

GENERAL CONDITIONS OF SALES

1 GENERAL

1.1 Unless otherwise expressly stated in writing by a duly authorized representative of the relevant company of the Diab Group, such being a direct or indirect subsidiary of the Swedish registered company Diab Group AB, ("Seller") in an offer or a confirmation of an order issued by Seller or otherwise in a signed and valid written contract (a "Contract"), these general conditions of sale shall exclusively apply to all supplies of goods and related services provided by Seller to any customer ("Buyer") and will thus take precedence and exclude the application of any (i) conflicting or deviating general or specific terms or conditions of Buyer, and (ii) non-mandatory laws. The goods and the related services to be supplied under a Contract is hereinafter referred to as the "Goods".

1.2 No waiver or modification of any provision hereof shall be binding upon Seller, unless agreed in writing by a duly authorized representative of Seller.

2 OFFER AND ACCEPTANCE

Unless otherwise stated by Seller in writing, all offers are valid for thirty (30) days from the dates of such offers. Seller shall not be bound to any contract of delivery, unless a written order confirmation has been issued by Seller.

3 TECHNICAL INFORMATION, INTELLECTUAL PROPERTY RIGHTS

3.1 Specifications, formulations, measures, weights, prices and other information being part of Sellers catalogues, brochures, advertisements, circulars and price lists are for general information purposes only and shall neither constitute an offer by Seller, nor be information that Buyer is entitled to rely upon. Only such specifications, formulations, measures, weights, prices and other information that are expressly specified in the final Contract between Seller and Buyer may be relied upon by Buyer.

3.2 Save for what is expressly set forth in this clause 3.2, if Goods delivered by Seller to Buyer constitute an infringement of a third party's patent right, industrial design or any other intellectual property right, Seller undertakes to take repossession of the Goods and repay the original purchase price, but shall not be obliged to pay to Buyer any damages or any other sum whatsoever resulting from such infringement. Notwithstanding the foregoing, if the Goods (i) were sold for a particular purpose recommended by Seller, as expressly set forth and identified in the contractual documents, Seller shall in addition to what is set forth above in this clause 3.2 reimburse Buyer for reasonable direct costs incurred by Buyer due to such infringement, and (ii) were produced based on drawings or other instructions provided by Buyer, as expressly set forth and identified in the contractual documents, Seller shall have no obligation to take repossession of the Goods or compensate Buyer in any way. Seller's obligations under (i) above are conditional upon that Buyer (a) forthwith notifies Seller in writing of the alleged infringement, (b) allows Seller to take over and conduct any negotiations and litigation arising out of the claim, and (c) not makes any prejudicial admissions with respect to the claim.

3.3 If any action is brought against Seller for infringement of any patent right, industrial design or similar intellectual property right arising out of Seller's production of Goods based on express or implied instructions or specifications by Buyer, Buyer shall indemnify and hold Seller completely harmless against all damage claims, liabilities, costs and demands resulting from such action, including reasonable legal costs.

4 DELIVERY

4.1 Unless otherwise agreed in writing by Seller, delivery is made Ex Works Seller's factory (determined in accordance with the INCOTERMS in force at the date of the contract). The risk of loss or damage to the Goods shall pass from the Seller to the Buyer in accordance with the said INCOTERM.

4.2 If delay in delivery is caused by any of the circumstances mentioned in clause 8 or by an act or omission on the part of Buyer, the time for delivery shall be extended by a period, which is reasonable having regard to all the circumstances in the case. This provision applies regardless of whether the reason for the delay occurs before or after the agreed time for delivery.

4.3 If delivery cannot take place within the agreed time of delivery Seller shall have the right to extend the agreed time of delivery with the time required.

4.4 Should the extension of the time of delivery exceed six (6) weeks Buyer is entitled to cancel the Contract, provided that the cancellation is made in writing within five (5) days from the time Buyer has been notified of the new time of delivery, save for when the delayed delivery is due to force majeure. Should Buyer not cancel the Contract within such time, the time of delivery stated by Seller shall be considered as the new time of delivery.

4.5 Cancellation of Contract shall be Buyer's sole remedy at delay in delivery and Buyer shall not be entitled to damages, penalty, remuneration or other compensation, unless a separate written agreement has been entered into between Seller and Buyer to that effect. Under no circumstances shall Buyer be entitled to compensation for any indirect or consequential damages, costs or losses due to any delay in delivery.

5 PACKAGING

5.1 Returnable, hired or loaned packaging shall at all times, unless otherwise is expressly agreed in writing, remain the property of Seller. The packaging is specifically and solely intended for the purpose of packaging the Goods sold.

