MICHELIN NORDIC AB (MNAB) General terms and conditions for supply of products to customers (Customer) by Michelin Nordic AB (MNAB)

1. **Preamble**: These General terms and conditions once made available by MNAB to its customers, regardless of the method of communication, incl. website www.michelin.se/generalterms, are applicable for all orders from customers. They stay applicable until amended or updated General Terms and Conditions are made available by MNAB to its customers, regardless of the method of communication.

MNAB and the customer may agree, in writing, on amendments to the General terms and conditions.

 Prices bonus rebates: Orders shall be at prices (and conditions) set by MNAB, applicable on the date of delivery. MNAB shall be entitled to change the applicable prices, including bonuses and rebates, without notifying the Customer. Prices given are exclusive of value added tax, environmental charges and any state imposts. MNAB reserves its right to impose a surcharge for non-electronic

(i.e. telephone) order and for non-electronic invoice (i.e. paperbased).

- 3. Delivery: MNAB shall be liable for carriage to the Customer's delivery address registered in the Michelin Customer Account. MNAB reserves the right to add a delivery charge for small value orders. MNAB shall use reasonable endeavours to meet desired delivery dates but MNAB has no liability if it is unable to do so.
- 4. Payment terms: Payment shall be received by MNAB within 30 days of the invoice date, unless otherwise agreed. Neither a promissory note nor any other undertaking to pay shall be deemed to be payment until fully honoured. Should the Customer not pay in due time, MNAB shall be entitled to late payment interest of two (2) per cent per month from the due date. The Customer shall be deemed to have accepted these payment terms if no complaint thereto is submitted to MNAB.
- 5. **Retention of property:** the supplied goods shall remain MNAB's property until they have been fully paid for in accordance with contract and applicable General Terms and Conditions, to the extent that such retention of title is valid under applicable law.

6. Defective goods – obligation to notify - compensation:

On receiving the goods, the Customer is under a duty to check the delivery against the packing/delivery note and to conduct inspection for defects in material and manufacture, damage to goods and packaging and quantity delivered. Defective goods that are replaced are the property of MNAB and shall be returned to MNAB unless otherwise specified. If the Customer does not notify MNAB within the given time limit and in accordance with the stipulated conditions below, MNAB shall be entirely free from responsibility.

- 6.1 Defects that have arisen during transport, damage in transit: On delivery of the goods, the Customer is under a duty to inspect the goods without delay and at the latest within 7 days, and notify MNAB immediately of visible and hidden defects that can be presumed to have arisen during transit. In order for the Customer to receive compensation, the notification must be made to the carrier (marking on the delivery note) and to MNAB. No compensation will be paid out if notification is sent to Michelin after 7 days.
- 6.2 Defects that have existed prior to delivery to the Customer: MNAB's liability for defects in the goods shall apply only to such defects as constitute original defects i.e. that were present before delivery to the Customer. Defect shall mean only defects in material or manufacture. MNAB shall be liable to exchange the defective goods for new, fault free ones, unless after a case by case examination and analysis of the defect in the goods it is

decided that the Customer shall pay for the new goods. Claims with regards to these defects shall be communicated directly and immediately to MNAB after the Customer has received the goods and written notification shall be sent to MNAB no later than two (2) weeks after the time of delivery.

6.3 Defects arising after delivery of goods to the Customer:

MNAB's liability shall not extend to defects caused by circumstances that arose after the risk in the goods had passed to the Customer. MNAB's liability does not, for example, extend to defects caused by improper storage or incorrect handling on the Customer's part. Furthermore, MNAB shall not be liable in any respect for damage arising through abnormal use of MNAB's products. The conditions laid down by MNAB, especially with regard storage, mounting, inflation, pressure and use, shall be adhered to by the Customer. The Customer shall be under a duty in turn to inform users and its own customers thereof.

It is forbidden to change or mutilate wholly or in part marks or numbers on MNAB's products without MNAB's approval or to sell products that have been changed or mutilated

6.4. Economic loss:

MNAB shall not be liable to make any compensation to the Customer for loss of production, profit or other economic or indirect loss

6.5. Return of new tyres:

MNAB will only accept return of new tyres for tyres delivered up to a maximum of 12 months prior to the time of return. If the return has first been validated by MNAB, the Customer needs to present the initial invoice or delivery note as a proof of the purchase before any credit note will be issued. MNAB reserves the right to invoice the Customer the cost of the return.

- 7. **MNAB's recommended conditions:** MNAB's recommended conditions of storage, tyre selection, mounting, inflation, pressure, tyre use and its limits, tyre monitoring, repairs or similar interventions, and tyre maintenance, as stipulated by MNAB, shall be followed and respected by the Customer who in turn are held to inform the end users of the above mentioned conditions.
- Repairs: The Customer shall train its employees who are involved in placing MNAB's products with the end users and prohibit all repairs (tyre punctures, rim welding) without first demounting the tyre. The Customer agrees to consult MNAB's technical documentation or one of MNAB's technicians, or, ultimately, MNAB's web site at <u>www.michelin.se</u>.
- 9. Force Majeure: Each Party shall be relieved from liability for a failure to perform any obligation under this Agreement during such period and to the extent that the due performance thereof by such Party is prevented by reason of any circumstance beyond the reasonable control of the Party, such as act of God, war, terrorism, civil disturbance, malicious damage, strike, lockout, industrial action, lack or failure of transportation facilities, fire, flood, drought, extreme weather conditions, compliance with any law or governmental order, rule, regulation, direction or other circumstance beyond the reasonable control of either party ('Force Majeure Event'), provided that such Party could not reasonably be expected to have taken into account the occurrence and the effects of the occurrence upon its ability to perform hereunder, and that it could not reasonably have avoided the occurrence and overcome its effects.

