

General Terms of Sale and Delivery

Dear Valued Customer,

We appreciate your purchases and value your trust in our company, and we will do our best to meet your expectations.

Please note that all purchase orders placed with our company are governed by our conditions of sale, which are stated below for your convenience.

Any terms contained in any purchase order or other documents which are inconsistent with our conditions of sales are expressly rejected and shall not become a part of any contract between our companies, unless embodied in a writing signed by our both companies.

Arrow ECS Sweden

The following general terms of sale and delivery shall apply between Arrow ECS Sweden AB ("Arrow ECS") and the customer when the parties have agreed to this in writing or otherwise (excluding any terms of purchase or other conditions to which the customer may have referred in orders, enquiries, etc.). Deviations from the terms shall only be valid according to written agreement.

1. PRICES

1.1. The specified prices include packaging and customs duties, but not VAT or any other fees.

1.2. Unless otherwise agreed in writing, delivery shall be effected free from Arrow ECS warehouse.

1.3. Arrow ECS reserves the right to change prices without prior notice. Price changes will appear from the Arrow ECS website or from information sent to customers.

1.4. Arrow ECS shall be entitled to change a price for a product ordered until and including the date of delivery as a consequence of changes to exchange rates, purchase prices, customs duties, shipping and insurance rates or other conditions beyond the control and influence of Arrow ECS.

1.5. Returned products (see also item 9 below) shall be credited at the lowest of

- a. the invoiced price, or
- b. the price at the time when the products are returned

1.6. Should Arrow ECS incur costs on behalf of the customer, Arrow ECS shall be entitled to compensation for such costs.

2. PAYMENT

2.1. Unless otherwise agreed in writing, payment must have been received by ECS no later than thirty (30) days from the date of the invoice.

2.2. If payment is not made on time, default interest will be added at a rate of 2% per month from the due date of an invoice until payment is made. Furthermore, Arrow ECS shall be entitled to charge reminder fees, debt recovery fees and other fees in connection with the collection of the amount due according to the law concerning debt recovery operations (1974:182). In case of overdue payment, Arrow ECS shall be entitled to withhold deliveries or parts thereof.

2.3. Even if the customer has lodged a complaint concerning a defect or flaw in goods delivered by Arrow ECS, the customer shall not be entitled to withhold payment of an invoice fully or in part, but the customer shall be obliged to pay promptly.

2.4. If payment has not been made within thirty (30) days after Arrow ECS has asked the customer to pay the amount due, Arrow ECS shall be entitled to cancel the agreement fully or in part by written notice to the customer.

3. THE CUSTOMER'S FINANCIAL SITUATION

3.1. If the customer's financial situation changes to that in the opinion of Arrow ECS the customer should no longer benefit from the agreed terms of payment, or if the customer has failed to observe payment terms for previous deliveries, or if a previously agreed credit limit is exceeded when an order is placed, Arrow ECS shall be entitled to cancel or postpone the execution of orders which have not yet been executed unless immediately after being informed thereof the customer pays for all previously supplied goods and pays in advance for as yet unexecuted orders.

4. RETENTION OF TITLE

4.1. Products delivered shall remain the property of Arrow ECS until full payment has been made.

4.2. Until the right of ownership has passed to the customer, the customer shall be obliged to take care of the goods delivered and not carry out any changes thereto without the written acceptance of Arrow ECS. At the request of Arrow ECS, the customer shall be obliged to take out insurance cover for the products delivered with a well-reputed insurance company for an insurance amount and on such terms as approved in advance by Arrow ECS.

5. DELIVERY

5.1. The date of delivery when using the terms of delivery free Arrow ECS warehouse or free Arrow ECS supplier shall be the date on which a product is delivered from Arrow ECS warehouse and Arrow ECS supplier's warehouse, respectively. For delivery free with the customer or another agreed recipient (for example the customer's end customer), the date of delivery shall be the date on which the products arrive at the recipient's place. If the customer or another agreed recipient does not collect the products at the agreed time, the date of delivery shall be the date on which the products were available for collection or receipt.

