

GENERAL TERMS AND CONDITIONS, MILDEF COMPANIES

Applicable from 2015-03-17

1. SCOPE

- 1.1 Unless otherwise agreed upon in writing with MilDef Companies ("the Seller"), these general terms and conditions shall apply to the sale of agreed Products, as defined in the order confirmation.
- 1.2 These general terms and conditions together with the order confirmation constitute the agreement ("the Agreement") between the Seller and the Customer.

2. ORDERS

- 2.1 Offers given by the Seller are valid for a period of 30 days from date of the issuing of the offer unless otherwise agreed upon in writing. The Customer shall sign the order confirmation unless otherwise agreed upon in writing. The signed order confirmation shall have been received by the Seller within the mentioned 30 days.
- 2.2 The Agreement is entered into when the Seller receives the signed order confirmation.
- 2.3 The Customer is not allowed to rescind the Agreement unless such a right is explicitly set forth in these general terms and conditions.

3. PRICES

- 3.1 Prices, fees and charges specified in the order confirmation do not include value added tax and other taxes and surcharges. The prices are fixed and the currency shall be specified on the order confirmation. Every effort shall be made to state the correct currency, but the seller shall not be duty bound to honour any genuine errors, with respect to the currency stated.
- 3.2 Payment shall be made according to the terms stated in the order confirmation.
- 3.3 If the Customer does not pay on or before due date, the Seller is entitled to receive interest on overdue payment according to the Swedish Interest Act (SFS 1975:635), and, when applicable, to withhold delivery or part thereof.
- 3.4 If the Customer fails to pay within 30 days from the Seller's reminder to pay the sum due, the Seller may terminate the Agreement by notifying the Customer in writing.

4. RETENTION OF TITLE

- 4.1 The Products shall remain the property of the Seller until full payment has been made.

5. DELIVERY AND INSTALLATION

- 5.1 The Products are, unless otherwise agreed in writing, delivered Ex Works, the Seller's premises, (Incoterms 2010).

5.2 The Customer shall install the Products in accordance with the instructions provided by the Seller.

6. SUPPORT

6.1 The Seller guarantees access to support during a period of 12 months from delivery of the Products unless otherwise agreed.

7. WARRANTY AND REPAIR

7.1 Products delivered by MilDef come with a 12 months warranty unless otherwise agreed.

7.2 If a product is repaired during the original warranty period the following apply:

- Main product warranty date is unaffected.
- 12 months warranty on exchanged parts.

7.3 If a product is repaired outside the warranty period the following apply:

- If the product was delivered less than 48 months ago, warranty on exchange parts is 12 months.
- If the product was delivered 48 months ago or more, warranty on exchanged parts is limited to maximum 60 months from original product delivery.

7.4 All customer removable batteries (i.e laptop and tablet main batteries) delivered by MilDef come with a 12 months warranty, regardless of the length of the Product warranty stated in 7.1.

7.5 For defective pixels MilDef will match the LCD manufacturer's warranty for the term of the agreed support period, in the absence of a manufacturers policy MilDef will conform to the International Organization for Standardisation (ISO) ISO9241-307, Class II – Details of which can be found here: <http://www.iso.org/>

8. DELAY IN DELIVERY

8.1 If delivery of the Products is late due to causes attributable to the Seller, the Customer shall be entitled to liquidate damages for each full month of delay at a rate of 1 per cent of the price of the delayed Products. The liquidated damages shall be payable for no more than six months of delay ("the Liquidated Damages Period"). The liquidated damages shall be considered to constitute full compensation for the delay. If delivery has not occurred during the Liquidated Damages Period, either party shall be entitled to terminate the Agreement by notifying the other party in writing.

9. USE OF SOFTWARE PRODUCTS

9.1 The Seller hereby authorizes the Customer to use, in connection with the use of the Products, all software included in the purchase defined in the order confirmation. Such software may not be altered without the written consent of the Seller. Copyright and other rights associated with alterations of software belong to the Seller. The Customer may not copy software products or software documentation save as copying the software product for the approved use or for security purposes.

