

GENERAL TERMS OF DELIVERY FOR RIFLEX FILM AB

If nothing else has been agreed upon in writing, the following general terms apply.

1. Definitions

In these terms "the Seller" refers to Riflex Film AB and "the Buyer" to the company, person or firm with whom the offer has been placed. "The Goods" refers to the product to be sold.

2. Product information

Information given in computer lists, brochures and other sources of information is guidance and not binding on the Seller.

3. Agreements entered

The Seller is only liable after confirming in writing the order placed.

4. Gradual deliveries

When the agreement involves gradual deliveries, each delivery should be regarded as a separate sale. The Buyer cannot revoke the agreement regarding other deliveries owing to delays, defects or shortage in delivery.

5. Price adjustment

5.1. Should the prices on raw material concerning the Goods increase or the exchange rate fluctuate which would affect the Sellers costs regarding purchase, production, transport or similar measurements, the Seller has a right to change the price correspondingly, after entering the agreement. The Buyer has a right to cancel the remaining deliveries if affected by such increase in price unless the Seller pays for the difference.

5.2. Should an increase of export or import fees, customs, tax on export, import or delivery, or similar costs due to authorities, decisions or new taxes and costs be introduced effecting the Goods or its transport, the Seller may change the price accordingly.

5.3. The Seller is always entitled to increase the price or change the terms of payment after given a written message to the Buyer. If the Buyer does not raise any objections against such increase within a period of one week, this will be looked upon as an approval of the increase or the alteration. However, should the Buyer object within a week, the Seller is entitled to continue the delivery at the price and the terms of payment agreed upon at the time of the alteration or totally or partly cancel the agreement.

6. Payment

6.1. Unless otherwise is agreed, payment should be made in such time and manner so that it is available to the Seller at his stated bank account which is noted on the invoice on the due date.

6.2. Should the Buyer without reasonable cause fail to pay the Seller the due date, he shall compensate the Seller with interest on arrears accounting to 10% over reference interest. Based on the unpaid amount and counted on the due date. If the delay in payment has caused the Seller expenses for collection, court procedure or other costs, the Buyer shall bear these costs.

Payment shall be considered as effected when the money has been received by the Seller. For payment made by cheque, this will be the day when the Seller receives the cheque, and for payment made through a bank or the post office, the date on the receipt.

Interest accrued will be invoiced monthly. If interest, depending on any circumstances, should not be charged for a delivery, this will not prevent the Seller from charging such interest later.

6.3. Before delivery is effected the Seller is entitled to demand acceptable security for payment of the delivery in question as well as for goods delivered earlier but for which payment has not yet been made.

6.4. Should the Buyer without reasonable cause delay payments, the Seller is entitled to retain the balance of the undelivered goods, or where it has been sent but not yet received by the Buyer, prevent the distribution until the Buyer has given security for the payment. The Seller may also cancel the agreement, if the buyer does not immediately on demand provide satisfactory security.

7. Deliveries

7.1. Stated time of delivery and date of delivery is to be regarded as approximate.

7.2. The time of delivery is to be enumerated from the later of the following points.

a) the day of the Seller's order confirmation

b) the day when the Seller receives all necessary information and licenses from the buyer in order start the production

c) the day when Buyer proves that he according to agreement has opened a Letter of credit or paid an advanced payment in the occurring points.

7.3. The Seller is not responsible for any delays regarding delivery beyond the Seller's control

7.4. The Seller is not in any case liable to damage due to delays in delivery if any.

7.5. The point of time for transition of the danger of the Goods is decided in accordance with the "International rules for the Interpretation of Trade terms" (Incoterms 1990), compiled by the International Chamber of Commerce. If no delivery clause is agreed upon, the Goods will be considered sold as "freight, carriage and insurance paid".

7.6. If the Buyer omits to receive the Goods on the appointed day, he is not obliged to settle each payment as if the Goods had been delivered. If the Buyer, irrespective of reason, omits to receive the Goods in stipulated time, the Seller can cancel the agreement in writing concerning part of the Goods which has not been received, owing to the Buyer's omission, and from the Buyer receive compensation for damage caused by the Buyer's omission.

7.7. Should the price stated in the agreement imply that the Seller totally or partly is responsible for the transports costs, the Seller is entitled to choose mode of conveyance.

8. Right of possession

Delivered Goods shall, to the extent permitted by the law of the Buyer's country, remain the property of the Seller until the whole sum payable under the contract is paid. The ownership includes the right to the assets of the money which the Buyer may have acquired from disposing of the Goods or products made thereof. Money so received in payment must be kept on a separate account by the Buyer.

