

General Terms and Conditions of Purchase

Version 2 (Eng) – Valid from 2020-07-01

These conditions of purchase shall apply in full unless otherwise agreed in writing.

1. Definitions

“Stena Metall” shall mean any company within the Stena Metall Group of companies, purchasing goods and/or services under these General Conditions.

“Supplier” shall mean any company delivering products and/or services to Stena Metall under these General Conditions.

“Agreement” shall mean any agreement between Stena Metall and the Supplier related to the sale and purchase of any products and/or services. These General Condition form an integral part of the Agreement.

“Products” shall mean any products purchased by Stena Metall under these General Conditions.

“Defective Products” shall mean Products that are not in accordance with technical and other specifications specified or otherwise established by Stena Metall or are not fit for the purpose intended. In the absence of documented Stena Metall requirements, “Defective Products” shall mean Products that are not in accordance with approved sample deliveries of the Products or where no samples are delivered do not conform to generally accepted industry standards.

“Services” shall mean any services purchased by Stena Metall under these General Conditions.

“Defective Services” shall mean Services that do not reach the results or are not carried out in accordance with specifications specified or otherwise established by Stena Metall or are not provided within the time schedule as specified in the Agreement. In the absence of documented Stena Metall requirements, “Defective Services” shall mean Services that are not carried out in accordance with professional workmanship or not in general

2. Terms of Delivery

2.1. Delivery clauses shall be construed in accordance with the latest version of “INCOTERMS”. If no delivery term is specifically agreed, the delivery shall be “DDP” for Products and in accordance with a staged time schedule as proposed by the Supplier and accepted in writing by Stena Metall for Services.

2.2. Deliveries shall be made in accordance with agreed delivery dates.

2.3. Stena Metall does not accept any responsibility for Products supplied in quantities exceeding those agreed upon or delivered before the agreed date. Such Products may be returned to the Supplier at the Supplier's expense. The risk of loss for such Products shall be borne by the Supplier.

2.4. The Supplier shall forthwith notify Stena Metall in writing of any known or apprehended events that may result in a breach of the agreed delivery date and advise Stena Metall as soon as possible thereafter when delivery can be expected.

2.5. The Supplier shall have to pay for any extra freight charges incurred in ensuring that delayed deliveries reach Stena Metall on time.

2.6. The Supplier shall compensate Stena Metall for all costs, damages, and losses incurred by Stena Metall as a result of late delivery.

3. Payment

3.1. Unless otherwise agreed in writing, payment shall be made within sixty (60) days from the date of receipt of an invoice from the Supplier. Payment shall never be made before the Product or Service has been delivered.

3.2. Reception of payment shall not affect Stena Metall's rights under the Agreement.

3.3. Stena Metall do not accept additional charges, such as service fees, or invoicing charges.

4. Quality, Ethical and Environmental, Health and Safety Requirements

4.1. The Supplier has read Stena Metall's code of conduct and policies regarding human rights and anti-corruption and has committed to adhere to these and shall ensure that any Sub-Contractor approved by Stena Metall under clause 7 below, is legally bound to a similar compliance obligation.

4.2. The Products and/or Services shall be in accordance with technical and other specifications specified and otherwise established by Stena Metall. All specifications will be considered to require that each Product must be new when delivered to Stena Metall, unless the applicable specifications expressly permit the delivery of used, reconditioned, or remanufactured Products. Stena Metall may refuse to accept any Products and/or Services that do not conform to all applicable specifications, in which case the Products and/or Services will not be considered to have been delivered by the Supplier.

4.3. When delivering Products and/or Services which includes performance on Stena Metall's facilities, the Supplier must comply with the safety regulations that apply to the plant.

4.4. The Supplier shall hold a valid ISO-Certification for quality and environmental purposes.

4.5. After Stena Metall has approved sample deliveries and respective specifications, if so provided, of the Products, the Supplier is not allowed to change the function, appearance, properties, materials, or place of production for the Products, without the prior written consent by Stena Metall.

4.6. Stena Metall's approval of Products and/or Services shall not affect the Supplier's liability under his Agreement.

4.7. The Supplier shall notify Stena Metall forthwith of any known or apprehended Defective Products and/or Defective Services. Stena Metall shall notify the Supplier of any Defective Products and/or Defective Services within six (6) months after the Defective Products and/or Defective Services have been detected by Stena Metall.

4.8. If, on account of Defective Products and/or Defective Services, Stena Metall deems it necessary to carry out an inspection of any or all Products and/or Services delivered, this shall be effectuated, after consultation with the Supplier, at the Supplier's expense. The Supplier shall compensate Stena Metall for the cost of such inspection.

