

## **STANDARD TERMS OF DELIVERY**

*adopted by the*

**Swedish Paint and Adhesives Association November 18<sup>th</sup> 2021**

The following terms apply unless the parties agree otherwise in writing.

Changes to the terms are acceptable only if made by means of a written document signed by the parties.

### **1. CONCLUSION OF AGREEMENTS**

A quotation or other communication which would otherwise be considered an offer, submitted by the seller, is valid without obligation unless otherwise expressly stated in the quotation or communication.

Where the buyer places an order with the seller's representative or agent, the seller is bound by the agreement in accordance with the content of these terms of delivery and the order, unless the seller informs the buyer, within ten days from the date he receives notification of the order, that the seller does not accept the order.

### **2. DELIVERY OF GOODS AND RISK**

Unless otherwise stated in the seller's order acknowledgement the goods are considered delivered when they are ready for delivery at the seller's factory or warehouse. The risk for the goods passes to the buyer when loading of the goods onto a transport vehicle at the seller's factory or warehouse commences but, if transportation is delayed by the buyer, the risk shall be considered transferred when the goods are delivered.

### **3. DELIVERY TIME**

Where the delivery time is stated as a specific period of time it shall be calculated from the day the agreement was concluded.

### **4. SUCCESSIVE DELIVERIES**

Where the agreement covers successive deliveries (part deliveries), the buyer may not, in the event of a delay in a part delivery or a fault or deficiency in a part delivery, cancel the agreement other than for that part relating to the part delivery concerned.

### **5. DELAY**

Where a party finds that he cannot meet the agreed time for delivery (part delivery), receipt of goods, or other party's obligation, the other party, unless otherwise agreed, must be notified promptly of this.

If the delay is due to circumstances other than those stated in point 14 below and it entails considerable inconvenience to the party not liable for the delay, and if the other party was or should have been aware of this, the party not liable for the delay may cancel the agreement in full or, where the delay concerns a part delivery, may cancel the part relating to the part delivery concerned.

A delay in delivery does not entitle the buyer to compensation unless the seller has shown gross negligence and the buyer can demonstrate that the delay has caused considerable harm.

### **6. PERIOD FOR THE PRESENTATION OF CLAIMS DUE TO DELAY**

If the buyer wishes to cancel the purchase or sue for damages because of the delay the buyer must inform the seller of this, in writing, within one week of delivery.

### **7. FAULTS AND DEFICIENCIES IN THE GOODS**

The agreed upon quantity may be exceeded by or fall below 10% and such deviation shall not be considered a fault or deficiency.

Where the goods delivered are impaired by a fault or deficiency they shall, where the party so requests and where it is reasonably practical, be replaced with goods that are not faulty or the deficiency shall be met. If the fault is not

remedied or the deficiency met within a reasonable time, the buyer has the right to a deduction in the price for the fault or deficiency or, where the fault or deficiency is considerable, and the seller was or should have been aware of this, the buyer may cancel the agreement

The seller's obligation to compensate the buyer for harm that he has suffered as a direct consequence of a fault or deficiency in the goods is limited to an amount equivalent to the price of the goods delivered (part delivery). If the buyer shows that, as a direct consequence of a fault or deficiency in the goods, he has incurred costs for extra work in respect of removal of faulty goods or application of non faulty goods, the seller is also liable to pay compensation for this but the maximum amount payable is equivalent to three times the value of the goods delivered (part delivery).

The seller's liability does not extend to harm that may have been caused by incorrect or extraordinary use of the goods, such as use on a material, or exposure to the influence of weather or moisture for which the goods were not designed. The seller's liability for faults or deficiencies does not extend either to normal wear and tear or deterioration and is valid - unless otherwise agreed by the parties - for no longer than one year from delivery.

Apart from that which is provided for above the seller is not liable for faults or deficiencies in the goods. The seller is thus not liable to pay any compensation to the buyer for loss of production, lost profits or other indirect loss or damage due to faults or deficiencies in the goods. This limitation on the seller's liability does not apply, however, if the seller is guilty of gross negligence.

## **8. CLAIMS RELATING TO FAULTS AND DEFICIENCIES**

The buyer shall inform the seller about faults and deficiencies in the goods immediately, in writing, or at the latest within one week from the point the buyer notices, or should have noticed, the fault or deficiency. If the buyer fails to do this, the seller is released from liability for the fault or deficiency.

If the seller receives notice of a fault in the goods, or if the buyer notices or should have noticed that

the product is faulty, the seller may demand that the buyer ceases using the goods. The buyer shall, of his own accord, cease using goods which the buyer understands or should understand would make professional work impossible or may cause harm. If the buyer does not cease to use the goods, where this has been requested or should have taken place, the seller is released from all other liability for the fault in question other than to supply non-faulty goods.