5.2 Said packaging shall be returned to Seller in good condition within 60 days of delivery. In the event of failure to return said packaging within such time, Seller is entitled, without any prior formal notice to this effect, to invoice Buyer a fee corresponding to 0.5% of the full replacement cost of the packaging per day of delay. If the delay in returning the packaging exceeds 30 days, Seller is entitled to invoice Buyer the full replacement cost of the packaging. In case of destruction or deterioration of the returnable packaging, Buyer shall pay the full cost of restoring or replacing the packaging.

5.3 When packaging is supplied by Buyer, the Buyer shall ensure the conformity of said packaging with any and all regulations currently in force for the transport of the specific Goods.

6 PRICES

6.1 Should, after entering into any Contract, changes in the exchange rates, taxes, duties or other governmental charges as well as any material and unforeseen costs for raw material or wages occur, which affect Seller's costs for providing the Goods, Seller shall have the right to change the price accordingly. The same shall apply in case any laws or regulations that affect Seller's costs for the manufacturing of the Goods are changed or promulgated.

6.2 Unless otherwise specified by Seller, all amounts of money referred to in the contract shall be amounts exclusive of (i) value added tax, any similar sales tax or any tax that replaces such sales tax, and (ii) custom duties and similar fees.

7 PAYMENT

7.1 Unless otherwise agreed in writing, payment for Goods shall be available for receipt by Seller within thirty (30) days from the date of the invoice. Seller shall be entitled to issue the invoice as soon as the Goods have been loaded for transportation/shipment at Seller's factory (regardless of the applicable INCOTERM for the transportation and delivery).

7.2 Payment shall be considered to have been effected when Seller has received full payment for the Goods.

7.3 Should, before completion of the delivery of the Goods, Seller find reason to believe that Buyer will not duly fulfill its obligation to make payment, is suffering from reduced or potentially reduced solvency or some material change in its financial or legal status, Seller shall have the right to demand adequate security or, without any liabilities towards Buyer, to cancel the Contract, unless Buyer provides a payment guarantee approved by Seller.

7.4 THE GOODS SHALL REMAIN THE PROPERTY OF THE SELLER UNTIL PAID FOR IN FULL TO THE EXTENT THAT SUCH RETENTION OF TITLE IS VALID UNDER THE RELEVANT LAW. THE BUYER SHALL AT THE REQUEST OF THE SELLER ASSIST HIM IN TAKING ANY MEASURES NECESSARY TO PROTECT THE SELLER'S TITLE TO THE GOODS. THE RETENTION OF TITLE SHALL NOT AFFECT THE PASSING OF RISK UNDER CLAUSE 4.1.

7.5 If Buyer does not make payment on or before the date on which it is due, Seller shall be entitled to suspend further deliveries of Goods to Buyer and to require Buyer to return the relevant Goods not paid for. Interest shall accrue automatically on the overdue amount from the due date at an interest rate of 1.5 per cent per month and be payable by Buyer.

8 RELIEFS (FORCE MAJEURE AND HARDSHIP)

8.1 Should any of the parties' obligations, other than payment obligations, be prevented, obstructed or delayed due to force majeure, that party shall be relieved of all liability for the fulfillment of such obligation until the obstacle has been removed and, if it continues for more than three (3) consecutive months, both parties shall be entitled to terminate the Contract.

8.2 The term force majeure includes acts of God, labour disputes, strike, military mobilisation, war, failure of the financial system, export and import restrictions and other governmental interferences, fire, accidents, floods and other natural events, water shortage, machine damage and other unforeseen disturbances in the production, general shortage of means of transportation or traffic disturbances at railroads, harbours or other traffic institutions, or default or delayed delivery from sub-suppliers or any other circumstances of whatever nature beyond the affected party's control and preventing such party's ability to fulfill its obligations.

8.3 Where Seller deems that the continued performance of its contractual duties has become excessively onerous due to an event beyond its reasonable control which Seller could not reasonably have been expected to foresee at the time of the conclusion of the Contract; and the event or the consequences thereof could not reasonably have been avoided or overcome by Seller, Seller shall be entitled to invoke hardship. Buyer is bound, within a reasonable time of the invocation of hardship by Seller, to negotiate alternative contractual terms which reasonably alleviate or mitigate the effects of such hardship in an equitable manner. Where alternative contractual terms which reasonably alleviate or mitigates such effects are not agreed upon between Seller and Buyer as provided in this clause, Seller is entitled to terminate the contractual relationship by giving written notice hereof.

