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General Terms of Contracting Swedish Sign Companies

The Swedish Sign Association is a trade organization for sign manufacturers and sign designers in Sweden (below referred to as “Contractor”). The members are engaged in business primarily involving development, design and manufacture of illuminated signs.

Applicability

These general terms are applicable to all offers formulated by the Contractor and to any agreement between the Contractor and the Client. They also apply to all obligations arising from agreements made at a later date between contracting parties. The application of any general terms which are appealed to by the Client, is specifically refused.

Precedence

The provisions of these general terms and its appendices shall prevail over any specific or general terms and conditions issued by the Client, for example in or in connection with order confirmations or invoices as well as references to any such terms and conditions in connection with business transactions under these general terms shall not apply.

Amendments to be made in writing

Amendments to these general terms and/or its appendices shall be made in writing. Any such amendments shall be valid only if they are signed by both parties.

Definition

The term “sign”, referred to below, does not only include a completed sign but also other parts of a sign produced or delivered by the Contractor.

1. Offer

1.1 The offer is valid for 30 days from the date it was sent to the Client unless stated otherwise in writing.

1.2 All particulars in the Contractor’s product information such as, for example, capacity, price, technical performance etc. in catalogues, advertisements, pictorial material, price lists, prospects etc. are approximate, and are binding on the Contractor only if explicit reference has been made to them in writing in the individual agreement between the parties.

All information mentioned above remains the (intellectual) property of the Contractor. They are not permitted to be used, copied or handed over to a third party or made public in any other manner without the consent of the Contractor.

1.3 If the Client does not accept the offer, he is obliged to return immediately to the Contractor all information referred to in the previous section, 1.2. The documents which form

a part of the offer (such as drawings, technical descriptions, and the like) are of as accurate a nature as possible, however, not binding, and remain the (intellectual) property of the Contractor. Such property is not permitted to be used, copied or handed over to a third party or made public in any other manner, without the consent of the Contractor.

1.4 The Contractor is entitled to charge the costs involved in the offer, provided that he has supplied the Client in advance, with a written indication of these costs.

1.5 All prices are exclusive of VAT

2. The coming about of the agreement

Be it the case, that the offer of the contractor is accepted, the agreement only comes into being at the moment when the Contractor confirms the acceptance in writing within a reasonable period of time.

3. Range of delivery

3.1 The Contractor shall always confirm the order in writing. This confirmation shall give full information of the range of the delivery. If there is a discrepancy between the Contractor's offer and the Client's acceptance only the Contractor's original offer shall be valid.

3.2 Mounting the sign at an appointed site is included in the range of delivery only if stated in writing in the confirmed order. All electrical installations required by the sign construction shall be performed in accordance with regulations, laws and bye-laws valid on the day the confirmed order was sent to the Client. Final electrical installation is performed by the Contractor only if necessary electrical facilities (cable for connection) is available within a distance of three meters from the appointed area for the sign construction or, if more than one sign is to be mounted, no more than three meters away from each sign on the appointed area. The Client is also responsible for the application for connection of the installations to the mains of the utility company concerned, or otherwise to the various public transmission mains. The connection charges are to be made to the Client.

3.3 Measurements referred to in figures take precedence over measurements on sketches and drawings if the measurements can not be regarded as obviously wrong.

3.4 The Client shall provide for and take fully financial responsibility for all necessary works on buildings and façades which could be chosen to carry the sign construction.

3.5 The Client also takes full financial responsibility for repair works and repair costs that could follow after the completed mounting of the sign construction, unless the confirmed order in writing includes these works in the range of delivery. Necessary scaffolds and cranes shall be provided by the Client and at the Client's costs in order to carry out the mounting as well as the necessary facilities for the following tests. Scaffolds shall be constructed in accordance with valid laws, bye-laws and labour contracts.

3.6 The Client is responsible for the availability on time of other proper and safe auxiliary appliances for the horizontal and vertical shifting of any heavy components required for the work, and for the accessibility of the working site, as well as for the suitability of the paths of access to it.

3.7 The Client shall, at his (their) own costs, provide for storage with locking devices or guarded areas, on the site, where the Contractor can keep materials, signs, tools and other equipment, needed for the mounting work, protected from theft or destruction. The Client shall bear the risk for any damage to and loss of materials, components or tools which have been brought in to the site, if and insofar as he is responsible for the guarding thereof.

3.8 The Client is obliged towards the Contractor to make possible the execution of the work within the normal working hours of the contractor and under conditions which meet the legal safety requirements and any other government regulations.

3.9 The Client shall ensure that the Contractor has at his disposal on time, the documents of approval required for the work (such as permits and exemptions) and the information to be provided by him for the benefit of the work.

