

# KEY SUPPLIER AGREEMENT

between

APPRO AB

and

Alfa Laval Tumba AB

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## 1. Parties

APPRO AB, Motorgatan 2, 422 40 Kungälv, phone: +46 303 24 34 40, Fax: +46 303 24 50 15. hereinafter referred to as "APPRO".

The main contact within APPRO is bjorn.almen@appro.se key account manager for AL.

APPRO is the seller of the products specified within this agreement.

Alfa Laval Tumba AB, on its own behalf and on behalf of the companies listed in Appendix 1, [ *any other companies within the Alfa Laval group* ]. (The respective Alfa Laval companies and, where applicable, the Alfa Laval group, are hereinafter referred to as "AL".)

The main contact within AL is Mr Mitul Sawjani (mitul.sawjani@alfalaval.com).

Provisions of this Agreement will apply to all business between AL and APPRO during the term of this Agreement unless excluded in writing. For products listed in the attached Appendices, the price shall be as listed, and for items not listed in the Appendices, the prices shall be based on the latest AL business proposal.

## 2. Products and Services

APPRO will become a key-supplier of products specified within this Agreement for the whole of AL, provided that APPRO can compete in every way, technically and commercially on a Global basis, especially in terms of product quality, delivery and costs.

APPRO will supply complete kits as well as separate components according to AL instructions.

The scope of supply shall also include packing list, certificates, marking of products, bar codes etc.

APPRO will, when specified, buy and store components from the supplier specified by AL.

The assortment is specified in Appendix 2.

Orders will be placed from by AL unit by separate schedule or order document.

APPRO will confirm orders within 24 hours.

APPRO is continuously responsible to make sure that the whole supply chain is not at all affected by radioactive scrap material.

Non-European suppliers confirm that wood packaging material to European units is treated according to the guidelines for phytosanitary measures issued by the Food and Agriculture Organization of the United Nations. Approved methods are Heat treatment (HT) or Methyl Bromide (MB). For details see [www.ippc.int](http://www.ippc.int)

Items that are the property of AL have to be marked with “property of Alfa Laval, ref. no. xxxx”.

APPRO agree to implement and respect AL Business Principles, see “[www.alfalaval.com](http://www.alfalaval.com)”.

APPRO agree to work in the spirit of ISO 14000. It's also agreed that APPRO will continuously respect and follow local laws and regulations.

### **3. Quality**

The basis is that APPRO is continuously certified as ISO 9001 approved or another program for quality improvement and control. The overall understanding is a zero-defect performance according to AL's drawings and specifications will be the norm.

APPRO is responsible to make sure that they are using the valid and right drawings and material specifications.

Any changes regarding for example ISO, PED, EN or FDA certificates shall without delay or special request be reported to AL.

Both parties shall co-operate about quality improvements. The co-operation for improvements must be according to AL's “Supplier auditing routines”.

APPRO will, if necessary, allow AL to make Q-audits and thereafter take the necessary action. This also, if needed, includes the suppliers sub suppliers.

#### **4. Lead times**

Lead times for products supported by a forecasting routine should be \_\_\_\_\_ working days, and for parts without forecast \_\_\_\_\_ working days. (see Appendix 2).

The above will not be affected by any volume increase within XXX, because of AL or any other customer.

For the subsequent 12-month periods, a lead time reduction of 10 % per annum is the common objective.

APPRO is obliged to continuously keep AL informed about the local calendar of available working days.

#### **5. Delivery on time (DOT)**

APPRO should achieve a delivery guarantee of at least 95%.

This means that delivery must take place no later than the delivery date in APPRO first order confirmation and no earlier than 5 days before the same date. Determination will be carried out per order line. The measurement will be based on APPRO first order confirmation. If AL receives no order confirmation within 2 working days the purchasing order is considered confirmed with the requested delivery date as the confirmed delivery date.

DOT is measured by comparing delivery date according to APPRO order confirmation and delivery date according to APPRO invoice.

Measurement of delivery on time is continuous, and AL's units will make quarterly reporting.

