

SLO'S GENERAL TERMS & CONDITIONS OF PROCUREMENT

1. SCOPE AND PURPOSE

These General Terms & Conditions of Procurement (the "GTCP") shall apply to SLO Oy's purchases of Products for resale when the Parties have entered into a written or other agreement on the subject. Unless otherwise agreed, the wording of Orders shall take precedence over these conditions but these GTCP shall take precedence over other appendices.

2. DEFINITIONS

"**Intellectual Property Rights**" shall mean patents, inventions, trade secrets, proprietary and security rights, utility models, trademarks, logos, domain names, design rights, know-how, methods, copyrights (including the right to alter and transfer the works protected by them), be they registered or not, as well as all applications concerning their registration and other intangible assets.

"**Legislation**" shall mean all applicable laws, regulations and other legislative instruments (such as EU regulations and directives) as well as provisions, decisions and standards issued by competent courts and authorities including, for example, provisions on environmental protection, product safety and occupational safety.

"**Party**" shall mean the Purchaser or the Supplier and "**Parties**" the Purchaser and the Supplier jointly.

"**Purchaser**" shall mean SLO Oy or another company of the same group purchasing Products from the Supplier.

"**Order**" shall mean an order placed by the Purchaser for a Product.

"**Supplier**" shall mean the Supplier that supplies the Products ordered by the Purchaser.

"**Products**" shall mean all the goods, materials and/or services and the related documentation specified in the Order that constitute the legal object of the Parties and that the Supplier shall deliver to the Purchaser after confirming the Order.

3. ORDER PROCEDURE

The Supplier shall accept or refuse the Order within 48 hours from the moment the Supplier receives or should have received the Order. The Supplier shall primarily submit the order confirmation electronically.

The order confirmation must confirm the conditions of the Order as they are. Any deviating additional terms written, printed or attached to the order confirmation by the Supplier shall remain invalid unless the Purchaser separately approves them in writing.

4. OBLIGATIONS OF THE PARTIES

The Supplier shall ensure that the type, quantity, quality, performance and other properties of the Products comply with the conditions of these Terms & Conditions of Procurement and the conditions of the Order. The Products shall also comply with the information and models provided by the Supplier and be suitable for the purpose specified by the Supplier. The Products shall be packaged and marked in the manner separately agreed upon by the Parties.

The Products, packages and the related documentation shall also be immaculate and fulfil the requirements established by the Finnish Legislation, commercial practice, good technical practice and other applicable conditions.

If Legislation changes and the Products stocked by the Purchaser do not meet the requirements established by the Legislation anymore, the Supplier shall, on its own expense, supply the Purchaser with new Products that meet the requirements of the Legislation and remove the stocked Products from the Purchaser's warehouse. The Supplier shall also pay the Purchaser an amount corresponding to the price differential between the new Products and the stocked Products if the price of the new Products is lower.

The Supplier shall comply with the Legislation applicable to the supply of the Products and ensure that its subcontractors also comply with it. The Supplier shall allocate sufficient personnel and other resources so that it can supply the Products professionally and carefully according to the ordering processes specified by the Purchaser and in the agreed schedule.

Unless otherwise agreed in writing between the Parties, the Product and the price paid for it shall contain:

- the agreed item, material or service in a form that allows for the safe use of the purchased Product;
- the technical documentation and other documentation required to sell, install, use or maintain the Product (e.g. installation manuals and user instructions, designs, safety data sheets, CE markings and certificates of approval) in the agreed language either along with the Products or in an electronic format specified by the Parties;
- the necessary documents and permits to show that the Product complies with administrative provisions;
- the necessary Intellectual Property Rights for using the Product for the intended purpose along with the associated rights to lease and transfer them.

The Supplier shall notify the Purchaser in writing about significant changes made to the Products and about new Products replacing existing Products.

Unless otherwise agreed in writing between the Parties, the Supplier assures that spare parts and the required maintenance shall be available for the Products on commercially reasonable conditions.

The Purchaser shall ensure that the tasks under its control are performed according to the Agreement and in due time. The Purchaser shall provide the Supplier with sufficient information so that it can supply Products that correspond to the Agreement. If the Supplier notices a mistake or defect in the information or materials provided by the Purchaser, the Supplier shall notify the Purchaser of this immediately.

