

ASKO APPLIANCES AB - GENERAL PURCHASE TERMS FOR THE PURCHASE OF SERVICES

§ 1. Contracting parties

The contracting parties are Asko Appliances AB and the Supplier. In the order/contract and text below Asko Appliances AB is denoted as the "Buyer" and the Supplier as the "Seller".

§ 2. Applicability

The general purchase terms shall become applicable upon the commissioning of The Seller's services, unless otherwise agreed to in writing between the parties. The purchaser is bound only by written order. These general purchase terms have priority over the supplier general terms.

§ 3. Contract object

The Buyer is bound only by written order/contract. Deviations from the contract object specified in the order/contract must be through written agreement between the parties.

§ 4. Contract documents

In the event circumstances arise that are not regulated in the order/contract between the Buyer and the Seller or if provisions in the order/contract documents conflict with one another, the following order shall prevail where applicable:

1. Order/contract between the Buyer and the Seller
2. The Buyer's general purchase terms for the purchase of services.
3. NKf 07 or NKL 07
4. AB 04 or ABK 96
5. The Swedish sales of goods act. (The United Nation's Convention on International Sales (CISG) is not valid.)
6. Other Swedish legislation.
7. Applicable branch practice.
8. The Seller's general sales terms.

§ 5. Quality system

The Seller shall have a quality system equivalent to ISO 9001 and/or methods that assure the quality of the service. The Seller shall work with proactive quality assurance. The Seller has the responsibility to employ qualified staff according to manufacturing requirements. The Buyer reserves the right to perform quality audits at the Seller and their subsequent subcontractors.

§ 6. Environment demand

The Seller shall follow current environmental legislation and fulfil the environmental demands, which have been specified for the service. The Seller shall be certified with an environmental management standard such as ISO 14000 or work consciously of environmental impact. The Seller has the responsibility to ensure that no parts of the service are performed using child labour; this also applies to parts delegated to subcontractors.

§ 7. Contract inception pre-conditions

The Seller is not entitled to enter into a sub-contract, transfer or yield rights or obligations in accordance with the order made at the inception of the order/contract without the written permission of the Buyer.

§ 8. Scope of assignment

Deviations from the assignment specified in the order/contract require written agreement between the parties. The Seller shall execute the service which is specified in writing in an assignment description and shall follow that which is stated in these purchase terms.

§ 9. Execution

The assignment shall be executed with care and in a professional manner. The parties shall cooperate and consult during the execution of the assignment. The Seller is obligated to follow the directives of the Buyer and the assignment implementation routines. Further, the Seller is under obligation to inform the Buyer without delay about the need for financial resources, materials, labour or assistance not specified in the assignment or in connection with changed directives. Before action is taken the Buyer must approve it in writing. It is incumbent upon the Seller to obtain the Buyer's permission before documents are passed on to a third party for implementation of the assignment.

§ 10. Time schedules

At the request of the Buyer, the Seller shall provide a time schedule mutually agreed upon for the assignment. It is incumbent upon the Seller to adhere to this time schedule. The Seller is, however, entitled to an extension if delayed by circumstances not caused by him and the effects of which he could not reasonably remove. Each party shall inform the other party without delay about circumstances that can lead to a change in the time schedule. If the Seller is entitled to an extension as per above, he is also entitled to compensation for additional costs involved. Unless otherwise agreed to in writing, the assignment is deemed completed when its results have been shown in the manner agreed to between the parties.

§ 11. Premature cancellation

The Buyer is entitled to cancel the order/contract in writing with immediate effect in the event:

- The Seller contravenes any regulation in the order/contract and following a written warning of such does not rectify the situation within thirty (30) days from the reception of the warning.
- The Seller discontinues payments, instigates a composition arrangement, institutes bankruptcy proceedings or be adjudged bankrupt or should enter into liquidation or if it can otherwise be assumed that his commitments in accordance with this order/contract will not be lawfully executed.
- The Seller wholly or partly changes owners.

Without stating the reason, the Buyer is also entitled to notify the Seller of cancellation concerning non-implemented parts of an assignment. Here the Seller is compensated for work carried out, also for verified costs involved, but not indirect costs. In the event the Seller does not display necessary skill or care as per § 9, the Buyer is unilaterally entitled to cancel the contract with immediate effect.

§ 12. Delays

If the assignment has been delayed and the Seller is not entitled to an extension in the time schedule, the Seller is obligated to pay the stipulated penalty. If no such penalty has been stipulated, the compensation, which the Seller is obliged to pay for the delay, is limited to the size of the fee, but maximised however to ten Swedish "Price Basic Amount" existing at the inception of the agreement. The limitation applies only to damages in connection with the delay.

§ 13. Fee

The fee is stipulated in the order/contract. Unless otherwise agreed to in writing between the parties, the price is given in Swedish Crowns, excluding Value Added Tax (VAT).

§ 14. Travel and daily allowance costs

Unless otherwise agreed to in writing, the Seller is not entitled to any special compensation for daily allowance costs, travelling and accommodation.

