

General Terms of Sales and Delivery

Applicable as from 1 January 2005

Application

1. These general delivery regulations shall be applied to the extent they are not changed by explicit written agreement between the parties.
2. In these conditions, the term "Seller" shall mean Sapa. The term "Purchaser" shall mean the firm, person or company with which agreement on sale of Sapa products has been made or to which an offer has been directed. The term "goods" means the product agreed on for sale.

Making agreements

3. The parties' commitment in connection with individual deliveries occurs when the Purchaser has submitted his order. If the purchaser, in connection with the stated order has stipulated conditions that conflict with these general delivery terms, failure on the part of the Seller to make an objection to such conditions does not mean that they have been approved by him; on the contrary these regulations will remain firm.
4. The period of validity of the offer is two (2) weeks from the date of issue, unless otherwise agreed.

Quantities, the nature of the goods

5. In the case of any delivery, ten (10) percent more or less than the quantity ordered may be delivered.
6. Unless otherwise agreed in writing, the Seller's standard tolerances for measurements and dimensions apply as well as the Seller's normal quality in other respects for the goods ordered.
7. Weights stated in kg/m on drawings are theoretical. This information is provided as a guide and is not binding for the Seller unless a written agreement with this content is made between the parties.

Gradual deliveries

8. If the agreement refers to gradual deliveries, each delivery shall be regarded as an independent sale. The Purchaser does not have the right to cancel the agreement concerning other deliveries owing to delays, defects or errors in part deliveries.

Prices, discounts and payment

9. The Seller's offer price is based on the commodity price of aluminium in force at the time the offer is made. The Seller is entitled to adjust agreed prices at the time of delivery as a result of any changes in the commodity price that arose after the offer was made.
10. If, after the agreement is made, exchange rate changes take place that influence the Seller's costs for manufacturing the goods, charges are raised by official decision or new taxes, charges or insurance premiums are introduced on the requested goods or their transport, the Seller is entitled to change the price accordingly.
11. Unless otherwise agreed, payment shall be made no later than thirty (30) days after invoice date.
12. The Seller is entitled to demand before delivery acceptable security for payment of the delivery in question and for any previously delivered goods that have not been paid for.
13. In case of payment after the due date, the Seller is entitled to penalty interest from the due date until payment is made. Payment is considered to have been made, when the amount is received by the Seller. Accrued penalty interest will be invoiced on a monthly basis. If, for any reason, penalty interest is not charged for a delivery or deliveries, this does not prevent the Seller from charging such interest on subsequent deliveries.

Deliveries

14. Delivery clauses will be interpreted in accordance with the INCOTERMS applicable when the agreement is made. If no delivery clause is agreed, deliveries will be regarded as taking place Ex Works, Seller's factory (Incoterms. 2000).
15. If the Seller finds that he cannot keep the agreed delivery time, he shall inform the Purchaser of this without delay and at the same time, in so far as possible, of the time when it is expected that the delivery can take place.
16. If deliveries are delayed owing to transport delays beyond the Seller's control or owing to any circumstance stated in clause 31 or owing to any action or omission on the part of the Purchaser, the delivery period shall be extended as much as may be regarded reasonable considering all relevant circumstances. This applies irrespective of whether the reason for the delay occurs before or after the end of the agreed delivery period.
17. If the price stated in the agreement means that the Seller is to bear the cost of freight wholly or partially, the Seller is entitled to choose means of transport.

The Purchaser's cooperation, etc.

18. If call-off or specification of the purchased quantity does not reach the Seller within the agreed time, the Seller is entitled, by his own choice either to cancel the agreement concerning the quantity that was not called off or specified and to receive damages from the Purchaser for loss incurred, including lost trading profit, or alternatively to make the final delivery and charge for the remaining quantity, in which case if there is no specification, delivery can take place in the Seller's standard dimensions.
19. If the Purchaser fails to accept the goods at the appointed time, he is still liable to make each payment as if the goods had been delivered. If the Purchaser, for whatever reason, fails to accept the goods at the appointed time, the Seller is entitled, by means of written notification to the Purchaser, to cancel the agreement concerning that part of the goods owing to the Purchaser's omission was not accepted and to receive from the Purchaser compensation for loss caused him by the Purchaser's omission.

Reservation of title

20. The delivered goods remain the Seller's property until full payment has been made, in so far as such a reservation of title is valid under applicable law.

Errors and defects in the goods

21. If the goods supplied are impaired by errors or defects, they shall, in accordance with what is laid down in this clause and clauses 22-27, be replaced by non-defective goods, or the error rectified. If the defective goods are not replaced or the error rectified within a reasonable period, the Purchaser is entitled to price reductions equivalent to the difference between the value of the goods in defective and contractual condition.
The Seller's liability for errors and defects is restricted to what is stated in this clause and clause 28. Above and beyond this, the Seller shall not have any responsibility whatsoever for loss of production, lost profit, costs for intervention in anything other than the goods, in connection with dismantling or fitting or any direct or indirect damage, loss or expense caused by the Purchaser, his customer or another third party.

