

## WESTERMO NETWORK TECHNOLOGIES – GENERAL CONDITIONS OF SALE

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### 1 APPLICABILITY AND SALES RIGHTS

- 1.1 These General Conditions of Sale shall apply to all agreements between Westermo Network Technologies AB or any of its subsidiaries, hereinafter referred to as “Westermo”, and another party, to which Westermo delivers products, hereinafter referred to as the “Buyer”, unless expressly otherwise agreed in writing.
- 1.2 Any product(s) (not listed as an accessory on the Westermo web, [www.westermo.com](http://www.westermo.com)) delivered by Westermo under these General Conditions of Sale are herein referred to as the “Product(s)”.
- 1.3 Any right to market, sell or distribute the Products must be expressly agreed with Westermo in a separate agreement.
- 1.4 The Buyer shall upon termination or expiration of the business relationship with Westermo, have no right whatsoever to compensation of any kind, including but not limited to compensation for goodwill or loss of goodwill.
- 1.5 Terms and conditions provided by the Buyer do not apply even if Westermo does not specifically object thereto.
- 1.6 Any variation to these General Conditions of Sale, and any representations, warranties or other statements about the Product(s) shall have no effect unless expressly agreed in writing and signed by an authorised representative of Westermo.

### 2 INFORMATION AND CHANGES CONCERNING THE PRODUCTS

- 2.1 All information concerning the Products stated elsewhere is only binding if expressly included in the agreement between Westermo and the Buyer.
- 2.2 Westermo reserves the right to change and to discontinue production of any of the Products. Westermo undertakes to post life cycle information on [www.westermo.com](http://www.westermo.com), should any material changes in any of the Products be made or the production of any of the Products be discontinued.

### 3 ORDERS

- 3.1 The Buyer shall order the Products by sending written orders to Westermo.
- 3.2 When placing an order, the Buyer shall specify the quantity and desired delivery date to Westermo.

- 3.3 No order from the Buyer shall be binding upon Westermo unless confirmed in writing to the Buyer, at least specifying the purchase order number, quantity, delivery date and price.

### 4 INTELLECTUAL PROPERTY RIGHTS

- 4.1 The Buyer hereby recognizes that Westermo is and shall remain the exclusive owner of the entire right, title and interest in and to all trademarks, trade names, patents, copyrights, designs and other intellectual property rights relating to the Products and any spare parts, accessories, sales promotion material or other property supplied by Westermo.
- 4.2 The Buyer shall not use any of the aforementioned items in any manner except as permitted in an agreement or by prior written authorization by Westermo. It is understood that the Buyer shall not acquire and shall not claim any right, title or interest in or to any such intellectual property rights or goodwill pertaining thereto by virtue of its activities hereunder or by any other reason. The parties agree that all use of all such intellectual property rights shall at all times inure to the benefit of Westermo. The Buyer is not permitted to file or authorize the filing of any application for registration of any trademarks or trade names which are similar to any trademark or trade name of Westermo.

### 5 DELIVERY

- 5.1 The term of delivery is Ex Works Stora Sundby, Sweden, according to the INCOTERMS in force at the time of formation of the agreement, unless otherwise agreed.
- 5.2 Delivery dates are approximate. If Westermo anticipates that it will not be able to deliver the Products at the time for delivery, it shall forthwith notify the Buyer thereof in writing, and if possible, the time when delivery can be expected.
- 5.3 Westermo shall in no event be liable for any direct or indirect losses or damages resulting from a delay in delivery, unless agreed in writing or if the delay is caused wilfully or by gross negligence.

### 6 DUTIES

- 6.1 All import duties, taxes and inspections etc. present or future to the country of destination shall be paid by the

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Buyer. The Buyer is responsible for obtaining import license and all other permits required for the deliveries.

### 7 PRICES AND PAYMENT

- 7.1 Unless otherwise agreed between Westermo and the Buyer, the price will be the price quoted in a requested offer or the prices listed in Westermo's current pricelist. The specified prices are subject to changed factory prices, exchange rate changes, taxes, charges, and other factors beyond Westermo's control.
- 7.2 Unless otherwise agreed in writing, payment shall be made within thirty (30) days from the date of invoice. Invoices for each delivery may be issued as from the date of the confirmed order. Issued invoices shall be deemed accepted by the Buyer unless it has notified Westermo in writing of any objections within fourteen (14) days from its receipt of the invoice.
- 7.3 In case the import regulations of the country of destination require legalization of documents, the cost for such legalization will be forwarded to the Buyer.

