

# LSE'S GENERAL TERMS AND CONDITIONS FOR DELIVERY OF PRODUCTS

*These general terms and conditions shall apply when the parties have referred to them or otherwise agreed that they shall apply. Deviations from the Conditions shall not apply unless agreed in writing.*

## **1 Applicability**

1.1 These general terms and conditions for delivery of products ("GTC") shall apply when Lars Stahre Elektronik AB, 556472-6684 ("Seller") offer, sell and deliver its products to buyers ("Buyers"). The applicability of other conditions of the Buyer and/or third parties will be expressly rejected.

1.2 When used in these GTC, the terms "written" or "in writing" refer to a document signed by both parties or a letter, electronic mail or other means of communication agreed by the parties.

## **2 Products**

2.1 "Products" is defined as all the objects and/or work, whether of material nature, such as but not limited to, means of production, intermediate products and tools, in particular data carriers, computer programs, data files, documents, connection means, navigation equipment, data communication equipment, signalling equipment, communication equipment, peripherals and audio and video solutions, marketed and sold by the Seller from time to time.

## **3 Quotations**

3.1 The Seller's quotations are valid for 30 days, unless otherwise stated in the offer, sent from the Seller to the Buyer in writing.

3.2 The Buyer is responsible for the accuracy and/or completeness of the specified measurements, requirements, performance specifications and other data given by him or on his behalf to Seller and on which Seller bases its quotations, documentation, and advice.

## **4 Packaging**

Prices quoted in offers and contracts shall, unless otherwise specified, be deemed to include the Seller's standard packaging.

## **5 Deviations in weight or quantity**

The delivery may deviate from the agreed weight or quantity only if the parties have so specifically agreed.

## **6 Product information**

Data in marketing material, price lists and other product information are binding only to the extent that they are expressly referred to in the Agreement.

## **7 Price**

7.1 Unless indicated otherwise by Seller, all of the prices and tariffs stated by Seller shall be in Euro and exclusive of taxes, and charges (including value-added tax, excise duties and other levies imposed by the government), insurance and freight costs.

## **8 Conclusion of agreement and promises**

8.1 An agreement between the parties is concluded by the Seller's timely and comprehensive written or electronic confirmation of the Buyer's order ("Agreement").

8.2 In all other cases, instructions of the Buyer are only binding to Seller if and insofar as they are confirmed in writing by Seller.

## **9 Delivery and delay in delivery**

### **9.1 Delivery terms**

Delivery shall be made pursuant to the agreed INCOTERM® and delivery location. Where no delivery terms have been agreed, delivery shall be made Free Carrier (FCA) pursuant to the INCOTERMS® applicable at the time of execution of the agreement.

## 9.2 *Delivery time*

Delivery shall be made as agreed.

## 9.3 *Discharge from liability for delay in delivery (force majeure)*

The Seller is entitled to postpone the performance of its obligations and is relieved from the consequences of non-performance of its obligations under the agreement where such performance is prevented, rendered significantly more complicated, or unduly rendered more costly due to a circumstance beyond the Seller's control, and which the Seller neither could, nor reasonably should have foreseen at the time of execution of the agreement. Such force majeure event can comprise, e.g., war or warlike situations, civil war, military mobilization or military conscription of a similar scope, insurrection and riot, terrorism, sabotage, fire, flood, natural disaster, epidemic, pandemic, break-down of means of transport, discontinuation of the supply of energy, strike, lock-out or other general or local industrial action (notwithstanding that the Seller itself is a party to the action), requisition, seizure, public authority order, trade restrictions, payment restrictions, or currency restrictions, or circumstance comparable therewith. Any delay in delivery on the part of any party assisting the Seller in the performance of the agreement which is caused by any such force majeure event shall also constitute grounds for discharge from liability.

9.4 The Seller shall notify the Buyer in the event of a risk that an obligation cannot be performed or will be delayed due a force majeure event. A failure to provide such notice within a reasonable time shall result in an obligation to compensate the Buyer for the loss that could have been avoided had timely notice been given.

9.5 In the event a force majeure event exists, the delivery time shall be extended for as long as is reasonable under the circumstances. The Seller shall be entitled to extend the delivery time notwithstanding that the reason for the delay arose after the end of the originally agreed delivery time.

## 10 **Payment and late payment**

### 10.1 *Time for payment*

Payment shall be made as agreed.