5.2. If Arrow ECS is to arrange for installation of a product, the date of delivery shall be the date on which the product is installed.

5.3. Unless otherwise agreed, delivery shall be effected from the Arrow ECS warehouse in Denmark or from the warehouse of Arrow ECS' supplier. At the request of the customer, Arrow ECS shall arrange for transport, including transport insurance, and choose the most appropriate method of transport.

5.4. If Arrow ECS is to arrange for installation of the product, Arrow ECS shall on the customer's account arrange for transport of the products to the installation site.

5.5. If Arrow ECS is to arrange for transport, the customer shall unless otherwise agreed refund Arrow ECS' costs in connection with the transport.

5.6. Arrow ECS shall not be liable for damage to or loss of products during transport, but regarding any claims because of such damage or loss, the customer shall refer to the carrier and the insurance covering the transport in question. In connection with damage or loss in connection with transport of products, the customer shall complain without delay about such damage or loss and make any claims for compensation directly to the transporter or the insurance company providing insurance cover for the transport.

5.7. Any time of delivery stated by Arrow ECS shall only be considered an estimate of when delivery can be made, and Arrow ECS shall in no circumstances be held liable if delivery is not made by the time stated. Furthermore, Arrow ECS shall be entitled to change the time of delivery

stated to a later date provided that the postponement is necessitated by events beyond the control of Arrow ECS according to item 12 below, including among other things delayed delivery on the part of suppliers.

5.8. If a date of delivery stated has been exceeded and the products have not been delivered within fourteen (14) days after the date stated, the customer shall through written notice to Arrow ECS be entitled to demand delivery within a reasonable period which shall be at least one week. If Arrow ECS has not delivered within the extended period and this is not due to any reason for which the customer is responsible, the customer shall be entitled to cancel the order through written notice regarding the delayed products. Cancellation shall, however, only be possible if there is a right to return the article covered by the cancellation according to the stipulations about returns in item 9 below.

6. TRANSFER OF RISK

6.1. The risk regarding the products shall be transferred to the customer on the date of delivery.

7. SPECIAL TERMS FOR SOFTWARE PRODUCTS

7.1. The software products included in the products delivered by Arrow ECS ("Software product") shall belong to the respective software manufacturers and are not sold without licence for end customers according to licence terms which are enclosed separately with the agreement between Arrow ECS and the customer or, if this is not the case, are provided with software products or forwarded to the customer by e-mail. Such licence terms shall take precedence of the present general terms of sale and delivery.

7.2. Software products are covered by copyright and the customer shall not without the software manufacturer's permission or according to mandatory law separate software products from the products with which they are delivered. Nor shall the customer be entitled to change the licence terms according to which the software manufacturer licenses the software products, or in any other ways than those which expressly follow from mandatory law copy, translate, adapt, change or modify, create derived products from, deconstruct, decompile, break down or in any other ways reduce the software products to a form which is perceptible or understandable for human beings, incorporate or combine with other software

products or in any other way, fully or partially, change any software product.

8. LIABILITY FOR DEFECTS

8.1. Liability for defects in general

8.1.1. Products sold and delivered by Arrow ECS are normally bought from the manufacturers of the product or from the resellers of the manufacturers and are normally delivered to customers without any prior changes or modifications on the part of Arrow ECS or any third party for whom Arrow ECS is responsible. In case of defects or flaws in products delivered by Arrow ECS, Arrow ECS undertakes to a reasonably possible extent to ensure that the customer will benefit from express guarantees provided by the supplier of Arrow ECS regarding the product delivered to the customer (on the conditions and with the limitations of such guarantee) and from any other rights which Arrow ECS may have against the supplier. The customer's rights regarding any claims as a consequence of defects or flaws in products delivered shall be limited to the right to claim responsibility from the respective suppliers of Arrow ECS of products according to the liability which such supplier may have towards the customer according to the above, and Arrow ECS shall in no circumstances have any kind of liability for or caused by any defects and flaws in products delivered. Any repair covered by guarantee shall be carried out by the Arrow ECS supplier or by a service organisation recommended or stated by Arrow ECS. Any replacement under the guarantee shall be carried out through Arrow ECS after approval of returning according to item 9 below.

