

**SWEDMA**  
 SWEDISH  
 DIRECT MARKETING  
 ASSOCIATION

**GENERAL CONDITIONS**

**1 Application**

These General Conditions apply to contracts between the Direct Marketing Company (DMC) and such Company's customers (the Customer), unless otherwise agreed in writing between the parties or stated in an offer made by the DMC. These conditions regulate the production and distribution of direct advertising, address brokerage, address sales and - where applicable - other services in the area of direct advertising.

The conditions do not, however, apply to:

- pre-press, printing or binding if the General Conditions of Delivery (GCD) of the Graphical trade apply to such parts of the agreements;
- envelope production if the Specific Conditions of Delivery (SCD) of the Envelope trade apply to such parts of the agreement.

**2 The Offer**

- 2.1 An Offer made by the DMC is valid, subject to any other intermediate agreement, in respect of the DMC for a period of thirty (30) days calculated from the date of the Offer.
- 2.2 In the event of an Offer which is made in response to a request for such Offer and which requires special resource input or the appointment of subcontractors, the Customer shall be advised if the DMC intends to claim payment for work done in preparing the offer or for the claims of a subcontractor in the event that an order is not placed. The Customer shall inform the DMC, within ten (10) days calculated from the date of the advice, if these terms are not accepted.
- 2.3 Acceptance of the Offer/order shall, if the DMC so requires, be made in writing.

**3 Extent and Execution**

- 3.1 The extent of the DMC's undertaking is determined by the contract concluded between the DMF and the Customer.
- 3.2 The DMC shall carry out its undertaking in a professional manner within the stated time frame and, when purchasing on behalf of the customer, shall strive to obtain the most advantageous terms. Minor deviations from the contract shall not be regarded as error, defect or delay in the absence of an express guarantee in the matters concerned.
- 3.3 Material supplied by the Customer is to be delivered in undamaged condition and in satisfactory transportation packaging free at the DMC's warehouse. If the material is packed on pallets, EUR pallets shall be used. The pallets shall be bound in a satisfactory manner and marked with the type and number of the contents. Pallets and packaging are returned only at the request and expense of the Customer.

**4 Price and Payment**

- 4.1 The price stated by the DMC in a price list, offer etc., is exclusive of Value Added Tax, advertising tax or other general charge unless otherwise indicated on the price list, offer etc.
- 4.2 The cost of packaging, carriage and, upon the commissioning of a distribution assignment, postage is to be paid by the Customer. Postage and carriage charges are to be paid in advance, and at the latest before distribution. If the DMC has not received payment in advance, the Customer shall be liable to pay a supplement which is currently three (3) % of the postage charge and carriage costs from the day of distribution and/or carriage as well as upon expenses.
- 4.3 Payment for invoices issued by the DMC shall be made within fifteen (15) days of the invoice date. In the event of delayed payment, penalty interest shall be charged at a rate corresponding to the official discount rate plus ten (10)%. In addition, a reminder fee shall be charged at the highest amount permitted at that time under Swedish law.
- 4.4 If the Customer becomes insolvent, or if for any other reason it may be assumed that payment will not be made in due time, the DMC has the right to suspend work and request adequate collateral or to terminate the contract.

**5 Address Information**

- 5.1 The extent, quality and current accuracy of the address information is approximate in relation to what has been stated in material provided by the DMC or in the contract which has been concluded.
- 5.2 Address information is produced in the manner set forth in material provided by the DMC, such as an address directory or contract concluded. Over and above what is stated therein, the DMC shall not be liable for stated target groups corresponding to the actual number thereof that may, in fact, exist.
- 5.3 For certain target groups "enforced distribution" rules apply in accordance with what is stated in material provided by the DMC such as an address directory or contract concluded. In accordance with the regulations of the Swedish Data Inspection Board, the source of the address shall be stated on the address label. In the event of an order for address labels that do not state the source of the address or for the printing of the address in another way, the Customer is obliged to state this on items sent out.

5.4 The right to address information, address directories, follow-up lists and other material protected by law belongs to the DMC and may not be used by the Customer for purposes other than those stated in the material provided by the DMC or in a contract concluded by the parties. The Customer undertakes not to use the material received for establishing or up-dating address registers. In the event of unauthorised utilisation of the material received, the Customer is obliged to pay the DMC a penalty equivalent to ten (10) times the sum debited by the DMC for the material involved and not less than an amount corresponding to the current basic amount under the Social Security Act (1962:381). The foregoing shall also apply, as appropriate, to such material as the DMC supplies as a retailer for the Customer.

## 6 Postal Returns

The DMC shall credit the Customer for mailings, which are in unopened condition and which are marked with the postal operator's returned mail stamp and are returned to the DMC at the latest twenty (20) days from the withdrawal date of the addresses in question, with a sum equivalent to the cost of the addresses. Subject to the proviso that the liability of the DMC for addresses purchased by the DMC from a supplier is limited to the amount which the DMC receives from the supplier. The above applies to mailings using address information under Section 5 above.

