



Addtech Installation

1. Purview

- 1.1. These General Terms and Conditions shall govern the performance of installation work by the Supplier in respect of Machinery delivered by the Supplier or machinery supplied by another supplier.
- 1.2. The Addtech General Terms and Conditions – Machinery shall apply as the head agreement in conjunction with the installation of Machinery delivered by the Supplier, whereupon this agreement, Addtech Installation, shall constitute supplementary terms and conditions to be read together with Addtech General Terms and Conditions – Machinery. In the event of any discrepancies, this agreement, Addtech Installation, shall take precedence.
- 1.3. In the event of installation of machinery delivered by other suppliers, this agreement, Addtech Installation, shall apply independently.
- 1.4. These General Terms and Conditions shall not be applicable where the Supplier solely attends to the placement into operation of delivered machinery, without performing installation.
- 1.5. In these General Terms and Conditions, "Machinery" means machinery, apparatus, and other material to be installed pursuant to an agreement between the Supplier and the Customer.

2. Drawings, descriptions, and other documents

- 2.1. The Customer shall, in due time prior to the performance of the Supplier's undertakings pursuant to 2.2, supply the Supplier with technical and other information as well as data necessary for the production of the drawings, descriptions, and other documents incumbent upon the Supplier pursuant to 2.2. The Customer shall also, free of charge, provide the Supplier with reasonable assistance with respect to explanations regarding information and data provided by the Customer.
- 2.2. The Supplier shall, in due time prior to installation, provide the Customer with drawings or descriptions demonstrating the manner in which the Machinery shall be installed. Information which is necessary for the establishment of any foundations and other data required for installation, as well as to facilitate unimpeded transport of the Machinery and necessary installation equipment to and within the site on which the Machinery is to be installed (hereinafter referred to as the "Installation Site") shall be provided concurrently.
- 2.3. Not later than by completion of the assignment, the Supplier shall provide the Customer with the drawings and other technical documents required for the Customer to be able to place into operation, operate and maintain the installed Machinery.

3. Contact persons

- 3.1. The parties shall each appoint a contact person. The stated contact persons shall be entitled to take decisions binding on the parties within the scope of this Agreement and to modify the assignment. However, contact persons shall not be entitled to amend the terms and conditions set forth in these General Terms and Conditions.

4. Performance of the installation

- 4.1. The installation shall be performed during the Supplier's normal work hours. Unless otherwise agreed, the

Supplier's work hours shall be between 8am and 4pm on weekdays, excluding public holidays.

- 4.2. The Customer shall place the necessary workforce at the Supplier's disposal at the Installation Site. The Supplier shall give one week's notice with respect to its ongoing ancillary workforce requirements.

- 4.3. Unless otherwise agreed, the Customer shall provide the Supplier, free of charge, with equipment necessary for the installation. The Supplier shall give written notice of its requirements not later than one month prior to the commencement of the installation.

- 4.4. The Installation Site shall be in a condition suitable for the work. The Customer shall take all necessary reasonable measures to prevent the Supplier's personnel being exposed to sickness or accidents. The parties shall notify each other with respect to special risks associated with performance of the installation, both at the Installation Site and in conjunction with the use of tools and equipment. The aforesaid shall not limit the Customer's obligations under this Agreement and pursuant to law.

- 4.5. The Supplier's personnel shall notify the Customer regarding hazards to life or health and shall be entitled to discontinue the work and demand that reasonable measures be taken to prevent sickness or accidents. The Customer shall provide and defray the cost of necessary safety arrangements.

- 4.6. The Customer shall not be entitled to order the Supplier's personnel to engage in any work without the Supplier's written consent.

- 4.7. The Customer shall provide the Supplier with written notice regarding the safety provisions applicable to personnel at the Installation Site. The Customer shall ensure that the installation is performed at the Installation Site under conditions that meet laws and working environment provisions.

- 4.8. The Customer shall provide to the installation personnel satisfactory areas for change of clothing and for having meals.

5. Preparatory work

- 5.1. The Supplier shall notify the Customer in due time as to when the Machinery will be ready for installation.

