

# General Terms and Conditions for Graphic Services (ALG 20)

Standard terms and conditions prepared by Grafiska Företagens Förbund in cooperation with Svenska Förläggareföreningen, Sveriges Annonsörer, Sveriges Kommunikationsbyråer, Sveriges Tidskrifter and TU - Medier i Sverige.

ALG 20 contains well-established and balanced standard terms that are specifically adapted to agreements concerning graphic services. For clarity, the parties are recommended to refer expressly to ALG 20 in their agreements.

Grafiska Kammaren issues opinions, upon request, on whether a given graphic service has been performed professionally, and on how the delivery terms should otherwise be interpreted in accordance with good business practice and industry practice.

## 1. Scope of Application

### 1.1

ALG 20 applies to agreements concerning prepress, printing, bookbinding and other graphic services.

### 1.2

The terms in ALG are non-mandatory, meaning that they apply unless the customer and the supplier have expressly agreed otherwise. ALG does not exhaustively regulate the parties' mutual rights and obligations; the parties are expected to determine the more detailed content of the service themselves and to supplement the agreement with other terms as needed.

## 2. Professional Performance

Graphic services - both partial and additional services and main services - shall be performed professionally. The requirement of professional performance applies to both the supplier and the customer with graphic expertise. Professional performance means that the supplier and the customer shall carry out their tasks under the agreement with the care required for a fully satisfactory service.

## 3. Quotations and Acceptance

### 3.1

The supplier's quotation is, subject to intervening agreements, valid for 30 days from the quotation date unless another period is stated. The customer's acceptance must reach the supplier within this period. The supplier is entitled to withdraw the quotation or withdraw from the agreement if, before the start of production, it becomes apparent that the customer's financial circumstances are such that there are strong grounds to assume that payment will not be made on time.

### 3.2

In the quotation, the supplier shall describe the content of the offered service and the parties' obligations as completely as possible and should clearly refer to the ALG terms and state any additions to or changes in them.

## 4. Provision of Material

The supplier shall, in the agreement - by reference to its website or in a separate document - clearly state the requirements that the customer's production material must meet. If the supplier does not state any special requirements, the customer may deliver the material in the form that is normal for the graphic service concerned.

## **5. Additional Services**

Services that are not stated in the parties' agreement and that the supplier does not normally perform in order to meet the requirement of professional performance (additional services) shall be agreed separately. This includes, among other things:

- Changes and other extra work ordered by the customer.
- Unforeseen acceleration caused by delayed delivery of material or other delay on the customer's part.
- Changes and other measures that the supplier is forced to take because the material supplied by the customer does not allow the supplier to perform its service professionally.

## **6. Price**

### **6.1**

A quoted or agreed price does not include remuneration for additional services under Section 5. If the customer orders the additional service, it is the customer's responsibility to obtain price information from the supplier unless such information is already known. If the supplier considers that an additional service is required or should be recommended, the supplier shall obtain the customer's approval before the additional work is begun.

### **6.2**

The price does not include value added tax or other public charges. The customer is responsible for these, including when they are determined afterwards.

### **6.3**

Necessary transport and protective packaging, but not return pallets, are included in the price unless otherwise agreed.

## **7. Delivery and Packaging**

### **7.1**

Delivery shall be made free at the supplier's production or storage premises unless otherwise agreed.

### **7.2**

Upon delivery, the service shall be provided with packaging that protects against foreseeable damage during transport and during appropriate storage at the customer's premises.

## **8. Allocation of Risk and Costs**

### **8.1**

The supplier bears the risk if the service or entrusted production material is destroyed or damaged before the agreed delivery date or, if no such date has been set, before the delivery date that has been notified to the customer in due time. Thereafter, the customer bears the risk.

### **8.2**

The allocation of risk under Section 8.1 also applies to transport and to costs for, for example, care, storage and insurance of the service and entrusted production material.

## **9. Responsibility for Reproduction Rights**

### **9.1**

Both the customer and the supplier are responsible for ensuring that they have the right to use the software, including further processing, required for the graphic service.

## **9.2**

The customer is responsible towards the supplier for ensuring that there are no legal obstacles to producing reproduction and printing media from originals supplied by the customer, or to reproducing or multiplying supplied material.

## **9.3**

The responsibility under Sections 9.1 and 9.2 means that the customer and the supplier respectively are obliged, at their own expense, both to take the necessary legal and other measures when a third party claims that his rights have been infringed and to pay any compensation to that third party.

## **10. Subcontractor**

### **10.1**

The supplier is entitled to have the service performed wholly or partly by a subcontractor unless the customer has expressly required that the supplier itself perform the service, or unless this otherwise follows from the circumstances.

### **10.2**

If the customer or the supplier uses a subcontractor, they are responsible towards the other party for the subcontractor's service and other obligations arising from it as if they had performed the service themselves.

## **11. Confidentiality**

### **11.1**

The supplier shall observe discretion, in accordance with what good business practice requires, concerning its business relations with the customer and the content of the agreed services. The supplier shall, through appropriate measures, ensure that its own personnel, subcontractors with their personnel and others who gain insight into the business respect the duty of confidentiality.

