

General Terms and Conditions for Sales

1. General Introduction

These General Terms and Conditions for Sales (“**GTC**”) have been issued by VEAB Heat Tech AB (no. 556138-3166) (“**VEAB**” or the “**Supplier**”) and shall apply for all sales contracts between VEAB and its customers. The GTC’s are considered an integral part of any sales contracts or agreements between VEAB and its customers.

The GTC’s shall apply exclusively. Deviating, conflicting or supplementary general terms and conditions provided by the customer shall only become part of any sales contract or agreement if VEAB has explicitly agreed and confirmed their validity in writing.

The GTC’s are subject to at least annual review and update whereby any changes shall apply and come into effect immediately and without any further notice once made public on the VEAB’s website. A new version of the GTC’s overrides any version issued at an earlier date. The latest version of the GTC’s is available on the VEAB website (<https://www.veab.com/en/terms-conditions>).

2. Definitions

Supplier – VEAB;

Purchaser - business partner purchasing products from the Supplier;

Purchase agreement - purchase agreement entered into between the Supplier and the Purchaser. For the avoidance of doubt, a purchase order confirmed by the VEAB shall be regarded as a purchase agreement.

Delivery of Products - Delivery of Products by the Supplier to the Purchaser;

Pricelist - list of prices for Products that is valid at the time when the Purchase agreement is entered into;

Binding order - a written purchase order from the Purchaser that is delivered to the Supplier by email in connection to the Delivery of Products;

Products - products according to the approved pricelist, including spare parts and accessories;

INCOTERMS 2020 – a set of international rules for the interpretation of business terms most frequently used in international trade.

3. Orders and Acceptance

VEAB must have at its disposal the following data in order to process a purchase order:

- The precise name of the legal entity or name and surname of the private individual and the registered address of the company of the Purchaser and their business premises;
- The specific delivery address, including a postal code (and involving address, where different); this means the street, town, postal code and country, if required;
- ID No. of the purchaser or Tax ID No. of the purchaser, if they are an undertaking;
- Precise contact information (telephone number, e-mail address);
- Precise description of the ordered Products and their quantity;
- Delivery method;
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VEAB's offers are subject to change and are non-binding. This also applies if VEAB has provided the Purchaser with any catalogues, technical documentation (e.g., drawings, plans, calculations etc.), other product descriptions or documents, by post, electronically or downloaded from the VEAB website/s.

All orders placed by the Purchaser are therefore subject to final written acceptance by VEAB through an order confirmation. VEAB reserves the right to refuse any purchase order without prior notice. Notwithstanding the aforementioned VEAB undertakes to inform the Purchaser of the reasons for such refusal as soon as it becomes feasible, unless prohibited by law.

Only when VEAB acknowledges a purchase order by sending an order confirmation to the Purchaser, a binding purchase agreement between VEAB and the Purchaser is established.

4. Product Information

All drawings and technical information relating to the Products or its manufacture, supplied by VEAB, shall remain the sole property of VEAB.

Drawings, technical documents, or other technical information provided by VEAB shall not, without the consent of VEAB, be used for any other purpose than that for which they were provided, nor otherwise be used or copied, reproduced, transmitted, or communicated to a third party.

VEAB reserves the right to, at all times and in its sole discretion, change technical data and drawings without notice.

5. Delivery Terms

INCOTERMS are agreed as terms of delivery for the Products. The specific Incoterm is agreed and offered in the VEAB quotation and confirmed in the order confirmation. If no specific delivery term has been agreed, the delivery shall be as per Incoterm Ex Works.

The passing of risk is following INCOTERMS. Should an Incoterm be agreed where the risk is with VEAB as sender, and a loss or damage of Products occur during transportation, the Purchaser shall inform VEAB in writing about the damage immediately at the takeover of the Products, indicating the order number, item number of the Product, date and time, supported by pictures of the damaged products where the damage is clearly visible. At the same time, the Purchaser shall test and evaluate the functionality of the Products and notify VEAB without delay regarding all of the ascertained defects in functionality. In addition, the Purchaser must state the damages on the transport document and provide a copy to VEAB. For any hidden damage which happened during transportation there is a deadline of fourteen (14) days after receipt of the Products for sending a claim to VEAB. Thus, VEAB is not liable for any damages where the claim arrives later than fourteen (14) days after receipt of the Products.

Delivery dates provided by VEAB are approximate and subject to change. In case of any delays in delivery date VEAB shall notify the Purchaser, with an indication of when the delivery can be expected.

If the Purchaser anticipates not to be able to accept delivery of the Products at the time agreed in the order confirmation, the Purchaser 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.

VEAB may offer to arrange for storage of the Products at the expense of the Purchaser, without obligation. In such cases the risk of damage or loss shall pass over to the Purchaser as if the Products was delivered, according to INCOTERMS.