APPRO is obliged to always and without delay informing AL regarding possible deviation from confirmations, early warnings.

APPRO will, after request measure and report own delivery performance (DOT) on a monthly base.

APPRO will after request report data according to Supplier follow up form.

**6. Definition and target of Performance:**

Definition of product quality: Product quality is 100 % when, there are no discrepancies and the value of all products delivered is 100 % in accordance with specifications.

All discrepancies - both physical and in documentation, certificates and signs - between delivered performance and specifications constitute faults will be taken into account when measuring the product quality.

For APPRO, the average accumulated product quality should at least be 98%, measured in all AL units. The product quality is to be measured quarterly on the basis of fault reports received and approved by APPRO.

When performance is same or higher than the values in section 5 and section 6, the invoiced amounts will be according to contractual prices.

Provided that the actual performance with respect to either DOT or quality summarily for a quarter (3 months) is below the value in section 5 and/or section 6, the invoiced amounts for the following 3 months will be decreased by 3 %.

Provided that the actual performance with respect to either DOT or product quality summarily for a quarter (3 months) again will be the same or above the value in section 5 and/or section 6, the invoiced amounts will again be according to contractual prices.

**7. Prices:**

Fixed prices are in EUR and specified in Appendix 2. They are valid for orders placed by AL up to and including December 2008. After this date prices will be agreed on a yearly basis. All prices are including packing, signs, documentation and certificates.

As soon as AL can confirm a volume increase compared with previous period, the following discounts will affect the total price:

<b>Discount</b>	<b>Volume increase</b>
in %	in %
2	25
3	50
6	75
7	100

The common objective for further cost rationalisation is 8 % units below producer price index / manufacturing in Sweden, published by OECD.

This means that if the index during the previous available 12 months period is + 10 %, and the common projects are more or less successfully completed, APPRO will increase prices by no more than + 2%.

The above will not be valid for sub-components where AL has advised supplier.

### **8. Stock**

It is understood that the total material flow within AL is more or less determined to operate without any buffering stocks and because of this, deviations from those specified under sections 3, 5 and 6 will cause enormous risk to the "common" final customers.

APPRO will if requested establish a min/max stock per article based on AL's forecast.

APPRO will retain a sufficient stock of material and components to secure urgent demands.

APPRO will also if requested be positive to discuss and implement a VMI concept.

### **9. Terms and conditions**

Terms of delivery: According to Incoterms 2000, 005 FCA, 022 DDU or 023 DDP, XXXXX, see Appendix 4.

Terms of payment: 90 days net.

In addition to provisions of this Agreement, AL's general conditions for purchases will be valid, see Appendix 4.

### **10. Agreement period and termination**

This Agreement shall become effective on signature by both Parties and shall continue in effect for two years. In the event that the Agreement is

not terminated in writing giving six month's notice of termination, the agreement will continue in effect for a period of *one* year and so on.

However, this Agreement may be terminated by either Party immediately in the event that the other Party

- substantially violates any of the provisions of this Agreement and fails to make good such violation within one month after receipt of notice in writing from the complaining Party or
- enters into compulsory liquidation, becomes bankrupt or is otherwise found to be insolvent.

The non-fulfilment by APPRO of the objectives referred to in section 17 of this Agreement shall be deemed to be a substantial violation under this Agreement.

### **11. Effects of termination**

In the event either party terminates this Agreement for whatever reason, APPRO shall free of charge provide AL access to all information deemed necessary by AL for the manufacturing/procuring of the Products including, but not limited to; (i) information about suppliers of materials, components and services used by APPRO for the manufacture of the Products, which information shall include contact details, prices and quantities purchased and (ii) technical specifications and other manufacturing documentation and software used for the manufacturing/procuring of the Products.

Such information, and the patterns and samples referred to in section 12 below, shall be provided by APPRO within two weeks after AL request and APPRO shall, if requested by AL, free of charge participate in a meeting with AL for this purpose. APPRO shall in general cooperate with AL in good faith for the purpose of enabling AL to continue the manufacturing of the Products after the termination of this Agreement without interruptions.

