

GENERAL TERMS OF SALE AND DELIVERY (GTSD)

QS Number, Edition 01/14

1. Area of Application, Conclusion of the Contract

- a. These Terms and Conditions of Sale and Delivery apply to all deliveries by Artboard AB, Årvältsvägen 14, Sweden (hereinafter „Artboard“) to the exclusion of the general terms and conditions of the Purchaser and subject to any diverging written agreements.
- b. The delivery contract shall come into effect upon the written confirmation of the order by Artboard.
- c. All further agreements made between Artboard and the Purchaser (collectively the “Parties”) for the purpose of executing orders must be made in writing.
- d. The transmission of agreements or legally significant statements through electronic means is equal to a written form, unless the Parties have expressly excluded such transmission procedure.

2. Terms of Delivery

- a. Provided no other shipping method has been agreed, Artboard delivers "ex works" (Incoterms® 2010). The time at which the goods at the delivering works or the warehouse of Artboard are ready for shipping is determinant for adherence to delivery periods and dates issued by order confirmation.
- b. If the Purchaser fails to perform contractual duties – including duties of co-operation and ancillary duties – in good time, Artboard is entitled to extend its delivery periods and dates in accordance with the requirements of its production process, and to claim compensation for any damages Artboard may have suffered, including any additional expenses incurred, without prejudice to its rights out of the Purchaser’s default.
- c. Artboard explicitly reserves the right to deliver consignments in excess of or below 10% in terms of weight, quantity or space, up to 20% in the case of ordered consignments weighing less than 100kg; this shall apply both with regards to the total contractual quantity and each individual part delivery.
- d. Artboard is entitled to make part deliveries.
- e. Even with an agreed delivery date, Artboard’s delivery will only be deemed delayed following a written reminder. In the event of delayed delivery, the Purchaser must notify Artboard within a reasonable period of time whether he intends to withdraw from the contract or insists on delivery.
- f. Strikes, lockouts, orders from authorities, for which Artboard is not responsible, or unforeseeable operating stoppages, failure to deliver or to deliver on time on the part of our own suppliers, shortages of energy or raw materials and cases of force majeure, releases Artboard for their duration and to the extent of their effects from the obligation to deliver. If delivery is thus delayed for a period lasting longer than three months, the Purchaser is entitled, to the exclusion of all further claims, to withdraw from the contract in respect of the quantity affected by the delivery stoppage.

3. Prices and Terms of Payment

- a. The prices of Artboard are based on the exchange rates, raw material prices, salaries, freight costs and custom duties applicable at the date the offer is issued. Artboard reserves the right to adjust prices in the event of unforeseen and significant changes in production costs (eg material, energy and personnel costs, transportation costs and public duties) by the time of the conclusion of the agreement or during the term thereof. Unless otherwise agreed in writing, Artboard's prices apply "ex works" excluding packaging. All incidental expenses, such as freight, insurance, custom duties, levies and fees of all types will be charged to the Purchaser. Artboard's prices do not include value-added tax; it will be shown separately in the invoice.
- b. All payments have to be made by the Purchaser in the invoiced currency to the indicated bank account, due net with no deduction for rebates, discount, any kind of expenses or costs. The indicated bank account is the payment domicile. Payments are considered to be effective on the value date the bank account of Artboard is credited.
- c. Offsetting of credits with any counterclaims needs the antecedent written approval by Artboard.
- d. Dates and deadlines indicated in Artboard's invoices are due dates. In case of exceeding such due dates, the Purchaser will automatically be in default without reminder or extension of time given.
- e. From the date of default in payment, a default interest is due in the amount of 4% above the then applicable 3-months EUR-LIBOR rate. Compensation for additional damages is reserved.
- f. In the event of default in payment or justified doubt regarding the ability to pay or creditworthiness of the Purchaser, Artboard is entitled, without prejudice to any of its other rights, to demand advance payment for any deliveries not yet performed and to call due for payment immediately all claims arising from the business relationship. The obligation to deliver is suspended for as long as the Purchaser is in default with a payment that is due.

4. Notification of Defects, Warranty for Defects

- a. The Purchaser must check immediately after receiving the goods as to whether such goods have the contractually agreed characteristics. Obvious defects must be notified to Artboard and evidenced within two weeks, non-recognisable defects without delay after discovery, but within three months of receipt of the goods at the latest. Obvious transport damage must be notified to Artboard without delay together with a confirmation by the transport company.
- b. Claims based on material defects become time-barred after one year, unless the applicable law provides for longer warranty.
- c. Artboard is not liable for lightfastness, modifiability and deviations in colour of its products as well as for the quality of their adhesion, varnishing, laminating, impregnation and coating, unless the defects in the materials were recognisable in the course of proper examination prior to their use.
- d. Insofar as there is a defect in the item purchased, the remedies to the Purchaser are limited to the rectification of the defect (repair) or the delivery of an item without defect (replacement), whereby Artboard has the choice between these two options. In the event that defective items are replaced by Artboard, Artboard acquires title to the replaced parts. If Artboard is unable or unwilling to undertake subsequent performance, more particularly if subsequent performance is delayed beyond adequate periods for reasons imputable to Artboard, or fails for any other reason, the Purchaser is entitled at his discretion to withdraw from the contract or request for a reduction in the purchasing price.
- e. Unless otherwise stipulated in Article 5, any further warranty claims for defects on the part of the Purchaser - regardless of their basis in law - are excluded.