8.1.2. If the customer resells products delivered by Arrow ECS, the customer shall be liable for guarantees and representations regarding liability for defects towards the end customer.

8.2. Liability for defects – for measures taken by Arrow ECS

8.2.1. Only if Arrow ECS has changed products or taken other measures with products which affect their design or function prior to the sale to the customer or has made products itself shall Arrow ECS according to the terms below and at its own option be obliged through replacement or repair to remedy defects in such products or parts thereof which are caused by defects which can be attributed to Arrow ECS in design, material or manufacturing, alternatively to credit the customer with the returned product (provided that returning

is approved according to item 9 below). Arrow ECS shall not be liable according to the above for defects in products which are caused by instructions, drawings, design or specifications provided by the customer.

8.2.2. The liability of Arrow ECS shall not include defects which are not important for the intended use of the products and which do not cause inconvenience to the customer.

8.2.3. Arrow ECS shall not be liable for:

- a. Defects caused by the customer's use of the products without the approval of Arrow ECS with equipment, accessories or software which will affect the function of the products,
- b. Defects caused by insufficient maintenance or changes to, repair of or intervention in products carried out without the consent of Arrow ECS or through negligence on the part of the customer,
- c. Defects caused by virus or other external attacks or defects caused by a third party in other ways or through other circumstances beyond the control of Arrow ECS, such as defects in equipment, accessories or software which do not form part of the supply, or
- d. Normal operating maintenance such as adjustment, normal wear or deterioration or the need to purchase consumables.

8.2.4. In order to be able to claim defects in a product, the customer must complain about the defect or flaw to Arrow ECS within seven (7) days from the time when the defect was discovered. In his complaint, the customer must describe the alleged defect and demonstrate it if required. Arrow ECS shall only be liable for defects which are claimed within six (6) months from the date of delivery. If the customer does not complain in writing within the periods stated in the present item, the customer shall lose the right to complain about such defect.

8.2.5. If defects are to be remedied and the defective product is difficult to move, such remedying shall be effected at the customer's premises. In connection with remedying, the parts involved shall be made available to Arrow ECS within the

necessary period. Remedying measures shall be carried out within normal working hours for Arrow ECS staff. If requested by Arrow ECS, a representative of the customer who is familiar with the function and use of the products in question shall be present during the work involved in remedying the defect. In other cases, remedying shall be carried out with Arrow ECS or a service provider designated by Arrow ECS.

8.2.6. Any transport in connection with repair or replacement of a product shall be arranged by and be carried out at the risk and expense of the customer.

8.2.7. If the customer has complained and it turns out that there is no defect for which Arrow ECS is liable, Arrow ECS shall be entitled to compensation for the work carried out and the costs incurred by Arrow ECS because of the complaint (in addition to possible return charge according to item 9.6 below).

8.2.8. If Arrow ECS does not remedy a defect in a product delivered within a reasonable time, the customer may give Arrow ECS a final and reasonable period for remedying the defect, which shall be at least one week. If the defect has not been remedied within such period, the customer shall be entitled to claim a price reduction of no more than 15% of the purchase amount for the product in question. If the defect is of material importance to the customer's use of the product in question, and if Arrow ECS has or ought to have realised this, the customer shall after the deadline instead of a price reduction be entitled to cancel the agreement regarding the defective products through written notice to Arrow ECS. The customer shall also be entitled to cancel the agreement regarding any other products bought according to the agreement if such products are connected to the defective products so that they cannot be used as intended. In connection with cancellation, the customer shall be entitled to compensation for the damage suffered with the limitations otherwise in force according to the present general terms of sale. The customer shall, however, only be entitled to cancel the order provided that the customer has a right to return the article covered by the cancellation according to the stipulations about return in item 9 below.

