

## PANLINK GENERAL SALES TERMS AND CONDITIONS

### 1 General

- 1.1 These General Sales Terms and Conditions apply to all PanLink sales.

### 2 Definitions

- 2.1 In these General Sales Terms & Conditions (GSTC), the following definitions are used:

**“Business Day”** means a day when banks are open for general banking business in Sweden, other than for telephone and Internet banking services only;

**“Component”** means any component or other material which is included in a Product;

**“Confidential Information”** means any and all information relating to the Products, the contents of any Agreement, including but not limited to technical, practical and commercial information, save as provided under (a) – (d) below:

- (a) information which is known or which becomes known in full detail to the public otherwise than by breach of the obligations herein;
- (b) information which the disclosing Party can show was in its possession before receiving it from the other Party;
- (c) information which a Party has received or receives from a third party without restraints as to the disclosure thereof;
- (d) information which a Party is legally obliged to disclose by compulsory law, court order or by order of another authority of competent jurisdiction;
- (e) information which a Party is obliged to disclose by applicable stock exchange rules, regulations or standards;

**“Delivery Date”** shall have the meaning set out in Section 5.1.1 below;

**“Excluded Components”** shall mean the Components that are procured by Purchaser;

**“Obsolete Components”** shall have the meaning set out in Section 5.2.2 below;

**“Orgalime”** means the General Conditions for the Supply of Mechanical, Electrical and Electronic Products (Orgalime S2022);

**“Price List”** means a document including agreed prices, minimum order quantities and lead times, which will be updated by PanLink from time to time.

**“Products”** means the products agreed to be delivered by PanLink to the Purchaser;

**“Product Specification”** means the product specification in respect of the relevant Product;

**“Purchase Order”** means a written order for purchase of Products by the Purchaser in accordance with the terms

and conditions of these GSTC or any other Agreement between the Parties;

**“Rolling Forecast”** shall have the meaning set out in Section 5.1.1 below;

### 3 Priority of Contract Documents

- 3.1 The performance of the Purchase Order shall be governed by the following documents, "the Contract Documents", prevailing in order listed below;

1. Individual customer agreement (frame agreement, site agreement etc.), including its appendices,
2. PanLink General Sales Terms and Conditions (this document),
3. Purchase Order, including each respective binding order under Rolling Forecast, and
4. Orgalime

- 3.2 No additional pre-printed terms or conditions contained in any Rolling Forecasts or Purchase Orders, quotations, invoices or other documents shall apply. The Purchaser and PanLink, respectively, expressly waives its right to claim such new terms and conditions. PanLink reserve the right to amend these General Sales Terms and Conditions at any time. Any such amendments will be communicated to Purchaser in writing through an email sent to registered contact person and will take effect immediately upon notification.

### 4 Products

- 4.1 Each Product is specified by the Purchaser in the relevant Product Specification.

- 4.2 Products shall be manufactured by PanLink in accordance with the Product Specification.

- 4.3 In the event the Purchaser proposes modifications to the Product Specification, PanLink shall evaluate the requested modifications and notify the Purchaser of the effects, thereof including effects on prices, delivery times, outstanding Purchase Orders and whether the modifications will result in any Components becoming Obsolete Components. Upon submission by PanLink of such evaluation to the Purchaser, the Purchaser shall be entitled to modify the Product Specification in the manner notified as set out above, provided that such modifications do not materially alter the manufacturing process or manufacturing costs for the Product. If the Purchaser wishes to modify the Product Specification following submission by PanLink of its evaluation, the Purchaser shall notify PanLink thereof in writing. The modification of the Product Specification (and any related change in price as submitted by PanLink) shall apply to orders made for the period following the, at that time, current Purchase Order. In the event the proposed modifications result in material changes to the manufacturing process or manufacturing costs for the Products, such modifications shall be agreed in writing between the Parties (including agreement on adjusted prices for the Product) and the Product Specification

modified in accordance with the above. An administrative fee is charged per modification.

- 4.4 Any tools or other equipment provided by the Purchaser for the manufacturing of the Products shall remain the Purchaser's property and shall further be clearly marked as the property of the Purchaser.

## 5 Forecasts, Purchase Orders etc.

PanLink's intention is to provide competitive prices, which means that efficient production setup is crucial to minimize unnecessary costs. Inventory turnover is a key component in maintaining the price model and efforts will be made to eliminate unnecessary stock levels.