3.10 The Client is obliged to ensure, that all activities to be performed by a third party (such as those of a constructional nature): and /or those deliveries which do not form a part of the work of the Contractor, are executed in such a manner, that the completion of the work is not subjected to any delay resulting from this. Be it the case, that a delay as referred to in this section nevertheless occurs, the Client is obliged to inform the Contractor of this matter immediately.

3.11 The Client shall bear the risk for any damage which is caused by the faulty or unfit nature of any objects which belong to him or, as the case may be, the use of which has been provided, or which are to be obtained from a particular supplier, and for the failure to deliver or failure to deliver on time, of the objects referred to.

3.12 The Client shall bear the risk for any damage which is caused by any errors or defects in relation to the drawings, calculations, constructions, work specifications and work instructions which have been supplied by him.

3.13 The Client shall bear the risk in case of inadequate compliance with the agreement, which is to be attributed to the assistant workers he might employ.

3.14 The Client shall bear the risk for any damage which can be attributed to the wrongful acts of additionally employed contractors and their assistant workers.

3.15 The Client shall bear the risk for the design which has been drawn up by the Contractor, if and insofar as it has been approved by the Client.

3.16 The Client shall indemnify the Contractor from all third-party claims for damages, which remain payable by the Client by virtue of these terms, including any damages resulting from infringements on intellectual and industrial rights of ownership.

3.17 The Client shall permit the Contractor the application of any indication of name or advertising at the working site or on the work itself.

4. Planning application

4.1 If the Client requires, the Contractor, at the Client's cost, shall draw up an application to the Board of Planning and also enclose drawings and construction sketches needed for the application for a permit. The Client shall provide accurate technical information concerning

construction of roof, walls and foundations of the building where the sign is to be mounted. These documents are to be enclosed together with the application form. All fees to the authorities and costs for providing the Board of Planning with necessary documents such as drawings, photos, measurements and construction sketches or other document, to complete the application, shall be at the Client's costs if nothing else is agreed in writing.

4.2 The Client shall see to that the owner of the house/building or property has given his (their) permission to the mounting of the sign.

5. Delivery and delivery time

5.1 The delivery time runs from the day when the Client receives notice in writing that a permit to mount the sign exists.

5.2 If a permit cannot be obtained and the Board of Planning requires adjustments in the sign construction or design, the Client has to take all costs the Contractor could suffer because of this. If the Client should order the start of manufacturing of the sign without necessary permits, this is done at Client's own risk and costs.

5.3 If the Contractor is withheld in efforts to complete the delivery by circumstances caused by the Client or subcontractors of same, the Client shall indemnify the Contractor all costs he might suffer because of this. The Client shall also indemnify the Contractor costs for waiting hours together with allowances and travel costs the Contractor might suffer because of the withhold. The Contractor must notify the Client as soon as such withhold appears.

5.4 The delivery is completed when the Contractor notifies the Client that the sign is ready for use or the sign is shipped to the Client or stored with the Contractor on the behalf of the Client.

6. Liability and indemnity

6.1 Unless otherwise specifically stated in this provision, the Client is entitled - in cases where the Contractor does not deliver the sign ordered on time - to liquidated damages amounting to 0.5 % for each full week of the delay of that part of the agreed price, exclusive of VAT and any other charges, relating to that part of the ordered sign which cannot be taken into service as intended. However the maximum amount of liquidated damages shall be 7.5 % of the agreed price, exclusive of VAT and any other charges, or, where applicable, calculated on the price of the delayed part, exclusive of VAT and any other charges. The price shall not be considered to include the Client's costs for goods and services for which a separate charge is normally made, for example training of the staff of the Client.

6.2 However the Client is entitled, by giving the Contractor notice in writing, to cancel the agreement if there has been a delay which under Clause 5.1 entitles the Client to maximum liquidated damages. In case of such cancellation the Client is not entitled to any compensation in the form of damages or similar above the maximum liquidated damages on the grounds of the delay.

6.3 The Client is not entitled, in case of the Contractor's lateness, to enforce sanctions other than liquidated damages. This limitation of the Contractor's liability does not apply, however, in the event of gross negligence on the part of the Contractor.

6.4 The Client loses his entitlement to liquidated damages if a written demand for these has not been presented to the Contractor within three (3) months from the date when delivery should have taken place.

6.5. If the delay concerns a small part of the total delivery the Client is not entitled to cancel any part of the delivery.

7. The Client's acceptance of the sign ordered

7.1 Should the Client find it impossible to accept the sign ordered on the agreed date, or should such delay appear probable, the Client has a duty, without delay, to notify the Contractor in writing and at the same time to state the reason for the delay and, if this is possible, a date on which it is expected that the delivery can be accepted. The Client shall in such cases nevertheless be obliged to make every payment which has been made conditional on delivery as if the sign/product ordered had been delivered. The Contractor shall then arrange storage of the sign ordered, at the Client's risk and expense. If requested by the Client the Contractor shall also maintain insurance for the sign ordered at the Client's expense.