4.9. The Supplier shall, immediately upon Stena Metall's request, replace or rectify Defective Products and/or Defective Services free of charge or, if Stena Metall so wishes, compensate Stena Metall for the value of such Defective Products and/or Defective Services or for the costs of their rectification. In addition, the Supplier shall compensate Stena Metall for all costs, damages, and losses incurred by Stena Metall as a result of the Defective Products and/or Defective Services.

4.10. If Defective Products have been incorporated in Stena Metall's products and/or services that have been delivered to Stena Metall's customers, Stena Metall shall have the right to recall the products and/or services concerned, at the expense of the Supplier.

4.11. The Supplier shall indemnify Stena Metall for freight charges with respect to Defective Products (including those related to Defective Products incorporated in Stena Metall's products and/or services) and, if the Defective Products are returned to the Supplier, the freight charges for returned Defective Products. All transport of the Defective Products in conjunction with rectification of defects shall be at the Supplier's account and risk.

4.12. The Supplier's obligation under clause 4.5-4.8 above shall expire two (2) years after the Stena Metall products and/or services, in which the Defective Products have been incorporated, have been delivered to any Stena Metall customer. The period of time under which the obligation shall exist shall however, not exceed three (3) years from the delivery of the Defective Products to Stena Metall.¹ The time limitations in this clause shall not affect the Supplier's product liability under clause 11 below.

4.13. When a Defect Product has been remedied, the Supplier shall be liable for defects in the replaced or repaired Product under the same terms and conditions as those applicable to the original Product.

4.14. In addition to what applies to Products under clause 4.1-4.11 above, the following shall also apply to Services.

4.15. The Supplier shall perform all parts of the Services in accordance with the provisions of the Agreement and with the skill and care which Stena Metall has reason to expect of a reputable supplier in the Supplier's field of business. Further on, the Supplier shall carry out the Services with professional workmanship and in a timely manner.

4.16. The Supplier shall, when reporting the carrying out of the Services, hand over documentation over the results in accordance with the Agreement or otherwise in accordance with professional workmanship. Such documentation will be subject to clause 9.2 and 9.3 below.

4.17. Stena Metall is entitled to, at any time and for any reason whatsoever to cancel unperformed parts of the Services. In the event of such a cancellation, Stena Metall shall pay no more compensation to the Supplier than for the work performed.

5. Inspection of Production

5.1. Stena Metall shall have the right to inspect the Supplier's production, take samples, and carry out other necessary investigations on the Supplier's premises.

5.2. It is the Supplier's responsibility to see to it that Stena Metall can exert its right in accordance to clause 5.1 above, even in cases where production is assigned, partially or entirely, to another company.

6. Technical Modification

6.1. Stena Metall reserves the right, after the order has been placed, to modify the agreed Product or Service specification. Any such modification shall be confirmed in writing. Any difference in price and/or delivery date resulting from such modifications is to be subject to mutual agreement and must be confirmed in writing.

7. Sub-Contractors

7.1. Supplier's use of a sub-contractor shall require Stena Metall's prior written approval. Such use will not relieve the Supplier from the responsibility for ensuring that the provisions of the Agreement are complied with.

8. Tooling

8.1. Special tools and equipment provided by the Supplier to be used in fulfillment of the Agreement, shall, when wholly or partly paid by Stena Metall, become the property of Stena Metall ("Tooling").

8.2. The Supplier shall mark the Tooling with a clear reference that the tooling is Stena Metall's property. The Supplier shall not, without prior written consent of Stena Metall, surrender Tooling to third parties and shall not be entitled to manufacture with the Tooling any products, other than the Products for Stena Metall. The Supplier's responsibilities include taking care of repairs, storage, servicing, and insurance related to the maintenance of the Tooling.

9. Intellectual Property Rights

9.1. The Supplier represents and warrants that the Products and/or Services do not infringe any Intellectual Property Right of any third party.

The Supplier shall indemnify Stena Metall for all cost arising out of or relating to the Products and/or Services and/or the incorporation of the Products in the final products and/or services sold by Stena Metall and/or any customer of Stena Metall, if such Products and/or Services infringe the Intellectual Property Right of a third party. The Supplier shall assist

Stena Metall and, if so requested by Stena Metall, defend Stena Metall at the Supplier's expense in disputes where Stena Metall is involved as a consequence of said infringement.

9.2. In the event the Supplier prepares for Stena Metall notes, reports, data, and any other information regardless of the media of expression (collectively, "Material"), these shall be deemed to be works for hire and shall belong exclusively to Stena Metall. If by operation of law any of the Material is not work made for hire, then the Supplier hereby assigns to Stena Metall the ownership of such Material including all copyrights thereto. The Supplier will not use any Material prepared for Stena Metall without first obtaining the written consent of Stena Metall.

