

### 1. Ordering and order confirmation

1.1 Each order shall be confirmed by the Supplier in writing within forty-eight (48) hours after receiving the order. If confirmation is not given ESBE has the right to cancel the order at any time. Such termination does not incur any liability or expense for ESBE. The order confirmation shall contain the references cited in the order.

1.2 These Purchase Conditions shall apply to any and all orders. Esbe is bound by an order where the order confirmation deviates from the order only if the order confirmation has been approved by ESBE in writing. The supplier's sales and delivery conditions are applicable only if ESBE has agreed to them in writing. Accept of deliveries of supplies or services as well as and payments made by ESBE does not constitute such agreement. The supplier shall point out any discrepancies in relation to the order in the order confirmation.

1.3 Changes or additions to the order shall only be valid if ESBE has approved of such amendment or supplement in writing.

### 2. The right to development

2.1 If the order is for or includes the development of a particular design or product, ESBE shall own full, exclusive and unlimited rights to all intellectual property generated during the development as well as a full, unlimited and exclusive license to use all supporting intellectual property needed for the use of ESBE's intellectual property. Such constructions and development work may not be fully or partially disclosed to third parties without ESBE's express, written consent, nor may they be used by the Supplier for its own or any other purposes.

2.2 If the order is for or includes the manufacturing of tools, patterns, samples, models, profiles, drawings, print layouts, or similar item, the full and unrestricted title to the manufactured result shall be transferred to ESBE either at time stipulated in Section 5.2 or, if it is to be used in the supplier's production for ESBE, when it is taken into production for such purpose. When transfer of title has taken place, Section 14 is applicable.

2.3 Drawings, designs, samples, models, profiles, print layouts and similar items shall, unless previously delivered to ESBE, be delivered to ESBE upon ESBE's request.

### 3. Delivery time and delay penalty

3.1 Delivery shall take place at the agreed time and manner. Unless otherwise specified in the order delivery (including replacement delivery) shall be made DAP (Delivered At Point) Esbe's loading platform in REFTELE, Sweden. Any transport clause used shall be understood to be construed in accordance with the latest edition of Incoterms. For deliveries where assembly and deployment are included as well as for services (including rectification thereof) the delivery time shall be the date when ESBE has accepted the delivery in writing.

3.2 In the event of delay or anticipated delay in delivery or performance (including rectification and replacement) ESBE shall be informed without delay. The Supplier shall take timely and appropriate action (such as shift work, overtime) to avoid delay. The costs of such measures shall be borne by the Supplier.

3.3 All costs incurred to keep a deadline for delivery or performance, such as necessary expedited transportation, shall be borne by the Supplier.

3.4 If delivery or performance has not been made within the agreed time, ESBE has the right to either cancel the order or require performance.

3.5 The Supplier may deliver earlier than the agreed delivery time only after ESBE's written approval.

3.6 If the Supplier exceeds the agreed time of delivery, the supplier shall pay an administrative fee of 100 Euro to cover ESBE's direct administrative costs relating to the delay, and also pay liquidated damages with an amount equivalent to 0.3% of the purchase price for each commenced calendar day of delay. If the damage suffered by ESBE exceeds the liquidated damages, the supplier shall replace ESBE for such exceeding damage.

3.7 If the parties have agreed to a delay of the delivery or performance then penalties shall apply to the new delivery date without the need for any specific agreement thereon.

### 4. The supplier deliveries and services

4.1 The Supplier undertakes to deliver the amount stated in the order. Partial deliveries are allowed only with ESBE's prior written consent. ESBE reserves the right to return any excess quantities to the Supplier at the Supplier's expense and in the event that insufficient quantities are delivered, ESBE may require delivery of the ordered quantity. Upon request, the Supplier shall replace ESBE for any costs incurred in connection therewith.

