
GENERAL CONDITIONS OF SALE OF WAPRO GROUP

APPLICABILITY

These General Conditions of Sale shall, subject to limitations in mandatory applicable laws, apply to all inquiries, offers, orders and agreements when Wapro AB ("Wapro") acts as supplier of products or services to any customer ("Buyer"). Any variations to these General Conditions of Sale must be agreed upon in writing.

Any products or services to be supplied under these General Conditions of Sale are hereinafter referred to as the "Products".

Any and all agreements for the sale and/or supply of Products from Wapro are hereinafter referred to as the "Agreement".

OFFERS AND PRICES

Unless previously withdrawn, Wapro quotes are open for acceptance within the period stated therein or, when no period is so stated, within 30 days after its date.

Unless otherwise agreed or stated on the offer, all prices stated are net prices and exclusive of value added tax and any other imposition whatsoever, which, if applicable, shall be paid by Buyer in addition to the purchase price.

All information and data contained in brochures, price lists and any other such material are binding only to the extent that they are by reference expressly included in the Agreement.

DELIVERY AND PASSING OF RISK

Any agreed delivery term shall be construed in accordance with the INCOTERMS in force at the time of the formation of the Agreement.

Unless otherwise agreed in writing, delivery shall be made Ex Works (EXW) Wapro's designated facility. Wapro shall have the right to make partial deliveries.

RETURNS

After written consent from Wapro, Buyer may return Products. Wapro may charge Buyer a return charge equal to twenty (20) per cent of the invoice price of the returned Products. The returned Products must be returned to Wapro in their original packaging. Wapro may offset the return charge against any debts that Wapro owes to Buyer.

TIME FOR DELIVERY AND DELAY

If Wapro for the purposes of execution of the Agreement needs information or documentation from Buyer, or certain formalities are to be fulfilled by Buyer, the term of delivery shall start to run at the moment that such information or documentation has been received by Wapro or such formalities have been fulfilled.

Buyer shall upon receipt of the Products perform an inspection to verify that (i) Buyer is the correct recipient of the shipped Products, (ii) the quantity of units is correct, and (iii) the Products are not damaged in any way. All rejections of Products due to circumstances which could reasonably have been discovered during such inspection, will be accepted by Wapro only if notified to Wapro in writing within five (5) days from Buyer's receipt of the Products.

If a delay in delivery is caused by any of the circumstances mentioned in Clause 0 below, or by an act or omission of Buyer, the time for delivery shall be extended for a period which is reasonable with regard to all the circumstances in the case.

If the Products have not been delivered at the agreed time of delivery and the delay is substantial, Buyer may in writing demand delivery within a final reasonable period which shall not be less than four (4) weeks. Should Wapro not deliver within such final period and this is not due to any circumstance for which Buyer is responsible, Buyer shall be entitled to terminate the Agreement in respect of such part of the Products that cannot, as a consequence of Wapro's failure to deliver, be used as intended by the parties. Such termination shall be made by written notice, through which the parties agree not to hold each other liable for damages in regard of the delay.

Termination of the Agreement is the only remedy available to Buyer in case of a delay on the part of Wapro. No claims relating to such delay shall be made against Wapro, except where Wapro has been guilty of gross negligence or wilful misconduct.

CANCELLATION BY BUYER

If Buyer cancels or reschedules the shipment of any purchase order, or a portion thereof, without the prior written consent from Wapro, all of the invoice charges shall apply and be charged to Buyer unless otherwise agreed in writing by an authorized officer of Wapro.

PAYMENT

Payment of the purchase price shall, unless otherwise agreed, be made within 30 days from the date of shipment.

In the event that Buyer fails to make a payment on time Wapro shall be entitled to interest from the day on which the payment was due. The rate of interest shall be eight (8) per cent.

In case of late payment Wapro may, after having notified Buyer in writing, suspend its performance of the Agreement until Wapro receives payment. If Buyer has not paid the amount due within one month, Wapro shall be entitled to terminate the Agreement by notice in writing to Buyer and to claim compensation for the loss Wapro has incurred. The compensation shall not exceed an amount equal to the agreed purchase price plus accrued interest according to Clause 0.

Buyer shall not be allowed to set off any claims it has on Wapro against claims that Wapro has on Buyer and/or to suspend its payment obligations.