### 10.2 *Interest on arrears*

Where the Buyer's payment is in arrears, the Seller shall be entitled to interest on arrears on the amount due as from the due date, at the interest rate which applies pursuant to the Swedish Penalty Interest Act. In addition to interest on arrears, the Seller shall be entitled to damages for all loss.

### 10.3 *Withholding performance*

The Seller shall be entitled to withhold its performance irrespective of the reason for the Buyer's failure to pay in due time.

### 10.4 *Cancellation of partial delivery due to late payment and damages upon cancellation*

The Seller may terminate the entire Agreement where the Buyer fails to make payment within three months of the due date or where it is clear that the Buyer will not be able to pay. In the event of termination due to the Buyer's arrears in payment, the Seller shall be entitled to damages for all loss in addition to the interest on arrears.

### 10.5 *Retention of title*

The Seller is the owner of the Product until it has been paid in full. The Seller shall be entitled to repossess the Product in connection with a termination.

### 10.6 *Obligation to take receipt of the Product*

The Buyer is obligated to take receipt of the Product on the agreed date. Where the Buyer fails to take receipt of the Product on the agreed date, the Buyer shall nevertheless make payment as though delivery had taken place. The Seller shall ensure that the Product is stored at the Buyer's risk and expense. The Seller shall be entitled to terminate the agreement where the Buyer's delay in taking receipt of the Product is unreasonable.

## 11 **The quality of the Product and the Seller's liability for defects**

### 11.1 *Liability for defects*

The Seller undertakes to deliver products in replacement of any Products which are defective due to faulty design, materials or workmanship.

### 11.2 *Liability period*

The Seller shall only be liable for defects which existed at the time of the delivery, and which manifest themselves within one year from the delivery date regarding Products and 90 days for software. The same liability period shall apply to parts which the Seller has replaced or repaired within 12 months (and 90 days regarding software) from the original delivery date of the Product.

### 11.3 *Notice of defect*

The Buyer shall notify the Seller of any defect in writing without unreasonable delay, however not later than within two weeks from the date on which the defect manifested itself, or the Buyer should have discovered the defect. The notice of defect shall contain a description of the defect. The Buyer's untimely notice of the defect shall result in forfeiture of the right to complain of the defect.

### 11.4 *Unfounded notice of defect*

The Buyer shall compensate the Seller for any and all labor and costs where the Buyer gives notice of a defect in a Product, and it is subsequently proven that there was no defect for which the Seller was liable.

### 11.5 *Rectification of defects*

The Seller shall have the right and the obligation to rectify any defects. The Seller shall be entitled to determine whether rectification will be made through repair or through replacement of the Product (redelivery). The Seller shall rectify the defect promptly where the Product is located. The Seller shall bear the costs of rectification, including the costs of troubleshooting and transport. The Buyer shall bear any extra costs incurred as a result of the Product being at a location other than the delivery location. The Buyer shall be responsible for labor and costs incurred as a result of the rectification resulting in modification to objects other than the Product.

11.6 The Seller shall not be obligated to rectify a defect where doing so would be unreasonably burdensome, particularly in light of the costs of rectification when compared with the significance of the

defect and/or the value of the Product. In such case, the Buyer's sole remedy shall be to terminate and/or seek damages for all loss in accordance with the provisions below.

### 11.7 *Remedies in the event of insufficient rectification*

Where the Seller breaches its obligation to rectify a defect and fails to comply with the Buyer's request to rectify by a specific reasonable deadline, the Buyer shall be entitled either to:

- a) rectify the defect at the Seller's expense and risk, at a reasonable cost in light of the significance of the defect and/or the value of the Product; or
- b) claim damages for all loss, at a maximum of 20% of the Agreed Price of the defective partial delivery.

### 11.8 *Incomplete rectification*

Where complete rectification of the defect is not reasonable or possible and the Buyer does not terminate the agreement, the Buyer shall be entitled to damages for all loss corresponding to a maximum of 20% of the Agreed Price for the defective partial delivery.

### 11.9 *Cancellation of partial delivery due to incomplete rectification and damages upon cancellation*

Where the defect is not rectified and there is a material defect, the Buyer shall be entitled to cancel the defective partial delivery. In the event of such cancellation, the Buyer shall be entitled: (i) to a refund of any purchase price paid for the cancelled partial delivery; and (ii) to damages for all loss, not to exceed 20% of the Agreed Price for the partial delivery.