### **12. Confidentiality**



All documents and their contents plus samples and patterns are to be considered the property of AL, and must not be copied, reproduced, transmitted or disclosed to any third party. Unless otherwise agreed in writing, all possible product- and/or process developments as a result of the co-operation is to be considered the sole property of AL.

If documents etc. are used in an inappropriate way by either party, this will be, besides other demands, a sufficient cause for an immediate termination of this agreement.

### **13. Supply restriction**

APPRO undertakes to (i) only supply the Products to companies in the Alfa Laval Group (defined as Alfa Laval AB and all companies in which Alfa Laval AB (publ) or its successor directly or indirectly from time to time owns or controls more than 50% of the votes of the shares), (ii) not supply the Products to any other parties than those set out in (i) above unless AL has given its prior written consent and (iii) not itself directly or indirectly sell the Products.

### **14. Cooperation of continuous improvement objectives**

APPRO will act to always be at the leading edge of technology for products supplied to AL, and committed to use that knowledge within the cooperation with AL.

APPRO will also be prepared to cooperate with AL in projects of Value Stream Mapping, cost reduction, redesign etc..

### **15. In case of catastrophe**

In case of catastrophe APPRO will be prepared to refer not only to "Force Majeure", but instead APPRO will be willing to take the necessary steps to fulfil delivery obligations to AL.

Examples of actions are:

- Transferring of manufacturing volumes to another factory within APPRO
- Use of sub-suppliers.
- etc.

### **16. Continuous General information**

Agreement for Fasteners

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APPRO will be prepared to support AL with relevant general information regarding important decisions and the soundness of the business. AL will be prepared to support APPRO with similar information.

APPRO will latest one month after finalizing of an annual report send a copy to AL.

All major decisions, which may affect deliveries, are to be communicated and explained to AL prior to the decision taking affect.

To put the above procedure into practice it has been decided to hold meetings when necessary, but at least once a year.

**17. Common action plan**

The following implementations must be fulfilled for the relevance of quality/delivery performance/cost objectives:

<b>Activity</b>	<b>Description</b>	<b>Objective</b>	<b>Time schedule</b>	<b>Resp.</b>
Payment terms	Change of payment terms	Change to 45DN	Jan. 2007	Appro
Alignment of cost structure	Align the cost structure in €/kg	Reduce cost	Jan. 2008	AL/Appro
Payment terms	Change of payment terms	Change to 60DN	Jan. 2008	Appro

This Agreement has been completed in two original, of which APPRO and AL have got one each.

....., 2007

.....  
For Alfa Laval Tumba AB

.....  
For

## Appendix 1

### A L Companies

	<b>Contact person</b>	<b>E-mail:</b>
Alfa Laval Tumba AB Logistics S-147 80 TUMBA Phone: +46 8 530 650 00 Fax: +46 8 530 604 75	Mr/Ms ????????	????????@alfalaval.com
Alfa Laval Lund AB		
Alfa Laval Fontanil AB		
Tranter AB		

This list can be expanded if needed with more AL companies.



Alfa Laval

**INCOTERMS 2000**

Split of cost responsibility between the selling - and buying - companies in  
constriction, all accordance to INCOTERMS 2000. All carriers included.