RETENTION OF TITLE

The Products shall remain the property of Wapro until paid for in full. Title to the Products shall pass to Buyer upon full payment of the agreed price, taxes and all other charges by Buyer. Failure by Buyer to effect full payment on the agreed payment date shall entitle Wapro to repossess the Products or the relevant parts thereof. The retention of title shall not affect the transfer of risk after delivery

Up until the time at which title has passed to Buyer, Buyer shall not assign, transfer, pledge, mortgage or otherwise dispose of the Products or part thereof or any interest therein and shall, further, take all reasonable measures to protect the proprietary interests of Wapro and refrain from all activities which may incur negatively on the retained title of Wapro, this not limiting Buyer's right to use the Products for their intended purpose.

Buyer is obliged to reimburse Wapro for all costs which Wapro incurs in conjunction with the repossession and restoration of the Products to the same condition they were in upon delivery.

LIABILITY FOR DEFECTS

Subject to the limitations in Clauses 0-0, Wapro shall remedy any defect(s) that are the direct result of faulty materials or workmanship. Wapro's liability for defects is limited to defects that appear within a period of two (2) years from the date of shipment, unless another period is agreed in writing or expressly stated on the Product.

Buyer shall without undue delay notify Wapro in writing of any defect. Such notice shall under no circumstances be submitted to Wapro later than fourteen (14) days after the defect has been detected or could reasonably have been detected.

Wapro is only liable for defects that appear under proper use of the Products. Wapro's liability does not cover defects which are resulting from (a) exposure to high concentrations of chemical substances; (b) pressure surges and/or vacuum within the Product; (c) flow velocities exceeding 1.5m/s through the Product; (d) changes or repairs by Buyer or third parties designated by Buyer; (e) non-adherence to the user manual, the mounting or assembly instructions, or other instructions provided by Wapro from time to time; (f) the use of other parts than original (and delivered) Wapro parts in connection with the mounting or assembly of the Products; (g) insufficient or incorrect maintenance; (h) normal wear and tear; and/or (i) any design, material or working methods that have been provided or prescribed by Buyer.

Expenses relating to repairs of the Products carried out by Buyer, or by third parties at the order of Buyer, will under no circumstances be borne by Wapro, unless Wapro has provided its prior written consent thereto.

Wapro shall, at its own discretion, remedy any defect through either repair or replacement of the affected Products at its own expense. Wapro has fulfilled its obligations in respect of remedying the defect when Wapro delivers to Buyer a duly repaired or replaced part. If Wapro chooses to deliver Products or parts thereof anew, the replaced Products or parts shall, free of charge, become the property of Wapro at the moment of replacement.

Unless otherwise agreed, any necessary transportation of the Products to and from Wapro in connection with the remedying of defects for which Wapro is liable shall be at the risk and expense of Wapro, provided that Buyer follows Wapro's instructions in relation to such transportation.

If Wapro does not fulfil its obligations under Clause 0 within a reasonable time Buyer may by notice in writing set a final time for completion of Wapro's obligations, which shall not be less than four (4) weeks. If the defect is not successfully remedied within the final time for completion, Buyer is entitled to a reduction of the purchase price, proportional to the reduced value of the Products. Such a reduction of the purchase price shall not exceed fifteen

(15) per cent of the purchase price. If the defect is so substantial that it significantly deprives Buyer of the benefit of the Agreement, Buyer may terminate the Agreement by written notice to Wapro. Buyer is then entitled to compensation for the loss he has suffered up to a maximum of fifteen (15) per cent of the purchase price.

Save as stipulated in Clauses 0-0 and unless Wapro has been found to be guilty of wilful misconduct or gross negligence, Wapro shall not be liable for any defects in Products. This applies to any and all losses that the defect may cause, including loss of production, loss of profit and other indirect losses.

ALLOCATION OF CERTAIN LIABILITY

Wapro shall not be liable for any damage to property caused by the Products after the Products have been delivered. Nor shall Wapro be liable for any damage to products manufactured by Buyer, or to products with which Buyer's products form a part.

If Wapro incurs liability towards any third party for any damage described in Clause 0, Buyer shall indemnify, defend and hold Wapro harmless.

If a claim for any damage described in Clause 0 is lodged by a third party against one of the parties, that party shall as soon as possible inform the other party thereof in writing. Wapro and Buyer shall be mutually obliged to let themselves be summoned to court or an arbitral tribunal examining claims for damages lodged against one of them on the basis of damage allegedly caused by the Products.