### 8 RETENTION OF TITLE

- 8.1 The Products remain the property of Westermo until all agreed outstanding, including future debts, due to Westermo, have been paid by the Buyer. In case of outstanding debts, the Products will serve as a security for the balance of unpaid amounts due to Westermo.

### 9 TERMINATION

- 9.1 Westermo may terminate the agreement and/or any order at any time by written notice if:
- the Buyer commits a material breach of any term of the agreement (including these General Conditions of Sale) and fails to remedy the breach within 30 days of receiving written notice from Westermo requiring it to do so; or
  - the Buyer ceases trading or is unable to pay its debts as they fall due or a petition is presented or meeting convened for the purpose of winding the Buyer up or the Buyer enters into liquidation, whether compulsorily or voluntarily, or compounds with its creditors generally or has a receiver appointed of all or any part of its assets or Westermo in its absolute discretion reasonably believes the same may occur.

- 9.2 On termination, howsoever arising, the Buyer shall:
- Pay to Westermo all payments arising in respect of the termination and all charges incurred by Westermo for the provision of the Product(s); and
  - Return Product(s) where payment for such Product(s) has not been received in accordance with clause 7.
- 9.3 Termination shall be subject to any rights and remedies Westermo may have under these General Conditions of Sale or in law.
- 9.4 The following clauses shall survive termination of these General Conditions of Sale clauses 1, 4, 7, 8, 10, 11, 12, 13, 14 and 16 inclusive and any other clause, which by its nature is intended to survive termination.

### 10 LOCAL LAWS AND REGULATIONS AND COMPLIANCE

- 10.1 The Buyer is responsible for permits, inspections, information or other requirements concerning the Products in the country of destination. The Buyer shall give Westermo such information needed in order to make the Products comply with local rules and regulations applicable to the Products. This may for example relate to Product presentation, packaging, documents, tests that are required or any other requirements that must be complied with.
- 10.2 The Buyer represents, warrants and undertakes that
- the Buyer and its affiliates and agents shall comply with all applicable antibribery laws and regulations, trade and economic sanctions and export control laws,
  - none of the Buyer, its affiliates or any of its officers or directors, is or is owned or controlled by any person targeted under the sanctions or export controls of the UN, US, EU or any other relevant government,
  - the Buyer will not engage in any business involving any such listed person, and
  - the Buyer will immediately inform Westermo of any suspected or alleged breach of the foregoing.
- 10.3 Following any reasonably suspected breach, Westermo has the discretionary right to refuse further performance under or to terminate the order and/or agreement as well as to terminate Westermo's relationship with the Buyer.

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### 11 QUALITY AND CLAIMS

11.1 Westermo warrants that the Products, subject to what is set forth below regarding software, are free from defects in materials and workmanship arising from normal use, and any material non-conformances with Westermo published specifications, for a period of five (5) years from the date the Product was shipped from Westermo.

Westermo warrants that formal production software releases have passed rigorous regression testing that ensures a stable industry leading software quality level over time. However, Westermo does not warrant that the software or any portion thereof is error free.

Notwithstanding the foregoing, for a product in the life cycle phase *Limited* (which means any product that is inactive and generally not available, but may be available on a case-by-case basis as a spare part) at the time of order placement, the warranty period is limited to three (3) months from the date the Product was shipped from Westermo.

The Buyer shall without undue delay inform Westermo in writing about any claim of defects in the Products when the Buyer has discovered or ought to have discovered any defect in the Products. A claim may in no event be made later than seven (7) days after the period of five (5) years mentioned earlier. Where the defect is such that it may cause damage, notice shall be given immediately.

11.2 The above warranty does not apply if updates of software supplied by Westermo are not installed properly and in a timely manner or if the relevant Product or software is used for an application not listed in Westermo's published technical specifications for such Product or for an application that cannot be reasonably foreseen by Westermo. Beta versions of software is not to be seen as formal production software and may have only undergone limited regression testing. Beta software releases supplied for demonstration or testing purposes as well as supplemental software (not part of the software) shipped with a Product are excluded from the above warranty.