- 5.2. The Customer shall perform necessary preparatory work in accordance with the drawings, descriptions, and information referred to in section 2.2. Unless otherwise agreed by the parties, the Customer's work shall be completed not later than one week prior to the commencement of the installation in order to enable the Customer to accept the Machinery at the agreed time. The Customer shall notify the Supplier in writing as to when the preparatory work has been completed.

- 5.3. The Customer shall ensure that water and power, including compressed air and electric power, are made available to Supplier's disposal to the extent necessary and of requisite quality at the Installation Site prior to the commencement of the installation. The aforesaid, including the use of water and power, shall take place at no cost to the Supplier.

- 5.4. In the vicinity of the Installation Site, the Customer shall provide premises with locks or other means of



protection to prevent theft of, and damage to, the Machinery and the Supplier's tools and equipment.

6. Payment

- 6.1. Compensation for Machinery and installation of Machinery or, where applicable, only installation, shall constitute the contract sum (hereinafter the "Contract Sum").
- 6.2. Unless otherwise agreed, the Contract Sum in respect of Machinery delivered by the Supplier and installation of the same shall be paid at a fixed price. 30% of the Contract Sum shall be payable upon execution of the Agreement, 60% upon delivery of the agreed Machinery, and 10% upon performance of final delivery tests. In the event of delay in payment, penalty interest shall accrue commencing on the due date. Penalty interest shall be charged at the interest rate in force from time to time in accordance with the main refinancing facility of the European Central Bank plus a supplement of eight percentage points.
- 6.3. Where an agreement has been reached regarding installation at a fixed price of machinery delivered by a party other than the Supplier, payment shall be made in the amount of 50% of the Contract Sum upon execution of the agreement and 50% of the Contract Sum upon completion of the installation. In the event of delay in payment, penalty interest shall be payable in accordance with the provisions of 6.2.
- 6.4. Where an agreement has been reached regarding installation on a current account basis of machinery delivered by a party other than the Supplier, payment shall be made against invoice. In the event of delay in payment, penalty interest shall be payable in accordance with the provisions of 6.2.
- 6.5. Unless otherwise specifically agreed, the stated hourly rate shall be adjusted every half-year commencing six months after the execution of this Agreement. Where the parties are unable to agree on a new hourly rate, the Supplier shall be entitled to increase the fees to the extent reasonable taking into consideration the general price increases in the industry.
- 6.6. For work which, in consultation with the Customer, the Supplier performs at times other than those stated in 4.1, the Supplier shall be entitled to the hourly rate plus a supplement equal to 50% of the hourly rate.
- 6.7. For work which, in consultation with the Customer, the Supplier performs as overtime (work in excess of 8 hours on weekdays excluding public holidays), the Supplier shall be entitled, in addition to the hourly rate and any supplement in accordance with 6.6, to a supplement equal to 50% of the hourly rate where the overtime work is performed on weekdays between 8am and 8pm, and equal to 100% of the hourly rate where the overtime work is performed at other times.
- 6.8. Where the assignment is performed outside the locality at which the Supplier's operations are situated, the Supplier shall be entitled to reasonable compensation for *per diem* expenses, travel, lodgings and meals in accordance with the Supplier's rules.
- 6.9. Where the Supplier has incurred expenses for material and suchlike relating to the installation, the Supplier shall be entitled to separate payment therefor on a current account basis. In conjunction with fixed payment, the Supplier shall be entitled to such separate payment as could not

have been foreseen at the time of execution of the agreement.

- 6.10. Where the Customer fails to fulfil its payment obligations with respect to all or part of the Contract Sum, the Supplier shall be entitled, without being subject to sanctions, to discontinue all work or parts thereof, as well as any and all deliveries of materials. In addition, the Supplier shall be entitled to terminate the Agreement in writing in the event all or part of the purchase price is not paid within three months of the due date. In such case, the Supplier shall be entitled to compensation for losses incurred. However, the compensation shall not exceed the Contract Sum.

- 6.11. The Customer shall not be entitled to withhold payment pending rectification of defects or deficiencies.

