

I GENERAL

1. Definitions

Affiliated Company of a Party means any legal entity that (a) directly or indirectly controls the Party, or (b) is under the same direct or indirect control as the Party, or (c) is directly or indirectly controlled by the Party for so long as such control exists. For the purposes of this definition, “control” shall mean the ownership of more than 50 % of the shares or the voting rights in a Party.

Claim means all claims, suits, actions, demands or proceedings which may be asserted against the Purchaser or its direct or indirect customers or their directors, officers or agents regarding Goods or Services and attributable to acts or omissions (including breach of contract) by Supplier.

Confidential Information means any information and material in whatever form disclosed to one Party by the other Party and either marked as confidential or should be understood to be confidential.

Consequence means all liabilities, damages, costs, expenses or loss (including but not limited to attorney’s fees) incurred.

Defect or Defective means any non-conformance of the Goods or Tooling to the warranty specified in Clause 11 or of the Services to the warranty specified in Clause 15.

Delivery Schedule means any instructions (e.g. call-offs, scheduling agreement releases) issued by Purchaser to Supplier specifying the required delivery quantities, place and date and (if relevant) time of delivery of the Goods or the Services.

Force Majeure Event means an event caused by an impediment beyond the Party’s control, which it could not have considered at the time of the conclusion of the Supply Contract, and the consequences of which could not reasonably have been avoided or overcome by such Party.

Force Majeure Event shall not include Supplier’s financial difficulties or change in cost or availability of materials or components based on market conditions. Further, labor strikes or other labor disruptions are not regarded as Force Majeure

Events in case it is reasonably possible for the relevant Party to overcome effect of such an event.

Frame Supply Contract means possible agreement in which the Parties agree upon standard terms and conditions which are to be applied to all contracts for the sale and purchase of Goods and Tooling or Services between them.

Goods means production materials, automotive components and assemblies, or other Goods specified in the Supply Contract and includes software and spare parts.

Intellectual Property Rights or IPR means patents, petty patents, utility models, designs (whether or not capable of registration), design patents, inventions, database rights, chip topography rights, protection of works of authorship or expression, including copyrights, domain names, trademarks, trade names and any other industrial and intellectual property rights, whether or not specifically recognized or perfected under applicable law and whether registered or not and applications, divisions, continuations, renewals, re-exams and reissues for any of the aforementioned respectively as well as any trade secrets, and the rights to prosecute, enforce and obtain remedies.

Party means either the Purchaser or the Supplier. Both together are referred to as the Parties.

Purchaser means Valmet Automotive Inc. or its Affiliated Company who issues a Purchase Order or on whose behalf a Purchase Order is issued or is the signatory of a Supply Contract.

Purchase Order means any order for the purchase of Goods or Services issued by the Purchaser to the Supplier including One-Time-Order and Tooling Purchase Orders.

Service means any service performed or provided by the Supplier under a Supply Contract, including but not limited to, assembly, engineering, design, installation, commissioning, logistics, and maintenance.

Specification means at each time existing and mutually in writing agreed technical specification(s), instructions, and requirements for the Goods or Tooling or the Services.

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Supplier means the Party to whom a Purchase Order is addressed or the Supplier that is the signatory of a Supply Contract.

Supply Contract means a mutually in writing agreed contract for the supply of Goods or Services, a contract formed by Supplier's acceptance of a Purchase Order or a contract formed by the Purchaser's acceptance of Supplier's quotation.

Terms means these General Purchase Terms of Valmet Automotive group.

Tooling means all production and prototype tools, dies, fixtures, jigs, gauges, molds, patterns and related software and documentation required for the production, testing and examination of the Goods or the performance of the Services.

Written or in writing means a document served by any documented means, including fax, e-mail and EDI (Electronic Data Interchange).

2. Application of the Terms

2.1.

These Terms shall exclusively apply to all Requests for Quotations (RFQ) Requests for Proposal (RFP), Requests for Information (RFI), Purchase Orders and Supply Contracts. Any additional or different terms of the Supplier are expressly rejected and shall only apply if expressly agreed in writing by the Purchaser. Any amendment or modification to these Terms shall not become binding unless agreed upon in writing by the Parties' authorized representatives.

2.2.

The following documents shall apply in the following order or precedence:

- Non-Disclosure Agreement
- Possible Frame Supply Contract with its appendices in their numerical order
- Nomination Letter
- Supply Contract (including these Terms)

2.3.