Where the buyer has informed the seller in writing, at the latest at the time the agreement is concluded, that the goods delivered are intended for use in a contract that shall be approved by final inspection, and has given the time the final inspection shall take place, and in the event of a claim over a fault or deficiency in the goods, notwithstanding what is stated in the first paragraph the claim will be considered to be in time if the buyer informs the seller in writing of this within one month from the stated time for the final inspection.

## **9. RETURNS**

Returns will only be accepted after prior agreement.

## **10. LIABILITY FOR PROPERTIES IN THE GOODS WHICH CAUSE HARM (PRODUCT LIABILITY)**

The seller's information on the goods is based on laboratory trials or pilot trials and is only a guideline when selecting a product, working method and field of application. It does not constitute a guarantee for the suitability of the goods for a certain purpose.

The seller accepts no responsibility for harm the buyer may suffer as a result of damage caused by the goods to other property belonging to the buyer whatever it may be.

Nor does the seller accept responsibility towards the buyer for a claim for compensation from the buyer based on a claim for damages from a third party, including personnel employed by the buyer, as a consequence of damage to property or personal injury other than in such cases where the buyer under mandatory law has been required to take responsibility for it and the buyer is entitled to carry the claim to the seller and provided that

the seller has been given the opportunity to consult with the buyer on the handling of the case.

The seller is responsible in accordance with mandatory law in those cases where a third party makes a claim directly against the seller based on properties in the goods that have caused damage. However, in such cases, the buyer shall compensate the seller to the extent the harm has arisen as a result of the buyer ignoring the seller's directions for use of the goods or if the damage is otherwise due in full or in part to the buyer's conduct or negligence.

## **11. VALUE ADDED TAX**

The price does not include value added tax.

## **12. PAYMENT TERMS**

Unless otherwise agreed by the parties, payment shall reach the seller within thirty days of the invoice date. If payment is not received on the due date interest on overdue payment will be incurred at an interest rate which is, at minimum, three percent over the from time to time current reference rate (*sw. referensränta*) set by the Swedish Central Bank (*sw. Riksbanken*).

Where the buyer's delay in payment causes the seller to incur costs in the form of currency, inflation or devaluation losses or should other costs arise as a result such as the cost of reminders etc. the buyer shall reimburse the seller for these costs.

## **13. INSOLVENCY etc.**

Where there is reasonable cause to assume that the buyer will not meet his payment liabilities, the seller may demand that acceptable security should be provided. If there is a delay in arranging this the seller may cancel the agreement in writing for goods that have not been delivered.

The seller is entitled to cancel the purchase on the basis of the buyer's delay in making payment even after the goods have come into the possession of the buyer.

## **14. FORCE MAJEURE**

Should the seller be prevented from making a delivery, or the buyer prevented from receiving a delivery, or should delivery or receipt be made considerably more difficult as a result of circumstances such as labour conflicts of any

type, fire, explosion or other serious accident, natural disasters, war, uprising, pandemic, decision by authorities, extensive operational interruptions in a party's business, non delivery of materials from sub contractors or a shortage of raw materials, an abnormal rise in the price of raw materials or circumstances equal to these and if these circumstances should not have been taken into consideration when the agreement was concluded and the party could not have reasonably avoided the detrimental effect of the circumstances, the seller or the buyer is entitled to postpone delivery (part delivery) for a period of time sufficient to avoid the effects of such circumstances.

Should this period of time exceed two months either party may cancel the agreement in full or in part with regard to deliveries that should have taken place during the said period of time. This applies also where circumstances such as those referred to above arise after an agreed delivery time.

A party that wishes to avail itself of the above right shall inform the other party of this, in writing, without delay.

A party is not liable to damages in the event of cancellation of the agreement in full or in part due to circumstances stated in this section.

## **15. PERSONAL DATA**

The seller may process personal data concerning employees and others representing the buyer. This may happen for purposes of managing purchases, deliveries of products and services, payments and customer service. This may also happen for the purposes of informing about the seller's products and services. Further information on how the seller processes personal can be found on the seller's website

## **16. DISPUTES**

Disputes concerning this agreement shall be settled in Sweden by arbitration according to Swedish substantive law without reference to its conflict of law rules.

A party may, however, seek an injunction for a debt relating to goods delivered but not paid for. Should an application for an injunction be contested within the right time and a party wishes

to take the dispute further this shall take place through the arbitration procedure which may be called even after the case for the injunction has been written off.

If a party presents a claim which, in total, does not relate to a sum greater than SEK 75,000 excluding interest, debt collection costs and legal costs, a party can instead bring an action in the ordinary courts.

This document is a translation and if there should be a discrepancy between the interpretations of the wordings in this document and the standard terms of delivery in the Swedish language, the latter is to be considered the original document that always shall overrule this or any other translation.