



## General Terms and Conditions for Purchase of Subcontracted Services related to Components Owned by CEJN.

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### 1. Validity and scope

1.1. These General Terms and Conditions for Purchase of Subcontracted Services related to Components Owned by CEJN ("General Terms") shall apply when the parties have referred to them or otherwise agreed that they shall apply. Specific provisions shall take precedence over these General Terms. These General Term, together with the agreement the parties have entered into regarding a specific purchase is hereinafter referred to as the "Agreement". The subcontracted services related to components ("Components") owned by CEJN which the supplier is to deliver is hereinafter referred to as the "Service", the Components on which the Service is performed is hereinafter referred to as the "Finished Components" and the agreed price which is to be paid is hereinafter referred to as the "Purchase Price".

### 2. Order, Order Confirmation and Delivery Notification

2.1. Supplier agrees to perform the Service on the Components in accordance with applicable order. CEJN shall purchase Services from the supplier by placing an order in writing. Each order sent by CEJN is based on a pre-agreed throughput time (lead time) at the supplier. This time is normally calculated from the date when the Components arrive at the supplier's premises until delivered back to CEJN. The Service specified the order must therefore be carried out by the supplier within this time. The order confirmation shall always contain purchase and technical descriptions and references mentioned by CEJN in the order. Modification of or additions to the order shall be effective with CEJN's written approval.

2.2. If CEJN requests a delivery notification, the supplier shall promptly issue such notification when the Service is completed, and the Finished Components are transferred to the forwarding agent for transportation to CEJN or to a designated supplier/receiver specified by CEJN.

### 3. Time for Delivery and Delay

3.1. The supplier shall carry out the Service and deliver the Finished Components as per the date(s) specified in each order, time being of the essence. The Service shall be delivered to such destination as specified in the order.

3.2. Unless otherwise is specified in the purchase order, delivery should be FCA (Free Carrier). All delivery terms shall be interpreted in accordance with the latest edition of Incoterms.

3.3. In the event of delay or anticipated delay of the Service, the supplier shall notify CEJN immediately. In order to comply with the agreed time of delivery, the supplier shall at all times use reasonable efforts and take appropriate actions to minimize any delay in performance (e.g. shift work, overtime). The supplier shall be responsible for the costs of such activities.

3.4. If delivery has not been made within the agreed time, CEJN may cancel the undelivered portion of such order at no charge. Furthermore, the supplier shall compensate CEJN for any and all costs, losses, damages and expenses CEJN has incurred or suffered as a result of

delay in delivery and pay liquidated damages with an amount equal to 0.3% of the Purchase Price for each commenced calendar day of delay up to a maximum of 10% of the total Purchase Price.

3.5. If the parties have agreed in writing to an extension of the delivery time the liquidated damages shall apply to the new delivery date, without the need of any special agreement.

3.6. Payment of the liquidated damages shall be made upon demand of CEJN or, at CEJN's option, through set-off against amounts subsequently invoiced by the supplier and shall not restrict CEJN from making other claims.

3.7. In the event CEJN is entitled to maximum liquidated damages pursuant to the preceding section, CEJN shall be entitled to terminate the Agreement, including any outstanding orders, through notice of termination to the supplier.

### 4. Price and Payment

4.1. The Purchase Price of the order shall apply until new prices has been agreed upon between the parties in writing.

4.2. The agreed payment period shall begin after the delivery has been completed and a properly issued invoice has been received. In cases where the supplier has a commitment to provide for the testing of materials, testing protocols, quality control documents or other contractual documentation, the delivery shall not be considered complete until the supplier has delivered complete documentation. CEJN has the right to withhold payment to the extent appropriate due to any deficiency in the delivery. The payment period shall in this case begin after full correction of any deficiency.

4.3. Payment of an invoice does not constitute an acceptance of the Service or that the relevant delivery is in conformity with the Agreement. CEJN shall retain any and all rights to make complaints also after the delivery in question has been paid.

4.4. A default in the payment of any invoice shall not be deemed to have occurred until a demand for payment for the amount due has been received.