9. Defects of the Goods

9.1. Quantity stated in the order confirmation may be either exceeded or fall below by 10%.

9.2. Should the Goods be marred by any damage or defect and if desired and practicable, the Goods should be replaced with faultless goods as well as any damage being made good.

If the defect is not repaired or not replenished within reasonable time, the Buyer may require a deduction of the purchase sum corresponding to the invoice value of the faulty and the defect respectively. The Seller is only responsible for the returned Goods mentioned in this paragraph. In addition to this, the Seller should not be responsible for any direct or indirect damage or loss appearing as a result of a defect or damage of the Goods or in the given information, instruction or direction concerning the Goods.

9.3. In the case of the Buyer transporting the Goods to some other place, and if nothing else has been agreed upon, the Buyer will pay the costs and be responsible and be responsible for the return transport of the faulty Goods to the original place as well as the transport of the replaced Goods from the place of delivery. The Seller should pay the costs and be responsible for the transport of the faulty Goods from the original place of delivery agreed upon and for the transport of the replaced Goods to the place of delivery.

9.4. The Seller does not guarantee that the Buyer does not encroach on any patent, trademark or any other immaterial rights belonging to a third party, and is not liable to compensate the Buyer for damages or costs owing to such encroachments.

10. Complaints

Complaints about faulty or defected goods shall be notified in Writing to the Seller within 14 days after the receipt. Faults and defects to the Goods should be accurately specified.

In case of damage during transport or should have noticed it is the Buyer's responsibility to inform the conveyer concerned and the Seller about the damage, by making a note of it on the consignment note.

If the Buyer fails to fulfil his obligations stated in this section, the Buyer loses his rights regarding the damage.

11. Product liability

In case a damage due to bad quality of the Goods or inadequate information, instruction or direction to the Goods, the Seller is only responsible for any personal damage or damage to property if proved, that the damage occurred intentionally or through gross negligence be the Seller or by someone who the Seller is responsible for.

The Seller is not responsible for any loss of production, absent profit or other indirect damage.

Should product liability be incumbent upon the Seller for personal damage and/or property damage in respect of somebody other the Buyer, the Buyer is liable to keep the Seller indemnified unless the Seller or someone the Seller is responsible for has caused the damage through intent or gross negligence.

12. Reasons for exemption

12.1. In a case of Swedish or foreign official interference, war, labour dispute, conscription or other difficulties in obtaining manpower, shortage of means of transport, general shortage of goods, shortage of raw material, electric power or others, fire, damage to machinery or other accident at work, shipwreck, ice obstruction or other circumstances beyond the parties control which is a hindrance on the Seller's possibilities to fulfil as well as the Buyer's possibilities to receive the consignment, the Seller respectively the Buyer is entitled to postpone the delivery during the time required to clear away such circumstance. Should the required time exceed 2 months, each party is totally or partly entitled to cancel the deliveries which should have been carried out during this time.

12.2. If any deliveries must be postponed due to the hindrance mentioned above, subsequent deliveries may be postponed correspondingly.

12.3. Party who would like to use any right mentioned above would without any delay inform the opposite party in writing.

12.4. Party is not responsible for damage or loss which the other party may be caused owing to the fact that the deliveries in accordance with above are postponed or cancelled.

13. Dispute

Any dispute arising in connection with the present agreement should, at the request of the complainant, be settled either by the Court in the Defendant's country or by arbitration, this to be decided by the complainant.

The method and place for the settlement of any dispute, will be definitely determined by the court or arbitration forum where either party first registers his suit.

Should the complainant choose the alternative arbitration, a dispute arising in connection with the present agreement between the Seller and a Scandinavian buyer shall be settled finally through an award in accordance with the rules for the Arbitration Institute of the Stockholm Chamber of Commerce.

The arbitral tribunal shall be composed of a sole arbitrator.

In case of arbitration, the law of Sweden shall govern the matter regulated by the agreement with the exception of the contents in the ownership clause, where the law in the Buyer's country shall be valid.

The place of arbitration shall be Stockholm, Sweden.

The language of the arbitration shall be Swedish.

Should the complainant choose the alternative arbitration, a dispute arising in connection with the present agreement between the Seller and a non-Scandinavian shall be settled finally through an award in accordance with the rules of the London Court of International Arbitration.

The arbitral tribunal shall be composed of a sole arbitrator.

In case of arbitration, the law of England shall govern the matter regulated by the agreement with the exception of the contents in the ownership clause, where the law in the Buyer's country shall be valid.

The place of the arbitration shall be London, England.

The language of the arbitration shall be English.