

1. INTRODUCTION

1.1. These General Terms and Conditions shall apply to the purchase of all materials, chemicals, equipment and other goods by Purchaser, unless otherwise agreed in Writing. The Sale of Goods Act (1990:931) (Sw: Köplagen) shall apply secondarily.

2. DEFINITIONS

2.1. "Agreement" means the agreement or purchase order to which these General Terms and Conditions are attached or in which reference is made to them. The term Agreement also includes these General Terms and Conditions.

2.2. "Force majeure" means circumstances outside a party's control that could not be foreseen when the Agreement was entered into and that could not reasonably have been prevented, such as but not limited to war, orders by public authorities, labour disputes that a party was unable to affect, currency restrictions, natural disasters, fire, explosion or other similar circumstances. Strike, boycott, lockout or other labour conflicts that is due to a party not complying with common regulation or principles on the labour market or collective bargaining agreement, shall not constitute Force Majeure.

2.3. "Purchase order" means the purchase order that the Purchaser issues when ordering the Product.

2.4. "Purchaser" means Luossavaara-Kiirunavaara AB (publ) org. nr 556001-5835 or, if so stated in the Agreement, any of the companies within its corporate group.

2.5. "Supplier" means the supplier that is stated in the Agreement.

2.6. "Product" means the product that is stated in the Agreement, including documentation and software where applicable.

2.7. "in Writing" means a document that is signed by both parties or a Purchase order, letter, fax or e-mail.

2.8. "Law" means applicable laws, regulations and other authority requirements and decisions, including without limitation the EU chemicals legislation REACH.

3. GENERAL REQUIREMENTS

3.1. Supplier warrants that the Product and its packaging will conform to the Product specification, the Agreement, applicable Laws and generally accepted trade practices and standards and otherwise is free from defects and nonconformities resulting from faulty design, workmanship or materials.

3.2. Where no specific packaging standards have been agreed, the packaging of the Product shall conform to generally applied packaging standards for goods such as the Product and be suitable for the selected mode of transportation and the conditions at the place of delivery. The packaging shall be marked with the Purchase order number.

3.3 All correspondence from the Supplier to the Purchaser shall include the Purchase order number and name of the Purchaser's representative who ordered the Product.

3.4. When there are specific regulations for documentation, handling or marking of the Product due to the Product's dangerousness or any other reason, the Supplier shall ensure that it has full knowledge of and comply with such regulations and shall ensure that those who handle the Product are aware of all risks connected thereto.

3.5. The Supplier undertakes to comply with all Basic Requirements in LKAB's Supplier Code of Conduct and all requirements stipulated in LKAB's Supplier Handbook, both documents as applicable at any time and available at www.lkab.com.

3.6. The Supplier shall, at its own cost, procure and maintain a liability insurance in a sufficient liability amount, taking into account the nature and scope of its obligations and liabilities under the Agreement, however not less than SEK 25 million per damage. The deductible shall not be more than 50 000 SEK. If the Supplier fails to provide to the Purchaser with a certificate of insurance, the Purchaser may himself contract the insurance necessary to provide the agreed insurance coverage at the Supplier's expense.

4. DOCUMENTATION AND SOFTWARE

4.1. The Supplier shall, in Writing and free of charge, provide all documentation and all instructions that are required by Law and that are reasonably needed by the Purchaser to be able to use the Product for the intended purpose. The documentation shall be in Swedish.

4.2. The Supplier grants to the Purchaser (and all companies within the Purchaser's corporate group) a free and unrestricted right to use all documentation related to the Product and to all software in the Product during commissioning, use, operation and maintenance of the Product. This includes the right to do any modifications necessary in such documentation and software. Innovations, improvements and changes made by the Purchaser in the documentation are owned by the Purchaser. For the avoidance of doubt, the license under this section 4.2 is free of charge.

5. DELIVERY

5.1. The Product shall be delivered DDP (Incoterms 2010) to the site stated in the Agreement, unless the Parties have agreed otherwise in Writing.

5.2. The Product shall be delivered at the time stated in the Agreement or, if not stated, during the Purchaser's ordinary working hours at the relevant delivery site. The delivery shall be carried out so that the Purchaser's activities at the delivery site are not disturbed more than necessary.

6. PRICE AND PAYMENT

6.1. The price for the Product is set forth in the Agreement and is exclusive of value added tax and inclusive of any other taxes, duties, fees and charges. The Supplier shall be entitled to compensation only for Products ordered in Writing by the Purchaser.

