



Gas Control Equipment

GENERAL TERMS AND CONDITIONS FOR PRODUCTS AND SERVICES

1. DEFINITIONS

“Agreement” shall mean the Parties’ agreement governing GCE’s procurement of the Deliverables, including these General Terms and Conditions and all other documents GCE and the Supplier have agreed in writing to form part of the agreement.

“Defective Deliverable” shall mean any Deliverable which is defective, deficient, unsuitable or non-conforming with the requirements in Section 7 or other requirements as to type, quality, quantity, packing, performance etc. as agreed between the Parties.

“Deliverables” shall mean any Products or Services purchased by GCE under the Agreement.

“GCE” shall mean any company within the GCE Group.

“Products” shall mean the products agreed between the Parties to be sold or supplied by the Supplier under the Agreement.

“Services” shall mean any services agreed between the Parties to be provided by the Supplier under the Agreement.

“Supplier” shall mean any company which has entered into an Agreement with GCE for the supply and delivery of Deliverables.

“Type-Specific Equipment” shall mean any type-specific equipment, tools and dies supplied or paid for by GCE under the Agreement.

2. GENERAL

These General Terms and Conditions shall apply to all deliveries between GCE and the Supplier at any stage of the relevant procurement process (e.g. in the request for quotation, the purchase order, or in the contract) and shall prevail over any other terms of sale submitted by the Supplier, unless otherwise is separately and explicitly agreed between the Parties in writing.

In case of discrepancies between the documents forming part of the Agreement, the order of priority shall be: (i) the main text of a separate written supply agreement (if any); (ii) these General Terms and Conditions; (iii) remaining appendices to the main purchase agreement and (iv) purchase orders.

3. PURCHASE ORDER

A purchase order shall be executed in written or electronic form and be confirmed by the Supplier without any delay. In the event GCE does not receive confirmation within four (4) working days, the purchase order shall be deemed to have been accepted by the Supplier.

GCE shall not be bound by a purchase order if the Supplier’s order confirmation contains changes from the purchase order issued by GCE, unless expressly accepted by GCE in writing.

The Supplier shall not be entitled to reject any purchase order within and by the Supplier accepted forecast or committed purchase volume. GCE may change or cancel a purchase order in whole or in part. In this event, GCE shall reimburse the Supplier for reasonable proven actual costs and expenses incurred by the Supplier which are directly related to the change or cancellation of the purchase order. The Supplier shall provide sufficient documentation for the costs for which the Supplier claims reimbursement.

A forecast, provided by GCE, shall in no event be considered binding on GCE or be interpreted as an undertaking to purchase such amounts of the Deliverables.

4. PRICE AND PAYMENT TERMS

Unless otherwise agreed by the Parties in writing, the purchase price: (i) is a fixed price and no unilateral price changes are permitted (ii) is exclusive of VAT but inclusive of all other taxes and any duties applicable; and (iii) is inclusive of all storage, handling, packaging, marking and all other fees and levies due to invoicing.

Unless otherwise agreed in writing or prescribed by mandatory legislation in the jurisdiction where GCE operates, payment shall be made within sixty (60) days from the latter of complete delivery of the Deliverables (including documents to be provided by Supplier) and the receipt of an undisputed and properly raised invoice.

Should GCE not make payment within the agreed time limits, the Supplier is entitled to interest at a rate stipulated by applicable law from the date the payment was due until the date of actual payment.

For the avoidance of doubt, the preceding sentence shall not apply in case of an invoice is disputed in good faith by GCE.

Invoices shall be correctly addressed, without being marked for the attention of any individual, and must in addition to what is set out below in Section 5, state the name of the Supplier, GCE’s purchase order number (if applicable), the period to which the invoice relates and conform to any other agreed specifications.

Remittance of payment shall not imply any acceptance of the delivery or the invoiced amount.

Supplier shall be conclusively presumed to have waived Supplier’s right to receive payment for Deliverables covered by a purchase order if Supplier has not submitted an invoice for the Deliverables within six (6) months of the date of delivery of the relevant Deliverables.

