AA VVS 05

AA VVS 05 constitutes general terms and conditions of delivery referring to heating, water and sanitation and to water supply and sewer system material for commercial activities in Sweden.
These terms and conditions have been produced by, and are provided by, the Federation of Swedish Water and Sanitation Equipment Manufacturers (VVS-Fabrikanternas Råd), the Swedish Federation of Wholesalers in Heating, Sanitation and Plumbing (Svenska Rörgrossistföreningen VVS), and the Swedish Association of Plumbing, Heating, Insulating, Refrigerating and Ventilation Contractors (VVS-Installatörerna). The terms and conditions are intended for trade between members of the three organisations and in various relationships between them.

These terms and conditions of delivery shall be applied in Sweden unless the parties have agreed otherwise in writing.
With delivery of a good outside Sweden, a separate agreement shall be reached between the parties.

Definition of Terms

In application of AA VVS 05, the price base amount according to the National Insurance Act (1962:381) applies.

IN GENERAL

1.
Unless otherwise stipulated, the tenderer is committed to his tender for a period of one month from submission of the tender.

The seller shall, during the period of time stipulated in Clauses 36 and 40 have customary liability insurance covering loss or damage resulting from fault in the good, including costs of localisation of fault, costs of access and mounting of a repaired or replaced good, and costs which have arisen through the repair or replacement.

2.
All drawings, descriptions and technical documents which a party provides to another party remain the first party's property. The other party many only use, reproduce or pass on to a third party such documents, if so required, for the purpose intended with the handing over of the documents.

STATUTORY REGULATIONS, ETC.

3.
The good shall, upon delivery, fulfil the requirements that apply according to laws, ordinances, or other binding regulations for normal use, or other use approved by the seller of the good.

The good shall also fulfil requirements in accordance with the separate instructions referred to in the parties' agreement.

4.
If separate instructions are changed after this agreement has been entered into, a party shall inform the other party thereof, without delay.

If an alteration is made in accordance with the above, the agreement shall also be altered to the extent that costs or delivery times are affected.

PRODUCT INFORMATION AND SAMPLES

5.
A sold good shall, essentially, conform to such product information as is referred to by the seller or by him or the most recently publicised manufacturer of the good.

6.
Samples are to be considered as type samples unless otherwise agreed.

7.
Unless otherwise agreed, the good shall be accompanied by customary assembly, operating and maintenance instructions or these shall be made easily available for the purchaser in some other way, for example, through reference to the Internet.

RESPONSIBILITY FOR DESIGN AND CONSTRUCTION, ETC.

8.
A party is responsible for information contained in manufacturing specifications and for design and construction that he provides.

9.
The seller is not responsible for faults which are due to material provided by the purchaser.

COMMUNICATION

10.
Communication to another party shall be directed to the person or the place of business which, according to the other party, handles the matter, and contains a

designation communicated by the other party, for example, a project or order number.

TRANSPORT AND RECEPTION

11.
Unless otherwise agreed, the seller shall arrange the transport of the good and shall be responsible for risk to the good during transport, and the seller's unloading.

The seller shall deliver information requested by the purchaser of importance for reception of the good.

Persons engaged for the transport by the seller shall, when delivering goods in a work area, bear nameplates with information on the holder's name and employer, and have valid proof of identity available, for example, in the form of driving licence or ID card. If the purchaser, on account of omission in these stipulated respects, is forced to pay a contractual penalty or other damages, the seller shall reimburse the purchaser for such costs.

12.
The good shall always be marked in a manner agreed between the parties.

13.
When the seller arranges transport, the purchaser shall, in good time prior to commencement of the transport, inform the seller if the transport cannot be accomplished in a manner which is normal or in a manner stated by the seller. Otherwise, the purchaser is responsible for an access route from the public highway to the place of reception, and roads within it, and for the purchaser's reception situation permitting the intended transport method.

