



ETON SYSTEMS SPARE PARTS TERMS AND CONDITIONS

1. PREAMBLE

- 1.1. These Terms and Conditions shall apply when the parties agree In Writing or otherwise thereto. Any modifications of or deviations from them must be agreed In Writing.

2. DEFINITIONS

- 2.1. In these Terms and Conditions the following terms shall have the meanings hereunder assigned to them:

“**Purchase Order**”: the Purchase Order In Writing from the Purchaser concerning supply of the Spare Parts;

“**In Writing**”: communication by document signed by both parties or by letter, fax, electronic mail and by such other means as are agreed by the parties;

“**Spare Parts**”: the object(s) to be supplied under the Purchase Order, including software and documentation.

3. SPARE PARTS INFORMATION

- 3.1. All information and data contained in general Spare Parts documentation and price lists shall be binding only to the extent that they are by reference In Writing expressly included in the Purchase Order.

4. DRAWINGS AND TECHNICAL INFORMATION

- 4.1. All drawings and technical documents relating to the Spare Parts or their manufacture submitted by one party to the other, prior or subsequent to the formation of the Purchase Order, shall remain the property of the submitting party.

Drawings, technical documents or other technical information received by one party shall not, without the consent of the other party, be used for any other purpose than that for which they were provided. They may not, without the consent of the submitting party, otherwise be used or copied, reproduced, transmitted or communicated to a third party.

- 4.2. The Supplier shall not be obliged to provide manufacturing drawings for the Spare Parts.

5. DELIVERY. PASSING OF RISK

- 5.1. Any agreed trade term shall be construed in accordance with the INCOTERMS® in force at the formation of the Purchase Order.
- 5.2. If no trade term has been specifically agreed on the Purchase Order, the delivery shall be Delivery at Place (DAP) at the place named by the Purchaser on the Purchase Order.
- 5.3. Partial delivery shall be permitted if agreed.



6. TIME FOR DELIVERY. DELAY

- 6.1. The Supplier will notify the Purchaser of an expected date for delivery, with agreement of the Purchaser, taking into account consideration of leadtimes for manufacture, packing and the most cost effective and time efficient methods transportation.
- 6.2. If the parties, instead of specifying the date for delivery, have specified a period of time within which delivery shall take place, such period shall start to run as soon as the Purchase Order is acknowledged by the Supplier and all agreed preconditions to be fulfilled by the Purchaser have been satisfied, such as official formalities, payments due at the formation of the Purchase Order and securities.
- 6.3. If the Supplier anticipates that he will not be able to deliver the Spare Parts at the time for delivery, he shall forthwith notify the Purchaser thereof In Writing, stating the reason and, if possible, the time when delivery can be expected.
- 6.4. If the Purchaser anticipates that he will be unable to accept delivery of the Spare Parts at the time for delivery, he shall forthwith notify the Supplier In Writing thereof, stating the reason and, if possible, the time when he will be able to accept delivery.
- 6.5. If the Purchaser fails to accept delivery at the time for delivery, he shall nevertheless pay any part of the purchase price which becomes due at the time for delivery, as if delivery had taken place at the time for delivery. The Supplier shall arrange for storage of the Spare Parts at the risk and expense of the Purchaser. The Supplier shall also, if the Purchaser so requires, insure the Spare Parts at the Purchaser's expense.
- 6.6. If, for any reason which is not attributable to the Supplier, the Purchaser fails to accept delivery within 14 days of the date notified in Clause 6.3, the Supplier may by notice In Writing terminate the Purchase Order in whole or in part. The Supplier shall then be entitled to compensation for the loss he suffers by reason of the Purchaser's default, including any consequential and indirect loss. The compensation shall not exceed that part of the purchase price which is attributable to that part of the Spare Parts in respect of which the Purchase Order is terminated.

7. PAYMENT

- 7.1. Payment terms are full payment in advance unless otherwise agreed by the parties. If credit facilities are offered by the Supplier full payment shall be made within 30 days after the date of invoice.
- 7.2. Whatever the means of payment used, payment shall not be deemed to have been effected before the Supplier's account has been irrevocably credited for the full amount due.
- 7.3. If the Purchaser fails to pay by the stipulated date, the Supplier shall be entitled to interest from the day on which payment was due and to compensation for recovery costs. The rate of interest shall be 8 percentage points above the rate of the main refinancing facility of the European Central Bank. The compensation for recovery costs shall be 1 per cent of the amount for which interest for late payment becomes due.
- 7.4. In case of late payment and in case the Purchaser fails to give an agreed security by the stipulated date the Supplier may, after having notified the Purchaser In Writing, suspend his performance of



the Purchase Order and/or future Purchase Orders until he receives payment or, where appropriate, until the Purchaser gives the agreed security.