The Party desiring to invoke Force Majeure Event hereunder shall give immediate notice to the other Party of the commencement and the cessation of such Force Majeure Event, failing which the Party shall not be discharged from liability for any non-performance caused by such Force Majeure Event. Both Parties shall make all reasonable efforts to prevent and reduce the effect of any non-performance of this Agreement caused by a Force Majeure Event.

- 10. **Copyright:** Michelin invests heavily in research and development to ensure that its tyres achieve a high level of performance. Michelin is aware that certain organisations attempt to copy Michelin tyres or present their products as Michelin tyres. Legal proceedings will be commenced against any infringement of Michelin tyres or misuse Michelin's intellectual property rights
- 11. **Homologations:** Tyres for the European market have to comply with specific legislative requirements. This is shown by tyres being marked "E2" or equivalent. Michelin has no responsibility for tyres sold, distributed or used in Europe which are not E-marked. Michelin does not guarantee their performance.
- 12. **Export Control**: The Customer shall comply with all applicable laws and regulations with regard to the supply, sale, transfer, export, re-transfer, or re-export of the goods, including: economic sanctions; export controls; and, trade embargoes ("Sanctions").
- 12.1 The Customer shall not cause MNAB to, either directly or indirectly, risk any potential violation of any applicable Sanctions. Furthermore, the Customer will not supply, sell, transfer, export, re-transfer, re-export, otherwise make available or use any goods supplied by MNAB in order to circumvent, evade or avoid any applicable Sanctions.
- 12.2 The Customer shall only supply, sell, transfer, export, retransfer, re-export, otherwise make available or use the goods as permitted by applicable law and shall not supply, sell, transfer, export, re-transfer, re-export, or otherwise make available, either directly or indirectly, any goods.
 - a) To any party resident, located, registered, incorporated, domiciled or head-quartered in any jurisdiction subject to Sanctions;
 - b) To any individual, entity or body either: (i) specifically designated or listed under Sanctions; (ii) owned or controlled by any person specifically designated or listed under Sanctions; or, (iii) acting for or on behalf of any person specifically designated or listed under sanctions ("Restricted Persons"); and
 - c) For any use, purpose or activity which is prohibited or otherwise restricted under Sanctions,

without Michelin's prior written approval.

- 12.3 Where MNAB has reasonable cause to suspect that any goods may be or have been supplied, sold, transferred, exported, retransferred, re-exported, otherwise made available to any jurisdiction subject to Sanctions, or to a Restricted Person, or for any use, purpose or activity which is prohibited or otherwise restricted under Sanctions, MNAB reserves the right to:
 - a) Immediately suspend its performance under the Agreement;
 - b) Request further information or documentary evidence from the Customer, including but not limited to:
 - i. Any licences, authorisations, permits, or approvals obtained by the Customer with respect to the supply, sale, transfer or export of the Products;
 - ii. Any End User Certificates or Undertakings supplied to the Customer;
 - iii. Any shipping or commercial documentation, including: invoices; or, bills of lading,

in order to verify the end use(s) or end user(s) of the goods.

c) Refuse any future sale, supply, transfer or export of the goods to the Customer.

- 12.4 The Customer shall immediately notify Michelin if the Customer, or any of the Customer's Group Companies, or any of their respective directors or officers is a Restricted Person. Furthermore, the Customer shall immediately inform Michelin if the Customer is aware or has reasonable cause to suspect that either the Customer, or any of the Customer's Group Companies, or any of their respective directors or officers may become a Restricted Person.
- 12.5 In the event that any Product supplied by Michelin is resupplied, re-sold, re-transferred, re-exported, re-distributed or otherwise made available to any third party, The Customer shall take all actions reasonably necessary to ensure that such third parties: (a) Comply with any applicable Sanctions; and, (b) Do not cause Michelin to violate any applicable Sanctions.
- 12.6 The Customer shall indemnify and hold harmless MNAB from and against any losses, costs, claims, causes of action, damages, liabilities and expense, including attorneys' fees, any expense of litigation or settlement, and court costs, arising from any noncompliance with Sanctions by the Customer, and the Customer shall compensate MNAB for any losses and expenses resulting thereof. The Customer shall be responsible for any act or omission of the Customer, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.
- **13.** Amendments to these General terms and conditions: MNAB reserves its right to modify, at any time without notice, the General terms and conditions. The amended General terms and conditions are applicable from the moment they have first been made available to customers, regardless of the communication support.

The applicable General terms and conditions are available on MNAB website (<u>www.michelin.se/generalterms</u>) and, upon request to the customer service, in electronic or paper format:

Michelin Nordic AB,

Kundtjänst, Box 47175, SE-100 74 Stockholm e-mail: <u>order@michelin.com</u> Tel +46 (0)8 709 07 00

14. **Disputes Settlements:** Disputes relating to the General terms are governed by Swedish Law and shall be settled by Stockholm District Court.