8.3. Arrow ECS shall have no liability except for what has been described in the present item 8 above, and the customer therefore has no right to any other claims against

Arrow ECS because of defects.

9. RETURNS

9.1. Goods are only accepted for return after this has been agreed in writing in each individual case and only if Arrow ECS has a possibility of returning products to the supplier of Arrow ECS according to the stipulations of the supplier.

9.2. If the customer wants to return a product, the customer must contact Arrow ECS to receive a return number. The customer shall receive such return number if Arrow ECS accepts the returning of a product. The product must then be forwarded with the return number and with copy enclosed of the Arrow ECS invoice to the address below (or any other address of which Arrow ECS informs the customer separately): **Arrow ECS Sweden AB Kronborgsgränd 23, 164 46 KISTA**

9.3. Transport to Arrow ECS shall be arranged by and take place at the risk and expense of the customer.

9.4. Returning of defective products shall only be approved if the goods are returned no later than within ten (10) days from the invoice date for the product in question. Defective products must be returned in unopened original packaging, undamaged and in fully marketable condition. This means that the product and its packaging must not be dirty, price marked, provided with tape or any type of marking. Returning of software with broken seal of media will not be approved.

9.5. Returning of a product will only be accepted if the product is part of the product range of Arrow ECS when returned. Furthermore, returning of commissioned products is not approved, i.e. products ordered specially for the customer, which are consequently not part of the range of Arrow ECS.

9.6. For returned, wrongly ordered products and products which otherwise turn out to be free from defects, a return charge of 500 kroner will be made.

9.7. A possible return confirmation from Arrow ECS received by the customer shall not be considered an acceptance of the returned goods. Acceptance of the returned goods shall not be possible until the returned products have been inspected and examined.

10. LIMITATION OF LIABILITY

10.1. The liability of Arrow ECS for damage of any kind caused to the customer shall be limited to direct damage and to a total amount of 15% of the contract amount for the products in question.

10.2. Arrow ECS shall not in any case be liable for lost profit, lost production or any other kind of indirect damage or consequential financial loss, including any liability on the part of the customer to pay compensation to a third party, or loss of information.

10.3. These general terms of sale and delivery contain the total liability which Arrow ECS may incur regarding products sold. Except for what appears expressly from the present terms, Arrow ECS shall not be held liable for any defects or flaws in products or supplies which do not arrive or are delayed, or damage and loss as a consequence thereof.

11. LIABILITY FOR DAMAGE CAUSED BY A PRODUCT

11.1. The customer shall indemnify Arrow ECS to the extent that Arrow ECS incurs liability towards a third party for such damage or loss for which Arrow ECS is not liable towards the customer according to item 11.2. in the following.

11.2. Arrow ECS shall not be liable for damage caused by products ordered by the customer:

- a. To real or personal property if the damage occurs after the products have been delivered and are no longer in the possession of Arrow ECS, or
- b. To products manufactured by the customer or to products in which the customer's products are incorporated or for damage to real and personal property caused by such products because of the products from Arrow ECS.

11.3. If a third party makes a claim against Arrow ECS or the customer for compensation for damage or loss according to the previous item, the other party shall be informed immediately.

12. REASONS FOR EXEMPTION FROM LIABILITY (FORCE MAJEURE)

12.1. Arrow ECS shall not be liable for failure to fulfil specific obligations according to the present agreement if such failure is caused by circumstances of the kind stated in the following ("reasons for

exemption") and such circumstances prevent or delay fulfilment or makes such fulfilment difficult. Such reasons for exemption shall include measures or omissions on the part of the authorities, new or changed legislation, labour market disputes, blockade, fire, flooding, major accidents, power cuts, defective means of transport, product and raw material defects or delay, or failure to arrive of deliveries from suppliers.