### **11.2**

If the customer so requests, the supplier shall take measures to prevent insight by unauthorised persons during performance of the service. In that connection, the supplier is entitled to compensation for additional costs caused by the measures, for example special procedures or protective measures.

## **12. Quotation Material**

The supplier has rights to quotation material in digital or other form that the supplier has prepared on its own initiative and used for quotation purposes. The recipient of the quotation may not, without authorisation, either use such material itself or allow unauthorised persons to access it, and is obliged to return the material to the supplier upon request unless otherwise agreed.

## **13. Return of Production Material**

### **13.1**

After delivery of the service, the supplier shall to the customer (a) return production material that the customer has provided, and (b) hand over production material that the supplier has produced or arranged to have produced, provided that the parties have agreed in advance in what form and on what terms the material is to be transferred.

### **13.2**

After the delivery date, the supplier shall store, for the customer's account, the production material referred to in Section 13.1 for three months unless otherwise agreed.

## **14. Copies for Further Processing**

The party that further processes a graphic service shall be supplied with a sufficient number of extra copies to cover normal waste during the processing. Unless otherwise agreed, the party carrying out the further processing shall be supplied with extra copies according to the calculation basis for permitted overruns in Section 24.1. Where the ordered print run is below 3,000 copies, a further 100 copies shall be supplied in addition to that number.

## **15. Statutory Deposit and Archive Copies**

A printing house has a legal right to take so-called statutory deposit and archive copies from the deliverable print run at the customer's expense. If the printing house's service does not constitute a final service, the customer shall, on its own initiative and without delay, provide copies in the prescribed number and form to the printing house free of charge.

## **16. Payment**

### **16.1**

Payment shall be made within 30 days from the invoice date unless a shorter period has been agreed or a longer period is stated in the invoice.

### **16.2**

In the event of late payment, default interest shall be charged. This interest shall exceed the Swedish Central Bank's reference rate applicable from time to time by 8 percentage points unless otherwise agreed.

## **17. Anticipated Breach of Contract**

If the other party's conduct or financial circumstances show that there are strong grounds to assume that the other party will not fulfil a material part of its obligations, the party is entitled to suspend performance and withhold its service while awaiting the other party's provision of adequate security. If the other party fails to do so without undue delay, the party may terminate the agreement. The party shall immediately notify the other party that the right of suspension has been exercised. If the party fails to do so, the other party is entitled to compensation for the damage caused by the notice not being given in due time.

## **18. Lien**

The supplier has a lien over the service and all property of the customer that is in the supplier's possession as security for the customer's fulfilment of its obligations. If the customer does not fulfil these obligations under the agreement, the supplier is entitled to realise the pledge itself in an appropriate manner, provided there are no legal obstacles or obstacles under the ALG terms, and to satisfy its claims from the proceeds of sale.

## **19. Open-Ended Agreements**

For agreements of indefinite duration concerning ongoing or periodically recurring services that tie up production or other resources at the supplier, the notice period is 3 months for monthly and quarterly work and 6 months for weekly and fortnightly work, calculated from the end of the calendar month in which notice was given.

## **20. Delay and Remedies for Delay**

### **20.1**

If the service is not delivered on time and the delay is not caused by the customer, the customer is entitled to compensation for direct costs caused by the delay. The customer is also entitled to terminate the agreement or part of it if (a) the customer, when concluding the agreement, made clear to the supplier that delivery had to take place punctually on the agreed date, or (b) it is clear from the agreement or from another circumstance known to the supplier that the service is unusable for the customer after a certain time, and delivery has not taken place by then.

## **20.2**

If the customer does not deliver its material or does not complete another agreed act in time, the supplier is entitled to compensation for direct costs caused by the delay. If the delay causes substantial inconvenience to the supplier, the supplier is also entitled to terminate the agreement.

## **20.3**

If the supplier considers that the delivery time is unlikely to be met, the customer shall be notified without delay. The reason for the expected delay shall be stated, as well as when delivery can take place. If the delay means that the service becomes unusable for the customer, the customer may terminate the agreement under Section 20.1.

## **20.4**

A corresponding duty to notify rests with the customer in the event of an expected delay in delivering material or performing another act. If the delay causes substantial inconvenience, the supplier may terminate the agreement under Section 20.2.

## **21. Quality Defects**

### **21.1**

Quality defects are deviations and variations in the nature and characteristics of the service that, according to a professional assessment, are more than a minor deviation or minor variation from a sample, original or the like, or from what the parties have agreed, including what follows from the ALG terms, or that otherwise is deemed to have been agreed having regard to the nature and character of the service.

### **21.2**

The following are not considered quality defects: (a) deviations caused by the customer's failure to fulfil its obligations under the agreement, for example by supplying incorrect material or failing to order changes or corrections, and (b) the final service containing defective copies below 0.5% of the ordered print run for defects related to printing and 0.5% for defects related to further processing.

## **22. Consequences of Quality Defects**

### **22.1**

The supplier shall remedy defects in the service by repair or replacement. The remedy shall be carried out with the speed required by the circumstances. The customer is also entitled to compensation for direct costs.