7.2 However, the Contractor is not in any case obliged to store the sign ordered longer than for two (2) months. After this period the Contractor has to give notice to the Client to collect the signs or advise the Contractor where to ship the signs, all at the expense of the Client

8. Defects in the sign ordered

8.1 Defects in the sign delivered shall be considered present if the sign does not satisfy the requirements and specifications stated in writing by the Contractor in the confirmed order, and as a result of the defects the sign cannot be used for the purpose.

8.2 The Contractor is obliged, free of charge, to rectify defects in the sign delivered which are due to defects in material, design or manufacture. The Contractor may instead of rectifying the defect supply a new part or a new sign free of defects or repay the purchase price. Should the Contractor choose to repay the purchase price the Client shall return the delivered sign/part in essentially unaltered condition. If this is not possible the Contractor may credit himself with the value of the sign as a deduction from the purchase price repaid.

8.3 The Contractor is obliged to rectify defects in the sign ordered or to make a new delivery or to repay the purchase price only if the Client has complained to the Contractor in writing of the defect as soon as he has discovered or ought to have discovered the defect. The complaint shall contain a brief description of the nature of the defect. However the Contractor is liable only for defects which appear within one (1) year from the date of delivery under Clause 4 above. The Contractor is never liable for defects/damages caused by wind speed exceeding 24 m/sec (ground level) or stroke of lightning.

8.4 Should a complaint not be made within the time and in the manner stated above, the Client loses the right to raise complaint on the same.

8.5 After receiving a correct complaint, as above, the Contractor shall rectify the defect, make a new delivery or repay the purchase price. The circumstances of the complaint shall determine the actions taken.

8.6 Rectification of the defect by the Contractor shall take place at the premises of the Client unless the Contractor finds it appropriate for the defective part or the sign ordered or,

where applicable, designed to be sent to him for repair.

8.7 The Contractor shall be considered to have rectified the defect when repaired or replaced parts of the sign ordered or, where applicable, designed have reached the Client. New delivery shall be considered to have taken place when the new sign or part has reached the Client.

8.8 All transport for the purpose of rectifying the defect shall take place in accordance with the instructions of the Contractor. Costs of transport to the premises of the Contractor shall be borne by the Contractor. Costs of transport to the premises of the Client shall be borne by the Client.

8.9 The Contractor's liability does not include defects which are due to material supplied by or design or manufacture prescribed or specified by the Client. In addition the Contractor is liable only for defects which arise with correct use of the sign ordered or, where applicable, designed.

8.10 Liability does not cover defects caused by circumstances which have arisen after the sign ordered or, where applicable, designed has been delivered to the Client. Therefore the liability of the Contractor for defects does not cover defects which have been caused by inadequate maintenance or incorrect assembly on the part of the Client, modifications made without the written consent of the Contractor or repairs incorrectly carried out by the Client or normal wear or deterioration of the goods ordered.

8.11 Other than as prescribed in Clauses 8.1-8.10 the Contractor shall not have any liability for defects in the goods. The Contractor is therefore not liable in any circumstances to pay damages to the Client for loss sustained by the Client as a result of a defect in a supplied product such as material damage, damage to property, loss of profits, loss of goods, loss of production or other direct or indirect loss of whatever kind this may be. This limitation of the Contractor's liability does not apply, however, in cases of gross negligence.

8.12 Defective parts, signs or reconstructions which have been replaced in accordance with this provision shall entirely be the Contractor's property.

8.13 Should the Client complain of a defect under Clause 8 and it then be found that there is no defect for which the Contractor is liable, the Contractor is entitled to full payment for work costs which the Client's incorrect complaint has caused to the Contractor.

9. Liability for loss caused by the sign ordered

9.1 The Client shall indemnify the Contractor in case of the Contractor being held liable to a third party for damage or loss for which under Clauses 8.2-8.4 below the Contractor is not liable.

9.2 The Contractor is not liable for damage to real or movable property or injury to person which the sign or parts of the sign ordered causes, if the damage or injury occurs when the sign or part ordered has come into the possession of the Client or to signs produced by the Client or to signs or parts in which the Client's signs or parts are included, nor for damage to real or movable property which these signs or parts have caused on account of the signs or parts ordered.

9.3 If a third party presents a claim for compensation against the Contractor or against the Client for damage as referred to in this clause 9, the opposite party shall be notified thereof. Such a claim shall be dealt with by the Client independently. Should the third party still choose to pursue the claim against the Contractor, it is the duty of the Contractor to deal with the claim as directed by the Client and at the Client's risk and expense.