Chapters I (General) and IV (General Terms and Conditions) apply equally to all Supply Contracts. Chapter II (Specific Terms for Supply of Goods and Tooling) contains certain specific terms relating to delivery of Goods and

Tooling, while Chapter III (Specific Terms for Supply of Services) contains certain specific terms relating to supply of Services to the Purchaser. Specific terms in Chapters II and III apply in relation to the respective type of purchases only and are supplementary to the terms and conditions contained in Chapters I and IV.

3. Inquiries and Offers

Purchaser submits all requests for information, proposals and quotations (RFI, RFP and RFQ) without commitment. Supplier shall submit the quotations free of charge.

4. Supply Contracts

4.1.

The Supplier shall supply the Goods or the Services pursuant to the terms set out in the respective Supply Contract and according to the respective Delivery Schedule. The Supplier shall ensure timely delivery of the Goods, Tooling, and Services.

4.2.

Supply Contract as well as the respective modifications and supplements shall be concluded in writing except that Supplier's performance related to a Purchase Order will constitute acceptance of the Purchase Order. If the Supplier fails to accept the Purchase Order within two (2) weeks after its reception, the Purchaser shall be entitled, but not obliged, to revoke the Purchase Order. Delivery Schedules become binding if the Supplier does not object the Delivery Schedule within two (2) working days after reception.

4.3.

All indications of yearly or total volumes for Goods or Services are solely projections and do not establish any obligation for the Purchaser to order such volumes. The Supplier's price conditions shall not be based on minimum order volumes.

4.4.

The Supplier may not assign or delegate any of its obligations under any Supply Contract to a third party without obtaining a prior written approval from the Purchaser. The Supplier is

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responsible for the performance of any third party as for its own. The Supplier may not prevent a third party from concluding Supply Contracts directly with the Purchaser.

II SPECIFIC TERMS FOR SUPPLY OF GOODS AND TOOLING

5. Goods

Goods shall be manufactured according to the Specifications. In case of missing information concerning Specifications, drawings etc. the Supplier shall request such information that is necessary for the manufacture and delivery of the Goods. In case the Supplier becomes aware of discrepancies or mistakes in the Specifications, drawings etc., the Supplier shall inform the Purchaser without delay.

6. Tooling

6.1.

If the Purchaser issues a Purchase Order for Tooling the Supplier shall design and fabricate, rework, or acquire and install Tooling that fully conforms to the Specifications. The Tooling must be fit for producing the volumes of Goods projected for the period of the serial production and satisfying the volume requirements for spare parts.

6.2.

Upon full payment of the Tooling, the Tooling and all Intellectual Property Rights related to the Tooling will immediately be transferred to the Purchaser or its customer, when so directed by the Purchaser ("Owner"). The Tooling shall then be marked with the Owner's tool numbers and as property of the Owner as instructed by the Purchaser. During the year-end stock-take, the Supplier shall transfer the necessary information on the Tooling in its possession to the Purchaser. If the property of the Owner is endangered by enforcement measures, in particular by attachment, seizure or insolvency proceedings, the Supplier shall inform the Purchaser accordingly without undue delay. In any case, the enforcement agency shall be informed of the Owner's ownership without undue delay. At the same time, the Supplier shall forward copies of the enforcement documents to the Purchaser.

The Supplier shall provide to the Purchaser all drawings, including specifications of the material used and photos with dimensions as well as all other requested data related to the Tooling at any time upon request.

6.3.

The Supplier is entitled to use the Tooling only to produce Goods and spare parts for the Purchaser. The Supplier shall not transfer Tooling to any third party or change the location of the Tooling without Purchaser's prior written consent. The Supplier is responsible for the proper handling and storage of the Tooling regardless of ownership and will ensure that during the term of a Supply Contract the Tooling is permanently ready for use at no cost to the Purchaser. The Supplier shall at its expense maintain the Tooling, including repair or replacement, in the condition necessary to produce the Goods in accordance with the Supply Contract. The Supplier may scrap Tooling or other production equipment it uses or has used to manufacture Goods for the Purchaser (regardless of the ownership status), only following prior written approval by the Purchaser. If the Purchaser does not approve scrapping, the Parties shall mutually agree on the related costs and other matters regarding such Tooling and production equipment.

6.4.

If modifications to the Tooling are required due to changes in Specifications of the Goods, the Supplier must first provide the Purchaser with a written offer for modification of the Tooling with the least possible expenditure. Modifications to the Tooling may be carried out by the Supplier only after the Purchaser has commissioned the Supplier in writing. Any expenditure in excess of the commission will not be remunerated.

6.5.

As long as the Tooling is in the Supplier's possession the Supplier shall insure the Tooling at reinstatement value at its expense against fire, theft and other damages. If requested by the Purchaser, the Supplier shall furnish the respective insurance certificates and prove payment of the insurance premium (e.g. receipt). The Purchaser may also require

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that the individual insurance policies name the Owner as direct beneficiary.