6.2. 48 § and 49 § in The Sale of Goods Act shall not be applicable and shall be replaced by the following. The Supplier shall invoice the Purchaser following completion of the delivery of the Product, however not later than three (3) months after completion of the delivery. Each invoice shall state the Purchase order number, name of the Purchaser's representative who placed the order, day of delivery, place of delivery, the Product delivered and the scope of the delivery by number, amount or weight. Invoicing fees shall not be charged. Provided that the Supplier has performed its contractual obligations, the Purchaser shall make payment within thirty (30) days following receipt of the Supplier's invoice. Payment shall not constitute acceptance of the Product or the amount invoiced.

6.3. The invoice shall either be sent by post to LKAB, FE 919, 838 27 Frösön or electronically to lkabfaktura@lkab.com. The invoice shall be attached in PDF, TIF or TIFF format if sent by email. Only one invoice per file shall be sent and all attachments must be scanned in the same file as the invoice.

6.4. In case of late payment, the Purchaser shall pay delay interest in accordance with the Swedish Interest Act (1975:635) (*Sw: Räntelagen*).

7. DELAY

7.1. The second sentence of 28 § in the Sale of Goods Acts shall not be applicable and shall be replaced by the following. If the Purchaser does not receive such notification without delay after the Supplier became aware, or ought to have become aware of the impediment, the Purchaser shall be entitled to compensation for any loss suffered which could have been avoided if he had received notice in due time.

8. DEFECTS

8.1. The first paragraph of 32 § in the Sales of Goods Act shall not be applicable and shall be replaced by the following. The Purchaser shall notify the Supplier of any defect within three (3) months from the date the defect appeared to the Purchaser. If the Purchaser fails to notify within such time, the Purchaser shall lose its right to claim compensation for any loss that the Supplier could have avoided should the defect have been timely notified.

8.2. 34 - 39 §§ in the Sales of Goods Act shall not be applicable and shall be replaced by the following. The Supplier shall without delay and at no cost to Purchaser, at the Purchaser's discretion, repair the defective Product, replace the defective Product with a non-defective Product or compensate Purchaser by means of a price reduction, which shall correspond to the reduced value for Purchaser of the Product. If the Supplier fails to replace or repair the Product in time, the Purchaser shall be entitled, at its discretion, to either remedy the defect itself at the risk and expense of the Supplier or engage a third party to do so. If the

defect is material, the Purchaser is entitled to terminate the Agreement in whole or in part with immediate effect.

9. INFRINGEMENT OF THIRD PARTY RIGHTS

9.1. The Supplier warrants that the Product or any part thereof does not infringe any third party rights.

9.2. The Supplier shall defend and hold the Purchaser harmless for any damages and losses incurred due to or in connection with an alleged infringement of third party rights resulting from Purchaser's use of the Product, including any amount that the Purchaser may have to pay to a third party.

9.3. If a third party claims that its rights are infringed, the Supplier shall, upon Purchaser's request, replace the disputed part of the Product with a part that conforms to the Agreement.

10. PURCHASER'S RIGHT TO TERMINATE THE AGREEMENT

10.1. In addition to any provisions in the Agreement and the Sale of Goods Act regarding the Purchaser's right to terminate the Agreement, the Purchaser shall be entitled to terminate the Agreement with immediate effect and receive compensation for loss if:

a) the Supplier repeatedly fails to comply with its obligations according to LKAB's Supplier Handbook,

b) the Supplier fails to comply with its obligations according to LKAB's Supplier Handbook and the non-compliance is material, or

e) the Supplier fails to comply with one or more of the Basic Requirements in LKAB's Supplier Code of Conduct.

11. FORCE MAJEURE

11.1. A party shall not be liable to the other party for any non-performance of its obligations under the Agreement in the event that such non-performance is due to Force majeure.

11.2. A party whose performance is affected by an event of Force majeure shall inform the other party thereof immediately. Performance shall be resumed as soon as the event ceases to affect performance.

11.3. Notwithstanding the above, a party shall be entitled to cancel the Agreement with immediate effect if the performance by the other party of a material obligation hereunder has been prevented, or with reasonable certitude can be expected to be prevented, for more than three months due to Force majeure.

12. MISCELLANEOUS

12.1. The Agreement shall be governed by Swedish law.

12.2. Disputes arising from the Agreement shall be resolved by general court in Sweden.

12.3. Any amendments or additions to the Agreement must be made in Writing and signed by authorised representatives of each party to be valid.