

GENERAL DELIVERY TERMS AND CONDITIONS

for

Climator

Sweden AB (ClimSel™)

1. Applicability

These general terms and conditions for delivery shall apply to the extent that they are not modified by means of written agreement between the parties. Statements and information that are not confirmed in writing upon entering into the contract shall not override that which is prescribed in the delivery terms and conditions neither shall they in any other way have significance on the determination of the content of the contract.

2. Quantity, Weight

For technical reasons pertaining to the delivery, the contracted weight, volume or specified number must not be exceeded or fall short by more than 10%.

3. Product Information

Details in the product information and price lists are approximate and only binding to the extent that the contract expressly cites them.

4. Delivery

Delivery clauses are interpreted in accordance with the applicable COMBITERMS 2011 at the inception of the contract. If no other delivery clause has been specifically contracted, the delivery is presumed to be made 001-EXW.

5. Delivery Time

If instead of a determinate date of delivery the parties have agreed to a time frame within which the delivery is to be made, this is in effect as of the inception of the contract.

6. Delays

If a delay in delivery occurs due to some circumstance specified in Section 12 or to a cause for which the buyer shall be held responsible, the delivery time shall be extended by a duration which can be considered reasonable when taking all circumstances into account. With the exception of the case specified below in the fifth paragraph, this clause applies, regardless of whether the reason for the delay occurs prior to or following the lapse of the contracted delivery time.

If the seller discovers that he cannot deliver at the correct time, or if it appears that a delay on his part is likely, he shall notify the buyer of this in writing without delay, and thereby indicate the reason for the delay and, if possible, indicate the time when he expects to be able to make the delivery. If the seller fails to submit such notification, he shall compensate the buyer the reasonable added costs that are incurred as a result of the message not being sent.

If the seller does not deliver the goods within the contracted delivery time or within the extended delivery time as set out in the first paragraph, the buyer shall be entitled to cancel the contract if the delay is of crucial significance to him and the seller realised or should have realised this.

If the buyer has granted the seller a specific extension for delivery and the extension is not unreasonably short, the buyer may also cancel the contract if the delivery has not been made within the extension period.

If the contract pertains to successive deliveries, each delivery shall be considered as a separate sale.

If the buyer cancels the contract pursuant to the third or fourth paragraph, he shall be entitled to compensation from the seller for the additional costs he incurs and which he could not avoid through the acquisition of equivalent goods from another source. Beyond that, the buyer has no right to any compensation pursuant to the seller's delay.

If the buyer does not cancel the contract, he is – unless otherwise agreed – not entitled to any compensation pursuant to the seller's delay.

7. Price Adjustments

If a specific price has been contracted and implemented after the closing of the contract for the goods, export or import fees, duties, taxes upon exportation, importation and delivery or other similar excise, or if there is a change thereof, the price shall be modified to the corresponding extent if the implementation or modification of the excise has not been observed in the contract. The seller reserves the right to enact ongoing price adjustments in relation to currency exchange rate fluctuations.

8. Payment

Unless otherwise agreed, payment shall be made to seller no later than 30 days following the invoice date.

Unless otherwise agreed, the seller is entitled to late payment interest at an interest rate which exceeds the Swedish Central Bank reference rate applicable at the given moment by 9 percentage points. If the buyer fails to accept delivery on the set day, payment shall still be made if the delivery was made in accordance with the contract. If the buyer has not paid within three months from the payment due date, the seller

shall be entitled to cancel the contract by submitting a written notification to the buyer. The seller is then, in addition to the late payment interest, entitled to compensation for damages suffered resulting from the delay. However, the amount of compensation shall not exceed the contracted price.

9. Insolvency etc

If there are reasonable grounds to assume that the buyer will not be able to fulfil his obligation to pay, the seller shall be entitled immediately to demand that an acceptable guarantee be submitted.