It is expressly understood that any technical advice supplied by Wapro with respect to the production or use of its Products is given without any charge, and Wapro assumes no obligation or liability for the advice given or results obtained, all such advice being given or accepted at Buyer's risk. Wapro is not an engineering firm. Any issues, concerns, specifications or requirements for Buyer's use of the Products is beyond Wapro's knowledge and Buyer agrees no reliance is given to any suggestion or advice given by Wapro. Buyer warrants that it has consulted with or had an opportunity to consult with engineers and any such other expert or specialist and has satisfied itself that the specifications required for the Products ordered are satisfactory for its use. Wapro has not been provided with and has made no advice, recommendations or warranties that the Products specified are adequate for Buyer's intended use.

The limitation of Wapro's liability in Clauses 0–0 shall not apply where Wapro has been found to be guilty of wilful misconduct or gross negligence.

CONSEQUENTIAL LOSSES

Except in the case of wilful misconduct or gross negligence, neither party shall be liable towards the other party in contract, tort, warranty, strict liability or any other legal theory for any loss of production, loss of profit, loss of use, loss of contracts or for any other consequential or indirect damages or loss whatsoever.

TERMINATION WITH IMMEDIATE EFFECT

In addition to the parties' right to suspension or termination set forth elsewhere in these General Conditions of Sale, either party shall have the right to terminate the Agreement with immediate effect in the event of voluntary or compulsory winding-up, bankruptcy, or more generally, in the event of insolvency of the other party. Such suspension or termination shall be made in writing.

INTELLECTUAL PROPERTY

All intellectual property rights, including but not limited to, registered and unregistered trademarks, patents, inventions, designs, know-how, domain names, copyrights and related rights, and all goodwill and rights of enforcement related thereto ("Intellectual Property"), owned by Wapro prior to the entering into the Agreement shall remain the exclusive property of Wapro. No right or licence is granted to Buyer under any Intellectual Property owned or otherwise held by Wapro except a limited non-exclusive license to use Wapro's Intellectual Property to the extent necessary for Buyer to exercise its right to use or resell the Products. Upon the termination or expiration of the Agreement, this license shall automatically and immediately terminate.

Buyer is not entitled to make any changes, modifications or alterations of any of Wapro's products or services, nor any Intellectual Property related thereto, without the prior written consent of Wapro.

All documents and materials, whether in analogue or digital form, including but not limited to catalogues, pictures, drawings, specifications and other documents provided to Buyer by Wapro as well as any materials prepared by Buyer related to, or incorporating, Wapro's Intellectual Property shall be exclusively owned by Wapro and shall be used in

accordance with Wapro's reasonable written instructions, provided from time to time. Buyer shall after a written request by Wapro or at the latest at the termination or expiration of the Agreement return all such materials to Wapro.

Buyer undertakes to use the "Wapro" trademark as well as any and all other trademarks owned or otherwise held by Wapro in accordance with Wapro's reasonable written instructions, as provided from time to time. Buyer is not permitted to file or authorize the filing of any application for registration of such trademarks or any trademark, company name or domain name that are identical to or confusingly similar to Wapro's trademarks, company names or domain names. Buyer acknowledges and accepts that there is a high value, and large investments made, in the goodwill of these trademarks and the products and services for which they are used and undertakes not to use any such trademarks in any manner which could negatively affect the value and/or goodwill attached to Wapro's products or services, or the value or goodwill related to the trademarks as such. Buyer shall not represent itself as, or portray the picture of being, a representative of Wapro if this is not the case. Nor shall Buyer otherwise give a misleading presentation of its relationship with Wapro.

FORCE MAJEURE

Either party shall be entitled to suspend performance of its obligations under the Agreement to the extent that such performance is impeded or made unreasonably onerous due to circumstances beyond the control of the parties such as industrial disputes; fire; war; extensive military mobilization; insurrection; requisition; seizure; embargo; restrictions in the use of power; capacity or technical or yield failures; unavailability of suitable and sufficient labour, materials or transportation; and defects or delays in deliveries by subcontractors caused by any such circumstance referred to in this Clause.

The party claiming to be affected by force majeure shall notify the other party in writing without delay on the intervention and on the cessation of such circumstance.

Regardless of what may otherwise follow from these General Conditions of Sale, either party shall be entitled to terminate the Agreement by notice in writing to the other party if performance of the Agreement is suspended under Clause 0 for more than six (6) months.

GOVERNING LAW AND DISPUTES

The Agreement and any further agreements arising therefrom shall be governed by the substantive laws of Sweden, but excluding the UN Convention on International Sale of Goods.

Any disputes arising out of or in connection with the Agreement shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules. The seat of arbitration shall be Malmö, Sweden.