11.3 Westermo warrants that SFP transceivers have the same warranty terms as the Products whilst all other accessories, as set forth on the Westermo web [www.westermo.com](http://www.westermo.com), are free from defects in materials

and workmanship arising from normal use, and any material non-conformances with Westermo published specifications, for a period of two (2) years from the date the Product was shipped from Westermo.

Notwithstanding the foregoing, for an accessory in the life cycle phase *Limited* (which means any product that is inactive and generally not available but may be available on a case-by-case basis as a spare part) at the time of order placement, the warranty period is limited to three (3) months from the date the Product was shipped from Westermo. The Buyer shall without undue delay inform Westermo in writing about any claim of defects in the accessories when the Buyer has discovered or ought to have discovered any defect in the accessories. A claim may in no event be made later than seven (7) days after the period of two (2) years mentioned earlier. Where the defect is such that it may cause damage, notice shall be given immediately.

11.4 Warranty claims, returns and repairs need to be handled by a Westermo authorized dealer or distributor. To return a defective Product or accessory under any applicable warranty, the purchaser needs a shipment address and a Return Merchandise Authorization (RMA) number, which may be obtained from Westermo.

11.5 Westermo shall, at its own option, repair, replace or refund the purchase price of any Product or accessory with defects that is subject to its warranty. This is the Buyer's sole and exclusive remedy for Products or accessories that do not meet the specified warranty and it shall replace any other warranties, express or implied, by law or otherwise. The Buyer shall at its own risk and expense carry out any dismantling and reinstallation of the repaired or replaced Product or accessory and bear the cost for transport of such Product or accessory to Westermo. Westermo reserves the right to authorise third parties to undertake repairs during the warranty period.

11.6 During the repair period, the Products may not be available to the Buyer. Westermo shall not be liable for any losses resulting from any disruption to the Buyer's system while the relevant Product(s) is unavailable/not working.

11.7 In addition to the above, the following items are expressly excluded from these warranties:

- a) Defects resulting from ordinary wear and tear;

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- b) Defects attributed to any accidental damage, improper use, modification, adaptation, purchaser's or its representatives' neglect, improper storage or installation, installation in toxic or acid environment or in mobile and/or instable environments not in accordance with the specifications or external electrical fault;
- c) Defects resulting from use of the Product or accessory not in accordance with Westermo published technical specifications or other documentation supplied with the Product (e.g. Management Guide etc.) or accessory; and
- d) Defects resulting from any service, maintenance or repair executed by another party than Westermo, a Westermo authorised service provider or a Westermo authorised third party.

11.8 Should repair or replacement under these warranties be impossible or unreasonably expensive, Westermo will recommend a substitute product, which shall be of equivalent fit, form and function so as not to jeopardize the performance and safe operation of such component or product.

11.9 Westermo's liability in regard of any nonconformity, defect or deficiency in any Product is expressly limited to what is set out in Sections 11.1-11.8.

11.10 Products and accessories not covered by the above warranties may be repaired by Westermo at a price quoted by Westermo.

11.11 If the returned units show not to be faulty, Westermo will invoice an inspection and return cost even though the Product or accessory are under warranty.

### 12 LIABILITY

12.1 The total liability of Westermo for any claim whether in contract, tort or otherwise arising out of, connected with or resulting from the manufacture, sale, delivery, resale, replacement or use of any Product shall in no event exceed the price paid for the Products or part thereof which give rise to the claim.

12.2 Westermo shall not be liable for any damage to property caused by the Products if the damage occurs after the Products have been delivered. Nor shall Westermo be liable for any damage to products manufactured by the Buyer, or to products of which the Buyer's products form a part.

12.3 To the maximum extent permitted by applicable law, Westermo shall in no event be liable for any consequential damages, indirect, special or contingent costs including but not limited to damages for delayed deliveries, loss of revenue, loss of use, loss of production, costs of capital, claim from customers for service interruptions, property damages or otherwise. Further, Westermo shall in no event be liable for any roaming charges or any other type of costs or fees whatsoever incurred by the Buyer or any third party through use of the Product.

12.4 If Westermo incurs liability towards any third party for any damages or costs as described in the preceding paragraphs, the Buyer shall indemnify, defend and hold Westermo harmless.

12.5 If a claim for damages as described in this Section 12 is lodged by a third party against one of the parties, the latter party shall forthwith inform the other party thereof in writing.

12.6 The limitation of Westermo's liability in Section 12.1 and 12.2 shall not apply where Westermo has been guilty of wilful misconduct or gross negligence.