**TERMS OF DELIVERY**

- 001 EXW EXWorks, free sellers factory/warehouse, (...named place).
- 002 FCA Free CArrier, free to carrier at sellers factory/warehouse, (... named place).
- 005 FCA Free CArrier, free to carrier at a named terminal, (... named place).
- 006 CPT Carriage Paid To a named place within sellers country, (...named place).
- 007 CIP Carriage and Insurance Paid to named place within the sellers country, (...named place).
- 010 CPT Carriage Paid To a named place within the receiving country, (...named place).
- 011 CIP Carriage and Insurance Paid to named place within the receiving country,(...named place).
- 012 CPT Carriage Paid to a named terminal with customs-service, (...named place).
- 013 CIP Carriage and Insurance Paid to named terminal with customs-service, (...named place).
- 014 CPT Carriage Paid To buyers factory/warehouse, (...named place).
- 015 CIP Carriage and Insurance Paid to buyers factory/warehouse, (...named place).
- 018 DAF Delivered At Frontier to named terminal with customs-service, (named place).
- 019 DDU Duty Unpaid to named terminal with customs-service, (...named place).
- 021 DDP Delivered Duty Paid to a named terminal with customs-service excl, named fees, (.named place).
- 022 DDU Delivered Duty Unpaid to buyers factory/warehouse, (... named place).
- 023 DDP Delivered Duty Paid to buyers factory/warehouse, (...named place).

**TERMS OF DELIVERY**

HEADLINES OF COST	001	002	005	006	007	010	011	012	013	014	015	018	019	021	022	023
100 Loading at the sellers factory/warehouse	B	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S
150 Local transport within export country	B	B	S	S	S	S	S	S	S	S	S	S	S	S	S	S
200 Transport agreement and expedition	B	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S
250 Trading documentation within sellers country	B	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S
300 Customs clearance within export country	B	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S
350 Export fees	B	S	S	S	S	S	S	S	S	S	S	S	S	S	S	S
400 Loading at carriers terminal	B	B	B	S	S	S	S	S	S	S	S	S	S	S	S	S
450 Goods carrier and handling equipment	B	B	B	S	S	S	S	S	S	S	S	S	S	S	S	S
500 Transport insurance	B	B	B	B	S	B	S	B	S	B	S	-	S	S	S	S
550 Main transport	B	B	B	B/S	B/S	B/S	B/S	S	S	S	S	S	S	S	S	S
600 Unloading at terminal	B	B	B	B	B	B	B	S	S	S	S	B	B	B	S	S
650 Trading documentation within transit or import country	B	B	B	B	B	B	B	B	B	B	B	B	B	S	B	S
700 Customs clearance within import country	B	B	B	B	B	B	B	B	B	B	B	B	B	S	B	S
750 Import fees	B	B	B	B	B	B	B	B	B	B	B	B	B	S	B	S
800 Locale transport within import country	B	B	B	B	B	B	B	B	B	B	B	B	B	B	S	S
850 Unloading at buyers factory/warehouse	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B

B = Paid by the buyer.  
S = Paid by the seller.

xxxxxxxxxxxxx = Preferred alternatives



## Preamble

1. These General Conditions for Purchases shall apply unless amended by written agreement between the parties. The supplier's terms of delivery shall only apply in so far as they are expressly confirmed in the purchaser's order.

**Prices**

2. Any value added tax shall be stated in each specific case. If the value added tax is not stated separately it shall be considered to be included in the price. The value added tax shall also be stated separately in the invoice.  
The agreed price shall be firm and shall include packing, invoice cost, marking and related services customary to the trade.

**Extent of the delivery**

3. The purchaser shall only be liable for payment of the quantity of goods specified in the order. The supplier shall only be entitled to compensation, additional to the price agreed upon, in respect of additional goods and work or modifications, if the purchaser has agreed in writing to such goods being delivered or such works being performed against additional compensation.  
The supply of additional goods and work or modifications shall not entitle the supplier to an extension of the delivery period unless prior written approval to this effect has been obtained from the purchaser.

**Delivery period**

4. The delivery period agreed upon shall be strictly observed. Part-shipments and advance deliveries require the purchaser's explicit approval in advance. Should the supplier have reason to believe that a delay in delivery may occur, he shall immediately inform the purchaser hereof and subsequently confirm this in writing, stating the reasons for the delay and its probable duration. Unless otherwise specifically agreed, the purchaser shall in the event of delay in delivery, be entitled to a price reduction amounting to 0.5 per cent of the contract price for each commenced week of delay up to a maximum of 10 per cent of the said contract price, and shall in addition be entitled to cancel the agreement, wholly or in part, should the delay endure for more than 20 weeks.
5. The delivery period agreed upon shall commence on the day of the supplier's receipt of the purchaser's order.  
The supplier shall be deemed to have observed the delivery period if, within the time limit agreed upon, the goods have been brought to a place from which they shall be forwarded by the purchaser in accordance with the agreement.  
If the purchaser's order states that the deliveries shall be made "on call", the delivery period shall be deemed to be observed if, within the limit agreed upon, the supplier notifies the purchaser that the quantity of goods specified is ready for dispatch. Following the "call"-order, the goods shall be dispatched immediately.
6. Any agreed trade term shall be interpreted in accordance with the latest version of Incoterms.