### **22.2**

If the service can be used for its purpose despite the defect (non-serious defect), the supplier may, instead of remedying the defect, make a price reduction corresponding to the significance of the defect, provided that the cost of remedying the defect clearly exceeds its significance.

### **22.3**

If, because of the defect, the service cannot be used for its purpose (serious defect), and remedying the defect would lead to a delay that makes the service unusable for the customer, the customer may, instead of requiring remedy, terminate the agreement and is then entitled to compensation under Section 20.1.

### **22.4**

When assessing whether a defect is non-serious or serious, particular regard shall be had to the graphic nature and character of the service, including quality level, design and execution, as well as intended use and value.

## **23. Further-Processing Defects**

If defects arise during further processing by a supplier, the party that ordered the further processing is entitled, against that supplier, to invoke the remedies for defects set out in Sections 22.1-22.3 for the entire service, provided that the remedies shall be adjusted to the extent that the customer or others on the customer's side are jointly responsible for the defect.

## **24. Print Run Errors and Print Run Deviations**

### **24.1**

For delivery to the final customer, an underrun is considered a defect unless the parties have agreed otherwise. Overruns are permitted - unless otherwise agreed - by 8% for print runs below 20,000 copies, but not more than 800 copies; by 4% for print runs of 20,000-50,000 copies, but not more than 1,000 copies; and by 2% for print runs above 50,000 copies.

### **24.2**

For permitted overruns, the supplier's follow-on price applies. No payment shall be made for unauthorised overruns.

## **25. Consequences of Print Run Errors**

In the event of an unauthorised underrun (print run error), the provisions of Section 22.1 concerning the supplier's duty to remedy shall apply. In the event of a non-serious print run error, the provisions of Section 22.2 concerning price reduction apply, with the amount of the reduction calculated on the basis of the follow-on price. In the event of a serious print run error, the rules on termination in Section 22.3 and compensation in Section 20.1 apply.

## **26. Supplier's Right to Remedy**

In the event of quality defects and print run errors, the supplier is entitled, at its own expense, to remedy the defect or deficiency if this can be done without substantial inconvenience to the customer. The party carrying out further processing has a corresponding right.

## **27. Liability for Defects in Production Material**

### **27.1**

The customer is responsible for quality defects and print run errors caused by defects in production material supplied by the customer, or that arise during transmission of such material.

### **27.2**

If, during a professional inspection of production material supplied by the customer, before or during production, the supplier becomes aware that the material is defective or cannot be used as intended, the supplier shall without delay inform the customer and request the customer's instructions. The customer shall be available during production time. If the supplier does not fulfil its duty to inform, the customer is entitled to compensation under Section 20.1 in the event of delay and Section 22.1 in the event of defects in the service.

### **27.3**

If the supplier becomes aware of defects or unusability as referred to in Section 27.2, the supplier may immediately suspend production with the right to compensation for direct costs caused by the suspension.

### **27.4**

The supplier is responsible for damage to the customer's material that occurs during performance of the service. The customer is correspondingly responsible for damage to the supplier's material.

## **28. Complaints**

### **28.1**

Objections to an invoice must be made without delay after receipt.

### **28.2**

Objections concerning defects in the service must be made without delay after receipt. What constitutes delay shall be assessed having regard to the nature and scope of the service.

### **28.3**

Notice under Sections 28.1-28.2 shall state what is being objected to. The customer shall thereafter revert within a reasonable time with its claims.

### **28.4**

Claims due to delay must be made without delay after the customer has become aware that delivery has taken place. If the supplier has fulfilled its duty to notify under Section 20.3, the right of termination must be exercised without delay after the notice.

## **29. Force Majeure**

If the service cannot be performed in accordance with the agreement due to circumstances beyond the supplier's control that the supplier could not reasonably have foreseen when the agreement was concluded, this shall constitute grounds for exemption from liability for damages and other consequences. The same applies in the event of impediments on the customer's side. If performance is prevented for more than two months, both the supplier and the customer are entitled to withdraw from the agreement by written notice.

## **30. Limitation of Liability**

### **30.1**

The supplier's liability for damages towards the customer covers only direct loss unless the supplier has acted with gross negligence. Except as follows from Section 23, the amount of damages is limited to the price of the service. These limitations of liability apply to all types of claims for damages, including those based on grounds other than breach of contract.

### **30.2**

Direct loss for the customer includes, among other things, costs of inspecting the service, additional storage and transport costs, additional travel expenses, costs of repair and other remedial measures, price differences when purchasing replacement goods from another supplier, overtime costs and costs of services from external companies.

### **30.3**

Corresponding limitations to those applying to the supplier under Section 30.1 apply to the customer's liability for damages towards the supplier.

### **30.4**

Direct loss for the supplier includes, among other things, costs of investigating defects in material supplied by the customer, additional travel expenses, overtime costs, costs of additional labour and costs of services hired from other companies.

## **31. Limitation Period**

If the customer wishes to bring legal proceedings against the supplier for defects in or delay of the service, proceedings must be brought before a court within one year after receipt of the service.

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