6.6.

The Supplier bears liability for all defects, damage, changes or deterioration to or of the Tooling. The Supplier is not held liable if these are attributable to Force Majeure Event. The Supplier is responsible for ensuring that no personal injury or property damage is caused by the Tooling and shall indemnify and hold the Owner harmless from and against such damages claims.

6.7.

Supplier shall deliver the Tooling to the Purchaser upon the termination of the Supply Contract or at Purchaser's request. Where title to the Tooling is not yet transferred to the Owner on the date of termination or request, the Purchaser is entitled to obtain title to such Tooling by paying to the Supplier (i) in relation to finished Tooling, the outstanding portion of the agreed total cost; or (ii) in relation to unfinished Tooling, such proportion of the outstanding cost as is represented by the cost actually incurred by the Supplier in the supply of the Tooling as at the date of termination or request. All liens and rights of retention of the Supplier in respect of the Tooling are excluded.

7. Spare Parts

7.1.

The Supplier shall ensure availability and supply of spare parts in respect of the total volume of Goods delivered for the serial production for a period of at least 15 years after the end of serial production. The Supplier shall label the spare parts in accordance with the labeling instructions issued by the Purchaser.

7.2.

Prices for spare parts are to be equal to those of the original equipment (OE-parts) provided that the design of the parts is the same and the OE-part is used in the Purchaser's serial production. If individual components from systems/aggregates or spare part components from series assemblies are supplied during the period of series production, the price shall be calculated by means of a price breakdown. The price will be reduced by the assembly costs.

The price of spare part components must be agreed on this basis even if the individual part was not assigned its own part number before start of production. The combined prices for subassemblies of a spare part assembly must not exceed the price for the entire spare part assembly.

7.3.

The cost of preparing spare-parts documentation (including single-part drawings) and maintenance of all modification statuses, forms part of the price of the overall delivery.

The scope of the documentation (NX 3D drawings or successor systems, parts lists etc.) and the deadline for its completion will be agreed between Parties separately.

7.4.

If the Purchaser develops the Goods itself or the Purchaser has paid the Supplier for the development, or the Goods are manufactured on Tooling which are the property of the Owner, the Supplier undertakes to supply spare parts only to the Purchaser or its respective customer. The Purchaser shall charge the Supplier for liquidated damages amounting to 10% of the Purchaser's customer's gross list price per part in each case of culpable violation. The Supplier shall additionally notify the Purchaser of the quantity of the spare parts delivered in parallel and the commercial customers. A suitable measurement device may be attached to the Tooling for measuring the quantities produced by the Supplier. The Purchaser is entitled to have the notification checked by a certified accountant appointed by the Purchaser at the Supplier's cost. The same applies if the Supplier delivers parts labeled with the Purchaser's or its customer's brand or the part number to third parties. If the brand is used unlawfully and the Supplier is at fault, additional liquidated damages of 5% of the Purchaser's customer's gross list price shall be paid per spare part.

7.5.

To avoid damaging the image of the Purchaser's and its customer's brands, the parallel sale of parts by Supplier is not permitted where the brand has visibly been rubbed out, scratched off or otherwise removed

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by an external influence. Furthermore, covering of brands or part numbers with stickers or paint is not permitted.

7.6.

The Supplier must be prepared to start supplying spare parts at the same time as OE-parts.

8. Certificate of Origin and Chemical Substances

8.1.

The Supplier shall provide a written declaration of the origin of the Goods using a form provided by the Purchaser. This declaration shall be furnished to the Purchaser latest together with the first shipment of Goods. The Supplier shall proactively promptly inform the Purchaser of the origin of any new Goods.

8.2.

If requested by the Purchaser, the Supplier shall provide evidence on the origin of Goods e.g. by means of an information sheet confirmed by the responsible customs authorities.

8.3.

The Supplier shall comply with all applicable export control laws and regulations, including but not limited to international trade restrictions (e.g. Common Military List, Annex I of the EU Dual-Use Regulation 428/2009, US Department of Commerce Control List). The Supplier shall, upon the Purchaser's request, provide the Purchaser with all necessary information and documentation relating to the Goods (including software and technology) in order for the Purchaser to comply with applicable export control laws and regulations, including but not limited to international trade restrictions.

The Supplier shall inform the Purchaser of the relevant item numbers/export control classification numbers of the Goods. If the Goods contain US portions, the Supplier shall also declare the total value (standard purchase price or current market price) of the US portion and the applicable export control classification that is relevant for purposes of export control.

8.4.