5. PACKING, SHIPPING AND DELIVERY TERMS

Products

The Supplier shall properly store, pack, mark, and transport the Products. The Supplier shall further provide all documentation relating to the Products required by GCE, by the carriers involved, by applicable legislation or by the authorities of the country of origin or destination. The agreed delivery term of the Products shall be construed in accordance with INCOTERMS 2010. Unless otherwise agreed in writing, the Delivery Terms shall be “FCA” the Supplier’s factory or named point specified in the Agreement or in the purchase order.

General

All documents such as order confirmations, delivery notes and invoices shall contain the relevant purchase order number, GCE’s and Supplier’s item numbers, descriptions and quantity. If several purchase orders are included in one document, purchase order numbers shall be presented on line level.

Agreed delivery dates are binding. If the Supplier does not, or expects not to, comply with agreed delivery schedule or any other requirement, the Supplier shall immediately notify GCE thereof in writing.

In case of delay in the delivery of the Deliverables, GCE shall be entitled to liquidated damages amounting to 1,5 % of the value of the delayed Deliverables for each commenced week of delay calculated from the agreed date of delivery to the date of actual delivery, up to a maximum of 15 % of the value of the delayed Deliverables. GCE shall have the right to set off liquidated damages against the Supplier’s invoices. GCE is further entitled to damages from the Supplier to the extent its damage due to the delay is greater than the liquidated damages.

6. CHANGES

Any changes to the agreed specification, instruction, production methods, components, or material of the Deliverables shall be subject of written approval by GCE before its implementation.

7. WARRANTY AND QUALITY

The Supplier warrants that the Deliverables will perform and conform to the terms and conditions of the Agreement and the agreed specifications, will be fit for the purposes intended by GCE, will be free from defects, deficiencies and non-conformities in production, design, materials and workmanship and in relation to Services provided, with the level of expertise, training and skill called for by the task in question and following good technical practice and businesslike manner.

The warranties of the Supplier as stated above shall be in force for a period of twenty four (24) months from the date on which a Deliverable is resold by GCE to its customers, however, not exceeding thirty six (36) months from the date of delivery to GCE.

All Deliverables supplied by the Supplier to GCE are, in all aspects, compliant with all applicable laws, regulations and trade standards applicable at the time of delivery and of such quality which may be reasonably expected by GCE or is otherwise agreed between the Parties. The Supplier shall ensure that all necessary quality controls are made before delivery.

The Supplier is responsible for testing, marking and packing the Products in accordance with applicable laws and regulation and as agreed between the Parties.

8. COMPLAINTS AND DEFECTS

In case of any Defective Deliverables, GCE shall within thirty (30) working days after GCE discovered such Defective Deliverables, notify the Supplier in writing of such Defective Deliverables, including a description of the defect. GCE's failure to do so shall, however, in no event preclude GCE from its right to invoke any remedies from the Supplier in accordance with the Agreement except that the Supplier shall be allowed to make deduction for any reasonable costs incurred by the Supplier due to GCE's late notice. Defective Products may be rejected by GCE and returned to the Supplier at the Supplier's risk and expense. In case of Defective Deliverables, GCE may, at its own choice and discretion and at the expense of the Supplier, demand prompt remedy of the Defective Deliverables by either repair (including the right to perform its own repair), redelivery, delivery of substitute or complementary Deliverables, have the Defective Deliverables remedied by another service provider or a reduction of the purchase price. When a Defective Deliverable has been remedied, the Supplier shall be liable for defects in such Deliverable under the same terms and conditions as those applicable to the original Deliverables defined in Section 7.

The Supplier is entitled to inspect a Defective Deliverable at its own cost at the location of the Deliverable.

The Supplier is aware of that the Deliverables might be located at the place of GCE's customers and that any remedies of any Defective Deliverables consequently may take place at the customers' location. The Supplier is liable for all additional costs in relation thereto.

The Supplier shall within five (5) working days from receipt of notice from GCE, provide GCE with a corrective action plan for GCE's approval stating how and when the Supplier will remedy any Defective Deliverables. If the Supplier does not fulfill its obligations set out in the corrective action plan, or if no corrective action plan is provided within the above time frame, or if the Defective Deliverables must be considered substantial or vital to GCE, or if the Defective Deliverables is of repeated or serial nature, GCE may

terminate without compensation to the Supplier any Agreement or purchase order by notice in writing to the Supplier.