If this is not done immediately, the seller shall be entitled to cancel the contract in writing with respect to the non-delivered goods. In the event of insolvency, the seller retains the right to recover any delivered goods that remain in unopened packages for which full payment has not been made. The goods remain the property of the seller until such time as full payment has been received to the extent that such retention of title is valid according to the applicable law.

10. Liability for Defects

The seller is obligated for a period of six months as of the date that the goods are delivered or the shorter storage period that may have been specified and is typical for the goods, to replace goods which prove to be defective upon delivery.

Complaints regarding defects in the goods shall be made in writing and without unreasonable delay following the date when the buyer noticed or should have noticed the defect.

In the matter of defects which the buyer without difficulty should notice upon receiving the goods, it is furthermore incumbent upon him immediately after receiving them to notify the seller of the defect.

If the buyer fails to give notice on that which is specified in this paragraph, he forfeits his right to an exchange according to the first paragraph.

If the seller does not replace defective goods within a reasonable amount of time after the buyer commented on the defect according to the second paragraph, the buyer shall have the right to cancel the contract with regard to the defective goods by submitting written notice.

If the buyer cancels the contract, he is entitled to compensation for the added costs which the buyer incurs upon acquisition of equivalent goods from another source. Such demands for compensation shall be put forth within a reasonable time.

Beyond what is provided in the first, third and fourth paragraphs, the seller is not responsible for defective or for neglected replacements of defective goods. The seller is thus not liable for paying any compensation to the buyer for a loss in production, lost profits or other indirect damages. However, this limitation of the seller's liability does not apply if the seller is guilty of gross negligence.

11. Liability for Property Damages

The buyer shall indemnify the seller to the extent that the seller incurs liabilities toward third parties for such damage or loss for which the seller is not liable in relation to the buyer according to the second and third paragraphs in this section.

The seller shall not be held liable for damage which the goods cause

- a) to fixtures or chattel if the damage occurs when the goods are in the possession of the buyer, or
- b) to products produced by the buyer or to products in which the buyer's products are included, or for damage to fixtures or chattel that these products cause due to the goods.

Under no circumstances shall the seller be held responsible for production shortfalls, lost profits or other subsequent economic loss. Such limitations of the seller's liability do not apply if he is guilty of gross negligence.

If a third party puts forth demands of the seller or buyer for compensation for damages or losses which are specified in this section, the other party shall be immediately notified thereof. The seller and buyer are obliged to allow themselves to be summoned to court or to an arbitration board dealing with compensation demands against either of them, if the requirement is based on damage or loss that is claimed to be caused by the delivered goods. The interrelation between the buyer and seller shall, however, always be determined according to section 13.

12. Grounds for Exemption (Force Majeure)

If fulfilment of the contract is prevented or encumbered by any circumstance such as war, intervention of authorities, riots, limitations in the provision of energy, disturbances in the labour market, prohibitions, restrictions, lacking permits, accidents, adverse transportation or weather conditions or failed deliveries from subcontractors, which a party cannot reasonably foresee at the time when the contract is made and the consequences of which cannot either be reasonably avoided or overcome, he shall to the corresponding degree be exempted from his obligations to submit or receive the good in the manner contracted.

It is incumbent upon the party wishing to cite force majeure without delay to notify the other party in writing of the occurrence thereof, as well as its cessation. If force majeure encumbers the buyer, he shall compensate the seller for the added costs he may suffer in order to secure and protect the goods. If the fulfilment of the contract is delayed by more than six months due to force majeure as mentioned in the first paragraph then either party, without limitation on that which otherwise applies to these clauses, is entitled to cancel the contract via written notification to the other party.

13. Disputes

If the parties fail to reach an amicable settlement, a dispute shall first and foremost be settled by a mediator in accordance with Stockholm Chamber of Commerce rules on mediation in commercial disputes. Mediation proceedings shall be held in Stockholm. Failing mediation under the preceding paragraph, the dispute shall be finally settled at Skaraborgs District Court in Skövde in accordance with Swedish law.