9.3. In the event the Supplier makes an improvement to any Stena Metall Product, Stena Metall shall be entitled to full ownership of any such improvements conceived or first actually reduced to practice by Supplier during the performance of the order. The Supplier agrees to promptly disclose any such improvements and hereby assigns to Stena Metall all Intellectual Property Rights thereto. The Supplier further agrees to provide reasonable assistance to Stena Metall, at Stena Metall's expense, for securing all Intellectual Property Rights pursuant to clause 9.2 and 9.3 herein.

10. Laws and Regulations

10.1. The Supplier shall comply with all relevant laws and regulation.

11. Product Liability and Insurance

11.1. To the extent that Stena Metall might incur product liability itself or towards any third party, the Supplier shall indemnify Stena Metall as far as the damage of Stena Metall's liability is due to defective Products. The Supplier shall provide evidence of a business and product liability insurance, at an insured level which is adequate having regard to the business impact for Stena Metall when purchasing the Products, and the Supplier must maintain such insurance with regards to the risk covered and the amount of coverage for the term of the Agreement. Such insurance shall also cover the actions of a subcontractor or sub-supplier that the Supplier may utilize under the Agreement.

12. Termination

12.1. A Party may terminate the Agreement by written notice forthwith and without any liability for compensation, if the other Party becomes insolvent, has a receiver or administrator appointed for its assets, or if a petition for bankruptcy is filed by that Party itself or if other bankruptcy proceedings are commenced.

12.2. Stena Metall may terminate the Agreement by written notice forthwith and without any liability for compensation, should either a competitor to Stena Metall acquire any shares in the Supplier or any other third party acquire more than fifty (50) percent of the shares in the Supplier.

12.3. When Products and/or Services are delivered after the agreed-upon delivery time or when Defective Products are not rectified or replaced within reasonable time, without limitation of Stena Metall's other rights, Stena Metall has the right to terminate the Agreement in full or in part.

12.4. If the Supplier fails to fulfill its obligations under the Agreement, Stena Metall shall have the right to terminate the Agreement forthwith including any outstanding orders.

13. Force Majeure

13.1. Neither of the Parties shall be bound by any undertakings which it is prevented from fulfilling due to force majeure, including but not limited to riots, insurrection, fire, flood, war, epidemic, confiscation, or if competition is prevented by governmental intervention or regulations or other circumstances beyond the reasonable control of the Party and which the Party could not reasonably be expected to have anticipated at the time of the purchase, and the consequences of which the Party could not reasonably have avoided or overcome.

¹ **Note to Clause 4.10:** In the event German Civil Code is applicable, §478, 479 BGB shall remain unaffected.

13.2. During the time that the Supplier does not have to deliver as above, Stena Metall has the right to insure deliveries from other suppliers. If, for any of the above reasons, the delivery delays, exceed or is estimated to exceed six (6) months, the Parties are free to annul that part of the Agreement relating to the delayed delivery or non-delivery without incurring any liability with respect to the other Party.

13.3. If a Party wishes to refer to force majeure, it is obliged to notify the other Party forthwith of the arising and the ceasing thereof.

14. Confidentiality

14.1. When requested by the disclosing Party, the receiving Party shall return all documentation and computer readable data, copies included, as received from the disclosing Party. Copies made by either Party or on behalf of either Party shall be destroyed forthwith.

14.2. The Supplier shall not advertise or publicise in any way, without the prior written permission from Stena Metall, the fact that it supplies, or has been contracted to supply, Products to Stena Metall. Further on, the Supplier shall not use any Stena Metall name, logo, trademark or identifying characteristic without Stena Metall's prior written approval.

14.3. Designs, samples, drawings, plans and programs ordered by Stena Metall are Stena Metall's property.

14.4. On delivery, the Supplier shall provide Stena Metall free of charge with the agreed number, or at least one copy, of documents and drawings that are sufficiently detailed to enable Stena Metall to carry out assembly, starting up, running and maintenance of the Products.

15. Applicable Law

15.1. The Agreement shall be governed by the law of the country in which the purchasing Stena Metall company has its principle place of business, notwithstanding its conflict of laws rules. The United Nation Convention for the International Sale of Goods (CISG) of April 11, 1980 shall not be applicable.

16. Arbitration

16.1. Any dispute, controversy or claim arising out of or in connection with the Agreement, or breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force. The number of arbitrators shall be three (3) and at least the chairman shall be from the country in which the proceeding shall take place. The appointing authority shall be the International Chamber of Commerce in Paris.

16.2. The place of arbitration shall be the capital city of the country where the Stena Metall purchasing company has its principle place of business. The arbitration proceeding shall, unless otherwise agreed, be held in the English language.