9 DEFECTS

9.1 Pursuant to the provisions of this Clause 9, Seller shall remedy any defect in the Goods or any non-conformity with its specifications as confirmed by Seller in writing ("Defect(s)") resulting from faulty design, materials or workmanship.

Seller's aforesaid obligation shall be limited to Defects which appear within a period of six (6) months from delivery of the Goods. If the use of the Goods exceeds that which is agreed in writing (if applicable), this period shall be reduced proportionately.

In case of a Defect, Seller undertakes, at its sole discretion and its own cost, to either (i) make a replacement delivery of the Goods, (ii) correct the defect in the Goods and the Buyer shall then make available the defect Goods and shall carry all costs (including dismantling) in relation thereto, or (iii) to accept return of the Goods and refund such proportion of the purchase price received as may be reasonable having regard to the Defect in question.

9.2 Seller shall have no obligations or liabilities with respect to Defects in Goods supplied to the extent such Defect is resulting from:

- (i) non-compliance with conditions of operation provided for in the Contract,
- (ii) faulty storing or maintenance,
- (iii) compatibility with materials, parts or other products of the Buyer,
- (iv) incorrect installation or faulty repair by Buyer,
- (v) alterations carried out without Seller's consent in writing,
- (vi) failure by Buyer (or its employees and customers) to comply with laws, regulation and applicable standards governing the use, handling or storing of the Goods,
- (vii) any damage to the Goods or breakage of packaging during transportation for which Seller is not responsible,
- (viii) negligence, accident or other physical impact on the Goods after its delivery by Seller,
- (ix) normal wear and tear, or
- (x) materials provided or a design stipulated or specified by Buyer.

9.3 Any claim on Seller relating to Defects shall be made in writing (and properly specify the Defect) within thirty (30) days from the discovery of the Defector from the date when it should reasonably have been discovered, but in no event later than six (6) months from the delivery date. Otherwise, Buyer shall lose its right to have the Defect remedied. When a Defect in a part of the Goods has been remedied, Supplier shall be liable for Defects in the repaired or replaced part under the same terms and conditions as those applicable to the original Goods for a period of one year, however Seller shall Supplier under no circumstances be liable for Defects for a period longer than twelve (12) months from the agreed delivery date for the original Goods.

9.4 Where the Defect is such that it may cause damage, Buyer shall immediately inform Seller in writing. Buyer shall bear the risk of damage to the Goods resulting from its failure so to notify. Buyer shall further shall take reasonable measures to minimize damage and shall in that respect comply with instructions of Seller.

9.5 Samples of the Goods in dispute shall be taken according to existing rules regarding sample taking in Buyer's country. In addition, Seller shall be entitled to inspect and take samples from the Goods in dispute. Buyer shall provide broken packaging to Seller and Seller shall be entitled to inspect and keep such packaging.

9.6 OTHER THAN AS EXPRESSLY STATED HEREIN, NO REPRESENTATION OR WARRANTY ON THE PART OF SELLER (EXPRESS OR IMPLIED) INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND/OR ANY OTHER WARRANTY AS TO THE QUANTITY, QUALITY, KIND, CHARACTER OR CONDITION OF ANY GOODS OR THE ADEQUACY OF ANY WARNINGS CONCERNING THE POSSESSION, HANDLING, STORAGE, TRANSPORT, ACTION, USE OR OTHER DISPOSITION OF MATERIAL, WHETHER USED SINGLY OR IN COMBINATION WITH OTHER SUBSTANCES, SHALL APPLY TO ANY GOODS DELIVERED BY SELLER TO BUYER. ALL SUCH WARRANTIES AND REPRESENTATIONS BEING HEREBY DISCLAIMED TO THE MAXIMUM EXTENT PERMISSIBLE BY APPLICABLE LAW.

9.7 Seller's remedying of Defects as provided herein shall be Buyer's sole and exclusive remedy with respect to Defects and shall constitute fulfillment of all obligations and liabilities of Seller (including any liability for direct, indirect, special, multiple, incidental or consequential damages), whether in warranty, contract, tort (including, but not limited to, negligence, failure to warn or failure to test), strict liability, or otherwise with respect to any Defect in the Goods, unless otherwise provided by mandatory applicable laws dealing with the safety of a product (product liability). If Supplier fails to fulfill these obligations, Buyer may himself undertake or employ a third party to undertake necessary repair work at the risk and expense of Supplier.