9.2 The Seller is not obliged to provide any source code for software.

9.3 Unless otherwise agreed, the Customer shall be entitled to use all software included in the purchase indefinitely.

10. LIABILITY OF DEFECTS

10.1 Within a year (unless the order confirmation states a longer time) from the delivery of the Products, the Seller is at its own expense responsible for rectifying any defects in the Products, provided that the defect can be rectified without inconvenience and cost that are unreasonable in relation to the significance of the defect for the Customer. The Customer shall invoke demands of rectification of a defect within one month after he has or should have detected the defect. The Seller is under no obligation to rectify any defect if the demand is invoked later than the above mentioned time limit.

10.2 If the Seller does not succeed in remedying the defect within a reasonable time, the Customer shall be entitled to rescind the purchase, provided that:

- a) the defect is of essential significance to the Customer
- b) the Seller realized or should have realized this
- c) the defect was such that the Customer's purpose in undertaking the purchase is substantially frustrated.

10.3 The Seller's liability does not extend to defects caused by circumstances occurring after the risk for the Products has passed to the Customer, such as, for example, inadequate maintenance, improper installation by the Customer, repairs improperly carried out by the Customer, alterations performed without the Seller's written consent or normal wear, tear and deterioration.

11. INFRINGEMENT OF A THIRD PARTY'S RIGHTS

11.1 The Seller hereby undertakes to compensate the Customer for any compensation and damages which the Customer has been obliged to pay through settlement or judgment for infringement of intellectual property rights stemming from the Customer's use of the Products.

11.2 In addition to compensation for sums which the Customer was compelled to pay to a third party, the Customer shall be entitled to compensation for any other direct loss due to an intellectual property defect.

11.3 The Seller shall not be liable for infringement claims where the Products have been used in combination with another product or if the Products have been modified or used in a manner for which they were not constructed.

12. LIMITATION OF LIABILITY

12.1 The Seller's obligation to pay damages can never exceed the consideration for the Product and shall only cover compensation for direct loss.

12.2 The Seller is not liable for damages when the deficit falls below SEK 5 000 / GBP 500.

13. NOTICE OF CLAIMS

- 13.1 Claims of compensation shall be made in writing no later than one year after the date of delivery, or otherwise the termination of the Agreement, and if not so made, the claim shall become void.

14. FORCE MAJEURE

- 14.1 A party is relieved from liability for a failure to perform any of its obligations due to any circumstance beyond its immediate control which impedes, delays, or aggravates any obligation to be fulfilled by the party under this Agreement, such as acts or omissions of authorities, new or changed legislation, conflict on the labour market, blockade, act of terrorism, fire, flood, shortage of transport means, goods or energy or major accidents as well as defects or delay related to deliveries from sub-contractors caused by such circumstance.
- 14.2 A party who claims relief according to the provisions above must notify the other party thereof in writing without delay.
- 14.3 Notwithstanding the provisions above either party is entitled to rescind the Agreement if the performance of a material obligation is delayed for more than three months. However, Clause 7.1 constitutes an exemption from the said.

15. APPLICABLE LAW AND ARBITRATION

- 15.1 The Agreement shall be governed by the substantive laws of Sweden.
- 15.2 Any dispute, controversy or claim arising out of or in connection with the Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce ("the SCC Institute").
- 15.3 The Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce shall apply, unless the SCC Institute, taking into account the complexity of the case, the amount in dispute and other circumstances, determines, in its discretion, that the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce shall apply. In the latter case, the SCC Institute shall also decide whether the arbitral tribunal shall be composed of one or three arbitrators.
- 15.4 The place of arbitration shall be Helsingborg, Sweden.
- 15.5 For products sold by MilDef Limited, the Agreement shall be governed by the substantive laws of England and Wales.