4.5. Invoices should clearly specify CEJN's order and contract number, delivered quantity, delivery date, packing number and Purchase Price for each article number. If this information is missing or incomplete, the invoice shall not be considered to be due. Copies of invoices must be marked as copy. The supplier shall not be entitled to impose any invoicing, administration, dispatching, delay, reminder or similar charges.

### 5. Warranties

5.1. The supplier warrants that the Service shall

- conform with the order, latest specifications and standard sheets approved by CEJN;
- be completed in in a first class, professional and workmanlike manner with utmost care and accuracy and by qualified personnel
- be free from defects in material and workmanship;
- conform with administrative requirements as well as with applicable industry standards and safety regulations;
- conform with applicable law and regulations in the country where they are manufactured and where they will be delivered; and
- not infringe any intellectual property rights of any third party.

Non-conformance to any of the warranties stated above constitute a "Defect".

5.2. The warranty period shall be 12 months from delivery to end-user, but in no event longer than 24 months from delivery to CEJN.

5.3. Upon the discovery of a Defect, the supplier shall (upon CEJN's election) promptly remedy and correct the Defect without charge. The choice of appropriate corrective measure is made by CEJN. CEJN is entitled to compensation for any and all additional costs, losses or damages CEJN has incurred or suffered as a result of the Defect.

5.4. CEJN reserves the right to fully or partially withhold payment until (i) the supplier has fulfilled its obligation to remedy the Defect or (ii) the parties have agreed on measures such as credit invoice, price reduction, and compensation for damage or cancellation.

5.5. If the supplier fails to fulfill its obligations above within a reasonable time, CEJN may on their own or through the services of a third party to remedy the Defect at the supplier's risk and expense. CEJN shall also be entitled to a reduction or refund of the Purchase Price corresponding to the Defect, or to terminate the Agreement, in whole or in part.

## **6. Packing and Transportation**

6.1. Unless otherwise is instructed by CEJN or specified on the CEJN drawing, the Finished Components shall be packed for transport in a way that is appropriate and suitable for the intended type of transport. The packaging must protect against damage, soiling and damp both during transport and storage. Environmentally friendly packaging materials shall be used when possible. The supplier is responsible for loss of, or damage caused by inadequate packing. The same shall apply if the Finished Components cause injury to person or property due to inadequate packing. Unless otherwise agreed between the parties, the supplier shall be responsible for the costs relating to packing.

6.2. Each delivery must include a delivery note specifying the content and the complete order number in accordance with the requirements of CEJN. Transport documents with the same information shall be sent immediately.

## **7. Production Quality and Pre-Approval of Changes**

7.1. The supplier shall always check and ensure the correct status of each delivery of Finished Components before dispatch in terms of quantity and quality.

7.2. If the parties have agreed that the Service and/or the Finished Components shall be tested before a series of deliveries can be initiated such testing shall be undertaken and paid for by the supplier. This also applies to any documentation which shall be included in the delivery of these samples to CEJN. If specific technical requirements for the tests are not specified in the Agreement, the tests shall, to be approved, show that the Service and /or the Finished Components meet the requirements of a flawless product. If tests show that the Service and /or the Finished Components do not comply with agreed specifications or if they do not meet the above requirements, the supplier shall promptly take corrective action and then deliver new samples to CEJN for re-evaluation. If these new samples are not approved by CEJN, CEJN has the right to immediately cancel the order without any further obligation towards the supplier.

7.3. Approval of samples does not preclude CEJN at a later date from asserting deficiencies in the delivery. However, CEJN has an obligation to notify any Defects as soon as possible after discovery.

7.4. Any changes in the Service shall be subject to pre-approval by CEJN and the timetable for the changes must be agreed between the parties.

7.5. The Supplier shall further not change its agreed process, technology, location, materials used, outward appearance, performance features or sub-suppliers that may affect the Service and/or the Finished Components or require re-listing or certification of the Finished Components or any documentation related thereto without CEJN's prior written approval.