9.8 Seller shall not be liable for any damage to property caused by the Goods after it has been delivered and whilst it is in the possession of Buyer. Nor shall Seller be liable for any damage to products manufactured by Buyer or to products of which Buyer's products form a part. Buyer agrees to indemnify, hold harmless and defend Seller, its directors, officers and agents from any and all liabilities, losses, damages, costs, claims or lawsuits (including reasonable legal costs), settlements, judgement amounts and expenses, arising out of Buyer's use of the Goods, whether such liabilities, claims or lawsuits result from the negligent acts or omissions of Buyer, or otherwise from the use of the Goods by Buyer or by a third party either singly or in combination with other goods or substances.

10 CONFIDENTIALITY

Any technical, commercial or other information related to the Goods, supplied or disclosed by Seller to Buyer or otherwise obtained by Buyer whether prior to or after the conclusion of the Contract, shall remain the property of Seller and be treated as strictly confidential by Buyer. Any such technical, commercial or other information shall not, without the consent of Seller, be used for any other purpose than that for which they were provided. They may not, without the consent of Seller, otherwise be used or copied, reproduced, transmitted or communicated to a third party. The said confidentiality obligation shall not apply to any information, which Buyer can show was in its possession or in the public domain at its disclosure or subsequently has come into the public domain without any default on the part of Buyer.

11 GOVERNING LAW AND DISPUTES

11.1 THESE GENERAL CONDITIONS OF SALE AND ANY OTHER CONTRACT BETWEEN THE SELLER AND BUYER REFERRING TO THESE GENERAL CONDITIONS OF SALE SHALL BE GOVERNED BY THE SUBSTANTIVE LAWS OF THE COUNTRY OF SELLER'S PLACE OF INCORPORATION, BUT EXCLUDING ITS CONFLICT OF LAWS PRINCIPLES AND THE UN CONVENTION ON INTERNATIONAL SALE OF GOODS.

11.2 All disputes arising out of or in connection with the present contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. He Emergency Arbitrator Provisions shall not apply. Unless otherwise agreed between the parties, the language of the proceeding shall be English.

11.3 Notwithstanding the foregoing provision, Seller shall be entitled to bring action against Buyer before any competent court or other authority to collect payment of any invoice overdue.

12 EXCLUSION AND LIMITATION OF LIABILITY

NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW SELLER SHALL IN NO EVENT BE LIABLE FOR LOSS OF PROFITS OR REVENUE, LOSS OF USE OF THE GOODS, DELAY OR CLAIMS OF CUSTOMERS OF BUYER OR OTHER USERS OF THE GOODS, OR ANY SPECIAL, MULTIPLE, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES AND LOSSES, WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING, BUT NOT LIMITED TO NEGLIGENCE, FAILURE TO WARN OR FAILURE TO TEST), STRICT LIABILITY OR OTHERWISE, AND IN NO EVENT SHALL THE AGGREGATE LIABILITIES OF SELLER UNDER ANY CONTRACT EXCEED THE TOTAL PURCHASE PRICE ACTUALLY PAID BY BUYER TO SELLER DURING THE IMMEDIATELY PRECEDING TWELVE (12) MONTHS FROM THE DATE OF THE EVENT GIVING RISE TO THE CLAIM, EVEN IF SELLER IS ADVISED IN ADVANCE OF THE POSSIBILITY OF ANY SUCH LOSSES OR DAMAGES. NOTWITHSTANDING THE FOREGOING, SELLER DOES NOT EXCLUDE OR RESTRICT LIABILITY IN RESPECT OF DEATH OR PERSONAL INJURY CAUSED BY SELLER'S NEGLIGENCE, FRAUD OR ANY OTHER LIABILITY WHICH CAN NOT BE EXCLUDED OR RESTRICTED BY APPLICABLE LAW.

13 MISCELLANEOUS

13.1 If any provisions of the Contract (or part of a provision) are found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions shall remain in force.

13.2 If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it was deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

13.3 Buyer may not assign or transfer or sub-contract any of its rights, benefits or obligations under the Contract without the prior written consent of Seller. Seller shall be entitled to assign and transfer the Contract to another company of the group which Seller forms part of. Further, Seller shall be entitled to assign or transfer any receivables and ancillary rights arising under the Contract to any party.

13.4 Any amendments to the Contract made between the parties must be made in writing and be signed by authorized representatives of both parties in order for such amendment to be valid and legally binding.

13.5 The remedies for breach of contract which are specified herein shall be the sole remedies available for Buyer. Buyer shall not be entitled to compensation or indemnification except as set out in these general conditions of sale.

14 INTERPRETATION

The fact that Seller has proposed these conditions shall not work to Seller's disadvantage in case of any dispute. Buyer is recommended to seek legal advice as to the content and interpretation of these conditions before entering into any purchase contract.