

Contract no:...

Unauthorized translation of:

CONTRACT

between Affärsverket svenska kraftnät (the Swedish National Grid) and
..... (reg.no. XXXXXX-XXXX) regarding delivery of to
.....

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APPENDICES:

- Appendix 1 Records of meeting for review of tender
- Appendix 2 General terms for supply of goods (without erection) to the
public sector (ALOS 05). (Not attached to the Contract)
- Appendix 3 Svenska Kraftnät's Technical Guidelines , TR 1-06, dated
2013-02-25, see www.svk.se
- Appendix 4 Tender from the Seller

Scope of Contract

1.1 S ALOS 05

Affärsverket svenska kraftnät (the "Purchaser") wish to engage (the "Seller") for deliveries of After negotiations, the parties have concluded this Contract, hereinafter referred to as "the Contract" or "this Contract".

This Contract is based on the General terms for supply of goods (without erection) to the public sector (ALOS 05), with supplements and amendments as set forth below.

Supplements and amendments are marked with "S" and "A", respectively. "A" means that the corresponding Clause in ALOS 05 is completely replaced.

Thus, this Contract comprises ALOS 05 with S/A as below and, where applicable, appendices.

Only sections or subsections of ALOS 05 with supplements and/or amendments are included below. Thus, the numbering of clauses below is not in unbroken consecutive order.

The supplements and amendments in this Contract shall thus be studied together with the provisions in ALOS 05.

1.2 S Variance

In case of variance between the provision in the main part of the Contract and any of the Appendices hereto, the provision in the main part of the Contract shall prevail.

In case of variance between a technical solution, design or construction, for which the Seller is responsible, and the agreed or guaranteed function, the function shall prevail. This shall apply irrespective of whether the Purchaser has taken part in or approved the solution, design or construction.

In case of variance among the Appendices, the Appendices shall prevail in the order as appears under the heading **Appendices**, or the Purchaser shall have the right to decide which appendix shall prevail, where this does not entail

increased costs, a later day of delivery or an increased scope of the delivery for the Seller.

1.3 S Indicated measurements

Measurements in numbers or letters indicated on drawings, that are not obviously incorrect, shall prevail against scale measurements.

1.4 S Supplements and amendments

Supplements and amendments to the provisions in this Contract apply only to the extent that the parties have agreed hereto in writing.

1.5 S The Seller's obligations

The Seller accepts the following obligations ("the Obligations") on the terms and conditions and with the definitions as are set forth in this Contract.

The Seller's Obligations include delivery of ... ("the Goods") in accordance with appendix ... as attached hereto.

Further, the Seller's Obligations include the obligation to provide the Purchaser with three (3) sets of Documentation.

The Goods are intended for use in ... ("the Installation").

"The Goods" shall mean all equipment and all material, inclusive of Documentation, such as technical data and descriptions, test reports, installation instructions and instructions for operation and maintenance.

1.6 S Drawings and technical documents

If agreed between the parties, the Seller shall, before production has been commenced, for scrutiny send such basic drawings, compilations, schedules, descriptions and data to the Purchaser that inform the Purchaser of the general form of the delivery. If the parties so specifically agree, the Seller shall in addition hereto send such manufacturing drawings that are necessary for the Purchaser to judge the design of the Goods. In both cases mentioned the documents shall be delivered in

the agreed number of copies and the Purchaser shall review them without delay.

The review by the Purchaser does not release the Seller from his responsibility according to Clause 19 below.

On request the Seller shall, free of charge and no later than the Date of Delivery, provide the Purchaser with sufficiently clear and detailed information and drawings for the Purchaser to be able to effectuate installation, start-up, operation and maintenance (including running reparations) for all parts of the Goods. If otherwise not agreed the documents shall be drawn up in Swedish.

The Seller is responsible for that the Purchaser possesses the necessary permits or rights to dispose of and use for the Goods any and all drawings and documents in the way agreed in this Contract as well as to use the patent and license rights that are used for the Goods. If the Purchaser becomes liable to compensate any third party due to infringement of aforementioned patent and license rights or any other protected right incorporated in drawings and other documents, the Seller shall be liable to compensate the Purchaser for that and for all other costs related thereto. The Purchaser shall, without unreasonable delay, notify the Seller in writing of any alleged infringement or any claim of infringement. The Seller shall take his own decisions regarding the defence and all negotiations of mediations or other settlements.

The Purchaser shall have the title to all original documents that have been produced or supplied by the Purchaser or produced or supplied by the Seller especially for the Goods.