14.
If special lifting equipment is required for unloading of the good, this shall be provided by the purchaser and at the purchaser's expense unless otherwise agreed.

15.
The freight cost shall be specified on invoice.

16.
Taking care of packaging and packing shall be at the purchaser's expense, and any environmental charges decided upon by authorities shall be charged onwards by the seller to the purchaser.

RETURNS

17.
Returns shall be handled in accordance with the seller's terms and conditions for returned goods.

DELIVERY PERIOD

18.
Delivery shall be made within the agreed delivery period. If this has not been agreed upon, delivery shall be made without delay.

ADVICE ON DELAY

19.
If a party finds that he cannot keep to the agreed time for delivery or reception of the good, or such delay appears to be probable, the other party shall be informed without delay. Additionally, the point of time when the delivery or reception is estimated to be possible shall be stated.
If it is shown that the purchaser has approved the delay, a delay penalty shall not apply.

That which is stated above shall also apply for part-deliveries within deliveries.

LIABILITY FOR DELAY

20.
Unless otherwise agreed, a contractual penalty or other compensation for delay shall only apply for a good especially stipulated by the purchaser.

21.
A contractual penalty shall be made of 2.0 percent of the agreed price for each commenced week that the seller is delayed with delivery of the good as stipulated in Clause 20. The contractual penalty for delay shall not exceed 20 percent of the value of the good, but however, shall not be less than SEK 200.

22.
The purchaser shall lose his right to a contractual penalty if he does not make a demand in writing for it without delay, however, not later than 30 days after the delivery should have taken place.

23.
With delay of reception of the good, the purchaser shall make payment as if the good in question had been delivered at the originally agreed time of delivery, and compensate the seller for costs which arise through this.

24.
In the case given in Clause 23, the compensation for costs is limited to 20% of the value of the good.

25.
Over and above that which is stated above, a party does not have the right to compensation for loss or damage in the case of delay otherwise than with cancellation in accordance with Clause 29.

26.
A party may cancel the purchase regarding a good which has not been delivered or received at the correct time, if the delay is of considerable importance for him, and the other party understood this or should have understood this.

27.
If the delay applies to a good which shall be manufactured or acquired particularly for the purchaser in accordance with his instructions or requirements, and if the seller cannot provide the good in another way, without substantial loss, the purchaser may cancel the purchase only if he also receives the delayed good delivered from another person than the seller prior to the new time of delivery advised by the seller in accordance with Clause 19.

If the seller omits to advise the delay, or the delivery is not made within the time stated when notifying, the purchaser may, however, cancel the purchase in accordance with that stated in Clause 26.

28.
If the delayed good is connected with a good that has already been delivered, or a good which shall be delivered later, in such a way that it would constitute considerable inconvenience for the party entitled to cancel to be partly remaining with the purchase, the purchase may be cancelled in its entirety.

29.
If a party cancels the purchase due to delay, he has the right to compensation for the loss or damage which arises after the cancellation. The damages, including other compensation on account of delay according to the agreement shall not exceed 20 percent of the value of the delivery.

Every other demand on account of cancellation is excluded.

30.
If a party does not utilise the right to cancel the purchase within 10 working days from reception of written advice on delay, the time for delivery stipulated therein shall be considered to be the new time of delivery.

RECEPTION CHECKS

31.
A packing slip shall accompany the good.

32.
When the good has been delivered to the purchaser, he shall check off against the packing slip and shall check the appearance of the good for visible fault, and sign for receipt of the good on the carrier's delivery note.

If the purchaser cannot be present when the good is received, the good shall only be delivered if the purchaser has instructed this with the order. In such case the purchaser shall agree that the carrier receipt the good as regards number of packages and on the basis of visible faults.

If the purchaser fails to be present, without such agreement, the good shall be returned to the seller and subsequently be delivered after a new delivery date has been agreed. With this, additional freight costs shall be charged.

33.
When the good is unpacked or otherwise before the good is assembled, reception inspection shall be carried out with the degree of care appropriate for the type of good.