## 7 Secrecy

The DMC may not, without the consent of the Customer, reveal to any other party the Customer's marketing plans, campaign results, etc. The Customer's printed material, which has been drawn up or planned through the agency of the DMC may, however, be shown to another party by the DMC after the campaign has been completed, unless the Customer has specifically stated that this may not be done.

## 8 Insurance

8.1 The DMC is obliged to hold corporate insurance covering:

- (1) insurance against pure economic loss caused by the DMC and which covers losses up to SEK 500,000 in each insurable event,
- (2) property insurance for loss caused by fire, water, robbery and burglary and which covers losses up to SEK 100,000 at each insured event,
- (3) transit insurance which covers losses up to SEK 100,000 at each insured event.

8.2 Any supplementary insurance relating to the customer's material, including registers, shall be taken out by the Customer.

## 9 Liability

9.1 In the event of error, defect or delayed delivery in respect of the DMC's performance, the DMC shall, in the first place, be entitled to take remedial measures. Over and above this, the DMC is liable for error, defect or delayed delivery in respect of its performance, only as stated below and only to the extent insurance compensation according to 8.1 above is not received. The liability of the DMC, which is conditional upon negligence, is further limited to error, defect and delay which, according to proven trade experience, can be deemed to be significant. Monetarily, the liability of the DMC is limited to a maximum of a sum which corresponds to the payment for own work which the DMC would otherwise have been entitled to debit for the assignment or, in the event of partial fault, for the faulty part thereof.

The DMC is not liable for consequential loss, loss incurred by a third party or other indirect loss if the loss is not covered by insurance under 8.1 above.

Further limitations of the liability of the DMC in accordance with the foregoing paragraph are stated in articles 9.2 to 9.6 and 10 below.

9.2 The Customer is responsible for the weight, dimensions, quality, content, value and quantity of the material supplied by the Customer. The DMC has the right, at the Customer's expense to verify such material. Information in the applicable parts of transit documentation shall not be held to be accurate unless the DMC has verified and approved of it. The DMC is only liable within the framework of the insurance in force in accordance with 8.1 above to ensure against loss or damage of material received.

9.3 The Customer's register, which is managed by the DMC for register maintenance or other purpose, is the property of the Customer and may be utilised by the DMC only in accordance with the Customer's instructions. The DMC is only liable within the framework of the insurance in force in accordance with 8.1 above, to ensure that the register is not lost or damaged. At the request of the DMC, the Customer is obliged to produce and retain a copy of the register.

9.4 The DMC is not liable for loss caused by property supplied by the Customer or for delay resulting from such property not being supplied at the correct time. In the event of delayed delivery of such property, the DMC has the right to receive compensation from the Customer for any increased costs and/or an extension of the delivery time resulting from such delay and, if the delay affects any joint distribution planned by the DMC, any loss thus incurred.

9.5 In the event of the appointment of a subcontractor of which the Customer has been informed, or whose appointment must be deemed to have been a presumed, the DMC is not liable in respect of the Customer for any loss caused by the subcontractor, to a greater extent than the subcontractor is liable to the DMC. The DMC has the right, in respect of the Customer, to invoke provisos regarding tolerances made by the subcontractor.

9.6 When the mailings have been delivered by the DMC to the postal operator, to the transport company or to the distribution organisation appointed by the Customer for forwarding or distribution, the responsibility of the DMC towards the Customer ceases. Under no circumstances is the DMC liable for the postal operator's, transport company's or distribution organisation's delivery procedures.

**10 Force Majeure**

The following circumstances constitute grounds for freeing the DMC from liability if the execution of the contract is thereby hindered, made significantly more difficult or expensive:

Labour conflict and any other circumstance which the DMC has no control over, such as fire, war, mobilisation or equivalent military conscription, requisition, seizure, currency restrictions, insurrection, riot, shortage of transportation, goods or energy, failure of machinery having a unique function where such failure could neither be foreseen nor prevented with workmanlike care, delays in delivery from suppliers as a result of the above-mentioned circumstances, as well as the failure of a supplier to deliver as a result of such supplier being insolvent or in receivership. The occurrence of such circumstances frees the DMC from the liability to compensate for non-performance or delayed performance and entitles the DMC to an extension of the delivery period.

**11 Complaints**

11.1 If the Customer wishes to lodge a complaint about an order confirmation which has been sent by the DMC or about an invoice issued by the DMC, this shall be done within ten (10) days of receipt.

11.2 If the Customer wishes to lodge a complaint about errors or defects in performance, this shall be done within twenty (20) days of receipt or execution.

11.3 If the Customer wishes to lodge a complaint about delay, this shall be done within ten (10) days of the Customer knowing about the delay.

11.4 Absence of complaint shall be regarded as approval.

**12 Disputes**

Disputes arising from legal relations between the Customer and the DMF shall be determined by a Swedish court and the application of Swedish law.

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Swedma will provide, upon request, a statement on how conditions of delivery should be interpreted according to good branch practice.

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