5. PRICES AND TERM OF PAYMENT

The prices of the Products shall constitute full compensation for all the Supplier's obligations. The Supplier shall not have the right to charge extra for orders, packaging, deliveries, invoicing, small-scale deliveries, express deliveries or other similar consignments unless otherwise agreed separately in writing between the Parties in advance. The prices shall contain taxes, customs duties and other regulatory payments except for the value added tax.

Invoices shall be due for payment 60 days net from the date of the completion of the delivery or from the date of the Supplier's invoice, whichever is the latest, unless otherwise agreed between

the Parties separately in writing. The Purchaser shall pay late payments interest on arrears in accordance with the Interest Act. The Purchaser shall not be responsible for paying the interest on arrears if the payment is late due to an event of force majeure or a reason attributable to the Supplier.

All invoices addressed to the Purchaser must contain at least the Supplier's basic details, the Purchaser's order or reference number and the name and contact details of a contact person. If some of the information mentioned above is missing from the invoice or the term of payment or value added tax is incorrect, the Purchaser may return the invoice and a new term of payment shall begin from the arrival of the revised invoice. The Purchaser may also withhold the payment if the delivery has been delayed, faulty or defective.

6. DELIVERIES AND DELAYED DELIVERIES

The terms of delivery are DAP Incoterms 2010 (or the latest version) Purchaser's premises or other Finnish location named in the Order by the Purchaser, unless otherwise agreed separately in writing.

General conditions according to NL 09 are applied to delayed deliveries.

7. LIABILITY FOR RISK, OWNERSHIP AND INSURANCES

Unless otherwise agreed in writing, the liability for risk and ownership of the Products shall be transferred from the Supplier to the Purchaser when the Products have been delivered according to the specified terms of delivery.

The Supplier shall obtain and maintain statutory and other insurances necessary for supplying the Products. The Supplier shall have a valid, appropriate and sufficiently comprehensive insurance against product liability purchased from a reliable insurance company that covers the liability for damages as stipulated by the applicable product liability regulations in Finland and in the EU and the possible withdrawing of Products from the market. If requested, the Supplier must submit the insurance certificate to the Purchaser.

8. INTELLECTUAL PROPERTY RIGHTS

The Supplier assures that it has ownership of the Products and that the Supplier has the right to sell Products to the Purchaser. The Purchaser may resell the Products, wholly or in part, to end customers. If necessary, the Parties shall specify in the Agreement to which extent the Intellectual Property Rights concerning the Product shall be transferred to the Purchaser and/or end customers.

The Supplier shall ensure that the Products, their retail sales and their use do not violate the Intellectual Property Rights of any third parties. The Supplier shall compensate the Purchaser and end customer for all damage caused by a possible violation, including defending themselves against the violation claim and the costs and expenses arising from resolving the matter.

9. FAULTY PRODUCTS AND WARRANTIES

The Supplier shall guarantee that the supplied Products fully comply with the Agreement and that they are flawless at the moment when the liability for risk is transferred to the Purchaser. The Supplier shall be liable for defects even if they become evident only after the liability for risk has been transferred.

The Products shall be intended for retail sales and inspected only after having been delivered to end customers. The Purchaser is

not required to inspect the Products when they are received, and the Purchaser may make claims to the Supplier because of defects after the end customers in question have inspected the Products. However, the Purchaser shall immediately present the Supplier with claims related to obvious delivery damage (damage that can be reasonably detected when unpacking the delivery) if the Supplier is responsible for the delivery damage. The damage must be specified in the consignment note or the Supplier must be notified of it in writing.

The Supplier shall grant a warranty on the Products. Unless otherwise agreed, the warranty period shall be 24 months from the date the Product is delivered to the Purchaser's end customer. When replacing a faulty Product with a new or repaired Product, the warranty period shall begin anew and be as long as the original warranty period, starting from the date the end customer receives the replacing or replaced Product.

During the warranty period, the Supplier shall repair faulty Products or replace them with new ones within a time period indicated by the Purchaser. The Supplier shall bear all the costs and expenses that a faulty Product causes to the Purchaser and the end customer, such as repair, modification and installation work, including locating, removing and transporting the faulty or defective Product, and the costs and expenses arising from transporting and installing a repaired Product or a replaced new Product.