4.2 The supplier guarantees that the delivery or performance meets the requirements of the order and the delivery or performance is appropriate, free of ownership restrictions and defects in material, design and work. The Supplier further warrants that the delivery or performance at the time of delivery satisfy any applicable law, regulations and standards in the countries where goods are manufactured or the service is performed, in Sweden and in the country or countries where the goods or performance of the service is to be used, if the supplier had knowledge thereof in conjunction with the order. ESBE has the right to request correction of such errors or alternatively return any defective goods to the Supplier at the Supplier's expense. ESBE is entitled to compensation for additional costs or damage incurred to ESBE by reason of such error.

4.3 The Supplier warrants that services will be provided with the utmost care by employment of skilled and trained personnel.

4.4 Unless otherwise specified in the order, the Supplier and its suppliers shall be certified under, or follow the relevant parts of, the standard for quality, safety system ISO 9001 and environmental management system ISO 14001. ESBE reserves the right to carry out quality audits of the Contractor and its subcontractors. The supplier is obliged to provide assistance during such inspection and promptly correct any deficiencies. ESBE's quality audits do not limit the Supplier's obligation to deliver in the agreed condition and on time.

## 5. Transfer of risk and ownership

5.1 For deliveries involving installation, deployment and/or other services the risk for the goods shall pass to ESBE when ESBE has accepted the delivery in writing. For other deliveries the risk shall pass to ESBE in accordance with the agreed delivery clause (DAP unless otherwise agreed) interpreted according to Incoterms latest edition.

5.2 Title to goods shall pass to ESBE when the goods are delivered according to the applicable delivery term, regardless of whether installation, deployment or other services are included in the delivery. For services, the title to the outcome shall pass to ESBE directly when the service is provided.

## 6. Packaging and delivery

6.1 The goods must be suitably packed, adapted to the intended mode of transport. The packaging shall protect against damage, dirt and moisture during transport as well as during storage. Environmentally friendly packaging materials should be used if possible. Loss of or damage to goods due to inadequate packaging shall be borne by the Supplier. The same shall apply in the event that the goods causes injury to person or property due to inadequate packaging.

6.2 Unless otherwise agreed by the parties, the costs of transportation and packing shall be borne by the Supplier. The shipment shall at all times be at the lowest possible cost, unless ESBE has requested a special delivery. Any additional costs due to non-compliance with transportation requirements will be borne by the Supplier. If the price is offered free of charge to the recipient ESBE may determine the mode of transport.

6.3 Each delivery shall be accompanied by a packing list with details of content and the complete order number in accordance with ESBE requirements. Transport documents with the same information shall be sent promptly.

## 7. Invoices

7.1 The order number and the number of each individual item or article shall be shown on the invoice. If this information is missing or incomplete the invoice shall not be deemed to be due for payment. Invoice copies must be marked as copy.

## 8. Price and Payment

8.1 The prices in the order are fixed, excluding VAT but including delivery costs and / or service.

8.2 The payment period will begin as soon as a delivery or service is completed and a correctly issued invoice is received. In the event that the Supplier shall provide materials testing, testing protocols, quality control records or other documentation, the delivery or service is not considered complete until the Supplier has delivered the documentation. ESBE has the right to withhold payment to a reasonable extent due to deficiencies or shortages in a delivery or service; payment period shall in such case start after correction of all deficiencies.

8.3 Payment does not imply an admission that supplies or services are in conformity with the contract (especially with regard to quantity or quality). ESBE's rights to make a complaint shall, thus, remain after the delivery or service in question has been paid.

## 9. Acceptance testing

9.1 The Contractor shall, before dispatch, check the delivery in terms of quantity and quality.

9.2 ESBE has the right to test samples from delivery with respect to the type of delivery and the quantity and

externally visible transport damage or other externally visible flaws. Other than occasional errors or omissions discovered at such sample testing shall have the effect that the whole delivery is defective.