22. Unless otherwise agreed, the Seller shall, if the goods supplied prove to be defective, bear the cost and stand the risk of transport of the defective product to the Seller and of transport of the goods supplied in replacement or repaired to the place of delivery stated in the agreement.

23. The Seller's liability refers only to defects that occur under the circumstances foreseen in the agreement and when the goods are used, installed and refined properly.

24. The Seller's liability does not cover defects caused by circumstances that arose after the risk for the goods transferred to the Purchaser. For example it does not cover defects caused by inadequate maintenance or improper fitting on the part of the Purchaser, changes without the Seller's written consent, repairs carried out improperly by the Purchaser or normal wear and tear. Moreover, the Seller's liability does not cover any such loss that the Purchaser could have limited by taking reasonable action to limit his loss.

25. Any visible error or defect in the goods that may be assumed to have occurred during transport, shall be reported immediately to the carrier by the Purchaser by means of writing on the delivery note. The Purchaser shall as soon as possible after accepting the goods, investigate whether the goods comply with what is stated in the agreement.

The Purchaser shall, within one (1) week at the latest of the goods being accepted, inform the Seller of any defects or errors he may have noticed or should have noticed in connection with an arrival control of this nature.

Complaints concerning delivery errors of this nature which were not discovered in connection with arrival control must be made as soon as the Purchaser notices or ought to have noticed the error, but at the latest before any finishing or machining is carried out by the Purchaser within six (6) months after delivery.

If the Purchaser fails to meet his obligations in accordance with this clause, the Purchaser loses the right due to him as a result of the defect or error.

Purchases to order etc.

26. When delivery of goods takes place, carried out in accordance with the Purchaser's instructions (contract work) the Purchaser is responsible to the Seller for ensuring that the goods do not involve infringement of patent or registered design or any other nontangible right due to a third party. Should a claim based on an infringement of this nature be made to the Seller, it is incumbent on the Purchaser to provide, on request, all necessary assistance as well as compensating the Seller for damages, which he may be obliged to pay in this connection, and all costs the Seller incurs in this connection.

27. The Seller's liability does not refer to defects due to material supplied by the Purchaser, a design off manufacturing method prescribed or specified by the Purchaser, instructions for use, marketing or other product documentation supplied by the Purchaser.

Product liability

28. Should the Seller's goods cause personal injury or damage to property (product damage) belonging to the Purchaser or a third party, the Seller's liability is limited to those types of damage and loss and those amounts covered by the Seller's third party insurance. Above and beyond what may be payable on the basis of this insurance, the Seller shall have no liability whatsoever for damage or loss incurred.

29. To the extent product liability to a third party is imposed on the Seller, the Purchaser is liable to hold the Seller harmless to the same extent as the Seller's liability to the Purchaser is limited as above.

30. The Seller and the Purchaser undertake during the period of the agreement to take out and/or maintain product liability insurance of the amount and scope that is usual for the Swedish market, covering those goods that are stated in the agreement between the parties.

Grounds for exemption

31. In the event of state intervention, Swedish or foreign, war, labour conflict, military call-up or other difficulties in obtaining labour, scarcity of means of transport, general shortage of goods, shortage of raw materials, electrical power or other energy, delayed delivery, absence of delivery or other delivery disruption from supplier of raw materials, components or semi-finished goods, fire, mechanical damage or other accident at plant, ship-wreck, obstruction by ice or other circumstance of any type whatsoever beyond the control of the parties' that obstructs the parties' opportunities of fulfilling their commitments under the agreement, the parties are entitled to postpone fulfilment for as long as required to remove the effects of such a circumstance. Should this period exceed six (6) months, either party is entitled to cancel the agreement fully or partially by written communication to the other party.

Arbitration, applicable law

32. Disputes concerning this agreement or legal matters arising from the agreement must not be referred to a public court but settled finally by an arbitrator who should be a member of the Swedish Bar Association who is familiar with the subject of the dispute, if the value of the object under dispute does not exceed five (5) times the base amount in accordance with the law (1962:382) on general insurance applicable when the dispute arises. If the value of the object under dispute exceeds this amount, each party shall appoint an arbitrator who should be a member of the Swedish Bar Association who is familiar with the subject of the dispute. The arbitrators appointed in this way shall jointly appoint a chairman who should be a senior judge in the disputes section of a court. In connection with arbitration proceedings, the rules of the Code of Procedure concerning voting and compensation for legal costs shall be applied.

Unless the parties within four (4) weeks after a party requests arbitration proceedings have agreed on an arbitrator or appointed an arbitrator shall be appointed at the request of the party by the chairman of the southern section of the Swedish Bar Association.

Irrespective of what is stipulated in this clause above, either party is entitled to take proceedings in a public court concerning uncontested overdue claims.

33. Disputes arising from this agreement shall be judged under Swedish law, unless otherwise explicitly agreed.