### 5.1 Forecasts and Purchase Orders

- 5.1.1 If nothing else is agreed, the Purchaser shall on a rolling twelve (12) month basis with two (2) weeks intervals provide PanLink with a forecast detailing its estimated monthly requirements of the different Products for the following twelve (12) months' period (the "**Rolling Forecast**"), which shall not be binding on either Party except as expressly set out in these GSTC. The Rolling Forecast shall specify at least the part number of the respective Products, the quantity of Products required, the required date(s) for delivery ("**Delivery Date**"), delivery address and invoice address.
- 5.1.2 The order lead time per product is defined in the Price List. Beyond the order lead time window, the Rolling Forecast may include time slots of flexibility set in per cent or quantity. The remaining weeks of such Rolling Forecast, beyond these time slots, are indications and non-binding, except for material authorization as set out in 4.2 below.
- 5.1.3 Every order requires a written purchase order to be issued by the Purchaser to PanLink stating the order number, the quantity of the Product being ordered, the part number of the Product, the Delivery Date of such Product, delivery address and invoice address. Such Purchase Order shall not become binding for PanLink prior to PanLink's confirmation to the Purchaser of its written acceptance thereof. PanLink shall strive to confirm the Purchase Order in writing within two (2) Business Days from receipt of any such Purchase Order. If a purchase order is not compliant to the above times and quantities, PanLink has the right to decline the order and/or provide an amended proposal in terms of time, quantity and cost.
- 5.1.4 If PanLink wishes to request any changes stated in the binding part of the Rolling Forecast or in any Purchase Order, then PanLink must request, and agree such change in writing with the Purchaser.
- 5.1.5 If Purchaser wishes to request any changes to a Purchase Order, then PanLink will evaluate the possibilities. A nominal administrative fee will be charged for modifying placed orders. The specific fee amount will be detailed in the respective order agreements.
- 5.1.6 Purchase Orders with a total value of less than 500 EUR will incur an administrative fee of 100 EUR.

## 5.2 Materials authorization and Management of Obsolete and slow-moving Components

- 5.2.1 PanLink shall at all times be entitled to purchase the Components which are necessary for the production of Products as detailed in any Rolling Forecast and any other binding Purchase Order. If the amount of Components required for production in accordance with the Forecast Period purchased by PanLink are not subsequently used by PanLink based on binding orders placed by the Purchaser for such Forecast Period, PanLink shall be entitled to sell such Components as Obsolete Components according to this Section 5.2.
- 5.2.2 If there are any adjustments made to the Product Specification and/or the Rolling Forecast which may render Components obsolete (i.e. no longer used as part of the Product) ("**Obsolete Components**"), PanLink shall first attempt to re-sell such Obsolete Components to the relevant subcontractor and so seek to minimize the effect on the Purchaser. Notwithstanding the aforementioned, the Purchaser shall at all times compensate PanLink for direct costs incurred by PanLink in respect of such Obsolete Components (whereupon direct costs shall be deemed to equal PanLink's purchasing costs and 5% materials cost mark-up (or other agreed value)).
- 5.2.3 PanLink will frequently provide the Purchaser with a list of the Components that have been slow moving, i.e. less than 50 percent of the specific Component kept by PanLink in stock has moved in the last three (3) months. PanLink is entitled to charge an interest charge of 1.5% per month for such Components. Furthermore, all Components where at least 50% of the specific Component has not moved in more than twelve (12) months can be invoiced to the Purchaser. Such Components will then be kept by PanLink as a consignment stock, sent to the Purchaser, or scrapped by PanLink as directed by the Purchaser.

## 6 Delivery Terms

PanLink offer different delivery terms. If no other trade term has been specifically agreed Ex Works (Incoterms 2020), PanLink, Tczew, Poland, shall apply.

## **7 Tools & Test Equipment Maintenance and Storage Fees**

Acceptance tests of the Products will be performed in accordance with the provisions of Orgalime and shall be performed to test the Products' conformance with the Product Specification. Any equipment required for the acceptance test of the Products will be procured (with support from PanLink) and paid for by the Purchaser. PanLink will be responsible for the maintenance of such equipment and training of PanLink's operators. The Purchaser will, however, bear the costs for such maintenance and training. The Purchaser shall be responsible for ensuring that the equipment provided for the acceptance test is functioning properly (e.g. that they are properly calibrated) in order to be able to determine that the Products conform with the relevant Product Specification.

A yearly fee of 700 EUR is charged for the storage, maintenance, and calibration of customer-owned applicators. This fee does not include the potential cost of spare parts or any required repairs or renovations.

## **8 Prices and costs**

- 8.1 The Purchaser shall purchase the Products at prices outlined in the Price List (as amended from time to time).
- 8.2 The prices are based on the sale of, by Purchaser, indicated number of units of the Product(s) per year. If the forecasted volume is deviating from the indicated annual number of units, the Parties agree that each of the Parties shall be entitled request an adjustment of the price of the relevant Product in accordance with the adjusted volume, provided however that such requesting Party can demonstrate that such adjusted volume effects the price per unit of the relevant Product.
- 8.3 The prices for the Product are to be reviewed by the Parties on an annual basis or upon request by either Party in connection with a large project which may have an impact on PanLink's costs for Components or otherwise.
- 8.4 PanLink may implement and the Purchaser may request price changes provided that there are changes to PanLink's costs which are due to currency fluctuations, inflation, changes in material and component prices or similar which affect the price of the relevant Product payable by the Purchaser by more than three (3) per cent and provided that PanLink notifies the Purchaser of such price changes at least five (5) Business Days in advance or, if it is the Purchaser requesting the price change, the Purchaser requests such price changes ten (10) Business Days prior to the end of the relevant calendar quarter.
- 8.5 The prices specified are net prices, i.e. they do not include VAT (if any) or any other tax, duties or fees. Furthermore, the prices do not include any costs for tooling and equipment, travel, allowance for expenses, external resources, transport, delivery, freight, packaging or any external costs if not specifically agreed. Any such costs will be specified and invoiced separately by PanLink to the Purchaser.