The Seller retains, with the limitations pursuant to this Contract, the copyright according to law to the drawings and other documents that have been produced or supplied by the Seller and the unlimited and exclusive right to freely use his own designs and technical knowledge in assignments for third parties.

However, the Purchaser is entitled, without restrictions, to utilize drawings and other technical documents produced, and as a result of this delivery, supplied by the Seller to the extent required to be able to, without hindrance, erect, operate, perform maintenance and running reparations on the Goods

and in other ways use the Goods, as well as to develop and alter the Goods. Further, the Purchaser shall be entitled, for the acquisition of new equipment (including invitations of tenders and other contacts with third parties), to utilize, without restrictions, the drawings and other documents supplied by the Seller, that relate to the execution of the Goods and that are required in order to develop and alter the Goods, with the exception, however, of structural designs which, wholly or partly, are protected by patents.

In the event the Installation/the Installation site/the station is jointly owned with a third party, the corresponding right shall be held by the said third party.

As to secrecy, the Purchaser is subject to the provisions of the Freedom of the Press Act (Sw: tryckfrihetsförordningen) and the Public Access to Information and Secrecy Act (2009:400) (Sw: Offentlighets- och sekretesslagen).

1.7 S Right to use software

The Purchaser is entitled, for the intended use of the Goods (use, development, alterations etc.), to use the software that is included in the Goods and in connection herewith make the necessary modifications. However, for standard software that a third party has the copyright to, the limitations in the right of use that follow from third party's licensing conditions apply. The Seller shall inform the Purchaser in writing in advance about the third party's licensing conditions and the limitations in the right of use which follow from them.

If the obligation arises to indemnify a third party on account of software included in the Goods constituting an infringement of a third party's rights, the Seller shall be liable to indemnify the Purchaser for that as well as for other costs connected therewith. The Purchaser shall, without unreasonable delay, notify the Seller in writing of alleged infringement or claim of infringement. The Seller is entitled to make his own decisions regarding the defense and all the negotiations of mediations or other settlements.

At the expiry of the guarantee period under Clause 20 A, the Seller shall hand over to the Purchaser all software applications the have been developed and/or adapted uniquely for the Purchaser and the Goods.

1.8 S The Act on Procurement within the Utilities Sectors

Special regulations relating to governmental purchases are found in the Act (2007:1092) on Procurement in the water, energy, transport and postal services sectors (Act on Procurement within the Utilities Sectors).

1.9 S Validity of the Contract

This Contract is signed by the Parties after

(i) the expiry of the standstill period as stated in Chapter 16, Articles 1 and 8 of the Act on Procurement within the Utilities Sectors, and, where applicable, after the expiry of the ten-day period as stated in Chapter 16, Article 10 in the aforementioned Act, and

(ii) clearance has been obtained from the competent county administrative court that no application for a review as stated in Chapter 16 of the Act on Procurement within the Utilities Sectors has been submitted.

As far as the Parties are aware at the time of signing, no county administrative court has passed an interim decision as stated in Chapter 16, Article 9 in the Act on Procurement within the Utilities Sectors, preventing the Purchaser from entering into any other agreement until otherwise has been decided.

If after signing this Contract it would become known that, contrary to the above, the Contract has been entered into in violation of Chapter 16, Article 13, Section 2, first sentence, of the Act on Procurement within the Utilities Sectors and that the contract award procedure preceding this Contract is the object of an application for review in accordance with Chapter 16 of the Act on Procurement within the Utilities Sectors, this Contract shall immediately terminate and cease to be in effect without any specific measures required from any one of the Parties.

Neither one of the Parties will be entitled to any claims against the other Party on the grounds of such termination, except if and to the extent a right to compensation follows

from compulsory provisions in the Act on Procurement within the Utilities Sectors.

If this Contract is declared invalid in accordance with Chapter 16, Article 13 of the Act on Procurement within the Utilities Sectors, the Seller will not be entitled to any reimbursement from the Purchaser, beyond what the Seller is entitled to because of compulsory provisions in the Act on Procurement within the Utilities Sectors.

1.10 S Swedish version

In the event of this Contract with appurtenant appendices also being drawn up in a language other than Swedish, the former has been drawn up for the sake of service only. In interpretation or application of the Contract with appendices, the Swedish version shall be exclusively determining.

Examination and testing prior to delivery

2 S

When performing the Obligations, the Seller shall apply a quality assurance system agreed by the parties. No later than one month after the date of the signing of this Contract, the Seller shall furnish the Purchaser with the quality assurance system the Seller intends to use for the Obligations, which submission shall also contain a program for the tests and inspections to be performed. If the Seller intends to make amendments to the quality assurance program, the amendment shall be submitted to the Purchaser for approval, unless the amendment is of minor importance.