7. Delivery

- 7.1. The Supplier and Customer shall jointly ensure that the assignment is performed in accordance with an agreed timetable where such has been agreed upon by the parties.
- 7.2. Where a timetable for installation has not been agreed, installation shall commence within three weeks of a written demand by the Customer. Unless otherwise agreed, the Supplier is solely obligated to perform installation requested within three months after the delivery of the Machinery.
- 7.3. In the event of delay in delivery due to circumstances in accordance with 13.1 below or related to the Customer or any circumstances related to him, the Supplier shall be entitled to a requisite extension of the agreed delivery date. The Supplier shall also be entitled to a necessary extension where the assignment is modified or extended or where an extension is required in order for personnel to receive leave or holidays in accordance with law or any other statute.

8. Final delivery tests

- 8.1. Unless otherwise agreed, only final delivery tests shall be carried out. The final delivery test shall be performed at the Customer at the Supplier's cost, however not with respect to the Customer's participation. Where the parties have not agreed in detail with respect to the technical requirements and the manner of implementation of the delivery test, the delivery test shall be performed in accordance with normal practice within the relevant industry in the country of the Supplier. The Supplier shall prepare a record of the delivery test and the Customer shall receive the record.
- 8.2. Where the test in accordance with 8.1 demonstrates that the Machinery is not as agreed upon, the Supplier shall rectify such, provided that the deviation is not immaterial for use of the Machinery. A new final delivery test shall thereafter be performed upon request by the Customer.
- 8.3. The installation shall be deemed completed and the Machinery delivered when an approved final delivery test has been carried out. The final delivery test shall be approved by the Customer in the delivery record within five days of the test. Irrespective of whether the Customer expressly approves the delivery test, the test shall be deemed approved upon the occurrence of the first of the following:
 - a) The installation is such that the Customer should reasonably have approved the final delivery test;



- b) five days have elapsed since performance of the test and the Customer has not raised any justified objections to the test; or
 - c) the Machinery may be taken into the intended use.
- 8.4. The Customer shall at all times approve the delivery test where a deviation from the agreed condition exists but the deviation is irrelevant for the intended use.

9. Delay

- 9.1. The Supplier and Customer are jointly responsible for ensuring that timetables are met where agreed upon.
- 9.2. The Customer shall be entitled to liquidated damages in the event of delay due to the Supplier. The Customer shall be entitled to liquidated damages commencing from the date of the Customer's notification of the delay. Liquidated damages shall be paid in respect of each full seven-day period of delay in the amount of 0.5% of the Contract Sum, however not exceeding a total amount of 7.5% of the Contract Sum. Where the Supplier is in delay in respect of only part of the installation, the maximum liquidated damages shall equal 7.5% for that part of the installation that is delayed. Where the Supplier is entitled to an extension in accordance with 7.3, liquidated damages shall not be payable during the period of extension. Where the installation is delayed due to delay in the delivery of Machinery, liquidated damages shall only be paid, where appropriate, in accordance with Addtech General Terms and Conditions – Machinery.
- 9.3. Other than liquidated damages, the Customer shall not be entitled to damages or other compensation as a consequence of delay.
- 9.4. Where delay occurs due to the Customer or circumstances for which the Customer is responsible, the Supplier shall be entitled, following written notice, to discontinue its work until such time as the Customer has removed the impediments causing the delay and shall be entitled to compensation for direct losses occasioned by the delay such as non-debitable time. Where such delay is material the Supplier may, through written notice to the Customer, terminate this Agreement with immediate effect. The Supplier shall thereupon be entitled to compensation for work performed thus far and costs. The Supplier shall thereupon be obligated, not later than the time when payment is effected, to report and submit the results of performed work. The Customer shall be entitled to utilise the results as if the assignment had been fulfilled, provided that the Customer has performed its payment obligations.

10. Liability for defects

- 10.1. The Supplier shall be obligated to rectify defects constituted by the installation failing to meet contract specifications.
- 10.2. The Supplier shall only be liable for defects that arise under the work conditions assumed in the Agreement and in conjunction with correct usage. The Supplier shall not be liable for defects due to the provision by the Customer of erroneous, ambiguous, or incomplete information. Nor shall liability cover defects due to circumstances arising after the completion of the assignment, the negligence of the Customer or third parties, or other circumstances beyond the Supplier's control.
- 10.3. The Customer may not invoke defects where the Customer fails to provide the Supplier with written notice of the defect within 15 days of the date that the defect was or should have been discovered, however not later than

one year from the day on which the risk for the Machinery passed to the Customer.

