall be entitled to regard the contract as never having been formed provided that such party informs the other party of his decision without delay.

3. Descriptive documents and instruction leaflets relating to use and maintenance

- 3.1 The weights, dimensions, capacities, prices, performance ratings and other data included in catalogues, prospectuses, circulars, advertisements, illustrated matter and price lists shall not be binding save to the extent that they are by reference expressly included in the contract.

4. Packing

- 4.1 Unless otherwise specified:
- prices shown in price lists and catalogues shall be deemed to apply to packed goods;
 - prices quoted in tenders and in the contract shall include EFG standard packing.

5. Passing of the risk

- 5.1 Where no indication is given in the contract of the form of sale, the goods shall be deemed to be sold delivered FCA EFG premises, Incoterms 2000.
- 5.2 Save as provided in paragraph 6.5, and unless the parties have otherwise agreed, the moment when the risk passes shall be determined according to Incoterms 2000. The Vendor shall give to the Purchaser sufficiently early advice of the dispatch of the goods to enable the Purchaser to take any necessary measures.
- 5.3 On any other form of sale, the time when the risk passes shall be determined in accordance with the agreement of the parties.

6. Delivery

- 6.1 Unless otherwise agreed, the delivery period shall run from the latest of the following dates:
- the date of the formation of the contract;
 - the date of the receipt by the Vendor of such payment in advance of delivery as is stipulated in the contract.
- 6.2 On expiry of the delivery period provided for in the contract, the Vendor shall be entitled, to a period of grace of one month from the expiry of the delivery period provided for in the contract.
- 6.3 Should delay in delivery be caused by any of the circumstances mentioned in Clause 10 or by an act or omission of the Purchaser, there shall be granted such extension of the delivery period as is reasonable, having regard to all the circumstances of the case. This provision shall not apply where the delay in delivery occurs after expiry of the period of grace referred to in paragraph 6.2, unless such delay is due to an act or omission of the Purchaser.
- 6.4 Should the Vendor fail to deliver the goods after the period of grace mentioned in paragraph 6.2, the Purchaser shall be entitled to terminate the contract by notice in writing to the Vendor, both in respect of all goods undelivered, and in respect of goods which though delivered cannot be properly used without the undelivered goods. Where the Purchaser so terminates the contract he shall be entitled, to the exclusion of any other remedy for delay in delivery, to recover any payment which he has made both in respect of all goods undelivered and in respect of goods which although delivered cannot be properly used without the undelivered goods, to reject the goods delivered which are unusable and to recover any expenses properly incurred in performing the contract.
- 6.5 Where the Purchaser does not take the goods at the place and time provided for by the contract for any reason other than an act or omission of the Vendor, he shall nevertheless make any payments provided for in the contract as if the goods had been delivered. In such a case, once the goods have been appropriated to the contract, the Vendor shall arrange for their storage at the risk and cost of the Purchaser. The Vendor shall further be entitled, to the exclusion of any other remedy for the Purchaser's failure to take the goods, to recover any expenses properly incurred in performing the contract.

7. Payment

- 7.1 Payment shall be made in the manner and at the time or times agreed by the parties. In the absence of agreement to the contrary, express or implied, payment shall be 4 weeks before delivery.
- 7.2 Where the Purchaser delays in making any payment and the delay is not due to an act or omission of the Vendor, the Vendor may:
- postpone the fulfilment of his own obligations until such payment is made; and
 - recover, after written notice sent in good time to the Purchaser, interest on the sum

due, from the time fixed for payment, at the rate of 8% above the official rate of the Swedish Central Bank.

- 7.3 Where after the expiry of one month from the date on which payment became due, the Purchaser shall still have failed to pay the sum due, the Vendor shall be entitled by notice in writing, and to the exclusion of any other remedy against the Purchaser by reason of the latter's delay, to terminate the contract, without prejudice to his right to recover any payment due in respect of delivered goods and all expenses properly incurred by the Vendor in performing the contract.

