

ERICSSON'S GENERAL PURCHASING CONDITIONS

These General Purchasing Conditions ("GPC") shall apply between Ericsson and Seller if referred to at any stage during the procurement process concerned (e.g. in the request for quotation, the purchase order or in the contract), unless otherwise is separately and explicitly agreed in writing between the parties.

1. DEFINITIONS

"Agreement" means these GPC and all other documents the parties have agreed in writing or electronically to form part of the agreement governing Ericsson's procurement of Products.

"Ericsson" means the Ericsson company procuring Products from Seller under the Agreement.

"Documents" means any drawings, documents, software programs or other type of documentation.

"Products" means the component, equipment and other products that Seller supplies under the Agreement.

"PO" means purchase order.

"Seller" means the company that receives a purchase order from Ericsson.

2. ORDER CONFIRMATION

Seller shall within five (5) working days after having received the PO either confirm the PO or reject it. If Seller starts to deliver in accordance with the PO, then Seller is deemed to have accepted the PO.

3. PRICES, INVOICES AND TERMS OF PAYMENT

The prices stated are fixed and include all taxes, charges and duties payable up to and including delivery.

Invoicing and payment shall be made in accordance with Ericsson's instructions. A valid invoice shall at a minimum contain a reference to the PO, Seller's name and address, and specification of the Products purchased. With deviation from what otherwise may be provided for under applicable law, it is expressly agreed that payment shall be effected within one hundred and twenty (120) days from date of complete and successful delivery of the Products, including any Documents, and receipt of a correct invoice. Further guidelines and requirements for invoices, including support for e-invoicing and Supplier Self-Service can be found at: <http://www.ericsson.com/thecompany/sourcing/supplier-partner-resources/invoicing-payments>. In case of delayed payment of approved invoices, Seller shall notify Ericsson thereof and Ericsson shall thereafter expedite the payment.

4. DELIVERY DOCUMENTS AND PACKAGE

The price shall include the cost of packing and package or other protection required under normal transport conditions to prevent damage to or deterioration of the Products while in transit. The Products shall be packed and marked in accordance with Ericsson's instructions. The PO and Product numbers (if any) shall be set out in the shipping documents.

5. TERMS OF DELIVERY – PASSING OF TITLE

The terms of delivery shall be interpreted in accordance with INCOTERMS 2010. Title to the Products shall be transferred to Ericsson when delivery has taken place.

6. DOCUMENTATION

Any Documents provided to Seller by Ericsson shall remain Ericsson's exclusive property and shall be returned to Ericsson upon request. The Documents may not be copied, reproduced or distributed without prior express written approval by Ericsson.

Documents specifically prepared by Seller as a result of Ericsson's PO and delivered to Ericsson shall be the property of Ericsson. With respect to other Documents provided by Seller, Ericsson shall have the unrestricted right to copy and use such Documents for the purposes intended by Ericsson when purchasing Products.

7. CONFIDENTIALITY

The parties shall treat as confidential and not disclose to any third party any documentation or any information of any kind that a party provides under this Agreement and designates as confidential, including this Agreement. The receiving party shall only use such documentation or information for the purposes of this Agreement. Neither party is liable for disclosing any confidential information if it was:

- (a) public knowledge at the time of disclosure or thereafter becomes generally known, other than through an act of negligence by the receiving party;
- (b) already known to the other party before the disclosing party receives it;

- (c) demonstrably developed at any time by the receiving party without any connection to the information received under this Agreement;
- (d) rightfully obtained by a party from other unrestricted sources; or
- (e) disclosed with the prior written permission of the disclosing party.

Seller shall not, and shall ensure that any of its subcontractors do not, advertise, publish or otherwise disclose that Ericsson is purchasing Products by Seller or the terms of this Agreement, without prior written approval by an authorized Ericsson official.

This Section 7 survives for five years after the date this Agreement terminates.