If the importation or exportation of the Goods requires an import or export license the Supplier will assist the Purchaser in obtaining any such license. Should further official documents be required for the intended use of the Goods, the Supplier shall provide such documents to the Purchaser without delay and make them available to the Purchaser at the Supplier's cost.

8.5.

The Supplier shall specifically comply with the European Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) (EC) 1907/2006. The Purchaser shall not be regarded and will not act as an importer of Goods under REACH. Therefore, if the Supplier is located outside of EU the Supplier shall appoint its representative within EU.

8.6.

The Goods shall be free from all chemical substances classified as "Prohibited" ("P") in the Global Automotive Declarable Substance List (GADSL). The list can be found at www.gadsl.org. The provision applies to concentrations of more than 0.1 per cent by mass, unless otherwise specified in GADSL. For certain applications, where it is not yet possible to produce the Goods without the prohibited substances in such way that the Goods are performing well in the market, exception can be made. In such cases, exception must be included the Specifications.

8.7.

If the Goods provided by the Supplier are subject to the end-of-life vehicles directive (Directive 2000/53/EC) the Supplier agrees to meet the provisions stipulated in the directive including the assumption of any costs incurred for the compliance, in particular

- i) To meet the regulations (regionally and/or nationwide) concerning prohibited substances (e.g. § 8, paragraph 3 AltfgVO [vehicle end-of-life directive] in connection with Appendix II of the Directive 2000/53/EC) and to give evidence concerning the compliance to the Purchaser upon request;

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- ii) To enter the respective material data into the IMDS (International Material Data System) and to provide the Purchaser with the respective access to such material data at any time;
- iii) Preparation and transfer of a component-related concept for drainage and pollutant removal.
- iv) Compliance with labeling standards for materials and components according to Purchaser's instructions.
- v) Provision of a recycling concept for selected, supplied parts in coordination with the Purchaser and its customer.
- vi) Highest possible level of plastic component recycling and use of renewable raw materials subject to coordination with the Purchaser.

9. Delivery of Goods

9.1.

The Supplier shall comply, and deliveries of Goods shall take place, in accordance with the Purchaser's Logistics Manual valid on the date of the Purchase Order. Supplier shall pack the Goods in a proper manner to prevent damage or deterioration during shipment. Additional conditions for the delivery of prototype and pre-series parts contained in the Purchaser's Quality Management Manual shall apply.

9.2.

Supplier shall provide the Purchaser with all such reasonable support as may be necessary to enable the Purchaser to reduce or minimize its liability for payment of customs duties. If Supplier supplies Goods from a country which benefits from a preferential duty treatment with the country where the Purchaser's production facility is located, the Supplier shall transfer that benefit to the Purchaser. The rights to and benefits of any duty drawback, including rights developed by substitution and rights which may be acquired from Supplier's suppliers and export credits, to the extent transferable to the Purchaser, shall be the property of the Purchaser.

10. Passing of Title and Risk, Inspection

10.1.

Title and risk to the Goods is transferred to the Purchaser at the time of delivery (in accordance with the agreed Incoterms delivery term) or at the time of Purchaser's written acceptance of the Goods (if specific acceptance is mutually agreed in the Supply Contract), whichever occurs the latest.

10.2.

The Purchaser's inspection on the delivery of Goods is limited to checking the correct quantity and type of Goods and packaging for any clearly visible transportation damage. The Purchaser shall notify the Supplier in writing of defects in delivery discovered in this inspection latest within 10 working days from the receipt of delivery.

11. Warranty for Goods and Tooling

11.1.

Supplier warrants all Goods and Tooling to be free from defects in design, materials and workmanship. The warranty includes that the Goods and Tooling shall:

- i) comply with the acknowledged state of the art;
- ii) be in working condition;
- iii) be fit and safe for the purpose for which they are intended;
- iv) strictly conform to the Specification(s); and
- v) comply with all the applicable laws and regulations including standards required by the same in the relevant sales markets.

11.2.

The warranty period is forty-eight (48) months from the date of delivery unless otherwise agreed.

Any longer periods of liability for defects prescribed in the national laws of any sales market into which any Goods, or products into which Goods have been incorporated, are

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delivered, shall supersede the provisions of this Clause.

The Purchaser shall without delay notify the Supplier of Defects in the Goods or in the Tooling as soon as they are detected in the regular course of business. To that extent, the Supplier shall waive any defense on delayed notice of defects.

11.3.

Without prejudice to any other rights and remedies the Purchaser may be entitled to under the Supply Contract and/or applicable law, the remedies specified in Clauses 11.4 and 11.5 below apply.

11.4.