## **8. Ownership and Intellectual Property Rights**

8.1. The Component(s), Finished Component(s) as well as all supplies, components materials, tools, specifications, designs, standard sheets, prototypes, molds, patterns, equipment and other items furnished by CEJN, either directly or indirectly, to supplier to perform the Agreement, or after written agreement purchased for and behalf of CEJN ("Material") shall remain the property of CEJN and may not without CEJN's written consent be provided or disclosed to third parties.

8.2. All intellectual property rights disclosed by CEJN to supplier shall remain the property of CEJN and shall not be patented or subjected to any other intellectual property right by the supplier. They may not, without the consent of CEJN, otherwise be used or copied, reproduced, transmitted, or communicated to a third party.

8.3. The supplier may use the intellectual property rights, drawings, technical documents, technical information owned by or licensed to CEJN, whether such intellectual property rights are in goods or in tools, only for the performance of the Service and supply of Finished Components to CEJN and may not use such intellectual property rights for any other use.

8.4. Nothing in the Agreement shall be construed as an implied transfer of neither the ownership of the Component(s), Finished Component(s) or the Material nor any intellectual property rights related to the same.

8.5. Upon CEJN's request, supplier shall (i) return/deliver Material and all documentation related thereto to any location(s) as are specified by CEJN in writing, or (ii) to allow CEJN and its representatives access to the supplier's premises for the purposes of removing the same.

## **9. Confidentiality**

9.1. The supplier may not disclose any information (whether written or oral and irrespective of form) in connection to the Agreement ("Confidential Information") to third parties unless the information is publicly known or otherwise brought to the knowledge of such party without a breach of confidentiality hereunder.

9.2. Neither shall this confidentiality undertaking apply to the extent that any party is required to make a disclosure of information by law or pursuant to any order of court or other competent authority or tribunal. In the event that any party would be required to make any such disclosure, each party undertakes to give the other party immediate notice prior to any such disclosure, in order to make it possible for the other party to seek an appropriate protective order or other remedy. Each party also agrees and undertakes to use its best efforts to ensure that any information disclosed under this section, to the extent possible, shall be treated confidentially by anyone receiving such information.

9.3. The supplier is only allowed to make information available to employees if they need the information to perform their duties. The supplier shall ensure that such employees agree, in writing, to treat such information as confidential.

9.4. All Confidential Information must be kept confidential for a period of ten (10) years from time when the last order is completed. If CEJN accepts that the supplier subcontracts all or parts of the delivery to third

parties, the supplier shall ensure that the third party in writing agrees to an equivalent obligation of confidentiality. The supplier shall return or destroy all Confidential Information after consultation with CEJN if the Agreement is terminated.

#### **10. Indemnification and Limitation of Liability**

10.1. Supplier shall defend, indemnify and hold CEJN harmless from and against all or any losses, damages, costs, claims and expenses (including attorney's fees, hereinafter "Losses") howsoever arising suffered or incurred by CEJN as a result of breach of the Agreement. CEJN undertake to promptly notify the supplier of any third-party claim that is expected to give rise to any Losses (it being agreed that the failure to provide such notice, shall only relieve supplier of liability to the extent supplier is actually prejudiced).

10.2. Notwithstanding the above, neither party's liability for Losses arising from or in any way in connection with the Agreement shall include indirect damages. The aforementioned limitation shall however not apply in the event of (i) any death or bodily injury, (ii) a breach of confidentiality, or (iii) if the Loss has been caused either intentionally or by gross negligence.

#### **11. Term and Termination**

11.1. CEJN has the right to terminate the Agreement, whole or in part, without liability to the supplier with thirty (30) days written notice to the supplier.

11.2. In addition to foregoing provision the Agreement may be terminated immediately by a party if (i) the other party materially breaches the Agreement and fails to remedy such breach within 30 days of written notice or (ii) if the other party is subject to voluntary liquidation or financial reconstruction, is the subject of a petition for bankruptcy, or is otherwise considered insolvent. CEJN also has the right to terminate the Agreement if there is a change of control of the supplier.

#### **12. Insurance**

The supplier shall maintain sufficient and adequate insurances with a reputable insurer, applicable worldwide covering the supplier's liability under this Agreement both regarding the Service, the Component(s) and Finished Component(s) while at the supplier's premises or else is under supplier's responsibility. The terms of any insurance or the amount of any cover shall not relieve the supplier or any its liabilities under the Agreement. The supplier shall upon the written request by CEJN, provide certificates of insurance evidencing the insurance coverage of the supplier.