12.7 The Buyer agrees to indemnify, defend and hold Westermo harmless from and against any and all liabilities, losses, damages, claim, costs (including attorneys' fees) or expenses that may be claimed or asserted against Westermo by any person, entity or government on account of the Buyer's or any end user's use of the Product on a network or while roaming.

### 13 PROTECTED INFORMATION AND REGULATORY APPROVALS

13.1 The Buyer represents and warrants that to the extent that the Buyer utilizes the Product to transmit, receive, store or process any protected information, the Buyer shall be fully compliant with any applicable legislation (including but not limited to the US Health Information Portability and Accountability Act of 1996 ("HIPAA") and the Health Information Technology for Economic and Clinical Health Act ("HITECH Act") where applicable), and shall encrypt all such information at rest and in motion as required.

13.2 The Buyer further represents and warrants that it has all approvals required by any regulatory authorities (including but not limited to the Food and Drug Administration (FDA), as applicable) in connection with

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use of the Products, and the Buyer shall provide Westermo with proof thereof upon request. The Buyer shall indemnify, defend and hold Westermo harmless from all claims arising from any alleged failure to have such approvals and/or from injuries, damages and/or losses allegedly caused by the Buyer's use of the Product or by the Buyer's alleged breach of applicable legislation or alleged unauthorized disclosure of protected information.

### 14 CONFIDENTIALITY

14.1 The parties shall defend and keep confidential any business information relating to the other party's business and may not to any third party disclose any confidential information. For the avoidance of doubt, all information provided to the other party shall be treated as confidential unless explicitly stated otherwise. The parties shall ensure that all their employees are made aware of and are bound by this confidentiality undertaking.

### 15 FORCE MAJEURE

- 15.1 If either party is affected by Force Majeure, it shall promptly notify the other party of the nature and extent of the circumstances in question.
- 15.2 Westermo shall not be liable to the Buyer for any loss or damage suffered by the Buyer as a direct or indirect result of Westermo's performance being prevented, hindered or delayed due to circumstances or events beyond Westermo's reasonable control, including but not limited to war, riot, strike, lockout, trade dispute or labour disturbance, accident, breakdown of plant or machinery, fire, flood, storm, war, riot, civil commotion, malicious damage, a failure of any public utility and/or the internet or the order of any government or public or local authority or any other circumstances affecting the supply, the manufacture or the delivery of Products ("Force Majeure").
- 15.3 If an event of Force Majeure continues for an aggregate period of three months within any period of twelve consecutive calendar months, then the parties shall meet to agree suitable means of alleviating the effects of the Force Majeure. If the parties cannot reach such agreement within one month of the date of the first such meeting and such Force Majeure continues, then either party shall be entitled to terminate the affected order(s) by immediate written notice to the other.

### 16 DISPUTES AND APPLICABLE LAW

- 16.1 Any dispute, controversy or claim arising out of or in connection with any agreement between the parties, or the breach, termination or invalidity thereof, shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (SCC). The Rules for Expedited Arbitrations of the SCC shall apply, unless the SCC, taking into account the complexity of the case, the amount in dispute and other circumstances, determines, in its discretion, that the Arbitration Rules of the SCC shall apply. In the latter case, the SCC shall also decide whether the arbitral tribunal shall be composed of one or three arbitrators.
- 16.2 The arbitration proceedings shall take place in Stockholm, Sweden, and the language to be used in the arbitral proceedings shall be English.
- 16.3 These General Conditions of Sale and any agreements between Westermo and the Buyer shall be governed by Swedish substantive law, excluding its conflict of law rules.
- 16.4 Notwithstanding the foregoing, Westermo may take any legal action necessary at any competent authority for collection of any payment due to Westermo hereunder.

### 17 MISCELLANEOUS

- 17.1 The Buyer is not entitled to assign, transfer or subcontract out any of its obligations towards Westermo to any third party.
- 17.2 Westermo is entitled to change these General Conditions of Sale from time to time, however any orders submitted to Westermo before changes take place are regulated by the then current General Conditions of Sale.
- 17.3 If due to any mandatory applicable law or due to a decision or other act by any competent authority, any of the provisions of these General Conditions of Sale cannot be enforced or an amendment of any provision is required, Westermo and the Buyer shall endeavour to find an alternative solution approaching as near as possible the existing provision(s).