In case of pending remedy of the Defective Deliverables by the Supplier or settlement of any claim, GCE shall be entitled to set off or withhold an equivalent amount due to the Supplier.

In case of a dispute between the Parties in regards of any payments or any other matter under the Agreement, the Supplier shall not be entitled to suspend or postpone its obligations but shall honour all its commitments under the Agreement.

9. TRACEABILITY

The Supplier shall, at its own expense, ensure traceability of all Products and all materials used in Products, and it shall be able to present documentary evidence relating thereto to GCE. The Supplier shall ensure that traceability follows back through its own suppliers.

If GCE requires certain materials/components to be traced, the Supplier shall be able to trace the receipt of the material/components in question to the Products delivered to GCE.

If GCE requires traceability of the production process, the Supplier is required to trace every instruction in the production process, any special tools or instruments used, assurance documents on file and Products delivered to GCE in regard to the edition in question.

If the delivered Products have serial numbers or batch numbers, the Supplier shall ensure that these numbers are traceable. In the absence of serial or batch numbers, traces should be possible using the purchase order numbers and the dates for each delivery respectively.

10. STORAGE OF DOCUMENTATION

Regulatory documentation and information relating to the Products (including, but not limited to, certificates, technical files and inspection records) shall be stored with due care by the Supplier and in accordance with applicable laws and regulations.

Upon GCE's request, copies of stored documents shall be located and sent to GCE as soon as possible by the Supplier. GCE will provide references to the serial/batch number or the GCE purchase order.

11. SUB-CONTRACTORS

The Supplier may not appoint or change agreed sub-contractors for the performance of its obligations under the Agreement without the prior written consent of GCE. The Supplier shall ensure that its sub-contractors act in accordance with the Agreement in all respects and shall remain fully liable for each sub-contractor's obligations as for its own.

12. LIABILITY

Product Liability

The Supplier agrees to hold GCE harmless from and against all consequences of any and all claims, suits, actions or demands caused by death or by personal injuries or damage to any property or any other losses caused by a safety defect in a Product (which is not a direct result of the Supplier following GCE's design requirements) asserted against GCE or its customers directly or indirectly from any third party.

Recall

The Supplier must agree to establish and maintain suitable procedures within the Supplier's organization which provide for the traceability of Deliverables as prescribed by applicable mandatory law.

If there is (i) any matter which may result in a potential safety risk to users arising from the Deliverables (whether such risk arises as a result of non-conforming Deliverables or otherwise) or a voluntary or mandated recall, withdrawal or similar measure ("**Recall**") of

any of the Deliverables, the Supplier shall provide reasonable assistance to GCE in developing and implementing a coordinated strategy including preparing reports for and communicating with the applicable governmental agency, entity or authority, communicating with the media, users and the supply chain, and monitoring any action taken in respect of the matter.

The Supplier shall be liable for, and shall indemnify, defend and hold harmless GCE from and against any and all claims, costs, expenses, fees, penalties, damages, losses and all other liabilities and obligations whatsoever incurred or suffered by GCE as a direct result of the Recall of a Deliverable to the extent such Recall was due to actions or omissions of the Supplier.

General Liability

In addition to all other remedies agreed between the Parties, the Supplier agrees to hold GCE, and its affiliated parties, harmless from and against any and all costs, expenses, fees, penalties, damages, and all other liabilities and obligations whatsoever arising out of any claim, loss or damage which relates to (i) noncompliance by the Supplier with any of its warranties or obligations under the Agreement; or (ii) negligence or fault of the Supplier in connection with the design or manufacture of the Products or provision of the Services.

Limitation of Liability

Under this Agreement, neither Party shall in no event, whether as a result of breach of contract or warranty, or under any legal theory, be liable for any consequential or indirect damages or losses, including, but not limited to, loss of profit. Notwithstanding the foregoing, the limitation of liability as set forth herein shall not apply to the first and second paragraph of this Section 12 (*Product Liability and Recall*), Section 15 (*Confidentiality*) and the fifth paragraph of Section 16 (*Infringement of Intellectual Property Rights*), or in case of gross negligence or willful misconduct.

