

for the Supply of Standard Goods such as Goods Sold by the Metre or Yard Goods.

Issued in 2016 by TEKO, Swedish Textile & Clothing Industries' Association.

## Preamble

1. These General Conditions shall apply when the parties agree in writing or otherwise thereto. Deviations from the Conditions shall not apply unless agreed in writing.

When used in these Conditions the term "written" or "in writing" refers to a document signed by both parties or a letter, fax, electronic mail or other means of communication agreed by the parties.

## Packaging

2. Prices quoted in tenders and contracts shall, unless otherwise specified, be deemed to include the Seller's standard packaging.

## Deviations in Quantity

3. The delivery may deviate from the agreed quantity only if the parties have so expressly agreed. If the delivery deviates within the interval +/- 5 % per type of commodity, the delivery shall be considered to be according to the contract.

## Product Information

4. Data in marketing material, price lists and other product information are binding only to the extent that they are expressly referred to in the contract.

## Delivery

5. If no trade term has been agreed, the delivery shall be Free Carrier (FCA) at the place named by the Seller, according to the INCOTERMS® in force at the formation of the contract. Where a trade term has been agreed, it shall be interpreted in accordance with the INCOTERMS® in force at the formation of the contract.

## Time for Delivery. Delay

6. If delay in delivery is caused by an act or omission on the part of the Buyer, the time for delivery shall be extended by a period, which is reasonable having regard to the circumstances. The time for delivery shall be extended even if the cause for delay occurs after the originally agreed time for delivery. Except as specified in Clause 19, second paragraph, the Seller's right to an extension of time for delivery shall also apply when delivery is delayed due to a circumstance which constitutes ground for relief under Clause 18.

7. If the Seller fails to deliver the goods in time, the Buyer may by written notice to the Seller fix a final reasonable time for

delivery, stating the Buyer's intention to rescind the contract if delivery does not take place within such final time. If delivery does not take place within such final time, the Buyer may rescind the contract by written notice to the Seller.

If the delay in delivery is of substantial importance to the Buyer, or if it is clear from the circumstances that such a delay will occur, the Buyer may forthwith rescind the contract by written notice to the Buyer.

8. If the Buyer rescinds the contract in accordance with Clause 7, he is entitled to compensation from the Seller for the increased costs he may incur in procuring substitute goods from another source. The Buyer is hereby excluded from any other claim for compensation in respect of the Seller's failure to deliver in time.

If the Buyer does not rescind the contract, he shall not, unless otherwise agreed, be entitled to any compensation for the Seller's failure to deliver in time.

## Payment

9. Unless otherwise agreed, payment shall be made 30 days after delivery of the goods and dispatch of the invoice.

If the Buyer fails to take delivery of the goods on the agreed date, payment shall nevertheless be made as though delivery had taken place in accordance with the contract.

10. If the Buyer fails to pay in time, the Seller shall be entitled to interest from the due date at the rate of interest determined by the law on late payment in the Seller's country.

11. If the Buyer has failed to pay the amount due within three months after the due date, the Seller may rescind the contract by written notice to the Buyer. The Seller shall then, in addition to interest, be entitled to compensation for the loss he has suffered. The compensation shall not, however, exceed the agreed purchase price.

## Retention of Title

12. The goods shall remain the property of the Seller until paid for in full, to the extent that such retention of title is valid.

## Liability for Defects

13. The Seller undertakes to deliver goods in replacement of any goods which are defective due to faulty design, materials or workmanship.

**14.** The Seller's liability is limited to defects, which appear within one year after the date of delivery of the goods.

The Buyer shall examine the goods as soon as possible after delivery. Defects shall be notified in writing and without undue delay after the defect has appeared and in no case later than two weeks after the expiry of the liability period specified in the first paragraph. The notice shall contain a description of how the defect manifests itself. If the Buyer fails to notify the Seller in writing within the above time limits, he loses his right to have the goods replaced under Clause 13.

**15.** If the Seller fails to deliver replacement goods within a reasonable time after receipt of the Buyer's notice under Clause 14, the Buyer may by written notice to the Seller rescind the contract in respect of defective goods.

If the Buyer rescinds the contract he is entitled to compensation from the Seller for the increased costs he may incur in procuring substitute goods from another source.

**16.** The Seller shall have no liability for defects in goods or failure to deliver replacement goods except as specified in Clauses 13 and 15. This applies to any loss that may be caused by the defect or the failure to deliver replacement goods, such as loss of production, loss of profit and other consequential economic loss. This limitation of the Seller's liability shall not, however, apply if the Seller has been guilty of gross negligence.

### **Liability for Damage to Property Caused by the Goods**

**17.** The Seller shall have no liability for damage caused by the goods to any immovable or movable property, or for the consequences of such damage, if the damage occurs while the goods are in the Buyer's possession.

The Buyer shall indemnify and hold the Seller harmless to the extent that the Seller incurs liability towards any third party in respect of loss or damage for which the Seller is not liable according to the first paragraph of this Clause.

The above limitations of the Seller's liability shall not apply if he has been guilty of gross negligence.

If a third party lodges a claim for compensation against Seller or Buyer for loss or damage referred to in this Clause, the other party to the contract shall forthwith be notified thereof in writing.

The Seller and the Buyer shall be mutually obliged to let themselves be summoned to the court or arbitral tribunal which examines claims against either of them based on damage or loss alleged to have been caused by the goods. The liability as between the Seller and the Buyer shall, however, always be

settled by arbitration in accordance with Clause 20.

### **Grounds for Relief (Force Majeure)**

**18.** The following circumstances shall constitute grounds for relief if they impede the performance of the contract or makes performance unreasonably onerous: industrial disputes and any other circumstance beyond the control of the parties, such as fire, natural disasters and extreme natural events, war, mobilization or military call up of a comparable scope, requisition, seizure, trade and currency restrictions, insurrection and civil commotion, shortage of transport, general shortage of materials, restrictions in the supply of power and defects or delays in deliveries by sub-contractors caused by any such circumstance as referred to in this Clause.

The above described circumstances shall constitute grounds for relief only if their effect on the performance of the contract could not be foreseen at the time of formation of the contract.

**19.** A party wishing to claim relief under Clause 18 shall without delay notify the other party in writing on the intervention and on the cessation of such circumstance.

If grounds for relief cause a delay in the performance by either party, which is of substantial importance to the other party, the latter may forthwith rescind the contract by written notice.

Notwithstanding other provisions of these General Conditions, either party may rescind the contract by written notice to the other party if performance of the contract is delayed more than three months due to a ground for relief as defined in Clause 18.

### **Disputes. Applicable Law**

**20.** Any dispute, controversy or claim arising out of or in connection with this contract, or the breach, rescission or invalidity thereof, shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (the "SCC").

The Rules for Expedited Arbitrations shall apply, unless the SCC in its discretion determines, taking into account the complexity of the case, the amount in dispute and other circumstances, that the Arbitration Rules shall apply. In the latter case, the SCC shall also decide whether the Arbitral Tribunal shall be composed of one or three arbitrators.

Either party may, however, in court bring an action in respect of undisputed claims for payment.

**21.** All disputes arising out of the contract shall be judged according to the law of the Seller's country.