8. QUALITY, DATA PROTECTION AND COMPLIANCE

Seller and its Products shall, as applicable, comply with:

- (a) all requirements imposed by laws or regulations applicable to Seller and the production, transport and sale of Products;
- (b) the ISO 9001 quality system standards and the ISO 14001 environmental system standards;
- (c) the Code of Conduct;
- (d) the applicable requirements as specified in the latest versions of the (i) Ericsson Supplier Environmental Requirements, (ii) the Supplier Occupational Health and Safety Requirements, (iii) the Baseline Information Security and Privacy Requirements for Suppliers and (iv) Ericsson group's "Data Processing Clauses" in the event of access to or processing of personal data, ;
- (e) Ericsson's directive on banned and restricted substances;
- (f) any technical standard, or environmental or other requirements as set out in the Specification; and
- (g) any other requirements agreed between the parties.

The latest applicable versions of the documents referred to under (c)-(e) are available at:

www.ericsson.com/responsible_sourcing

9. DELAY

Should Seller become aware of reasons to believe that the agreed delivery date cannot be met, Seller shall immediately notify Ericsson in writing, stating the cause of the delay and an estimated delivery date. Such notification shall not limit Seller's liability for delay according to this Agreement or applicable law. If Seller fails to give such notice in due time, Ericsson shall be entitled to compensation for all additional costs and expenses incurred as a result thereof which Ericsson could have avoided if the notice had been duly given.

If the Products are not delivered within the time agreed, Ericsson shall, for each commenced week of delay, be entitled to claim liquidated damages amounting to five per cent (5%) of the relevant purchase order price. The liquidated damages shall not, however, exceed a total of forty percent (40%) of the said price. Independently of the now said, Ericsson shall always be entitled to cancel the relevant purchase order or parts thereof, provided that the delay is not insignificant.

10. WARRANTY

Seller warrants that it has and will maintain sufficient rights and interests in the Products provided hereunder. Seller warrants that the Products will perform and conform to the specifications and will meet what otherwise has been agreed upon, and will be free from defects, deficiencies and non-conformities in design, materials and workmanship. Products delivered may be rejected by Ericsson and returned at Seller's risk and expense if at any time found defective, deficient or non-conforming in the above mentioned respects during a warranty period of twenty-seven (27) months starting from the date of delivery of the respective Products. In such cases Seller shall be obliged at its own cost to, at the option of Ericsson, repair the Products or replace them with new Products that are free from defects, unless Ericsson cancels the purchase concerned, wholly or in part. Repair and replacement shall be carried out promptly upon demand. When a defect has been remedied, Seller shall be liable for defects in the replaced or repaired Product under the same terms as those applicable to the original Product for a period of twenty-seven (27) months.

In addition to the warranties above, Seller shall be obligated to remedy any systematic defects in the Products. A systematic defect is a defect with the same root cause that appears or is likely to appear during the reasonably expected life time of the concerned Products in more than one per cent (1%) of the such Products delivered during any relevant time period, as determined by Ericsson in its sole discretion. In case of a systematic defect in the Products, Seller shall promptly:

- a) at no charge to Ericsson, replace all units of the respective Products delivered up to the time that the systematic defect has been remedied by Seller;
- b) reimburse Ericsson for the actual costs for investigating and analyzing the scope of and consequences resulting from the systematic defect, and the actual costs for the removal and replacement of such defective Products at the Sites; and
- c) indemnify Ericsson for all other costs and damage incurred by Ericsson in connection with such defective Products.

Seller's obligations regarding systematic defects shall be applicable for the full expected life time of the relevant Products, which time, however, never shall be shorter than five (5) years from the delivery of the relevant Products. If Seller fails to fulfill its obligations above within the prescribed time, Ericsson may - without prejudice to other remedies available – undertake, or engage a third party to undertake, necessary remedial works at the risk and expense of Seller.

11. PRODUCT LIABILITY

Should the Products have a defect which causes damage to persons or to other property than such Products, Seller shall indemnify and hold Ericsson harmless for such damage.