- 10.4. Where the Customer gives notice of complaint regarding a defect and transpires that the Supplier was not responsible for the defect, the Supplier shall be entitled to compensation for the costs incurred by him as a consequence of the complaint.
- 10.5. Where the Supplier fails to rectify the defect with the promptness required by the circumstances, the Customer shall be entitled, in writing, to state a final and reasonable deadline for rectification. Where the defect has not been rectified by the deadline, the Customer shall be entitled, at its election, to do the following:
 - a) cause necessary repairs to be carried out at the Supplier's risk and cost, however not exceeding 10% of the Contract Sum; or
 - b) demand a reduction in price corresponding to the defect, however not exceeding 10% of the Contract Sum.

11. Damages and limitation of liability

- 11.1. In the absence of intent or gross negligence by the Supplier, the Supplier's liability shall be limited to the amount stated in this Agreement and the Customer shall not be entitled to raise other claims against the Supplier based on this Agreement.
- 11.2. Any entitlement of the Customer to damages, liquidated damages or other compensation in connection with a defect shall be limited to direct damage and losses in an amount equal to 10% of the Contract Sum. Under no circumstances shall the Supplier be liable to compensate for loss of profits, loss of production, damage to property other than that which is installed within the scope of the assignment (product damage), indirect damage or loss.

12. Confidentiality

- 12.1. A party may not disclose documents to a third party without the other party's consent, nor in any other manner disclose information of a confidential nature regarding the assignment or regarding the other party, other than to the extent required for the performance of the assignment. A party shall ensure that confidentiality is observed by means of confidentiality undertakings with personnel or in any other appropriate manner. The confidentiality obligation shall not apply to information that a party can demonstrate has duly come to the attention of such party other than as a consequence of the assignment, or information, which is in the public domain. The duty of confidentiality shall survive the termination of this Agreement.

13. Force majeure

- 13.1. Circumstances that obstruct or significantly aggravate the performance of any of the parties' undertakings pursuant to this Agreement and which are beyond the control of a party including, however not limited to, lightning, fire, earthquakes, flooding, war or mobilisation or large-scale military conscription, riot or revolt, requisition, seizure, currency restrictions, decisions of governmental authorities, restrictions on fuel, general shortages of transport, goods, or power or strikes, blockades, lockouts or other labour conflicts, irrespective of whether the contracting parties are parties to the conflict, as well as defects or delays in delivery by subcontractors due to the aforementioned circumstances, shall constitute force majeure and entitle a party to an extension of time and release from liquidated damages and other sanctions. The other party must be given written notice of such force majeure immediately upon a party becoming aware, or



where it should have been aware, of the existence of the force majeure.

- 13.2. Where the performance of the Agreement is prevented for a period in excess of six months due to such circumstances, either party shall be entitled to terminate this Agreement without any liability to compensate for damages or otherwise. However, the Supplier shall be entitled to compensation for work performed and costs incurred.

14. Applicable law and disputes

- 14.1. This Agreement shall be governed by Swedish law with the exception of its choice of law provisions. The language to be used in arbitral proceedings shall be that chosen by the Supplier.

- 14.2. In the event of default in payment, the Supplier shall be entitled to collect claims through an application for an expedited payment procedure. Where such claim relates to an amount of less than fifteen times the statutory base amount in accordance with the National Insurance Act (1962:381), the dispute may be adjudicated by the Stockholm District Court (Stockholms tingsrätt). Other disputes relating to this Agreement shall be conclusively determined by arbitration in accordance with the applicable Arbitration Act. The arbitration proceedings shall be held in Stockholm

15. Limitations

- 15.1. Claims against the Supplier shall be forfeited in the event the litigation or arbitration procedure in accordance with 14.2 is not commenced within two years from the date of delivery of the Machinery.