In the event that the parties have agreed that the goods shall be tested before delivery, the delivery tests will be performed and paid for by the Supplier. Delivery tests shall be conducted where the product is manufactured and during normal working hours. If specific technical requirements for the test to show that the goods meet the requirements ESBE has not been specified in the agreement, the tests shall show that the products fulfills what ESBE is entitled to expect from a flawless product. If delivery tests show that the goods do not meet what has been agreed or the above requirements, then the Supplier shall promptly correct the situation. If ESBE so requests, a new test of the goods shall be carried out immediately thereafter.

9.3 ESBEs sampling or other inspection of the goods upon delivery and takeover as well as attendance at delivery test should not mean that ESBE at a later date is not entitled to make complaints. ESBE shall make complaints without undue delay after detection of any errors or omissions.

## 10. Warranty

10.1 The goods shall, with regard to the nature, quantity, quality, other properties and packaging, comply with order, agreed specifications, these purchasing conditions and applicable law. The supplier guarantees that the product will work for at least six (6) years (warranty period) from the date of delivery. The goods is defect if the goods deviates from what is stated in this paragraph.

10.2 The supplier is obliged to check all the products before delivery. ESBE is not required to inspect delivered goods beyond what is naturally made in connection with the goods being used in ESBE's production. "Off-the-shelves" products will not be inspected by ESBE.

10.3 If defects are detected in the delivery during the warranty period, the supplier shall pay an administrative fee of 150 Euro for each complaint to cover ESBEs direct administrative costs related to the defect, and also promptly remedy the defect or make a replacement delivery at no cost to ESBE, at ESBE's decision. In the event that a defect is detected in a service rendered, the Supplier shall remedy the defect without charge for ESBE. Rectification of errors or defects must be performed at ESBE or its customers.

10.4 In lieu of rectification or replacement delivery, ESBE may require a price reduction calculated according to § 38 the Swedish Sale of Goods Act (1990: 931). ESBE may also rectify the defect on the Supplier's expense.

10.5 ESBE may cancel the purchase due to a defect if the defect is of significant importance to ESBE. As grounds for cancellation means that ESBE's confidence in the supplier is seriously damaged, ESBE may in such a case terminate other contracts, including but not limited to any framework agreement or other general agreements with the Supplier, regardless of whether the purchase is canceled or not.

10.6 In addition, ESBE is entitled to full compensation for any damage suffered because of the defect, unless the Supplier shows, first, that the fault is not due to his negligence, and second that the fault is due to circumstances beyond his control that he could not reasonably have anticipated at the time of purchase and the conse-

quences of which he could not reasonably have foreseen at the time of purchase and which consequences he could not reasonably have avoided or overcome.

If a defect is due to the acts or omissions of a sub-contractor, the Supplier is free from liability only if the sub-contractor would be free from liability under the first paragraph. The same applies if the defect is due to a supplier that the Supplier has engaged or someone else above the Supplier in the chain of supply.

10.7 ESBE reserves the right to fully or partially withhold payment until the Supplier has fully complied with its obligations under 10.1 - 10.5

10.8 The supplier shall, regardless of the above, always bear all expenses incurred as a result of rectification of the defect or replacement, including ESBEs all costs (including internal costs), expenses and damages in connection with the complaint and correction of errors or defects.

10.9 If the Supplier has replaced the goods or performed repair during the warranty period, the warranty period starts again for such repaired or replaced component. The warranty period for the entire delivery or performance shall be extended by the period during which delivery cannot be used to full effect due to a defect.

10:10 The regulations above shall not limit ESBEs rights according to law.

10:11 Screening performed by and regulations and instructions imposed by ESBE or any person acting on behalf of ESBE's shall not prejudice the right to claim due to a defect. In the event that the supplier does not consider screenings, regulations or instructions to be reasonable or have other reservations to these, the Supplier shall notify ESBE in writing without delay and suggest improvements.