## 12 **Intellectual property rights and indemnification**

12.1 Unless expressly agreed otherwise in writing, all intellectual property rights, including copyright, design rights, patent rights, database rights, trade name rights and trademarks, belongs to Seller, its licensors or its suppliers.

12.2 Intellectual or industrial property rights regarding software, databases, equipment or other materials developed by the Seller specifically for the Buyer, shall only be transferred or licensed to the

Buyer if the parties have agreed to do so in separate written agreement, and may only be used in accordance with the terms and conditions of that separate agreement.

12.3 The Buyer acquires only the use and powers that are expressly granted in these GTC and/or the law and/or arising of the Agreement with Seller. Any other further right of the Buyer for the use, disclosure, reproduction and/or modification of the goods delivered by Seller is excluded. An attributable right of use of the Buyer is not exclusive, non-transferable, and is limited to use within the organization.

12.4 The Buyer is not allowed to remove or change any notice of copyright, trademark, trade name or other intellectual property right of the Products available to him, including statements regarding the confidentiality and secrecy of goods made available.

### **13 Limitation of liability, product liability and disputes**

#### **13.1 Limitation of liability**

The Seller shall have no liability beyond that which follows from the preceding clauses and the Buyer shall not be entitled to remedies due to the Seller's breach of contract other than those which follow from the preceding clauses. This limitation of liability shall not apply where the Seller has committed gross negligence.

#### **13.2 Product liability**

Notwithstanding any previous stipulations regarding liability in damages, the Seller shall not be liable for any third-party property damage or personal injury resulting from any defect in the Product. In the event the Seller incurs liability in damages to any third party due to property damage or personal injury, the Buyer shall hold the Seller harmless. This limitation shall not apply where the Seller has committed gross negligence.

### **14 No re-export to Russia**

14.1 The Buyer shall not sell, export or re-export, directly or indirectly to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council regulation (EU) No 833/2014.

14.2 *The Buyer shall undertake its best efforts to ensure that the purpose of 14.1 is not frustrated by any third parties further down the commercial chain, including by possible resellers.*

14.3 *The Buyer shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of 14.1.*

14.4 *Any violation of paragraphs 14.1, 14.2 or 14.3 shall constitute a material breach of an essential element of the GTC, and the Seller shall be entitled to seek appropriate remedies, including, but not limited to: (i) termination of the Agreement(s) between the parties; and (ii) a penalty of 100% of the total value of this Agreement or price of the goods exported, whichever is higher.*

14.5 *The Buyer shall immediately inform the Seller about any problems in applying paragraphs 14.1, 14.2 or 14.3 including any relevant activities by third parties that could frustrate the purpose of paragraph 14.1. The Buyer shall make available to the Seller information concerning compliance with the obligations under paragraph 14.1, 14.2 or 14.3 within two weeks of the simple request of such information.*

### **15 Personal data**

Personal data may come to be processed within the scope of the Parties' cooperation, and thus the Parties have entered into a personal data processor agreement.

### **16 Applicable law and disputes**

16.1 The Agreement shall be governed by the substantive law of Sweden.

- 16.2 Any dispute, controversy or claim arising out of or in connection with the Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration administered by the SCC Arbitration Institute (the “SCC”).
- 16.3 The Rules for Expedited Arbitrations shall apply, unless the SCC in its discretion determines, taking into account the complexity of the case, the amount in dispute and other circumstances, that the Arbitration Rules shall apply. In the latter case, the SCC shall also decide whether the arbitral tribunal shall be composed of one or three arbitrators.
- 16.4 The seat of arbitration shall be Stockholm, Sweden, and the language of the arbitration shall be English.
- 16.5 The Parties undertake and agree that all arbitral proceedings conducted with reference to this arbitration clause will be kept strictly confidential. This confidentiality undertaking shall cover all information disclosed in the course of such arbitral proceedings, as well as any decision or award that is made or declared during the proceedings. Information covered by this confidentiality undertaking may not be disclosed to a third party without the prior consent by the other Party. Exceptions to the foregoing shall only apply to the extent that disclosure may be required of a Party due to mandatory law, an order of a competent court or public authority, or to protect, fulfil or pursue a legitimate legal right or obligation or to enforce or challenge an award.

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