8. The Purchaser's right of rejection

- 8.1 Within such reasonable period as will allow inspection, the Purchaser shall be entitled to reject goods which do not conform with the contract (excepting any defect caused after the passage of risk), provided that before the Purchaser can exercise his right of rejection the Vendor shall have an opportunity to make good any default at his expense within a reasonable period.
- 8.2 The Purchaser's right of rejection shall also apply to goods which, although delivered and accepted, cannot be properly used without the goods mentioned in paragraph 8.1.
- 8.3 The Vendor shall be entitled to have rejected goods returned to him at his risk and expense.

9. Guarantee

- 9.1 Subject as hereinafter set out, the Vendor undertakes to remedy any defect resulting from faulty design, materials or workmanship.
- 9.2 This liability is limited to defects which appear during the period (called "the guarantee period") of 5 years commencing on the passage of risk.
- 9.3 In respect of such parts of the goods as are expressly mentioned in the contract, the guarantee period shall be such other period (if any) as is specified in respect of each of such parts.
- 9.4 The parties may specify in the contract that the Vendor assumes no liability other than that for gross misconduct as defined in paragraph 9.11.
- 9.5 Where the Purchaser wishes to avail himself of the guarantee, he shall notify the Vendor in writing without delay of any defect that has appeared. On receipt of such notification the Vendor shall if the defect is one that is covered by this clause at his option:
- repair the defective goods in situ; or
 - have the defective goods or parts returned to him for repair; or
 - replace the defective goods; or
 - replace the defective parts in order to enable the Purchaser to carry out the necessary repairs at the Vendor's expense.
- 9.6 Where the Vendor has returned to him defective goods or parts for replacement or repair, unless otherwise agreed, the Purchaser shall bear the cost and risk of carriage. Unless otherwise agreed, the return to the Purchaser of goods or parts sent by way of replacement or of repaired goods or parts shall take place at the cost and risk of the Vendor.
- 9.7 Defective goods or parts replaced in accordance with this clause shall be placed at the disposal of the Vendor.
- 9.8 Where the Vendor fails to fulfil his obligations under this clause within a reasonable period after receipt of notification under paragraph 9.5, the Purchaser may proceed to have the defect remedied at the Vendor's expense, provided that he does so in a reasonable manner.
- 9.9 The Vendor's liability shall apply only to defects that appear under the conditions of operation provided for by the contract and under proper use. In particular it does not cover defects arising from faulty installation, maintenance or repairs, carried out by a person other than the Vendor or his agent, or from alterations carried out without the Vendor's consent in writing, nor does it cover normal deterioration.
- 9.10 Subject to the provisions of clause 8 and save as in this clause expressed, the Vendor shall be under no liability in respect of defects after the risk in the goods has passed even if such defects are due to causes existing before the risk passed. It is expressly agreed that the Purchaser shall have no claim in respect of personal injury or of damage to property not the subject matter of the contract or of loss of profit unless it is shown from the circumstances of the case that the Vendor has been guilty of gross misconduct.
- 9.11 "Gross misconduct" does not comprise any and every lack of proper care or skill, but means an act or omission on the part of the Vendor implying either a failure to pay due regard to serious consequences which a conscientious contractor would normally foresee as likely to ensue, or a deliberate disregard of any consequences of such act or omission.

10. Reliefs

- 10.1 Any circumstances beyond the control of the parties intervening after the formation of the contract and impeding its reasonable performance shall be considered as cases of relief. For the purposes of this clause circumstances not due to the default of the party invoking them shall be deemed to be beyond the control of the parties.
- 10.2 The party wishing to claim relief by reason of any of the said circumstances shall notify the other party in writing without delay on the intervention and on the cessation thereof.
- 10.3 Where by reason of any of the circumstances referred to in paragraph 10.1 the performance of the contract within a reasonable time becomes impossible, either party shall be entitled to terminate the contract by notice in writing to the other party and in that event there shall be such restitution (if any) whether by way of repayment of money, return of goods, or otherwise as shall be just and as the circumstances referred to in paragraph 10.1 may permit.

11. Arbitration and applicable law

- 11.1 Any dispute arising out of or in connection with the contract, which the parties have been unable to settle by agreement shall be settled finally out of court by arbitration in accordance with the Swedish arbitration law.
- 11.2 Unless otherwise agreed, the contract shall be governed by the law of the Vendor's country.