

GENERAL TERMS OF SALE FOR HUNTER DOUGLAS SCANDINAVIA

Valid from 2017-01-01

1. Definitions

In these General Terms of Sale following references are made:

- a. Supplier – Hunter Douglas Scandinavia and other companies within the Hunter Douglas Group applying to these General Terms of Sale;
- b. Buyer – the opposite party of the Supplier, irrespective of being a natural or juridical person, who has in writing or otherwise accepted the applicability of these General Terms of Sale;
- c. Force Majeure - circumstances beyond the control of the Supplier which it could not reasonably be expected to have taken into account at the time of entering into the obligation to deliver the goods and service, such as fire and water damages, weather conditions, employee (trade union organizations) actions, machine defects, war, disasters, energy failures, subcontractor delays, etc. Such circumstances shall constitute grounds for exemption from liability. In the event of any such delay or failure to perform, the date of delivery shall be extended for a period equal to the time lost by reason of the delay. If the Supplier's performance is hindered due to any of the foregoing circumstances for a period exceeding three (3) months, then either party is entitled to, upon written notice and without committing any liabilities, terminate the agreement.

2. Applicability

2.1 These General Terms of Sale apply to and form an integral part of all offers and agreements between the Supplier and its Buyers, in which the Supplier delivers goods and/or services, even if these goods and/or services have not been described in the present General Terms of Sale.

2.2 Variations to these General Terms of Sale are valid only if expressly agreed by the parties in writing. Variations to provisions are valid only in respect of agreements for which such have been accepted. In such case, the remaining regulations of the General Terms of Sale of the Supplier shall remain in full force.

2.3 Standard terms and conditions of the Buyer are valid only when expressly accepted in writing by the Supplier.

3. Offer and Agreement

3.1 Offers made by Supplier, are free of any commitment, unless expressly provided otherwise.

3.2 If the Buyer accepts an offer made without any commitment by Supplier, the Supplier may nevertheless revoke the offer within seven (7) business days after receipt of the acceptance.

3.3 Agreements are concluded only after express acceptance or confirmation by the Supplier. Acceptance shall be made by means of a written order confirmation from the Supplier

or by the actual performance of the agreement by the Supplier. The order confirmation and these General Terms of Sale are considered to be the complete agreement between the parties.

3.4 If an order for delivery of goods or performance of services is not given to the Supplier, it may charge the Buyer all direct costs incurred in order to make its offer.

4. Price

4.1 The prices stated in offers and agreements of the Supplier do not include VAT, import duties, taxes or other government charges as well as transport and insurance costs, unless expressly agreed otherwise in writing.

4.2 All prices are in Swedish kronor [SEK], unless indicated otherwise by further notice from Supplier.

4.3 The Supplier may alter the agreed price if and to the extent that circumstances occur, such as increases in costs, including raw material and changes in currencies, which could not have been reasonably foreseen when entering into the agreement. In the event of a price increase of more than ten (10) per cent, Buyer may terminate the agreement, to the extent that Supplier has not yet performed.

4.4 The content of brochures, printed matter and such does not bind the Supplier, unless express reference is made thereto in the agreement.

5. Payment

5.1 Supplier determines terms of payment based on the nature of the goods/service and size of the order.

5.2 Unless expressly set forth in Supplier's acceptance or confirmation, the terms of payment are "thirty (30) days net", calculated from the invoice date. Payment shall on the due date have been made to Supplier's designated bank account. In order to be valid, any complaints regarding Supplier's invoice must be made within ten (10) days from the date of the same.

5.3 If (partial) payment is not made on time, Buyer is in default and the entire (remainder of the) claim is immediately due and payable.

5.4 Irrespective of 5.1 and 5.2, Supplier may, if Supplier reasonably deems necessary, require at all times payment in advance or further security from Buyer.

5.5 If Supplier has partially complied with its obligations, it is entitled to a proportional part of the agreed price.

5.6 The Buyer's right to suspend or set off payments to Supplier, is expressly excluded.

6. Interest on Overdue Payment and Collection Costs

6.1 As from each invoice's due date, Buyer will be charged penalty interest with eighteen (18) per cent per annum on due amount.

6.2 If in spite of written notice Buyer still fails to comply with his/its payment obligations to Supplier and Supplier gives the collection of the payment to another agency, Buyer is obliged to pay all such extrajudicial costs.

6.3 Payments made by Buyer shall always serve in the first instance for payment of interest and costs due and subsequently for payment of the longest outstanding invoice, even if Buyer indicates otherwise in his/its payment order.

7. Suspension of Performance

7.1 Supplier may suspend performance of the agreement if Buyer fails to make (timely) payment, fails to provide at the request of Supplier's security within the meaning of Article 5.4 of these General Terms of Sale or fails in any other way to comply with his/its obligations to Supplier.

7.2 Supplier may also suspend compliance with the agreement, without being in default, if due to a circumstance beyond the control of Supplier (as described in Article 1 c. above) and/or due to amendment of the agreement and/or these General Terms of Sale, Supplier cannot be required to (timely) comply with the agreement.