9.4 The Contractor and the Client have a duty to assist the court or arbitration tribunal which is to deal with a claim for compensation against either of them, provided that such a claim is based on damage or loss which is alleged to have been caused by the sign ordered. The mutual relationship between the Supplier and the Client shall however always be determined in accordance with the provisions of clause 13.

10. Payment

10.1 Payment shall be made by the Client in the manner and at the time agreed between the parties. Should an agreement on this not exist, the Client shall make payment in cash against an invoice of one-third on making the agreement, one-third when the sign ordered has been notified in writing to the Client as ready for delivery and one-third when the sign ordered is delivered.

10.2 If the date of delivery is altered in the manner stated above on grounds of adjustment or addition requested by the Client the date of payment shall be put back accordingly. The Contractor reserves the right to adjust the price as a result of requested additions or adjustments to the product ordered and in the event of changes in currency exchange rates, raw material prices, taxes and public charges occurring after the date of the quotation, price list or signing of the agreement.

10.3 If the Client does not pay on time the Contractor is entitled to penalty interest from the due date under the Swedish Law, Interest Act (1975:635).

10.4 The Contractor is entitled to cancel the agreement by giving notice in writing to the Client if payment has not been made within two (2) months from the due date or where applicable from the respective due date. In such a case the Contractor is entitled to, as well as interest, compensation for any loss sustained, always subject to a maximum of the agreed price.

10.5 The Contractor shall be entitled to demand satisfactory security for payment from the Client if there is reason to assume that the Client has or will have difficulty in paying. In cases where such security is not immediately provided the Contractor shall be entitled immediately to suspend work or to stop further deliveries to the Client without sanctions being enforced.

11. Reservation of ownership

11.1 The sign ordered remains entirely the property of the Contractor until it has been paid for in full, provided that such reservation of ownership is legally valid.

11. Copyright ownership etc

11.1 All copyright ownership and other intellectual property rights, including proposals in documented form such as instructions for use, drawings, models and other technical documentation and patent rights relating to the sign, belong in their entirety to the Contractor. The Client may not therefore duplicate, copy or reproduce the sign ordered or the

documents here referred to or otherwise use these other than as a part of the construction for which the sign ordered is intended.

11.2 Should the Contractor, at the request of the Client, have completed drawings, models or other originals which have been provided by the Client, all intellectual property rights with relation to these, including pattern and patent rights, shall belong to the Client. Drawings, sketches or models completed by the Contractor, however, remain as Contractor's (intellectual) property.

11.3 The Client is liable for all infringement of the intellectual property rights of third parties, including pattern and patent rights, which is caused by the sign ordered or by documents produced for or by the Client.

12. Grounds for non-liability /Force Majeure

12.1 Circumstances which have arisen after the agreement has been signed and which mean that the performance of the agreement is prevented or rendered unreasonably burdensome, and which could not reasonably have been anticipated by the party when entering into the agreement, shall constitute grounds for non-liability, for example labour dispute, stroke of lightning, conflagration, war, mobilization or similar military call-up of substantial extent, riot and insurrection, government confiscation, requisition, currency restrictions, scarcity of transport, general scarcity of supplies, restriction of supplies of fuel, and faults or delays in deliveries from sub-contractors which have not been caused by the party and which could not with normal caution have been avoided. Grounds for non-liability exist for as long as a circumstance under this Clause continues to prevent performance, subject however to a maximum of 6 months. Thereafter each party is entitled to renounce the agreement without sanctions being enforceable by the other party. However the Contractor shall always be entitled to payment for products already delivered.

12.2 Grounds for non-liability may not be alleged unless a party can show that all reasonable measures have been taken to limit the effect of the obstacle and after the obstacle has ceased to exist tried to make up lost time. Nor may grounds for non liability be alleged unless a party has without delay informed the other party in writing that such a circumstance has arisen and of the anticipated effect of the obstacle.

13. Disputes

13.1 Disputes concerning the making, interpretation or application of this agreement and agreements and legal matters arising there from shall be settled by arbitration in accordance with the rules of the Arbitration Institute of the Stockholm Chamber of Commerce on simplified arbitration procedure. However, in cases where the amount claimed in the action exceeds SEK five million the dispute shall be settled by arbitration in accordance with the rules on arbitration procedure of the Arbitration Institute of the Stockholm Chamber of Commerce.

13.2 Irrespective of what has been stipulated above a party may at a competent Swedish public court bring action which at the time of bringing the action clearly does not involve a sum higher than ten times the base amount under the National Insurance Act (1962:381).

13.3 Swedish law shall apply to this agreement.

