

WESTERMO TELEINDUSTRI – GENERAL CONDITIONS OF SALE

1. APPLICABILITY AND SALES RIGHTS

1.1 These General Conditions of Sale shall apply to all agreements between Westermo Teleindustri AB or any of its subsidiaries, hereinafter referred to as Westermo, and another party, hereinafter referred to as the Buyer, unless expressly otherwise agreed in writing.

1.2 Any product(s) (not listed as an accessories in the price list) 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.

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 inform the Buyer before any material changes in any of the Products are made or the production of any of the Products is 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 actual 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 specifying the delivery date.

4. INTELLECTUAL PROPERTY RIGHTS

The Buyer hereby recognizes that Westermo is and shall remain the exclusive owner of the entire right, title and interest in and to any and all trademarks, trade names, patents, copyrights, designs and other intellectual property rights relating to the Products and any spare parts, sales promotion material or other property supplied by Westermo. 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 trade marks 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, stating the reason, 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.

5.4 The Products may be returned, upon written agreement, (against a refund of the purchase price) to Westermo at the Buyer's expense and risk within a period of thirty (30) days from the date the Products were shipped from Westermo, provided that the Products are returned in an unopened package.

6. DUTIES

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

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. LOCAL LAWS AND REGULATIONS

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 have to be complied with.

10. QUALITY AND CLAIMS

10.1 Westermo warrants that the Products, subject to what is set forth below regarding firmware, 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 does not warrant that the software or any portion thereof is error free. 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.

10.2 The above warranty does not apply if updates of firmware supplied by Westermo are not installed properly and in a timely manner or if the relevant Product or firmware 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 firmware supplied for demonstration or testing purposes and supplemental software shipped with a Product are excluded from the above warranty.

10.3 Westermo warrants that accessories, as set forth in the price list, 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. 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.

10.4 Warranty claims, returns and repairs need to be handled by a Westermo authorized dealer or distributor. To return a defective Product or accessories under any applicable warranty, the purchaser needs a Return Merchandise Authorization (RMA) number, which may be obtained from Westermo. Please observe that all return shipments will be made to the original shipment address.

10.5 Westermo shall, at its own option, repair, replace or refund the purchase price of any Product or accessories with defects that is subject to its warranty. This is the purchaser'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 purchaser shall at its own risk and expense carry out any dismantling and reinstallation of the repaired or replaced Product or accessories and bear the cost for transport of such Product or accessories to Westermo. Westermo reserves the right to authorise third parties to undertake repairs during the warranty period.

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

- a) defects resulting from ordinary wear and tear;

- 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 accessories not in accordance with Westermo published technical specifications or other documentation supplied with the Product (e.g. Management Manual etc.) or accessories; 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.

10.7 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.

10.8 Westermo's liability in regard of any non-conformity, defect or deficiency in any Product is expressly limited to what is set out in Section 10.1-10.7.

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

10.10 If the returned units show not to be faulty Westermo will invoice an inspection and return cost even though the Products or accessories are under warranty.

11. LIABILITY

11.1 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.

11.2 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.

11.3 In no event shall Westermo be liable for any consequential damages, indirect, special or contingent costs including but not limited to damages for delayed deliveries, damages for loss of revenue, loss of use, loss of production, costs of capital, claim from customers for service interruptions, property damages or otherwise.

11.4 If Westermo incurs liability towards any third party for such damage to property as described in the preceding paragraph, the Buyer shall indemnify, defend and hold Westermo harmless.

11.5 If a claim for damage as described in this Section 11 is lodged by a third party against one of the parties, the latter party shall forthwith inform the other party thereof in writing.

11.6 The limitation of Westermo's liability in Section 11.1 and 11.2 shall not apply where Westermo has been guilty of wilful misconduct or gross negligence.

12. CONFIDENTIALITY

The parties shall defend and keep confidential any business information relating to the other parties' 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.

13. FORCE MAJEURE

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 or any other circumstances affecting the supply, the manufacture or the delivery of Products.

14. DISPUTES AND APPLICABLE LAW

14.1 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 (the "SCC Institute"). The Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce shall apply, unless the SCC Institute, 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 Arbitration Institute of

the Stockholm Chamber of Commerce shall apply. In the latter case, the SCC Institute shall also decide whether the arbitral tribunal shall be composed of one or three arbitrators.

- 14.2 The arbitration proceedings shall take place in Stockholm, Sweden, and the language to be used in the arbitral proceedings shall be English.
- 14.3 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.
- 14.4 Notwithstanding the foregoing, Westermo may take any legal action necessary at any competent authority for collection of any payment due to Westermo hereunder

15. MISCELLANEOUS

- 15.1 The Buyer is not entitled to assign, transfer or sub-contract out any of its obligations towards Westermo to any third party.
- 15.2 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.
- 15.3 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).