8. Delivery and Risk; Special Made-to-Measure Orders

8.1 Delivery times given are to be regarded as approximate and shall in no event be regarded as deadlines, unless such has been expressly agreed in writing. In the event of non-timely delivery, Buyer must notify Supplier in writing of its default, and a reasonable period of at least seven (7) business days must be set to as yet comply.

8.2 Buyer is obliged to fully cooperate with the delivery of goods and services. Buyer is in default without further notice if after the first request of Supplier, Buyer fails to take up goods and/or services to be delivered by Supplier.

8.3 Unless expressly agreed otherwise, Supplier will deliver the goods on DAP (named place of destination), Incoterms 2010. Supplier will charge Buyer the freight cost if total order amount is below amount indicated in General Delivery Applications, Article 2. Place of consignee is Supplier's noted address of the Buyer.

8.4 If the delivery of the goods to be delivered by Supplier is delayed due to a circumstance for the account of Buyer, Buyer is obliged to compensate the damage incurred to Supplier as a result thereof, including costs of transport and storage.

8.5 In the case of Buyer specific, "made-to-measure order" or non-stock products that Buyer orders, there is a possible deviation in actual production and delivery of products ordered by Buyer, by a margin of +/- ten (10) per cent of

the ordered quantity. The actual quantity produced will be invoiced to the Buyer. Nevertheless, although Supplier cannot guarantee the exact quantity ordered for such products, Supplier shall use commercially reasonable efforts to produce and deliver such non-standard order.

9. Claim

9.1 It is Buyer's obligation to immediately after delivery inspect the goods regarding quantity and transport damages. In case of such damages Buyer shall contact Supplier without any delay. Buyer is obliged within three (3) business days after delivery, to inspect the goods delivered by Supplier for defects or for deviations and to immediately notify Supplier in writing of any deviations or defects from what has been agreed in writing.

9.2 Buyer may not assert any further claim against Supplier if any deviations or defects have not been notified in writing to Supplier within a period of seven (7) business days after the time that the deviation(s) or defect(s) has/have been detected or could have been detected.

9.3 Buyer may not assert in any case any further claim if he/it has had the goods delivered by Supplier put into use, processed or treated or has delivered such goods or given such goods for use to third parties.

9.4 Buyer may not invoke defective delivery or compliance if Buyer has not given Supplier the opportunity to repair, supplement or replace any defects or deviations, at the option of Supplier. Supplier shall at all times have the right to remedy defects or deviations by delivery of new goods to the Buyer (Supplier shall cover the cost for such delivery).

9.5 In addition, Supplier is not liable in respect of defects caused by: (a) Buyer's modifications to or interferences with the goods or services not authorized by Supplier, (b) Buyer's use of Supplier's goods together with goods manufactured by a third party without authorization by Supplier (for example if combining Supplier's goods with third party's goods to produce a final product) or c) Buyer's use of the goods in ways other than those set forth in the user instructions, Supplier's manual, technical specifications or other than that approved by or explained verbally by Supplier.

9.6 Supplier is not liable in respect of defects caused by materials provided by Buyer or caused by a technical design provided or specified by Buyer.

9.7 If Supplier has remedied a defect that afterwards is shown to be caused by goods or components manufactured by third party, Buyer shall compensate Supplier for Supplier's work and other costs of the Supplier related to the reclamation.

9.8 Goods and services shall be deemed to be approved, irrespective of any defect of minor importance, which does not involve inconvenience for Buyer.

10. Termination/Amendment

10.1 If circumstances occur of which Supplier was unaware on conclusion of the agreement and as a result of which compliance with the agreement is not possible to perform or otherwise materially harder or more costly to perform,

Supplier may demand of Buyer that the content of the agreement is amended in such a way as to enable performance.

10.2 Buyer may terminate the agreement only if Supplier has imputably failed to comply with its obligations and has been notified of its default in writing by Buyer, and Supplier has been given a reasonable period of time to remedy this failure.

10.3 Supplier may immediately terminate the agreement in part or in whole without prejudice to its right to compensation of costs and loss of profit and without prior notice or judicial intervention if:

- Buyer enters into composition negotiations, is declared bankrupt, goes into liquidation or for any other reason can be assumed to have become insolvent.
- Buyer fails to provide the security required by Supplier as referred to in Article 5.4 of these General Terms of Sales.
- Buyer fails to comply with any other of his/its obligations arising from the agreement.
- Buyer fails to remedy any other of his/its obligations arising from the agreement within fourteen (14) days of receipt of notice to do so.

10.4 In the event of partial termination of the agreement, Buyer cannot claim annulment of performances already made by Supplier and Supplier shall be fully entitled to receive payment in this respect.

10.5 The termination of the agreement for whatever cause shall not affect any provisions of the agreement which is expressed to or clearly is intended to survive or operate in the event of termination of the agreement and shall not prejudice or affect the rights of any party against the other in respect of any monies payable by any one party to another in respect of any period prior to termination.