#### **13. Code of Conduct**

13.1. Supplier shall adhere and act in accordance with CEJN's Code of Conduct, as found at [www.cejn.com](http://www.cejn.com), which is incorporated herein by reference. The supplier shall also and ensure compliance by any subcontractors appointed by the supplier.

#### **14. Processing of Personal Data**

14.1. Each Party shall have the right to process personal data concerning the other Party's contact persons that a Party may acquire in connection with this Agreement, including names and contact details. The purpose of such personal data processing is to enable the implementation of the Parties' respective obligations and cooperation under this Agreement, such as the administration of the contractual relationship, the provision of information and other communication. Each Party shall ensure that its employees whose personal data are processed by the other Party have received information on processing of personal data in accordance with this Section. More information regarding CEJN's processing of personal data is provided on CEJN's website

[www.cejn.com](http://www.cejn.com).

14.2. Each Party shall ensure that the processing of Personal Data complies with the requirements of all legislation and regulatory requirements in force relating to the use of personal data, including but not limited to the General Data Protection Regulation (Regulation (EU) 2016/679).

#### **15. Force Majeure**

15.1. Either Party shall be exonerated from the performance of their contractual obligations, totally or partially, during the period in that said performance is impossible due to the event of Force Majeure. Such performance shall be prevented or made unreasonably onerous by any of the following circumstances: fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power, epidemics, pandemics, and natural disasters, which prevents performance. A circumstance referred to in this Section shall give a right to suspension only if its effect on the performance of the Agreement could not be foreseen at the time of the formation of the Agreement.

15.2. The party claiming to be affected by Force Majeure shall notify the other party in writing without delay. This notification shall specify the nature of the Force Majeure-event, its beginning date, and its valuation of the resulting length of the delay.

15.3. Either Party shall be entitled to terminate the Agreement by notice in writing to the other Party if performance of the Agreement is suspended for more than three (3) months.

#### **16. Miscellaneous**

16.1. *No Assignment.* The supplier may not assign this Agreement, nor subcontract its obligations hereunder, to any third party without the prior written consent of CEJN.

16.2. *Sub-contracting.* Any subcontracting by the supplier in accordance with the provision of this Agreement may only be made to such subcontractors as have been approved in advance by CEJN in writing. Any such subcontracting shall not relieve the supplier of any obligation or responsibility for the obligations so subcontracted. The supplier shall thus be liable for any obligation or responsibility of the subcontracting party as if the supplier had performed the obligations itself.

16.3. *Set-off.* CEJN shall be entitled to set-off any amount owing at any time from the supplier to CEJN against any amount payable at any time by CEJN to the supplier.

16.4. *Survival.* Expiry or termination of this Agreement does not affect a party's accrued rights and obligations at the time of expiry or termination.

16.5. *Amendments.* Changes of, or amendments to, this Agreement shall be made in writing. Such changes or amendments shall be duly signed by the authorized representatives of the parties.

#### **17. Applicable Law and Dispute Resolution**

17.1. These General Terms and any dispute arising out of or in connection with these General Terms shall be governed by the laws of Sweden, without regard to its choice of law principles.

17.2. 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 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 arbitration proceedings shall be held in Gothenburg, Sweden. If not both parties are domiciled in Sweden, the arbitration proceedings shall be conducted in English.

17.3. The parties undertake and agree that all arbitral proceedings conducted with reference to this arbitration clause will be kept strictly confidential. This confidentiality undertaking shall cover all information disclosed in the course of such arbitral proceedings, as well as any decision or award that is made or declared during the proceedings. Information covered by this confidentiality undertaking may not be disclosed to a third party without the prior consent by the other party. Exceptions to the foregoing shall only apply to the extent that disclosure may be required of a party due to mandatory law, an order of a competent court or public authority, or to protect, fulfil or pursue a legitimate legal right or obligation or to enforce or challenge an award.