13.INSURANCE

The Supplier shall take out adequate global insurance to cover all of its (statutory, contractual and professional) liability. The Supplier shall allow GCE upon first demand to inspect the relevant insurance policy or policies as well as proof of payment thereof. If GCE holds the Supplier liable and the Supplier claims any amount from the insurer, the Supplier shall assign such claims for insurance payment(s) to GCE at GCE's first demand. The insurance of the Supplier shall apply for the term of the Agreement and for as long as the Supplier still has obligations towards GCE and/or claims by GCE may arise.

14.AUDITS AND INSPECTIONS

In addition to GCE's right to conduct audit pursuant to any agreement on unannounced audits entered into between the Parties, GCE (and any third party appointed by GCE) is entitled to be present to inspect, audit, monitor and review the Deliverables and the production and packaging, including relevant quality assurances system and product development, Supplier's performance and efficiency and results relating to Supplier's performance at the Supplier's and/or subcontractor's facilities at any time and the Supplier shall provide any relevant information and assistance in relation thereto upon GCE's request. GCE shall, as far as possible, give Supplier reasonable notice before such audit.

15.CONFIDENTIALITY

The Supplier may not disclose to any third party any commercial, financial or technical information, know-how and experience pertaining to GCE and the Deliverables and shall not use such information other than for the agreed purpose.

This undertaking shall not apply to information which (i) is or

becomes public knowledge otherwise than by unauthorized disclosure in breach of this Agreement or (ii) was disclosed to the Supplier by a third party having the lawful right to do so and without any restriction on use or disclosure.

Notwithstanding the foregoing, information which the Supplier is required to disclose by reason of mandatory law, applicable stock exchange regulations or order of a court of a competent jurisdiction shall be disclosed for such purposes. The Supplier shall beforehand notify GCE of any such requirement and consult regarding the manner of such disclosure. The Supplier shall, as far as is legally possible, require the receiver of the information to treat it confidential as required in this Section 15.

The Supplier may not make public the business relationship of the Parties through advertising or in any other way without prior written consent from GCE.

16.INTELLECTUAL PROPERTY RIGHTS

All drawings, models, technical information and similar items provided by GCE or any third party appointed by GCE and any intellectual or intangible rights therein shall remain the property of GCE and shall be returned by the Supplier on demand.

GCE shall further have unrestricted ownership and rights of beneficial enjoyment over any Deliverables developed by or for GCE.

Supplier further acknowledges and agrees that any other intellectual property rights arising as a result of, or in connection with the Services performed by the Supplier shall be vested in GCE. Such results of the Services may freely be disposed of, modified or adapted by GCE.

Notwithstanding anything contained in these terms, the Supplier shall not at any time acquire or have been granted a right to use any rights whatsoever, of whatever kind they may be, to any intellectual property rights belonging to GCE.

With the exception of any infringements due to the Products being manufactured in accordance with design specifications submitted by GCE, the Supplier shall be responsible for any infringement by the Deliverables in any intellectual property right of a third party and undertakes to indemnify and hold GCE harmless for any claim or loss in connection with an infringement.

Unless GCE gives its written approval, the Supplier may not sell the Deliverables developed for and/or owned by GCE to any other company other than GCE or any other company within the GCE group.

17.TYPE-SPECIFIC EQUIPMENT

Type-Specific Equipment shall at all times be the property of and vest in GCE and shall be returned to the GCE upon request.

The following shall also apply to any Type-Specific Equipment:

- (a)** the Supplier shall not, unless GCE gives its written approval, sell the Type-Specific Equipment;
- (b)** the Supplier shall mark the Type-Specific Equipment in such a way that GCE's right of ownership is evident;
- (c)** the Supplier shall not use the Type-Specific Equipment for manufacture on own account or on the account of another party;
- (d)** the Supplier is responsible for the maintenance of the Type-Specific Equipment and shall inform GCE when the Type-specific Equipment needs to be replaced; and
- (e)** the Supplier shall keep the Type-Specific Equipment sufficiently insured and stored.

