



# HMS General Terms and Conditions (HMS GTC15)

This is HMS - HMS Industrial Networks AB ("HMS") is a leading independent supplier of products for industrial communication. HMS's products enable industrial devices to connect to different industrial networks and to be monitored and controlled remotely.

## 1. Preamble

1.1 These General Terms and Conditions apply to all sales of products and services ("Products") by HMS to any purchaser thereof (the "Customer"). Deviations from these General Terms and Conditions shall not apply unless agreed in writing by HMS.

## 2. Terms of Delivery

2.1 The terms of delivery shall be CIP, or such other trade term as has been agreed in writing by HMS, according to the Incoterms in force at the formation of the order.

## 3. Delivery Time

3.1 The Products shall be shipped at the time stated in HMS's order confirmation. The Customer may change an order within three days of its placement.

3.2 If HMS fails to deliver the Products on time due to any act or omission on the part of the Customer, the time for shipment shall be extended by a reasonable period of time, which shall not be less than the period during which the act or omission was continuing.

3.3 If HMS fails to deliver the Products on time, the Customer may, by giving written notice to HMS, communicate a final reasonable time for shipment, stating the Customer's intention to cancel the order if shipment does not take place within such final time.

3.4 If shipment has not taken place within the final time communicated by the Customer in accordance with Clause 3.3, the Customer may cancel the relevant order by giving written notice thereof to HMS.

3.5 Should HMS find that it cannot ship within the agreed time, HMS shall as soon as possible provide a new shipment date.

3.6 If the Customer objects to the new shipment date, it shall inform HMS thereof within 48 hours of receiving notice from HMS in accordance with Clause 3.5. If the Customer does not inform HMS within the stated time, the new shipment date shall be considered accepted by the Customer.

3.7 The Customer's right to cancel an order in accordance with Clause 3.4 shall be the only remedy available to the Customer in case of delay and the Customer shall not be entitled to any compensation for HMS's failure to deliver on time.

3.8 If the Customer cancels or changes an order in accordance with Clause 3.1, HMS shall be entitled to reasonable compensation for any costs incurred by HMS in relation thereto.

## 4. Payment

4.1 Unless otherwise agreed in writing by HMS, payment shall be made by the Customer within 30 days of shipment of the Products and dispatch by HMS of the invoice in relation thereto.

4.2 If the Customer is not available to receive the Products on the agreed date, payment shall nonetheless be made as if delivery had taken place in accordance with the order.

4.3 If case of late payment, HMS shall be entitled to penalty interest in accordance with applicable law.

4.4 If the Customer has failed to pay any amount due within three months after its due date, HMS shall, in addition to penalty interest, be entitled to compensation for its loss in connection with the late payment in an amount not exceeding the agreed purchase price for the relevant Products.

4.5 HMS shall be entitled to satisfactory security for the timely payment by the Customer if HMS has reason to believe that the Customer has or will have difficulties paying. If such security is not immediately provided upon HMS's request, HMS shall be entitled to immediately suspend its work for the Customer and to stop further deliveries to the Customer.

## 5. Retention of Title

5.1 Title to the Products shall not pass to the Customer until payment in full thereof and until such time the Customer shall not be entitled to resell the Products and shall keep the Products clearly marked as belonging to HMS and separated from other property of the Customer or its other suppliers.

## 6. Liability for Defects

6.1 A Product shall be considered defective if it does not fulfill specified functionality and if it as a result thereof cannot be used for its intended purpose, provided that the defect is due to defects in material, design or manufacturing on the part of HMS.

6.2 HMS shall, in its sole discretion, remedy any defects by way of repair or replacement of the defective Product or by repayment of the purchase price. Should HMS choose to repay the purchase price, the Customer shall return the defective Product in essentially unaltered condition, failing which shall give HMS the right to deduct the value of the Product from the purchase price to be repaid.

6.3 HMS shall be obliged to repair or replace a defective Product or to repay the purchase price only if the Customer has given written notice of the defect to HMS as soon as it has discovered or ought to have discovered the defect and HMS shall only be liable for defects that have been notified within 1-3 years (depending on product) of the shipping date. The notification from the Customer shall contain a brief description of the nature of the defect.

6.4 The Customer shall be responsible and pay for the transportation of defective Products to the premises of HMS and HMS shall be responsible and pay for the transportation of replacement Products to the premises of the Customer.

6.5 If the Customer gives HMS notice of a defective Product and if it is subsequently discovered that there is no defect for which HMS is liable, the Customer shall compensate HMS for its work and for all costs in relation to the Customer's notice.

6.6 HMS shall have no liability for defective Products except as specified in this Clause 6. HMS shall under no circumstances be liable for any direct or indirect damages caused by defective Products unless HMS has been grossly negligent, in which case such liability shall be limited to the purchase price of the defective Product.

## 7. Liability for Damage to Property and Person Caused by the Products

7.1 HMS shall have no liability for damage to any immovable or movable property caused by the Products, or for any consequences of such damage.

7.2 The Customer shall indemnify and hold HMS harmless if HMS due to any act or omission on the part of the Customer incurs liability towards any third party in respect of loss or damage for which HMS is not liable according to Clause 7.1.

7.3 If a third party makes a claim for compensation against HMS or the Customer for any loss or damage referred to in this Clause 7 or otherwise relating to the Products, the party receiving the claim shall notify the other party in writing. HMS and the Customer shall be mutually obliged to let themselves be summoned to the court or arbitral tribunal which examines claims against either of them based on damage or loss alleged to have been caused by the Products.

## 8. Grounds for Relief (Force Majeure)

8.1 Neither HMS nor the Customer shall be liable for failure to perform any obligations under this Agreement, other than the payment of money, when the failure is caused by circumstances beyond the reasonable control of the affected party, including but not limited to flood, fire, strike or other labor disputes, accidents, war, riot, insurrection, acts of government, governmental regulation, shortage of energy, transport or supplies or delays or failure to perform by suppliers and subcontractors.

## 9. Disputes and Applicable Law

9.1 Any dispute, controversy or claim arising out of or in connection with these General Terms and Conditions or any order on which these General Terms and Conditions apply, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. Notwithstanding the foregoing, either party may bring an action in court in respect of an undisputed claim for payment.

9.2 The arbitral tribunal shall be composed of three arbitrators, the seat of arbitration shall be Gothenburg, Sweden, the language to be used in the arbitral proceedings shall be Swedish and this contract shall be governed by the substantive law of Sweden.

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