5. Liability

- a. Artboard is liable for injury to life, limb or health caused by faulty products manufactured by Artboard in accordance with the provisions of the Product Liability Act. Furthermore, Artboard is liable in accordance with the statutory provisions for damages caused by intent or gross negligence. The same applies to claims based on initial inability or impossibility for reasons imputable to Artboard, and for the case the Purchaser claims damages due to the absence of a warranted characteristic.
- b. In the event of grossly negligent breach of a major contractual duty, the liability of Artboard is limited to compensation of the typically foreseeable damage.
- c. Technical advice and recommendations by Artboard, if any, are based on an adequate examination but do not imply any contractual commitment. Any liability on the part of Artboard is thus excluded except for cases of intent or gross negligence.
- d. All other claims for damages regardless of their nature and legal basis are excluded. To this extent, Artboard is not liable for damages that did not occur to the actual item delivered and particularly not for any indirect, incidental or consequential damage or additional expenditure, production losses, loss of profits or other pecuniary damage on the part of the Purchaser.
- e. Insofar as the liability of Artboard is excluded, this also applies to the personal liability of its employees, representatives and agents.

6. Reservation of Title

- a. Artboard reserves title to the goods delivered by it as security for all claims accruing to Artboard against the Purchaser out of the present and future business relations.
- b. After conclusion of the contract, Artboard is authorised by the Purchaser to take all legal measures necessary to secure the reservation of title, particularly the registration of the reservation of title in public books or register. The Purchaser will support Artboard for all measures to secure our property.
- c. The Purchaser shall exercise the possession of the reserved-title goods for Artboard as custodian with due commercial care and has the obligation to insure the reserved-title goods against theft, weather related perils and other risks, and to take such measures necessary to ensure title is neither impaired nor rescinded.
- d. To secure the relevant claims of Artboard under Para. a, the Purchaser already now assigns to Artboard all receivables from the sale of reserved-title goods, including bills of exchange and cheques.
- e. In the event of default in payment, cessation of payment or if the Purchaser has filed a petition for the commencement of insolvency proceedings, the Purchaser must, at the request of Artboard, notify his customers of the assignment, carried out in accordance with Para. d, and provide Artboard with all necessary information and take all measures to secure Artboard's rights. In particular, Artboard must be notified immediately of any attachment by creditors of the reserved-title goods or the receivables assigned to Artboard.
- f. If the value of the security exceeds the value of receivables to be secured by more than 20% Artboard shall, upon the Purchaser's request, release securities to this extent selected by the Purchaser.

7. Trademarks, Proprietary Rights, Marks of Origin

- a. The marks of origin or identification marks attached to Artboard's goods may not be altered or removed without the written approval of Artboard.
- b. Trademarks or brands under which Artboard's goods are delivered may not be used by the Purchaser for the products manufactured from the same nor for any other purposes of his own, especially advertising purposes, without the prior written approval of Artboard.
- c. Artboard reserves all title and copyright to specimens, illustrations, drawings and other documents as well as tools which also include embossing dies, press rollers or permanent moulds. This also applies if the Purchaser pays a portion of the costs for such articles.
- d. If production or delivery is made according to drawings or other specifications of the Purchaser, and if proprietary rights are infringed as a result thereof, the Purchaser shall indemnify us of all claims of third parties.
- e. Artboard is authorised to destroy any tools, print rolls, sketches, designs and any other aids three years after their last use.

8. Packaging

- a. Unless otherwise agreed, our reusable transport packaging must be returned carriage paid in proper condition to the delivering works immediately after emptying. If this does not take place, Artboard may charge the costs of replacement to the Purchaser. The reusable transport packaging must be stored in the appropriate manner.

9. Place of Performance, Court of Jurisdiction and Applicable Law

- a. Place of performance and place of jurisdiction is the registered seat of Artboard. However, Artboard is also entitled to bring its claims before the place of general jurisdiction of the Purchaser.
- b. The contract is governed by Swedish law with the exclusion of the UN Convention of 11 April 1980 on Contracts for the International Sale of Goods. Additionally, the Incoterms® 2010 of the International Chamber of Commerce in Paris are applicable.