**Packing and marking for identification**

7. Upon request, the supplier shall state how much has been included in the total contract price for packing. If the supplier is willing to accept the return of packing material, this shall be stated in the documents accompanying the goods in order that the goods reception staff of the purchaser can be duly informed.
8. The type and quality of the packing shall be such as to protect the goods against damage and deterioration during transit to the purchaser's warehouse and for a reasonable period of storage in adequate premises. The packing shall also be of such quality as to enable the holder of the goods to obtain compensation under an ordinary transport insurance policy, should any damage occur to the goods.
9. The marking of the goods shall be effected in compliance with the purchaser's instructions. Such instructions shall not, however, constitute a limitation of the liability on the part of the supplier to mark the goods according to their nature ("fragile" etc.).

**Quality, guarantee**

10. All goods concerned shall be of at least ordinary good commercial quality. The supplier shall be responsible for the delivered goods

being suitable with respect to its intended use, as stated.

**Responsibility for faults and errors**

11. The supplier warrants that the raw materials used and the processing, machining, and other treatments do agree in each specific case with the specifications, drawings and samples submitted to the purchaser. Data in brochures, etc., to which reference is made in the order, shall be binding on the supplier. He shall also be fully responsible for the goods retaining their stipulated properties during the guarantee period agreed upon. The period of guarantee shall be twelve months as from the dated of delivery where no other period of guarantee has been stipulated. The purchaser shall make claims and complaints not later than one month after the expiry of the guarantee period. Where the supplier discovers faults or irregularities in goods already delivered, this shall immediately be brought to the purchaser's attention. Has supplier's design been changed on purchaser's demand, the supplier shall be responsible as for his own design unless anything else is agreed upon.
12. Should the purchaser require the supplier to remedy faults to which his attention has been called, the ensuing action shall take place immediately on receipt of such request, all costs associated with the said action to be defrayed by the supplier. The guarantee period shall be prolonged by a period of time equalling the period during which, owing to the fault, the goods could not be used for their intended purpose. After repair or replacement, parts repaired or replaced shall be covered by a new guarantee, operative during a period of time equalling the original guarantee period.
13. Any fault that occurs may be eliminated by the purchaser at the supplier's expense and with no ensuing limitation of the supplier's guarantee, provided either
  - (a) that the said fault is of a minor nature, or
  - (b) that the supplier fails to eliminate the said fault in due time, or
  - (c) that the matter is particularly urgent.
 Whenever possible, the purchaser shall inform the supplier of his intention to eliminate the fault himself in advance.

**Patent, trademark**

14. Supplier is responsible for non-violence of patents, trademarks and other legally protected rights by use and sale of delivered goods.

**Product liability**

15. The supplier shall hold product liability insurance relevant to damages caused by default in goods quality.

**Passing of risk**

16. The risk of the goods being destroyed or damaged accidentally shall pass to the purchaser in accordance with the rules laid down in latest version of Incoterms.

**Payment**

17. Payment shall be effected as agreed upon, provided that the contracted delivery and an invoice, stating the purchaser's order number, have been received by the purchaser.

**Sub-suppliers**

18. The same terms and conditions as apply to the order as a whole shall apply to components that the supplier procures from a sub-supplier.  
Where the order comprises explicit stipulations governing the selection of sub-suppliers, such stipulations shall be binding on the supplier.