The Purchaser is entitled at any time, to control the Seller's observance of the said quality assurance program. The Seller shall in its agreements with sub-contractors assure the Purchaser the corresponding right of control of the sub-contractor. The Seller and, where applicable, its sub-contractor shall be obliged to, as soon as possible, remedy defects and discrepancies revealed pursuant to the Purchaser's inspection of the quality assurance program.

3 S

If the parties do not agree otherwise the Seller shall, at his own expense, perform tests, at which the Purchaser shall be given opportunity to be present. If the Contract does not provide technical stipulations regarding inspection and tests in the form of descriptions of method, standards etc. the inspection and tests shall be performed in accordance with the standards generally used in the line of business in question.

Minutes from the inspections and tests shall be kept and sent to the Purchaser. If the inspections or tests reveal that the Goods do not satisfy the agreed characteristics or show other inadequacies of design, material or manufacture in the Goods the Seller shall without delay rectify the fault. Before the Goods is presented for another inspection or test the Seller shall inform of the measures taken.

If the Seller has retained a sub-contractor for construction, design, procurement of materials and/or production for the Obligations, the Seller shall in its contracts with the sub-contractors assure the Purchaser the corresponding right of delivery control at the sub-contractor and furthermore, a right to perform tests at the sub-contractor's premises on the same conditions as set out above.

Delivery Clause**4 A**

The delivery clause shall be Incoterms DDP with the following delivery address. The Seller is also liable for the unloading of the Goods at the place of delivery. The Goods may not be delivered to the place of delivery before or after regular working-hours without consent of the Purchaser.

Delivery address:

Delivery time**5 A**

The Seller shall deliver the Goods at the place of delivery on....., ("Date of Delivery").

Delay in delivery and liquidated damages

9 A

If the Goods are not delivered in the agreed time, the Purchaser is entitled to liquidated damages.

Liquidated damages shall be paid for each commenced seven-day period for the duration of the delay amounting to 1 % of the total Contract Price, with the addition of costs for variations and additions.

However, the liquidated damages shall not exceed a total of 10 % of the total Contract Price, with the addition of costs for variations and additions.

The liquidated damages may be deducted from payment to be made by the Purchaser to the Seller. Otherwise the liquidated damages fall due no later than 30 days after receipt of the Purchaser's invoice.

Apart from the liquidated damages above and the right to revoke the purchase in accordance with Clause 10, including the right to receive compensation for damage in accordance with Clause 11, the Purchaser is not entitled to any other compensation from the Seller due to the Seller's delay in delivery.

Price

14 A

For the Seller's complete Obligations according to this Contract, the Purchaser shall pay to the Seller a fixed price, without indexation, of a total of **kronor**(**SEK**.....), ("The Contract Price").

The Contract Price shall be fixed in SEK, including packing, freight, customs duties, customhouse charges etc. It may be adjusted with regard to cost changes due to actions by authorities, as well as cost changes which are caused by war or another state of crisis with similar effects and which relates to facilities or services necessary for the Installation. However, the Contract Price shall be adjusted only insofar as the cost change was unforeseeable and substantially affects the total cost of the

Installation.

Costs of surety for advance payment as well as surety for the Seller's obligations during the guarantee period shall be included in the Contract Price.

In addition to the Contract Price, the Purchaser shall pay applicable Value Added Tax (VAT).

Payment

15 A

Payment Plan: 100% after delivery including documentation. Payment does not imply endorsement of the item.

17 A

Payment shall be made against invoice 30 days after each performance has been completed and approved, and the corresponding date for each stage has occurred. For payment after the completion of the last stage, "Delivery of approved final documentation", the Purchaser shall pay after completion of the performance regardless of the date.

Invoices shall be sent to:

Svenska Kraftnät
Ref. [cost centre, initials]
P.O. Box 306
S-830 23 Hackås, Sweden

The Purchaser will accept e-invoice in the form of Svefaktura.

Any advance payment by the Purchaser (Partial payment no. P1 to Px above) will be made only against the Purchaser's receipt of a Bank Guarantee by a Swedish Bank, acceptable to the Purchaser, of the same amount. The Bank Guarantee shall be of *On First Demand* type. The Bank Guarantee shall remain in force at least until, and be returned at, the payment of partial payment Px. The Bank Guarantee shall be returned, if repayment of the advance payment is made in full, and reduced to the same extent, if repayment is made in part.