18.FORCE MAJEURE

A Party is exempted from liability if it is prevented from performing its obligations due to circumstances beyond its control which could not have been reasonably foreseen or expected at the time

of making the relevant undertaking or entering into the relevant agreement and the consequences of which the Party could not reasonably have avoided or overcome, such as war, warlike hostilities, mobilization, flood or other circumstances of similar importance.

A Party who wishes to invoke a circumstance referred to in this Section 18 shall inform the other Party in writing as soon as possible. Each Party is entitled to cancel any purchase order by written notice to the other if the performance of the other Party's obligations is delayed by more than three (3) months due to circumstances set forth in this Section 18.

19. ENVIRONMENTAL COMPLIANCE

The Supplier warrants to GCE that both the Supplier and the Products are at all times in full compliance with applicable environmental laws and standards governing the use of chemicals in products, and in articles incorporated as a component of a complex product, including but not limited to any restrictions of usage, registration or authorization requirements, or the providing of safety information or other instructions for handling or usage.

The Supplier shall have a process to continuously monitor the inclusion of Substances of Very High Concern (SVHC) on the Candidate List published by the European Chemicals Agency (ECHA). The Supplier shall upon delivery of the Products inform GCE if a SVHC Substance as published in ECHA's Candidate List from time to time, is found to be present in a concentration above 0.1% weight by weight (w/w) of any Product including articles incorporated as a component of a complex Product.

The Supplier warrants to GCE that all the Products and/or articles incorporated as a component of a complex Product are in compliance with Annex XVII (restrictions) to the European Union Regulation (EC) 1907/2006 concerning Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH"), at the time of each delivery.

20. EXPORT CONTROL AND ORIGIN

The Supplier shall strictly comply with, and adhere to, any and all applicable laws, regulations and directives pertaining to import and export control or economic sanctions, including without limitation any applicable sanctions or restrictive measures enacted, administered, imposed or enforced by the United Nations Security Council, the European Union or the U.S. Government (including those administered by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) and the U.S. Department of State) (jointly referred to as "**Trade Sanctions Regulations**").

Specifically and without prejudice to the generality of the foregoing, the Supplier certifies that it has obtained all necessary authorizations, licenses, permits and similar government and other

third party approvals (jointly "**Authorizations**") for the delivery and export of the Deliverables to GCE. The Supplier shall, upon GCE's request, provide GCE with copies of Authorizations or similar proof evidencing that Authorizations have been obtained prior to delivery.

The Supplier shall not, whether directly or indirectly through any affiliate, third party or otherwise, enter into agreement or arrangement with, provide financial assistance to or otherwise deal with any person or entity (including without limitations suppliers, subcontractors, agents and dealers) who is, or is owned or controlled by any person who is, the target of any Trade Sanctions Regulations. In the event of the Supplier's breach of or non-compliance with this Section 18, GCE shall have the right to immediately terminate the Agreement or any purchase order.

21. MISCELLANEOUS

If any provision of this Agreement or part thereof should to any extent be or become invalid or unenforceable, the Parties shall agree upon necessary and reasonable adjustment of the Agreement in order to secure the vital interests of the Parties.

The Supplier is not entitled to assign or transfer its obligations towards GCE to any third party, including without limitation the obligation to procure and supply the Deliverables.

In case the Agreement is concluded in both English and another language, the English version shall prevail.

22. APPLICABLE LAW AND DISPUTE

The Agreement shall be governed and construed in all respects in accordance with the substantive laws of Sweden, without regard to its principles of conflicts of laws.

Any dispute, controversy or claim arising out of or in connection with this Agreement, 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").

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.

The seat of arbitration shall be Malmö, Sweden and the language of the arbitration shall be English (unless the Parties agree otherwise).

The Parties undertake and agree that all arbitral proceedings conducted with reference to this arbitration clause will be kept confidential. This shall, however, not prevent any Party from enforcing its rights under this Agreement or any arbitral award.



Gas Control Equipment

www.gcegroup.com