**Commercial documentation**

19. Only written orders on Alfa Laval's official form and signed by an authorized person are valid. Reference shall be made to the purchaser's order number in all correspondence, on the invoice, and on the delivery note/packing list that shall be enclosed in each consignment. Goods delivered without such delivery note, etc. may cause additional expenditure on the part of the purchaser. The supplier shall defray such expenditure.  
Further commercial documentation may be requested by the purchaser and will then be separately stated in an appendix, entitled Delivery Instructions, attached to the relevant order.

**Reliefs (force majeure)**



Appendix 4

20. The following shall be considered as cases of relief if they inter-vene after formation of the Contract and impede its performance provided that the supplier did not, or could not, foresee the possibility of their occurrence: industrial disputes and any other circumstances (e.g. fire, mobilization, requisition, embargo, currency restrictions, insurrection, shortage of transport, general shortage of materials and restrictions in the use of power) when such other circumstances are beyond the control of the parties.

The party wishing to claim relief by reason of any of the said circumstances shall without delay notify the other party in writing of the intervention and of the estimated duration thereof.

Assignment of the contract

21. The purchaser shall be entitled to assign the contract wholly or in part to any of these subsidiary companies or any other party, provided that the full responsibility assumed by the purchaser in accordance with the contract is maintained by him.

Disputes

22. All disputes in connection with the contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules. The proceedings shall take place in Geneva, Switzerland.

ADDITIONAL PROVISIONS CONCERNING MACHINES AND SPECIALLY DESIGNED GOODS

Technical documentation

23. All drawings and technical documentation concerning the manufacture of the goods or part thereof submitted to the supplier by the purchaser shall remain the purchaser's property and shall be treated as strictly confidential and may not be used, copied or reproduced by the supplier without the purchaser's prior written consent for any purpose other than internal use related to the accomplishment of the delivery.

24. As concerns machines and equipment, the supplier shall be obliged to provide the purchaser, free of charge and not later than in connection with the delivery, with information and drawings concerning the machines and equipment delivered, of sufficient clarity and detail to enable the purchaser to assemble, start-up, operate, and service (including current repairs) all parts of goods. Unless otherwise agreed, such documentation shall be in English.

Tools, patterns, etc.

25. Certain tools (in this clause also taken to mean patterns, measuring devices, packaging and similar) which are required by the supplier for manufacturing on behalf of Alfa Laval will be provided to the supplier by Alfa Laval in accordance with a list prepared for each delivery of such tools. These tools will remain the property of Alfa Laval and shall at the request of Alfa Laval be returned at once, free supplier, without demur concerning right of retention against any possible claims on Alfa Laval. As long as the tools remain under the control of the supplier, they shall be stored and maintained without any specific reimbursement in accordance with the detailed instructions that may be provided on each occasion by Alfa Laval.

Any necessary repairs and modifications carried out on the tools by the supplier must be preceded by an agreement between the parties and where appropriate shall be carried out at the expense of Alfa Laval at a price agreed between the parties. The need for replacement of tools and purchase of new tools shall be notified by the supplier to Alfa Laval who will then arrange for and pay for such purchases.

Unless otherwise agreed, Alfa Laval shall defray the cost of damage caused by fire to the aforementioned tools and the supplier shall be responsible for other damages. If the supplier insures himself against those risks, which Alfa Laval is entitled to charge, to the supplier the insurance shall also cover Alfa Laval and evidence of this cover shall be submitted to Alfa Laval.

Tools as above which remain the property of Alfa Laval may not be used by the supplier or a third party for purposes for which Alfa Laval has not given specific approval. The supplier shall be obliged to inform the purchaser when tools, models, etc. no longer produce acceptable products, or when additional tools, models etc., are required. The purchaser shall, having sought the advice of the supplier, decide on any additional purchases of models, tools, etc.