§ 15. Audit control

It should be possible to confirm the Seller's debiting through time sheets. The Buyer is entitled to appoint a chartered accountant or other person of similar competency to examine the accuracy of the Seller's invoicing. In the case of an audit, the Seller is responsible for the audit cost up to an amount corresponding to the credited sum.

§ 16. Payments

If the assignment is on a current account basis, the Seller is entitled to be paid once a month for executed and reported work. If the work is carried out for a fixed price, the Seller's fee shall be paid as per agreed payment schedule. If no payment schedule exists, the Seller shall be paid once a month for that part of the fee corresponding to executed and reported work. Final payment is made when the work has been completed. The payment date is calculated from sixty (60) days from when the Buyer receives the invoice, providing that the agreed service has been executed and reported, unless otherwise stated on the order/contract or agreed in writing. The invoice shall include the delivery note number. The Seller shall not charge for the handling of invoices or charge for overdue reminders.

§ 17. Interest on overdue payment

In the occurrence of overdue payment, the interest calculated on the overdue payment shall be regulated in accordance with Swedish legislation.

§ 18. Mistakes and neglect

It is incumbent upon the Seller to obtain information on the Buyer's routines and regulations and to make sure these are adhered to. The Seller shall be responsible for mistakes or neglect committed by him in the execution of his assignment and the Seller shall compensate the Buyer or third party for any damage caused for which the Seller is responsible. The Seller is responsible vis-à-vis the Buyer for work done by subcontractors on behalf of the Seller. The Buyer is not responsible for the personal possessions of The Seller or his employees. Claims for damages shall be submitted in writing as soon as the damage is discovered.

§ 19. Insurance

It is the responsibility of the Seller to maintain insurance that adequately covers against indemnity for mistakes and neglect. The Seller shall take out a general insurance policy as well as requisite labour market and safety insurance for his personnel.

§ 20. Security

The Seller is obligated to observe the Buyer's safety regulations on the work site. The assignment shall be executed by the Seller in such a manner that no injury is done to person or damage to property. When working in the vicinity of other operations in progress on the site, the work must be carried out without impeding the other working operations. It is the responsibility of the Seller to prevent this and assure that general order is maintained.

§ 21. Fire protection

It is incumbent upon the Seller to be fully familiar with applicable fire safety regulations.

§ 22. Employer responsibility

A signatory assignment does not mean that the Buyer assumes any employer responsibility.

§ 23. Liability discharge grounds

A party is not responsible for the losses that can arise if the obligations of the party or subcontractor are delayed or made impossible due to fire, war, mobilisation or corresponding unforeseen military call-ups or commandeering. It is incumbent upon the party who wishes to invoke the aforementioned circumstances to inform in writing without delay to the other party about the incidence as well as the cessation of any of these circumstances.

§ 24. Secrecy

The contracting parties undertake not to divulge information to a third party about the other party's corporate secrets without the written permission of the other party. Documentation which the Seller has received from the Buyer which relates to components or products shall always be regarded as corporate secrets. Upon completion of an order/contract, the Seller shall, upon request from the Buyer, return all drawings, specifications, copies, descriptions and other material containing confidential information which had been received from the Buyer. The parties shall implement the necessary measures to prevent the dissemination of corporate secrets via employees, subcontractors or other external contacts. The obligation to preserve secrecy also applies after cessation of the contract. The Seller is not entitled to use, without the written permission of the Buyer, the Buyer's company name for any form of advertising or other published information.

§ 25. Immaterial property rights

If an action is brought in court against the Buyer or any of the Buyer's clients with the assertion that the goods delivered according to this order involved infringement of third person's patent, copyright or other immaterial rights the Seller at own cost shall appear before the court on behalf of the Buyer and also pay any costs and damages awarded in the case. No such obligation, however, is incumbent upon the Seller if the service/goods were executed according to the Buyer's drawings, documents, know-how, etc.

§ 26. Right of use and right of ownership

The Buyer has right of ownership to work results, patentable or not, within the contract framework. A special agreement between the parties is required for the Seller to be entitled to work results.

§ 27. Competitor limitation

The Seller undertakes not to make use of assignment specific technical know-how within a period of five (5) years from the completion of the assignment for the benefit of another assignee company that is in competition to the Buyer.

§ 28. Information obligation

The Seller is under obligation to become familiar with the Buyer's current routines and regulations, also to adhere to applicable pre-emptory law. Default in this regard can incur liability for damages. Further, the Seller shall inform the personnel concerned about the contents of these purchase terms and ensure they are adhered to.

§ 29. Written document

Demand of written document in these terms is fulfilled by letter, fax transmission or confirmed message by e-mail.

§ 30. Disputes

Disputes concerning interpretation or application of this contract and thereby the concomitant judicial processes involved shall be decided by an arbitrator in accordance with the rules on simplified arbitral procedure laid down by the Arbitration Institute of the Stockholm Chamber of Commerce. Swedish law shall apply.