Before payment for the performance "Approved delivery", the Seller shall submit to the Purchaser a Bank Guarantee by a Swedish Bank, acceptable to the Purchaser, of an amount

corresponding to 10 percent of the Contract Price plus costs for variations and additions, which shall be effective during the Seller's guarantee period. The Bank Guarantee shall be of *On First Demand* type and shall also cover any claim for compensation by the Purchaser within one month after the expiration of the guarantee period, if the ground for the claim is related to time before the expiration of the guarantee period.

Where prolonged liability is applicable to the Seller in accordance with Clause 20, second paragraph, the Seller is entitled to a reasonable depreciation of the Guarantee.

No payment of any amount will be made prior to the Purchaser's receipt and approval of the Bank Guarantee corresponding to the payment in question.

18, 2nd para. A

If the date of approved delivery is postponed due to circumstances beyond the control of the Seller, the Purchaser shall pay interest in accordance with the Act on Interest (1975:635) (Sw: räntelagen) for the period of time that the payments have been postponed.

If payment is not made in due time, penalty interest shall be payable in accordance with the Act on Interest (1975:635).

Interest is not to be paid on withheld amounts subject to contention.

Faulty goods

20 A

A fault that transpires within two (2) years of delivery of the Goods shall be deemed to have existed at the time of delivery unless the Seller can prove otherwise or this is incompatible with the nature of the Goods or fault. Correspondingly, a fault that appears within two (2) years of the Goods or part of the Goods being exchanged or repaired shall be deemed to have existed when the repair or exchange was completed.

If the Goods as a consequence of a fault in accordance with Clause 19 are unusable for more than one (1) month, the above-mentioned times shall be extended by the time during which the Goods were unusable.

Notwithstanding the above provisions, the Seller is not liable for any part of the Goods for longer than four (4) years from the original date of delivery.

22, 3rd para. A

If the defect is fundamental, the Purchaser may instead revoke the Contract by written notice to the Seller. The Purchaser may also revoke the purchase if the fault after a measure referred to item a. is still fundamental.

22 S

The Seller is strictly liable to the Purchaser for all damage to the Goods and other property of the Purchaser due to faults, defects or deficiencies. The Seller shall also compensate the Purchaser for any damage to the Purchaser caused by negligence of the Seller or any personnel employed or engaged by the Seller.

Compensation under this Contract shall not be paid for indirect damage or consequential losses, such as loss of production, loss of profit, lost use of equipment, capital costs, loss of income, disturbance in production or other commercial activities, costs due to interruption of operation, compensation for loss of power or for replacement power, loss of anticipated savings or increased costs of operation, damages or other compensation the Purchaser is liable to pay according to agreements with customers or others, or other circumstances equal to the above mentioned situations – provided that the damage has not been caused by gross negligence.

If the Purchaser revokes the Contract according to this Clause 22, the Seller shall also compensate the Purchaser for all his direct costs for dismantling and return of delivered Goods.

The Seller shall indemnify the Purchaser for any damages that the Purchaser, according to a final judgment/decision or a settlement approved by the Seller, is obligated to pay for damage caused to a third party as a consequence of the Seller's obligations under this Contract. However, the Seller shall not be obligated to indemnify the Purchaser for damages that the latter is obligated to pay because of an agreement entered into with a third party or a judgment/decision based on a claim admitted by the Purchaser without the Seller's approval. The Seller is also liable for decontamination (Sw. sanering), subsequent treatment (Sw. efterbehandling) and damage due to

land pollution, water pollution or air pollution caused by the Seller or by any circumstance on the Seller's part, excluding liability for any pre-existing pollution.

The Seller's liability under this Contract is limited to the higher of the Contract Price or twenty five million kronor (SEK 25,000,000). If the Contract Price is less than 25,000,000 kronor, the Seller's liability is thus limited to said amount. This limitation of liability does not apply if the Seller has acted with gross negligence.

The Seller is obliged to maintain a satisfactory third party insurance covering all his liabilities according to the above and shall within ninety (90) days from the signing of this Contract, however not later than fourteen (14) days from the Date of Delivery, submit to the Purchaser evidence of the insurance.

Disputes

27 A

All disputes between the Seller and the Purchaser arising out of this Contract shall be settled in accordance with Swedish law by Swedish courts with the district court of Stockholm as the court of first instance.

Revocation under certain conditions

28 S

The Purchaser may revoke the Contract if the Seller no longer fulfils the qualification requirements stipulated in the procurement contract documents (*Sw. förfrågningsunderlaget*).

Execution of Contract

This Contract is made and executed in two original copies whereof the parties hereto have taken one copy each.

Sundbyberg

Affärsverket svenska kraftnät

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