If, for any reason which is not attributable to VEAB, the Purchaser fails to accept delivery, all cost incurred for the delivery including the further handling (e.g., storage) of the Products shall be borne by the Purchaser. Should delivery not be accepted by the Purchaser within a final reasonable period, VEAB may, in its sole discretion, by written notice terminate the Purchase agreement in whole or in part.

6. Cancellation or order and return of delivered goods

Products in stock

For stock kept Products the Purchaser may, free of charge, cancel a binding order within one (1) day from the date of VEAB's order confirmation.

For already delivered stock kept Products the Purchaser may return, at Purchaser's cost, unused Products in their original packaging up to within one (1) month after delivery. In addition, the Purchaser is obligated to pay an administration fee equal to twenty percent (20%) of the purchase price.

Customized Products and non-stock products

For customized Products and other non-stock Products, the Purchaser may, free och charge, cancel a binding order within one (1) day from the date of VEAB's order confirmation.

After more than one (1) day, the Purchaser may cancel a binding order but is obligated to pay a fee, the amount of which depends on how far the production has reached at the time of cancellation:

Phase	Percentage of Purchase Price
Design initiated	20 %
Production initiated	80 %
Assembly initiated	100 %

After delivery Customized Products and/or non-stock Products are not subject to cancellation. Shipping and packaging are not refunded.

If in doubt, please contact relevant salesperson to get information if the Products are stock kept or non-stock kept or customized.

Please note that all cancellations must be supported by a written consent of VEAB's authorized representative.

7. Intellectual Property and Confidentiality

All intellectual property rights in the Products, including any embedded software, and in any technical information related to the Products, shall rest with VEAB or, in the appropriate case, with a third party which has licensed these rights to VEAB. Subject to any limitations that may have been agreed between the third party and VEAB, the Purchaser shall acquire a non-exclusive, perpetual, and transferable right to use these intellectual property rights but limited to the extent required by the purpose of the Purchase agreement. VEAB shall not be obliged to provide the Purchaser with the source code or with updates for any embedded software.

This Clause 7 shall also apply when the Product and/or software has been specifically developed for the Purchaser, unless otherwise agreed in writing between VEAB and the Purchaser.

Technical, commercial, and financial information, and information which has been declared as confidential or which must, by its very nature, be deemed to be confidential, disclosed in writing or orally by one party to the other, shall be treated confidentially. The information shall therefore not without the consent of the disclosing party in writing be used for any other purpose than that for which it was provided. It may not, without the consent of the disclosing party in writing, be transmitted, communicated, or otherwise disclosed to a third party.

8. Price and Payment

The price of Products is stated in the Purchase agreement. The price is otherwise given in accordance with the Pricelist, valid at the time the order was sent to VEAB. The price shall be paid in euros, unless agreed otherwise in the Purchase agreement.

To the purchase price is added VAT at the rate demanded by the current statutory requirements.

The purchase price is due at the latest prior to the loading up of Products, unless agreed otherwise.

VEAB shall only accept payment of the purchase price by bank transfer onto VEAB.

The Purchaser does not acquire ownership of the Products until the complete price has been paid, whereby payment of the purchase price shall mean crediting the funds equivalent to the purchase price onto the account of the

VEAB. The Purchaser shall, at the request of VEAB, assist in taking any measures necessary to protect VEAB's title to the Products.

If there is any default in payment of the price, VEAB shall have the right to charge a contractual fine for default of payment amounting to 0.1% of the owed amount for each day of default, starting on the eighth day of default.

If the Purchaser has not paid the amount due within three (3) months from the agreed payment date, VEAB shall be entitled to terminate the Purchase agreement by written notice to the Purchaser and shall, in addition to the interest and compensation for recovery costs according, have the right to claim compensation for the loss VEAB incurs due to the Purchasers inability to complete the agreed payment.

9. Retention of Title

The Products shall remain the property of the VEAB until paid for in full to the extent that such retention of title is valid under applicable law. The Purchaser shall at the request of the VEAB assist VEAB in taking any measures necessary to protect the VEAB's title to the Products. The retention of title shall not affect the passing of risk under Clause 5.

10. Liability

VEAB shall not be liable for any damage to property or financial losses (including production downtime, loss of profit and other indirect damages) caused by the Product after time of delivery and whilst is the Product is in the possession of the Purchaser. Nor shall VEAB be liable for any damage to products manufactured by the Purchaser or to products of which the Purchaser's products form a part.

VEAB is not liable for damage or unsatisfactory performance of the Products resulting from accident, negligence, alteration, unauthorized repair, improper application or installation of the Products, improper specifications, or corrosion.

This limitation of liability shall however not apply in the event of intent or gross negligence on the part of VEAB or in the event of liability based on mandatory statutory provisions. The total sum of costs for damage that may be credited to the account of the Purchaser is restricted to an amount of SEK 5,000,000.