If the Supplier, despite a written reminder by the Purchaser, fails to perform its warranty obligations within a reasonable time period, the Purchaser may rectify or have rectified the fault or defect or renew the delivery on the Supplier's responsibility and expense without this affecting the Supplier's warranties. Before rectifying the fault or delivering a new Product, the Purchaser must notify the Supplier of this in writing.

The Purchaser may cancel its Order for the faulty Product if the Supplier has not, within a reasonable time period specified by the Purchaser, rectified the mistake or delivered a new Product or if rectifying the mistake or a new delivery is not possible. Alternatively, the Purchaser shall be entitled to an adequate reduction of the Product's price. The Purchaser may cancel the Order entirely if the faulty product is an essential part of the overall delivery and it is related to Products already delivered or to be delivered later, so that the fault would cause significant costs or expenses to the Purchaser and/or its end customer unless the Order was cancelled by the Purchaser. In the case of cancellation, the Purchaser shall pay the agreed price for Products that have not been returned to the Supplier.

The warranty shall remain valid if the Product has been used with care according to the user instructions and only for the original intended purposes. The Supplier shall not be liable for defects caused by an installation mistake, failure to adhere to the installation instructions, normal wear and tear, incorrect use, damage due to the end customer neglecting maintenance under his or her responsibility, or negligence by the Purchaser.

After the end of the warranty period, the Supplier shall still be liable for defects due to its wilful misconduct, gross negligence or failure to fulfil its obligations, provided that it would have been unreasonable to expect the end customer to notice the defect within the warranty period. If the end customer is a consumer, the Supplier shall compensate for the damage that consumers are entitled to according to the Legislation, despite the limitations of liability contained in this Agreement, and the Supplier shall be liable for the defects even after the end of the warranty period in accordance with the Legislation.

10. PRODUCT LIABILITY AND PRODUCT SAFETY

In accordance with the applicable laws, the Supplier shall be liable for personal injury and/or other accidents caused by a Product supplied by the Supplier. The Supplier shall also be liable for the Products in accordance with the laws on product safety.

If the laws mentioned above require that action be taken, the Supplier shall be responsible for conducting these measures on its own expense either directly or via the Purchaser, as selected by the Purchaser. If legal action is taken against the Purchaser or other measures and/or compensation is required from the Purchaser because of personal injury or other damage caused by the Product or on the basis of the product safety act, the Supplier shall hold the Purchaser harmless from liability and defend the Purchaser on its own expense and compensate the Purchaser for all the damage, costs and expenses arising from this (including legal fees).

The Supplier assures that its operations meet the applicable requirements of REACH (chemicals regulation No 1907/2006 of the European Parliament and the European Council and its amendments) and the RoHS Directive (2011/65/EU and its amendments) and that the Products meet the requirements specified in REACH and the RoHS directive. The Supplier shall notify the Purchaser immediately if a Product supplied by the Supplier to the Purchaser does not meet these requirements.

The Supplier shall immediately provide the Purchaser with all the information that the Purchaser requires to comply with its own obligations according to laws and regulations related to product safety.

11. LIMITATION OF LIABILITY

The Supplier shall be obliged to compensate for the costs, expenses and damage caused by any breach of this Agreement by itself or its subcontractor. Neither Party shall be liable for indirect costs, expenses or damage, such as loss of profit, unless this damage has been caused intentionally or by negligence or gross negligence.

Notwithstanding the above, none of the limitations of liability under this Agreement shall apply to damage or loss caused by death, personal injury or damage to property (product liability) or the violation of the provisions on Intellectual Property Rights in Section 8 or the violation of the obligations specified in Sections 12, 13 and 15.

12. QUALITY CONTROL, DATA SECURITY AND DATA PROTECTION

The Supplier shall ensure continuous quality control to meet its obligations under this Agreement. If requested by the Purchaser, the Supplier shall provide the Purchaser with information about its quality control and give the Purchaser the right to conduct quality audits in the Supplier's facilities. In addition, the Parties may agree under the Agreement to adopt a separate inspection and approval procedure for Products, which is conducted within the delivery time and results in the Purchaser approving the Product in writing.

The Supplier shall ensure that its data security and data protection meet the requirements of the Legislation and the data security procedures agreed upon with the Purchaser and comply with good data processing practices. The Supplier must also ensure that the equipment and service production facilities under its control are adequately protected against data security risks and that it complies with procedures related to protection and data backup.