11. Liability

11.1 Supplier is only liable for damage that is the direct and exclusive consequence of intent or negligence of Supplier and to the extent that it has been properly notified in writing of such default by Buyer, and Supplier has been given a reasonable period of time to repair, supplement or replace any defects or deviations of the goods or services.

11.2 If Buyer, without the prior authorization of Supplier, has modified or interfered with goods manufactured by Supplier or has combined goods manufactured by Supplier with goods or components manufactured by third party (in accordance with clause 9.5), then Buyer shall be solely liable for such modified goods ("Final Product") as manufacturer since Buyer in such cases is the party that has the possibility to control the quality and prevent safety risks. Buyer shall be solely liable for any claim for indemnity from a third party due to defects or losses caused by Final Product and shall hold Supplier harmless from any such claim.

11.3 Supplier does not accept in any case whatsoever liability for trading loss or other indirect or consequential damage within the broadest sense of that term incurred by Buyer, including consequential loss, loss of profits and cost savings, unless in case of gross negligence.

11.4 The total liability of Supplier shall not in any case exceed an amount equal to the price (excluding VAT) stipulated for the products or services concerned.

12. Retention of Title and Property Rights

12.1 Supplier remains owner of the goods delivered by it/him or to be delivered by it/him until Buyer has paid all claims of Supplier in respect of the consideration, including interest and extrajudicial costs, arising from the order or agreement. Until the Buyer has paid all outstanding claims, including interest and extrajudicial costs, the Buyer does not have the right to dispose of the purchased goods under the retention of title and property rights of Supplier.

13. Confidential Information

13.1 Supplier as well as Buyer warrant that all information, which is exchanged between the parties within the framework of the agreement concluded between the parties, is of a confidential nature and shall remain secret. Information is regarded in any case confidential if this information has been designated as such by one of the parties.

14. Intellectual/Industrial Property Rights

14.1 Buyer may not remove, alter or conceal any designations concerning trademarks, trade names or other rights of intellectual and/or industrial property from or of the things delivered by Supplier.

14.2 All rights of intellectual or industrial property, whether patentable or not, on things delivered to Buyer by Supplier, including drawings, descriptions, advertising matter etc., remain at all times the property of Supplier and may not be reproduced, published or released in any other way to parties without the express written consent of Supplier.

14.3 During the term of the agreement, Buyer shall have the right to use the trademark "HUNTER DOUGLAS SCANDINAVIA", the product specifications and other material in its printed-, advertising- and promotional material of Supplier's goods and services. All of Buyer's promotions and advertising or other activities including the use of the trademark "HUNTER DOUGLAS SCANDINAVIA", the product specifications and other material, shall always be in strict accordance with the standards of quality, directions and information prescribed from time to time by or on behalf of Supplier.

14.4 Buyer shall promptly give notice to Supplier in the event that it/he becomes aware of any infringement or suspected infringement or misuse of the trademark "HUNTER DOUGLAS SCANDINAVIA" or the products of Supplier and shall in every case furnish Supplier with all information in its/his possession relating thereto, which may reasonably be required by Supplier.

14.5 Buyer undertakes not to commit or omit any act or pursue any conduct which is likely to bring the trademark "HUNTER DOUGLAS SCANDINAVIA" or the products of Supplier into disrepute or use the trademark "HUNTER DOUGLAS SCANDINAVIA" or the products of Supplier in any way which is likely to damage the goodwill and reputation attached thereto, or in any manner likely to dilute or impair the value or strength of the trademark "HUNTER DOUGLAS SCANDINAVIA" or any registrations thereof. Buyer is responsible for separating Supplier's goods and/or services from third party's goods and/or services used by Buyer.

15. Penalty

15.1 In the case of a breach of Article 13 and/or 14 of these General Terms of Sales and/or in all other cases in which Buyer fails to comply with his/its obligations to Supplier, Buyer shall forfeit to Supplier an immediately due and payable penalty of ten (10) per cent of the ordered amount not subject to moderation by the court or set off, without prejudice to the right of Supplier to seek compliance or full damages.

16. Final Provisions

16.1 If any provision of these General Terms of Sale is null and void or unenforceable, the remaining provisions shall remain in full force.

16.2 All offers, order confirmations and agreements as well as all disputes arising from these General Terms of Sale shall be exclusively governed by and construed in accordance with the substantive laws of Sweden.

16.3 All disputes arising from offers, order confirmations and agreements between Supplier and Buyer shall be finally settled under the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. Unless the amount in dispute exceeds SEK sevenhundredfiftythousand (750.000), the Arbitral Tribunal shall be composed of a sole arbitrator. The amount in dispute includes the claimant's claim in the request for arbitration and any counterclaims in the respondent's reply to the request for arbitration. The official language in such arbitration proceeding shall, unless the parties agree otherwise, be the English language. The place of arbitration shall be Gothenburg, Sweden.