- 7.5. If the Purchaser has not paid the amount due within 90 days of the stipulated date the Supplier shall be entitled to terminate the Purchase Order by notice In Writing to the Purchaser and, in addition to the interest and compensation for recovery costs according to this Clause, to claim compensation for the loss he incurs. Such compensation shall not exceed the agreed purchase price.

8. RETENTION OF TITLE

- 8.1. The Spare Parts shall remain the property of the Supplier until paid for in full to the extent that such retention of title is valid under the relevant law.
- 8.2. The Purchaser shall at the request of the Supplier assist him in taking any measures necessary to protect the Supplier's title to the Spare Parts.
- 8.3. The retention of title shall not affect the passing of risk under Clause 5.

9. LIABILITY FOR DEFECTS

- 9.1. The Supplier shall remedy any defect or nonconformity (hereinafter termed defect(s)) resulting from faulty design, materials or workmanship in the Spare Parts for a period of one year from date for delivery.
- 9.2. The Supplier's liability shall be limited to defects which appear within a period of one year from delivery. If the use of the Spare Parts exceeds that which is agreed, this period shall be reduced proportionately.
- 9.3. The Supplier shall not be liable for defects arising out of information provided or a design stipulated or specified by the Purchaser.
- 9.4. The Supplier shall only be liable for defects which appear under the normal conditions of operation of the Eton System and under proper use of the Spare Parts.
- 9.5. The Supplier shall not be liable for defects caused by circumstances, which arise after the risk has passed to the Purchaser, e.g. defects due to faulty maintenance, incorrect installation or faulty repair by the Purchaser or to alterations carried out without the Supplier's consent In Writing. The Supplier shall neither be liable for normal wear and tear nor for deterioration.
- 9.6. When a defect in the Spare Parts has been remedied, the Supplier shall be liable for defects in the repaired or replaced part under the same terms and conditions as those applicable to the original Spare Parts for a period of one year.
- 9.7. The Purchaser shall without undue delay, and within 7 days of the defect becoming apparent, notify the Supplier In Writing of any defect which appears. The notice shall contain a description of the defect.
- 9.8. If the Purchaser fails to notify the Supplier In Writing of a defect within the time limits set forth in Clause 9.7, he shall lose his right to have the defect remedied.



- 9.9. Where the defect is such that it may cause damage, the Purchaser shall immediately inform the Supplier In Writing. The Purchaser shall bear the risk of damage to the Spare Parts resulting from his failure so to notify. The Purchaser shall take reasonable measures to minimise damage and shall in that respect comply with instructions of the Supplier.
- 9.10. On receipt of the notice under Clause 9.7 the Supplier shall at his own cost remedy the defect without undue delay.
- 9.11. If the defect can be remedied by replacement or repair of a defective part and if dismantling and re-installation of the part do not require special knowledge, the Supplier may demand that the defective part is sent to him or a destination specified by him. In such case the Supplier shall have fulfilled his obligations in respect of the defect when he delivers a duly repaired part or a part in replacement to the Purchaser.
- 9.12. The Purchaser shall at his own expense provide access to the Spare Parts and arrange for any intervention in equipment other than the Spare Parts, to the extent that this is necessary to remedy the defect.
- 9.13. Unless otherwise agreed, necessary transport of the Spare Parts to and from the Supplier in connection with the remedying of defects for which the Supplier is liable shall be at the risk and expense of the Supplier. The Purchaser shall follow the Supplier's instructions regarding such transport.
- 9.14. Unless otherwise agreed, the Purchaser shall bear any additional costs which the Supplier incurs for remedying the defect caused by the Spare Parts being located in a place other than the delivery destination stated in the Purchase Order.
- 9.15. Defective parts which have been replaced shall be made available to the Supplier and shall be his property if requested by the Supplier.
- 9.16. If the Purchaser has given such notice as mentioned in Clause 9.7 and no defect is found for which the Supplier is liable, the Supplier shall be entitled to compensation for the costs he incurs as a result of the notice.
- 9.17. If the Supplier does not fulfil his obligations under Clause 9, the Purchaser may by notice In Writing fix a final reasonable period for completion of the Supplier's obligations, which shall not be less than two weeks.
- 9.18. Notwithstanding the provisions of Clauses 9.1-9.17 the Supplier shall not be liable for defects in any part of the Spare Parts for more than one year from the end of the liability period referred to in Clause 9.2 or from the end of any other liability period agreed upon by the parties.
- 9.19. Save as stipulated in Clause 9.1-9.18 the Supplier shall not be liable for defects. This applies to any loss the defect may cause including loss of production, loss of profit or any other indirect loss or consequential loss.