#### **11. Liability for infringement of intellectual property rights**

11.1 The supplier guarantees that the delivery or services are not infringing patent, design, copyright or other intellectual property right, whether existing now or in the future.

11.2 ESBE shall immediately notify the Supplier in the event that a third party is claiming infringement on any intellectual property rights and directs claims against ESBE or ESBE's customer. The supplier shall keep ESBE harmless from all costs (including attorney and court costs) and claims of third parties in connection with alleged or actual infringement of intellectual property rights.

11.3 In addition, ESBE may request that the Supplier, at its own expense and without delay, either (i) obtain necessary rights from the party who owns the intellectual property right or (ii) modifies the parts of the delivery that is infringing upon such intellectual property rights, or replace such parts with parts that do not infringe the intellectual property, without deviation from the agreed specification.

11.4 If the infringement constitutes a significant inconvenience to ESBE, ESBE immediately terminate the entire Agreement by giving written notice thereof.

11.5 ESBE reserves the right to make any further legal claim arising due to an infringement situation.

#### **12. Subcontracting**

12.1 The supplier is not entitled to transfer all or part of the delivery or performance to subcontractors without

first obtaining ESBE's written approval. If the Supplier is in breach of this provision, ESBE has the right to cancel the order in whole or in part, and to demand compensation for the damage suffered. The Supplier shall on request provide ESBE with a list of all subcontractors hired for supplies and services.

#### **13. Materials Provided**

13.1 Material provided by ESBE remains ESBE's property and shall be labeled as ESBE's property. It shall be stored separately from the Supplier's other property at no cost to ESBE. The material shall not be used for any purpose other than ESBE's orders. The supplier is responsible for materials supplied by ESBE and shall compensate ESBE for impairment or loss of value of the material that occurs in the Supplier's care.

13.2 Any processing or transformation of the material shall be for ESBE's account. ESBE and the Supplier hereby agree that ESBE shall always be the owner of the new product during processing or transformation. The supplier shall at his own expense keep the new product in a safe manner.

#### **14. Tools, patterns, samples, information, confidentiality, etc.**

14.1 Tools, patterns, samples, models, profiles, drawings, standard sheets, print layouts, templates / measurement tools and similar items provided by ESBE or someone else on ESBE's account or produced by the Supplier on the request of ESBE as well as and repairs and replacement for such objects (hereinafter "ESBE Material") shall remain ESBE's property and shall not without the prior written consent from ESBE be provided to third parties, including any items produced using ESBE Materials. They may not be used for any purpose other than what is stated in the order. The supplier shall protect ESBE material against unauthorized access and mark ESBE Materials as ESBE's property. The supplier shall maintain ESBE Material throughout their lifetime. Impairment or loss in value of ESBE Materials shall be replaced by the Supplier. ESBE may at any time and without giving any reason require ESBE Materials to be immediately returned to ESBE. The supplier shall return ESBE materials once the order is completed.

14.2 ESBE is not responsible for the content of information, data, drawings, specifications and materials provided by ESBE to the supplier in connection with the order (hereinafter "ESBE Information"). The supplier shall verify ESBE information to see that it is current and accurate, and, if not, or in the event of any discrepancies, the Supplier shall notify ESBE thereof in writing without delay and obtain instructions on further actions. Incorrect ESBE Information shall not affect the Supplier's liability for deliveries and services.

14.3 The Contractor may not disclose ESBE information to any third party, unless such ESBE information is generally known or otherwise came to the knowledge of third parties, and shall use ESBE information solely for the order's execution. The Supplier may make ESBE Information available only to employees who need ESBE information to carry out their duties and shall ensure that such employees undertakes in writing to treat such ESBE information confidential. All ESBE information should be kept confidential for a period of ten (10) years from the last delivery under the order. If ESBE agrees that the Provider outsource all or part of the delivery or performance of third parties, the Supplier shall impose corresponding confidentiality undertakings in writing on

all third parties involved. The supplier shall return or destroy, all ESBE-Material when your order is completed.