If VEAB incurs liability towards any third party for such damage to property as described in the preceding paragraph, the Purchaser shall indemnify, defend, and hold VEAB fully harmless.

11. Warranty

VEAB's new products are warranted against defects in workmanship, material, design, labeling and packaging. No other warranty, expressed or implied, written or oral, applies. No person other than an officer or the general manager of VEAB is authorized to give any other warranty or assume any liability.

Unless specified in the table below, the product warranty period is thirty (36) months from the date of shipment from VEAB's factory. The Products must be installed, operated, and maintained in accordance with VEAB's instructions and manuals. VEAB is not liable for damage or unsatisfactory performance of the Products resulting from accident, negligence, alteration, unauthorized repair, improper application or installation of the Products, improper specifications, or corrosion.

Any units or parts which prove defective during the warranty period will be replaced at VEAB's option. VEAB is not responsible for any installation or removal costs related thereto. Under certain conditions, VEAB may require the return of a complete unit or specific components for inspection. The cost for such return will be carried by VEAB.

Claims against carriers for damage in transit must be filed by the purchaser with the carrier.

12. Force Majeure

Either party shall be entitled to suspend performance of its obligations under the Purchase agreement 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 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 import or export restrictions, epidemics, natural disasters, extreme natural events, terrorist acts and defects or delays in deliveries by sub-contractors caused by any such circumstance referred to in this Clause 9.

A circumstance referred to in this clause whether occurring prior to or after the formation of the Purchase agreement shall give a right to suspension only if its effect on the performance of the Purchase agreement could not have been foreseen at the time of the formation of the Purchase agreement.

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 were incurred, and which could have avoided had it had received such notice.

If force majeure prevents the Purchaser from fulfilling its obligations, the Purchaser shall compensate VEAB for costs which VEAB incurs in storing, securing, and protecting the Product and avoiding unreasonable interference with VEAB's other activities.

Regardless of what might otherwise follow from GTC's, either party shall be entitled to terminate the Purchase agreement by notice in writing to the other party if the performance of the Purchase agreement is suspended for more than six (6) months due to force majeure.

13. Responsible Enterprise

The Purchaser warrants that:

It shall not offer, promise, give, authorise, solicit, or accept any undue financial or advantage of any kind in any way connected with the performance of the Purchase agreement.

It shall comply fully with all applicable laws, regulations, rules, and statutory requirements relating to its receipt, use, handling, and maintenance (as appropriate) of the Products.

It shall comply fully with applicable national and international economic or financial sanction laws, trade embargoes and similar restrictions by the United Nations, European Union, United Kingdom, and the United States of America, or by any other competent authority.

It commits not to sell any Products to third parties whom the Purchaser have reason to assume will disregard or breach any sanction laws. The Purchaser shall provide, upon request, all required information relating to the final financial recipient, final destination and end-use of any Products subject to the Purchase agreement.

To the extent applicable, and without prejudice to any obligations imposed on the Purchaser under this Clause 13, the Purchaser shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any Products under or in connection with any contract or agreement subject to the GTC's.

It shall comply fully with all applicable national and international laws on anti-money laundering and counter terrorist financing.

It has, and complies with all necessary permits, licenses, authorisations, policies, and procedures in place for the purposes of any applicable health and safety legislation by all its employees and other staff.

It shall immediately report to VEAB of any suspicious activity of which it becomes aware in relation to transactions directly or indirectly connected to the performance of the Purchase agreement.

Any violation of this Clause 13 shall constitute a material breach of the Purchase agreement, whereby VEAB shall be entitled to seek appropriate remedies, including but not limited to immediate termination of any contract or agreement between VEAB and the Purchaser.

The Purchaser agrees to hold VEAB harmless in full against any and all losses, liabilities, claims, damages, charges, penalties, costs or any expenses awarded against or incurred by VEAB in respect of any loss or damage or personal injury (including death) which arises out or in connection with the Purchaser's breach of this Clause 13.

The Purchaser shall indemnify VEAB for any and all damages or losses incurred as a result of any breach of this Clause 13.

14. Governing law and Disputes

The GTC's and the Purchase agreement shall be subject to the laws of Sweden excluding any conflict of law rules and the United Nations Convention on Contracts for the International Sale of Goods (CISG).

Any dispute, controversy or claim arising out of or in connection with the GTC's or the or the Purchase agreement, or the breach, termination, or invalidity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the SCC Arbitration Institute.

The seat of the arbitration shall be Stockholm, Sweden. The language to be used in the arbitral proceedings shall be English.

Should any of the above provisions be or become invalid, the remaining provisions shall nevertheless remain valid. The validity of the GTC's and/or the Purchase agreement as such remains unaffected.