10. ALLOCATION OF LIABILITY FOR DAMAGE CAUSED BY THE SPARE PARTS

- 10.1. The Supplier shall not be liable for any damage to property caused by the Spare Parts after they have been delivered and whilst they are in the possession of the Purchaser. Nor shall the Supplier



be liable for any damage to products manufactured by the Purchaser or to products of which the Purchaser's products form a part.

- 10.2. If the Supplier incurs liability towards any third party for such damage to property as described in the preceding Clause, the Purchaser shall indemnify, defend and hold the Supplier harmless.
- 10.3. If a claim for damage as described in this Clause 10 is lodged by a third party against one of the parties, the latter party shall forthwith inform the other party thereof In Writing.
- 10.4. The Supplier and the Purchaser shall be mutually obliged to let themselves be summoned to the court or arbitral tribunal examining claims for damages lodged against one of them on the basis of damage allegedly caused by the Spare Parts. The liability between the Supplier and the Purchaser shall however be settled in accordance with Clause 14.

11. FORCE MAJEURE

- 11.1. Either party shall be entitled to suspend performance of his obligations under the Purchase Order to the extent that such performance is impeded or made unreasonably onerous by Force Majeure, meaning any of the following circumstances: industrial disputes and any other circumstance beyond the control of the parties such as fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power, currency and export restrictions, epidemics, natural disasters, extreme natural events, terrorist acts and defects or delays in deliveries by sub-Purchase Orders caused by any such circumstance referred to in this Clause.
- 11.2. A circumstance referred to in this Clause whether occurring prior to or after the formation of the Purchase Order shall give a right to suspension only if its effect on the performance of the Purchase Order could not be foreseen at the time of the formation of the Purchase Order.
- 11.3. The party claiming to be affected by Force Majeure shall notify the other party In Writing without delay on the intervention and on the cessation of such circumstance. If a party fails to give such notice, the other party shall be entitled to compensation for any additional costs which he incurs and which he could have avoided had he received such notice.
- 11.4. If Force Majeure prevents the Purchaser from fulfilling his obligations, he shall compensate the Supplier for expenses incurred in securing and protecting the Spare Parts.
- 11.5. Regardless of what might otherwise follow from these Terms and Conditions, either party shall be entitled to terminate the Purchase Order by notice In Writing to the other party if performance of the Purchase Order is suspended under Clause 11 for more than six months.

12. ANTICIPATED NON-PERFORMANCE

- 12.1. Notwithstanding other provisions in these Terms and Conditions regarding suspension, each party shall be entitled to suspend the performance of his obligations under the Purchase Order, where it is clear from the circumstances that the other party is not going to perform his obligations. A party suspending his performance of the Purchase Order shall forthwith notify the other party thereof In Writing.



13. CONSEQUENTIAL LOSSES

- 13.1. Save as otherwise stated in these Terms and Conditions there shall be no liability for either party towards the other party for indirect or consequential losses, such as, but not limited to, commercial or economical losses, loss of production, loss of revenue, loss of profit, loss of use, loss of contracts, delay and business interruption and other similar causes or losses, or for any other consequential or indirect loss whatsoever.

14. DISPUTES AND APPLICABLE LAW

- 14.1. All disputes arising out of or in connection with the Purchase Order shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (the SCC). The Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce 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 Arbitration Institute of the Stockholm Chamber of Commerce shall apply. In the latter case, the SCC shall also decide whether the arbitral tribunal shall be composed of one or three arbitrators.
- 14.2. The Purchase Order shall be governed by the substantive law of Sweden.