Outturn samples

26. If the parties have agreed that outturn samples shall be provided, these shall be sent to the purchaser free of charge as soon as possible. The purchaser shall examine the samples, stating any modifications that may be required and whether another outturn sample shall be sent. The acceptance of the outturn sample may not be construed as a limitation of the supplier's guarantee obligations. The result of the examination of the sample shall be communicated to the supplier within two weeks of the receipt of the sample, unless otherwise agreed. If the seller should not communicate the results within the time stipulated, the period of delivery should be prolonged by a period of time corresponding to the delay.

The Supplier shall be obliged to provide the purchaser's inspector with all information necessary to judge the quality of the goods, provided such information does not disclose any trade secrets.

Control

The information shall be provided upon request during manufacturing and at delivery.

28. Prior to being placed at the purchaser's disposal for the purpose of examination, the compliance of the goods with the conditions laid down in drawings, descriptions, specifications, and other relevant documents shall have been controlled and approved by the supplier. Should not technical regulations for the testing have been agreed upon, such as descriptions of the testing procedures and standards, the test shall be performed in accordance with sound practices generally accepted in the industry.

In respect of such special tests as have been specifically agreed upon, the supplier shall be obliged, at his own expense, to provide the purchaser with test certificates, etc., indicating the character, scope and results of the tests thus performed.

29. Where a test is to be performed in the joint presence of the purchaser and the supplier according to the order, the supplier shall notify the purchaser as to the time and place for such test within a reasonable period of time in advance.

30. Tests performed in the presence of both parties and test to be performed by the purchaser on the supplier's premises according to the order, shall be effected during ordinary working hours, and the supplier shall be obliged, unless otherwise agreed, to provide, free of charge, all relevant gauging equipment, tools, testing equipment, premises, and staff necessary to effect the test, and to defray all other expenses associated therewith, excluding the personal expenses of the purchaser's personnel. The purchaser shall be entitled to check all such gauging equipment, tools and testing equipment in consultation with the supplier.

In addition to tests specified in the order, the purchaser shall be entitled to check that the goods meet the requirements laid down in the relevant drawings, descriptions, specifications, and other relevant documents. The supplier shall be obliged to place the necessary premises and staff at the inspector's disposal for such checks.

31. Should any goods be rejected during a test, due to non-compliance with the requirements of the order, the action taken in consequence thereof and the results achieved shall be reported prior to the said goods being resubmitted to the purchaser's inspection. Where the defect was slight, the purchaser shall normally not demand a repeated test.

32. The approval of an acceptance test may not be construed as a waiver of the supplier's guarantee. There shall be no obligation on the part of the purchaser to effect other inspections of goods delivered than inspections expressly agreed upon.

Safety requirements

33. Technical devices sold by the supplier or offered in used condition shall be fitted with the necessary safety devices as approved by the occupational health and safety authorities or other authorized bodies and which in other respects provide satisfactory security against injury and health hazards and provide a good biotechnical standard.

The supplier is responsible for ensuring that the design in other respects is in accordance with the current government regulations and is obliged to provide without additional charge appropriate test certificates or corresponding documentation.



**Agreement for access to Alfa Laval material standards on the web**

The supplier .....will have access to the latest version of Alfa Laval (hereafter called AL) standards via username and password. .... has the responsibility to, without delay, notify AL in case the person referred to in the username either change position or leave the company.

The web page will be a tool for ..... to convert old AL material standard (starting with the letter AL, S, T och LKM) mentioned on any drawing or in any other document authorized by AL to the latest version.

After having received the access to this web site ..... has the responsibility to make sure that all parts or material delivered to AL will meet the latest version of the AL material standards. In case ..... deliver based on wrong material standard after the grace period and with no special written approval from AL, AL has the right to request replacement parts or material without additional cost.

..... must first Monday in each month control through the AL web page if any of the material standards that the supplier are working with has been updated by a new revision. It is the responsibility of ..... to check if any adjustment must be made.

In case of an updating of the standard with a new revision there will be a graze period of 6 month to allow ..... to adjust his inventory or production process.

In case there is any hinder to meet the new revision, the supplier must let the AL contact person know in writing about it within 14 days after ..... has received the announcement.

.....

.....

For Alfa Laval

For