#### **15. Product liability**

15.1 If a third party makes any claim against ESBE based on applicable product liability law by reason of the supplier's deliveries, ESBE shall notify the Supplier accordingly. The supplier shall keep ESBE harmless against any and all claims by third parties and all expenses (including legal expenses), provided that such claims are caused by a flaw in the Supplier's deliveries.

In addition, the Supplier shall compensate ESBE for all costs caused as a result of preventive measures ESBE must take to prevent injuries such as warnings and / or recall of a flawed product or other similar measures. All costs for risk assessment (particularly expert costs) and ESBE's internal administrative and processing costs shall be borne by the Supplier.

15.2 The Contractor shall throughout the contract period as well as the whole warranty period, maintain a product liability insurance that is appropriate in view of both the goods supplier delivers to ESBE, and the products ESBE will assemble the goods in. The insurance shall under no circumstances be on a lower amount than an amount corresponding to three million Euros.

#### **16. Transfer of action / Offset**

The supplier is not entitled to assign the order or its rights hereunder to a third party.

#### **17. Supplier's insolvency / insolvency**

17.1 The supplier shall promptly inform ESBE if the Supplier's financial situation considerably deteriorates.

17.2 Should the Supplier suspend payments, go bankrupt or initiate composition proceedings in respect of its assets, may ESBE withdraw from the contract in whole or in part or terminate the contract. In case of termination ESBE may continue to use existing equipment / tools, supplies and services already performed by the Supplier in exchange for reasonable payment.

#### **18. ESBEs right to stop or cancel the delivery / performance**

18.1 ESBE have the right at any time to stop the delivery or performance by sending written notice to the Supplier. The supplier must immediately stop work and take the necessary measures to secure and protect the goods. ESBE shall compensate the Supplier for the direct costs it means for the supplier to stop work and extend the delivery or performance period with a reasonable time.

18.2 ESBE have the right at any time to cancel an order by sending written notice to the Supplier. The supplier should immediately stop work. ESBE shall compensate the Supplier for the direct costs which the Supplier has earned up to the date of termination and a reasonable profit. ESBEs obligation to compensate the Supplier shall in no case exceed the purchase price of the order.

#### **19. Environmental, Health and Safety**

19.1 Should the delivery contain goods that are subject to mandatory statutory substance restrictions and / or information requirements (such as REACH and RoHS), the Supplier shall declare such substances in the web database BOMcheck ([www.BOMcheck.net](http://www.BOMcheck.net)), or through an approach that may reasonably be required by ESBE, not later than at the time of delivery.

19.2 In the event that the delivery contains goods that are regarded as dangerous goods, the Supplier shall not later than at the time of the order confirmation inform

ESBE thereof in a manner agreed between the supplier and ESBE.

19.3 The supplier guarantees that the goods do not contain or are produced by means of so-called "Conflict Minerals" as defined in US law Dodd-Frank Act, Section 1502 and/or equivalent legislation in Sweden and/or the EU.

#### **20. Proviso**

ESBE's obligations are subject to the execution not being obstructed by obstacles in national or international regulations relating to foreign trade, customs, embargoes or other sanctions.

#### **21. Assignment**

ESBE shall have the right to assign the order without the Supplier's approval.

#### **22. Dispute resolution and applicable law**

22.1 Swedish substantive law shall apply to this Agreement.

22.2 Any dispute arising from this Agreement shall be finally settled by arbitration under the Rules for Expedited Arbitration of the Stockholm Chamber of Commerce Arbitration Institute.

22.3 The seat of arbitration shall be Gothenburg.

22.4 The language of proceedings shall be Swedish.

22.5 The arbitration proceedings conducted with reference to this arbitration clause is subject to confidentiality. Confidentiality applies to all information obtained during the procedure as well as the award which is given in the proceedings. Information covered by secrecy may not in any form be forwarded to a third party without the other party's consent