COMPLAINTS

34.
The purchaser may not cite the good as being faulty if he has not reported the fault to the seller within the stated time limits (the complaint).

35.
Faults which are noticed or should have been noticed when the good was delivered to the purchaser, shall be subject to complaint within one week subsequently, and before the good is assembled. If the fault can be considered to have arisen during transport, and the good is signed for on a separate consignment note, the fault shall additionally be immediately reported to the carrier and noted on the freight document.

Otherwise, a complaint about a fault shall be made without delay after the fault has been noticed or should have been noticed, or otherwise come to the attention of the purchaser through complaint from someone else. In the case of complaint on account of liability in accordance with Clause 36, the complaint shall be made not later than two months after the expiry of the period of liability, in accordance with this Clause.

Complaints or shall be made or confirmed in writing, and shall contain information on the nature and extent of the fault.

THE SELLER'S LIABILITY FOR FAULTS

36.
The seller is liable for a fault in the good which appears within two years from the delivery of the good.

If the good has been delivered to a contract which shall be approved with a final inspection, the purchaser has, however, the right to make a complaint about such a fault not later than within 30 months after delivery to the purchaser.

A warranty period for replacement good or for spare part shall not exceed the warranty period for the original good.

37.
The seller is not liable, in accordance with Clause 36 above, if he shows that it is probable that the fault is due to an accident or comparable event, or to defective storage, handling or assembly of the good, or to other circumstances which can be attributed to the purchaser.

38.
The seller's warranty and liability commitments, in accordance with Clauses 36 and 40, are conditional on operational and maintenance instructions received being made available to the purchaser, and subsequently delivered to the user without delay, and that in appropriate cases the instructions have been followed in accordance with a log kept by the user.

39.
The seller shall, without delay, rectify a fault by, according to his choice, repairing the fault in the good or replacing a faulty good. The seller's remedial action also covers being responsible for transport of a faulty or replaced good. If the seller omits to rectify a fault or undertake redelivery, the purchaser has, after written communication to the seller, the right to a price deduction.

40.
For a fault in the good which appears after the time stated in Clause 36, the seller is only liable if the fault is substantial and is shown to originate from negligence on the part of the seller. For stated liability, the statutory period of limitation applies from the date the good was delivered, or after separate written agreement, from the date the contract was approved.

41.
If the seller is responsible for a fault in the good, he is also liable to the extent resulting from his liability insurance according to Clause 1, to compensate for loss or damage which arises through the fault.

For loss or damage resulting from interruption or disturbance in industrial production or other commercial activity compensation shall only be made if the loss or damage is shown to be based in gross negligence on the part of the seller.
The seller is not liable to pay compensation in accordance with this Clause if he can show that there existed such hindrance to deliver a good free of fault as stipulated in Clause 58, and the seller informs the purchaser of this in accordance with that stated in Clause 59.

42.
If the seller omits to remedy a fault without delay and therewith incurs associated costs, the purchaser has the right to remedy the fault himself, provided that the seller has previously had the opportunity to inspect the good and agreed with the purchaser on method and cost of remedy. If the purchaser remedies the fault without such agreement, no compensation will be payable. In urgent cases, the purchaser has however the right to remedy the fault himself, and to receive compensation for reasonable costs associated with this, provided that he proceeds with good judgement and, within *three working days*, reports the extent of the remedy to the seller.

43.
If the installer demands liability for a fault in the good, and costs connected therewith, from the wholesaler, the manufacturer is liable to cooperate in settling this liability.

44.
For limitation of remedial costs on external water supply and sewage pipes, the purchaser shall test the pipes for leakage, in accordance with existing norms and the manufacturer's instructions, before a pipe trench is filled in.

45.
If the remedial action or redelivery is not carried out within a reasonable time after complaint, the purchaser may cancel the purchase as regards a faulty good and a good that has a connection therewith, if the fault is of considerable importance for the purchaser, and the seller understood this, or should have understood it.