13. RESTRICTION ON EXPORTS

The Supplier shall comply with the applicable laws, regulations and administrative provisions, including trade restrictions and financial restrictions, sanctions and embargos and their amendments imposed by the United States, the European Union or other state authorities (jointly the "Laws in Force"). The Supplier shall compensate the Purchaser for all damage, costs and expenses arising from violating the Laws in Force.

The Supplier is obliged to take all necessary action to ensure that the Supplier's own suppliers, subcontractors and other business partners comply with the Laws in Force and do not cause the Purchaser to violate any Laws in Force.

The Supplier shall provide, if necessary, all the information and documents required for export, transport and import in due time. The Supplier shall compensate the Purchaser for delays and other damage due to the Supplier not providing the correct information or documents in due time or not complying with exports or imports checks or other similar requirements concerning authorisation procedures.

The Supplier shall, to the extent permitted by the Laws in Force, notify the Purchaser immediately of any legal action against the Supplier, court cases against the Supplier or investigations by an executing authority that concern compliance with the Laws in Force.

If the Purchaser takes the view that the Supplier has violated any Laws in Force or is under investigation for violating a Law in Force or if it has emerged that trade sanctions or financial sanctions are being targeted against the Supplier, the Purchaser may end the supplier relationship and cancel the Agreement or Agreements signed with the Supplier with immediate effect without liability for damages.

14. FORCE MAJEURE

An event of force majeure is defined as an unforeseeable event beyond the control of the Party that the Party has not been able to take into consideration and that hinders or delays the Party in question from performing its obligations under the Agreement. These events include natural disasters, war, rebellions, fires, disruptions in general telecommunications or power distribution, revolutions, general or national strikes, administrative provisions and other unusual circumstances independent of the Party that have significant effects.

An event of force majeure may postpone the fulfilment of the obligations of both Parties only for as long as the event exists. The beginning and ending of the event of force majeure must be reported immediately to the other Party in writing.

The Party invoking force majeure is responsible for proving that the event of force majeure exists, and it is obliged to take all reasonable necessary action to minimise the delay and/or damage caused by the event of force majeure. An event of force majeure suffered by a subcontractor shall be deemed as grounds for exemption if such subcontracting cannot be acquired from another source without unreasonable costs or a significant loss of time.

The Purchaser may terminate the Agreement or a part of it with immediate effect if the fulfilment of the Agreement becomes impossible, if it is delayed or will evidently be delayed by more than 30 days due to an event of force majeure.

15. NON-DISCLOSURE

The Parties shall keep confidential all the business secrets and trade secrets received from the other Party when preparing the Agreement regardless of the form of the confidential information received. The Parties may use the confidential information only for the purposes of this Agreement.

The Parties shall disclose confidential information to their personnel, subsidiaries and subcontractors only to the extent absolutely necessary to carry out the obligations under this Agreement. The Parties shall ensure that their employees, subsidiaries and subcontractors are committed to due professional secrecy and that their employees, subsidiaries and subcontractors comply with the confidentiality conditions of this Agreement in their operation.

The obligation of confidentiality shall remain in force for a period of five years from the expiry of this Agreement and at least three years from disclosing or receiving the information. The Parties cannot name the other Party as a reference without a case-by-case approval of the other Party.

16. OTHER CONDITIONS

All amendments and appendices to these GTCP must be agreed upon in writing by a amendment to the Agreement signed by both parties in order for them to be valid. The conditions of an order confirmation or other corresponding documents submitted by the Supplier shall not bind the Purchaser if they are in conflict with or add to these GTCP.

17. GOVERNING LAW AND DISPUTES

The Orders and these GTCP are governed by the laws of Finland without regard to its conflict of law rules.

Any disputes caused by or related to the Orders or these GTCP that cannot be settled by the Parties shall be finally settled in arbitration in accordance with the Rules of the Arbitration Institute of Finland Chamber of Commerce. The dispute shall be settled by one arbitrator. The language of the arbitration shall be Finnish and the place of arbitration Helsinki, Finland.

The Parties agree that the arbitration and all the documentation and information related to it shall remain confidential. Both Parties may apply for a temporary injunction or a protective measure and the enforcement of the judgment from any competent court.