8.6 Payment of the Products shall be made by the Purchaser in accordance with the terms of Orgalime and shall be made in its entirety thirty (30) days after the date of the original invoice.

8.7 Payment of invoices on time is critical to create a long-term sustainable business. Delayed payments will be subject to reminder fees and interest (Swedish reference interest rate + 8%). In addition, PanLink reserves the right to, in case of delayed payments, take necessary actions to limit its risk exposure, such as putting purchases and deliveries to a halt.

## **9 Cost reductions**

- 9.1 It is the Parties' intention to identify cost drivers in the Product and to identify areas and solutions which may reduce product costs without compromising performance. If any such solutions are identified and subsequent cost reductions are carried out, any cost savings due to such reductions shall be allocated on a 50/50 basis between the Parties. For the avoidance of doubt, before any allocation of cost savings in accordance with the above is made, any costs for the relevant cost saving project (including tooling) shall first be deducted (i.e. financed by
- 9.2 the cost saving). The Parties shall act proactively in order to continuously identify and evaluate the possibilities to reduce costs.
- 9.3 Agreed cost reductions and the allocation of cost savings according to the above shall be documented in writing and signed by both Parties before being implemented.

## **10 Liability for defects**

- 10.1 The Parties recognize that the Product has been designed by the Purchaser and the Purchaser shall continue to be responsible for any updates to the said design. Therefore, PanLink shall have no liability whatsoever, whether direct or indirect, for any defects in the Products which are due to faulty design.
- 10.2 PanLink shall be liable for defects which appear within a period of one (1) year from the date of delivery of the relevant Product and which result from (i) Components which are provided by third party suppliers (with the exception of Excluded Components) not meeting the relevant specification or (ii) PanLink's workmanship. When a defect in a part of a Product has been remedied, PanLink shall be liable for defects in the repaired or replaced part under the same terms and conditions as those applicable to the original Product for a period of one (1) year.
- 10.3 In respect of any Excluded Components, PanLink's liability for defects shall be limited to any warranties and liability undertakings given by such third party suppliers to PanLink.
- 10.4 Upon notification by the Purchaser of a defect in a Product, PanLink shall be responsible for analyzing and determining what is the cause of such defect. Should such analysis show that no defect for which PanLink is liable is at hand, the Purchaser shall compensate PanLink

for its costs in analyzing the Product, at PanLink's then current rates.

## **11 Other**

### **11.1 Notices**

All requests, notifications, demands or other notices under these GSTC must be in writing and in the English language and sent to the address specified above (or to the address to which a Party subsequently notifies to the other Party, in writing in accordance with the provisions of this section). Such notices shall be deemed to have been received by the recipient if:

- (a) delivered by courier, on the day of delivery;
- (b) sent by registered letter, three (3) Business Days after posting if posted in Sweden or five (5) Business Days after posting if the sender or recipient is outside Sweden; and
- (c) sent by e-mail, on the day of dispatch provided the sender does not receive any non-delivery notification.

### **11.2 Export control**

If and when any export authorization, licenses or related government approvals are required for delivery of goods and/or technology from PanLink to the Purchaser, PanLink is responsible for providing the necessary documents prior to export. The Purchaser shall, however, bear any costs for the provision of such documents.

### **11.3 Intellectual property rights**

The Purchaser warrants that it holds all the intellectual property rights including, but not limited to, copyright, patents, design rights, and trademarks which are necessary for PanLink to be able to fulfil its undertakings to the Purchaser. The Purchaser further warrants that the Purchaser holds all rights to all of the Product Specifications. In the event a third party brings a claim against PanLink asserting that the manufacture of a Product or the performance of another engagement constitutes an infringement of a third party's intellectual property rights, the Purchaser shall indemnify and hold PanLink harmless for any and all such claims.

## **12 Governing Law and Disputes**

- 12.1 These GSTC (including this Section 12) and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of Sweden, excluding its conflict of laws principles providing for the application of the laws of any other jurisdiction.
- 12.2 Any dispute, controversy or claim arising out of, or in connection with, this GSTC, or the breach, termination or invalidity of this GSTC, shall be settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The place of arbitration shall be Malmö, Sweden. The

language to be used in the arbitral proceedings shall be English.

- 12.3 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, in any form, be disclosed to a third party without the written consent of the other Party. This notwithstanding, a Party shall not be prevented from disclosing such information in order to safeguard in the best possible way its rights vis-à-vis the other Party in connection with the dispute, or if such a right exists pursuant to statute, regulation, a decision by an authority, a stock exchange contract or similar.
- 12.4 In case these GSTC or any part of it is assigned or transferred to a third party, such third party shall automatically be bound by the provisions of this arbitration clause.