13. INTELLECTUAL RIGHTS

13.1. If claims are made towards the customer to the effect that a product delivered by Arrow ECS infringes any third party patent, copyright, design or pattern right, trademark or other intellectual property right – however, only to the extent that such infringement can be attributed directly to measures taken by Arrow ECS for the product in question – and the customer informs Arrow ECS immediately of such claim, Arrow ECS undertakes either:

- a. To compensate the customer for such damages and compensation imposed on the customer or which the customer pays as part of a settlement, and for such costs which the customer incurs because of the claim, or
- b. To acquire the necessary rights from the third party or make such changes to or exchange the products or parts thereof which the customer shall reasonably accept so that the product will no longer constitute an infringement.

13.2. If Arrow ECS chooses to compensate the customer according to item 13.1.a above, such undertaking shall apply on the following conditions:

- (i) Arrow ECS shall have full control of the entire claim process in and out of court,
- (ii) The customer shall give Arrow ECS any assistance which Arrow ECS may reasonably request for the handling of the process, and
- (iii) Without the approval of Arrow ECS, the customer shall not in addition to the final compensation ordered pay or accept any claims made or otherwise take any measures which may hurt the process.

If the customer does not observe the above conditions, Arrow ECS shall have no liability towards the customer because of claims from a third party according to the previous item.

13.3. If the customer has insurance cover regarding the third party claim in question, such insurance cover shall be utilised. The obligations of Arrow ECS to indemnify the customer shall then only include damage which is not covered and compensated by such insurance.

13.4. The customer shall take or omit to take such measures which Arrow ECS may reasonably request which may mitigate or moderate the claims for which Arrow ECS has undertaken to indemnify the customer in accordance with the present stipulation.

13.5. Arrow ECS shall not be liable according to the present stipulation if the reason for the infringement of third party rights is that the product has been made according to the customer's specifications, or if the infringement is caused by the customer's specific use of the product. Furthermore, Arrow ECS shall not be responsible for measures taken by the customer when the customer has been informed that the product may constitute an infringement of third party rights and until Arrow ECS has been informed of the claim made.

13.6. The customer's right to claim sanctions because of defects regarding intellectual property right shall expire one year after the date on which the present agreement is concluded.

13.7. If alleged infringement of intellectual property rights of a third party cannot be attributed directly to measures taken by Arrow ECS regarding the products in question, Arrow ECS shall not accept any liability regarding such infringement.

14. EXPORT LEGISLATION

14.1. The customer shall at any time observe all relevant legislation regarding his activities. In particular, the customer shall not sell or otherwise transfer or export products delivered by Arrow ECS, including software products and documentation or other equipment or other information with direct relation to such products from Sweden without observing all relevant laws and stipulations for such sale, transfer or export, including export legislation in force in the USA (United States Administration Act) and any rules under such legislation. Furthermore, the customer undertakes not to sell products

delivered by Arrow ECS to customers who may be suspected to violate such laws and stipulations.

15. TRANSFER OF AGREEMENT

15.1. Arrow ECS shall without the consent of the customer be entitled to transfer the right to receive payment according to the agreement and to transfer all rights and obligations according to the agreement to another company within the group to which Arrow ECS belongs.

15.2. Without the consent of Arrow ECS, the customer shall not be entitled to transfer his rights and obligations according to the agreement.

16. DISPUTES AND GOVERNING LAW

16.1. The agreement between Arrow ECS and the customer shall be governed by Swedish law.

16.2. Disputes which may arise regarding the present agreement shall be decided through arbitration administered by the arbitration institute of the chamber of commerce in Stockholm (SCC).

16.3. The rules covering simplified arbitration shall apply unless considering the complexity of the matter, the value of the dispute and other circumstances, SCC decides to apply arbitration rules. In such cases, SCC shall also decide if the board of arbitration is to consist of one or three arbitrators.

16.4. The arbitration shall be held in Stockholm.

16.5. Regardless of item 15.2 – 15.4 above, Arrow ECS shall to obtain payment of clear and due claim because of delivery of products be entitled to initiate legal action before an ordinary court – the city court in Stockholm shall be the court of first instance – and to apply for an order for payment and enforcement of the court order with the Swedish enforcement service.