12. EXPORT AND IMPORT

Seller shall obtain and maintain any export licenses required for delivery of the Products to Ericsson according to the purchase order. Seller shall inform of and issue all documentation which may be required by law, regulation or reasonably requested by Ericsson regarding the export, import or re-export of the Products. Prior the execution of this agreement, Seller is responsible to provide relevant data about the Products, including but not exclusive to the export control commodity numbers ("ECCN"), country of origin, and United States CCATS number ("Commodity Classification Automated Tracking System") of products according to US and EU export administration regulations or the corresponding data according to other applicable regulations. Seller shall update the information and documentation on a continuous basis and immediately inform Ericsson of any revision. Seller warrants that the information and documentation is and will be correct.

13. INDEMNIFICATION

Seller shall defend, indemnify and hold harmless Ericsson from and against any and all damages suffered and costs and expenses (including reasonable attorneys' fees) incurred as a result of any claim, suit or proceeding brought against Ericsson or any of its customers based on the allegation that the use, sale, distribution or other disposal of any Products constitutes an infringement of any intellectual property rights or applications thereof (including but not limited to patents, utility models, mask work protections, industrial designs, copyrights and trademarks) or an unauthorized use of know-how, trade secrets or other proprietary rights.

In the event that the Products or any part thereof are in such claim, suit or proceeding held to constitute an infringement or their further use, sale, distribution or other disposal is enjoined, Seller shall promptly, at its own cost and expense but at Ericsson's option, either; (a) procure for Ericsson and/or any concerned customer the right to continue the use, sale, distribution or other disposal of such Products; (b) replace the same with non-infringing Products of equivalent function and performance; or (c) modify such Products so that they become non-infringing without detracting from function or performance.

14. INSURANCE

Seller shall ensure that it has sufficient insurance (e.g. business interruption and liability insurances).

15. FORCE MAJEURE

The performance of either party under the Agreement shall be extended by a reasonable period of time if such performance is impeded by an unforeseeable event beyond such party's control, which shall include but not be limited to acts of God, industrial actions, riots, wars, embargo, sanctions or requisition (acts of government) ("Force Majeure"). In case of Force Majeure, the relevant party shall promptly notify and furnish the other party in writing with all relevant information thereto. Should an event of Force Majeure continue for a consecutive period of more than three (3) months, Ericsson shall have the right to terminate the Agreement. In such a case, Ericsson shall pay to Seller the price of Products delivered up to the date of termination.

16. AUDITING AND INSPECTIONS

Upon reasonable notice to Seller, Ericsson may (itself or through any designated third-party consultant), at no additional charge to Ericsson, conduct audits or otherwise inspect Seller's premises during normal business hours in order to verify processes and quality systems, Code of Conduct compliance, and quality control of the Products as well as other compliance with the Agreement. Seller shall for such audits make all relevant data, records, information and documents of relevance available for inspection, as well to make relevant Seller personnel available

to answer questions. Seller shall for such audits or inspections also use its best efforts to allow Ericsson to inspect the premises of Seller's subcontractors or suppliers. If an audit or inspection shows that Ericsson's reasonable requirements are not met, Seller shall without delay act in order to correct the situation at no cost to Ericsson.

17. GOVERNING LAW AND ARBITRATION

The laws of Sweden (excluding its conflict of law principles) govern the Agreement and any purchase orders concluded under this Agreement.

Any dispute or difference between the parties arising out of or in connection with this Agreement or purchase order shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce (the "Rules") in Stockholm, Sweden, by three (3) arbitrators, appointed in accordance with the Rules. The arbitration proceedings shall be conducted in the English language. Any awards may be enforced by any court or authority having jurisdiction. All arbitral proceedings shall be kept confidential, and any information, documentation or material in whatever form disclosed in the course of such arbitral proceeding shall only be used for those proceedings.