

# Prototal Group of Companies: General Terms and Conditions for Delivery

These General Terms and Conditions apply for all deliveries by Prototal Group AB  
VAT: SE559113298901

and its subsidiaries

- Prototal Sweden AB
  - VAT: SE556015553201

Specific provisions shall take precedence over these general terms and conditions.

The product or products which the Seller is to deliver is/are hereinafter referred to as the "Product" and the agreed price which is to be paid is hereinafter referred to as the "Agreed Price". The relevant company within the Prototal Group of companies delivering the Product is hereinafter referred to as the "Seller". The Seller shall be the only company responsible towards the buyer for any obligations under any order placed.

## DELIVERY AND DELAY IN DELIVERY

### 1. Delivery terms

Delivery shall be made pursuant to the agreed INCOTERM and delivery location ("Delivery Location"). Where no delivery terms have been agreed, delivery shall be made Ex Works pursuant to the INCOTERMS applicable at the time of execution of the agreement.

### 2. Delivery time

Delivery shall be made as agreed.

### 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 mobilisation 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.

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.

#### **4. Cancellation of delivery due to delay and liquidated damages upon cancellation**

If delivery is delayed, the buyer shall be entitled to cancel the delivery through notice of cancellation to the Seller. Prior to such notice of cancellation, the Seller shall be granted a grace period of not less than three weeks to deliver the Product. If the delivery is cancelled the buyer shall be entitled to reasonable compensation for direct costs incurred due to the delay.

## **PAYMENT AND LATE PAYMENT**

### **5. Time for payment**

Unless otherwise agreed, the buyer shall pay the entire Agreed Price against invoice not later than 30 days after date of the invoice.

### **6. Discharge from liability for late payment (force majeure)**

The buyer shall be entitled to an extension of time for payment where the buyer is prevented from making payment due to a circumstance beyond the buyer's control, and which the buyer neither could nor reasonably have foreseen at the time of execution of the agreement.

### **7. 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.

### **8. 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.

### **9. Cancellation of 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 according to this section, the Seller shall be entitled to damages for all loss in addition to the interest on arrears.

### **10. Repossession**

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.

### **11. Obligation to accept delivery of the Product**

The buyer is obligated to accept delivery 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.

## THE QUALITY OF THE PRODUCT, TOOLS AND THE SELLER'S LIABILITY FOR DEFECTS

### 12. Tool manufacturing

The Seller shall be responsible for tool maintenance. Pursuant to this commitment, the Seller shall have the right to do maintenance, updates and modifications on the tool as long as it does not affect the functionality of the tool.

The Seller shall retain full ownership of all intellectual property rights and know-how related to the tool design, tool maintenance, tool storage, and any future updates or modifications to the tool design.

The Seller undertakes to deliver 3 reference samples produced using the tool. If agreed upon, the Seller shall also provide measurement logs along with the reference samples. An approved reference sample, as outlined in Section 14 below, shall also serve as approval of the tool's functionality for the Buyer's intended use.

The Buyer shall have the right to collect the tool. The Seller shall assist the Buyer in the relocation of the tool and is entitled to compensation for its costs, work and any measures taken on the tool.

If the Buyer has not ordered any Products from the tool for 12 months, the Seller has the right to charge a storage fee of 5 000 SEK per year. If the Buyer has not ordered any Products from the tool for 36 months, the Seller has the right to scrap the tool. In such cases, the Seller shall notify the Buyer 4 weeks prior to scrapping. If the Buyer does not want the tool to be scrapped, it must be collected within the specified 4-week period. The Buyer shall also bear any costs associated with scrapping.

### 13. Reference samples

Reference samples should be representative of the future manufacturing and shall be approved by the Buyer before series deliveries commences. If agreed, measuring log shall be attached to reference samples sent to the Buyer.

### 14. Liability for defects

The characteristics and quality of the Product shall be consistent with the specifications agreed by the Parties in writing or, if applicable, approved reference samples. The Seller shall not otherwise be liable for the characteristics of the Product. The Seller shall not be liable for the design or construction of the Product if the Product has been manufactured in accordance with the buyer's instructions or by a third party engaged by the buyer. The Seller shall not be liable for defects arising from a design, materials, or production methods provided, stipulated, or specified by the buyer. The Seller shall also not be liable for defects or damage caused by the buyer, e.g. insufficient maintenance or incorrect handling.

### 15. 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. The same liability period shall apply to parts which the Seller has replaced or repaired within one year from the original delivery date of the Product.

#### **16. Notice of defect**

The buyer shall notify the Seller of any defect 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.

#### **17. Unfounded notice of defect**

The buyer shall compensate the Seller for any and all labour 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.

#### **18. Rectification of defects**

In the event of a defect, the Seller's sole responsibility shall be to replace the defective Product by shipping a new one to the same address where the original Product was delivered. The Seller will bear the costs associated with the replacement, including shipping.

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 direct loss in accordance with the provisions below.

#### **19. Remedy 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 to claim damages for all direct loss, at a maximum of 20% of the Agreed Price of the defective delivery.

#### **20. Cancellation of delivery due to insufficient 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 delivery/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 delivery; and (ii) to damages for all direct loss, not to exceed 20% of the Agreed Price for the delivery of the Products to which the cancellation relates.

## **LIMITATION OF LIABILITY, PRODUCT LIABILITY, PREDICTS AND MATERIAL INVENTORY, CONFIDENTIALITY AND DISPUTES**

#### **21. 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.

For avoidance of doubt, this limitation means that the Seller shall not be liable for any indirect damages whatsoever. This includes, but is not limited to, loss of profits, loss of business, loss of goodwill, or any other consequential or incidental damages arising out of or in connection with the agreement, regardless of whether such damages were foreseeable or if the Seller was advised of the possibility of such damages. This limitation also means that the Seller shall not be liable for any cost or damages arising in connection with a re-call of products or any similar action taken by the buyer.

## **22. 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.

## **23. Products and material inventory**

If the Buyer continuously calls off Products, the Seller has the right to maintain a reasonable inventory of Products and material to meet the Buyer's delivery time requirements. If the agreement between the Parties terminates, for whatever reason, or the Buyer has not called off Products in 12 months, the Seller has the right to invoice the Product inventory. The same shall apply to customer-specific materials which shall be invoiced at purchase cost. The Seller will provide the Buyer with a 30-day notice prior to invoicing according to this section.

## **24. Confidentiality**

Technical, commercial, and financial information, as well as any information labelled as confidential or which must by its very nature be deemed to be confidential, shared in writing or orally, shall be kept confidential. This information shall not, without written consent, be used for any purpose other than what it was provided for. It may not, without the written consent from the disclosing party, be disclosed to third party.

## **25. Governing law and Jurisdiction**

These general terms and conditions shall be governed by the substantive law of Sweden.

Any dispute, controversy or claim arising out of or in connection with this contract, or the breach, termination or invalidity thereof, shall be finally settled by arbitration administered by the SCC Arbitration Institute (the "SCC").

The Rules for Expedited Arbitrations shall apply, unless the SCC in its discretion determines, considering 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.

Notwithstanding the above, the Seller shall have the right to collect clear and due claims through customary collection measures.