46.
The seller's liability is limited to that stated above. The purchaser cannot make valid other consequences than those given above, and over and above this does not have the right to compensation for loss or damage to another property than the sold good to any further extent than that stipulated in Clause 41 above.

ANTICIPATED BREACH OF CONTRACT

47.
If, after the purchase, there are reasonable grounds to assume that a party will not fulfil a substantial part of the agreement, the other party may, for his part, suspend completion and withhold his performance and demand that acceptable security shall be given for the correct fulfilment of the agreement. If security is not given without delay, the party which has demanded security may cancel the purchase to the extent that refers to that part that has not been completed.

48.
A party may cancel the purchase without having first required security, if the other party is put into bankruptcy or otherwise, as a result of insolvency, cannot be expected to complete his commitments according to the agreement.

49.
If the purchaser cancels regarding part-delivery, he may at the same time cancel as regards earlier or later deliveries if he, on account of the connection between them, should have substantial inconvenience of remaining with the purchase as regards these deliveries.

PRICE

50.
The purchaser shall, over and above the agreed price, pay value-added tax and environmental charges according to law. Unless otherwise agreed in writing, the delivery-day price applies.

PAYMENT AND PERIOD OF LIMITATION

51.
The seller shall send an invoice to the purchaser not later than four months after the final delivery or, if this gives the seller a longer time for invoicing, four months after the date on which the purchaser's contract was delivered. If this has not been done, the seller does not have the right to charge for sending an invoice later.

52.
If the seller's claim refers to amounts included in the purchaser's contract sum, or value added tax with respect to his contract, the period of limitation is 22 months as from the approval of the contract.

53.
If the seller can show that he was not aware of, or should not have been aware of his claim, the period of limitation shall be calculated from the time at which he first should have been aware. The period of limitation shall, however, never be more than ten years as from the date on which the good was delivered.

54.
If payment is not made within the correct period of time, the seller has the right to penalty interest from the due date, with the interest rate that applies in accordance with the Swedish Interest Act, unless another rate of interest has been agreed.

55.
If the purchaser has a claim against the seller on account of the purchase, the purchaser may retain as much of the payment as equals the claim. The purchaser is obliged to give an account of the grounds for his retention without delay.

56.
Any sum that is not disputed shall be paid by the purchaser in accordance with payment terms and conditions in force.

57.
Payment does not imply approval of the good.

GROUNDS FOR EXEMPTION

58.
A party has the right to extend the delivery period if completion of the purchase is made more difficult as a result of circumstances on the part of the other party, or as a result of circumstances outside the control of the parties, such as labour conflicts, war, decisions by authorities, extensive operational interruptions, if the party or sub-supplier or otherwise of the party have not caused the circumstances, which he should not have expected, and the results of which he cannot reasonably avoid.

59.
For the right to extend a delivery period, it is required that a party shall, without unreasonable delay, inform the other party in writing that a ground for exemption has occurred.

60.
If the purchase cannot be completed within a reasonable time, as a result of circumstances according to Clause 58 above, a party may cancel that part of the purchase, the completion of which is prevented.

61.
With cancellation in accordance with Clause 60 above, further consequences may be made valid in relation to the other party only if he has caused this delay.

PRODUCT SAFETY

62.
The seller is responsible in relation to the purchaser for costs resulting from an injunction that the purchaser reports in accordance with the Swedish Product Safety Act, 2004:451, if the injunction is based on properties of the good that the purchase covers.

DISPUTES

63.
Disputes in relation to the purchase shall be settled through arbitration in accordance with the Swedish Arbitration Act (1999:116), and with application of Swedish National Law. The arbitration procedure shall take place in Sweden. If the disputed sum does not exceed 10 price amounts, the dispute shall, however, unless the parties have agreed otherwise, be settled in a Court of general jurisdiction.

Valid as from 01-01-2005