If any Goods or Tooling do not meet the warranties, Purchaser may at Purchaser's sole option and upon notice to Supplier, (i) require the Supplier to repair, rework or replace the Goods or Tooling within such period of time as the Purchaser may specify at Supplier's sole risk and expense and at location appointed by the Purchaser, (ii) repair the Goods or Tooling or cause the Goods or Tooling to be repaired by any third party at Supplier's sole risk and expense, or (iii) terminate the Supply Contract in whole or in part without incurring any liability to Supplier, if the Purchaser reasonably considers that none of the actions mentioned in (i) through (ii) are feasible or effective to attain the purpose of the Supply Contract. Purchaser has the right to deduct the value of the Defective Goods or Tooling from any invoice of the Supplier or if no such invoices exist, the right to have a full refund for the Defective Goods or Tooling. If the same Goods or Tooling are repeatedly delivered in a defective condition, the Purchaser, after a written notice, shall be entitled to terminate the Supply Contract.

11.5.

Notwithstanding anything to the contrary in this Clause 11, the Purchaser shall be entitled to full compensation for all Consequences incurred due to Defective Goods or Tooling, including those arising out of any action to recall any Defective Goods, vehicle or any product into which the Defective Goods have been incorporated.

11.6.

The Supplier shall promptly inform the Purchaser of any Defects or of a risk of Defect as soon as reasonably possible.

III SPECIFIC TERMS FOR SUPPLY OF SERVICES

12. Services

12.1.

Services shall be supplied according to the Specifications and with the accuracy and the professional skill to be expected from a professional and experienced service provider.

12.2.

In case of missing information concerning Specifications, drawings, instructions etc. the Supplier shall request such information that is necessary for the supply of the Services. In case the Supplier becomes aware of discrepancies or mistakes in the Specifications, drawings, instructions etc., the Supplier shall inform the Purchaser without delay.

12.3.

The Supplier shall be responsible for its personnel and/or subcontractors performing the Services. Unless otherwise agreed in writing between the Parties, the Supplier is responsible for the supervision of the work.

13. Working Instructions

13.1.

The Purchaser shall arrange the necessary safety training and/or ensure that the Supplier and its personnel and/or subcontractors have received appropriate information about the order, safety and security at Purchaser's premises. The Supplier shall acquaint itself with the working conditions at the place where the Services are provided and ensure that its personnel and/or subcontractors are informed of and comply with any safety regulations and instructions of the Purchaser in force at the place where the Services are performed. Completion of the necessary safety training is a prerequisite for commencing work at Purchaser's premises.

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13.2.

The Purchaser shall ensure that the Supplier has access to the premises where the Services are performed, if the Services are performed at Purchaser's site or plant. Unless otherwise agreed in the Supply Contract, the Services shall be performed during the normal working hours of the place or site where the Services are provided.

14. Employment and Contractual Relation

14.1.

The provision of the Services shall not establish employment contract between the Purchaser and the Supplier or the Supplier's employees. The Supplier shall fulfil all obligations towards its employees in accordance with all applicable laws, applicable collective agreements, and employment contracts.

14.2.

The Supplier shall provide the Purchaser with all necessary reports, certificates, and information concerning the Services and the Supplier's employees and/or subcontractors as required by the applicable laws and regulations, including the Finnish Act on Contractor's Obligations and Liability.

15. Warranty for Services

15.1.

The Supplier warrants all Services to be free from defects in design, materials, and workmanship. The warranty includes that the Services shall:

- i) be performed in a professional and diligent manner;
- ii) conform to the best practices in the industry;
- iii) strictly conform to the Specification(s); and
- iv) comply with all the applicable laws and regulations including standards required by the same in the relevant markets.

15.2.

The Services included in the delivery shall be presented for the approval of the Purchaser. Before delivering the Services for inspection, the Supplier shall carry out a preliminary inspection to ensure that the quality and degree of work completion is such that it will obviously pass final inspection. The inspection shall be ordered and carried out in accordance with the Purchaser's instructions.

15.3.

The warranty period is forty-eight (48) months from the date of delivery unless otherwise agreed.

15.4.

The Purchaser shall without delay notify the Supplier of Defects in the Services as soon as they are detected in the regular course of business. To that extent, the Supplier shall waive any defense on delayed notice of defects.

15.5.

Without prejudice to any other rights and remedies the Purchaser may be entitled to under the Supply Contract and/or applicable law, the remedies specified in Clauses 15.6 and 15.7 below apply.

15.6.

If any Services or part of Services do not meet the warranties, Purchaser may at Purchaser's sole option and upon notice to Supplier, (i) require the Supplier to complete, rework, repair, or replace the Services within such period of time as the Purchaser may specify at Supplier's sole risk and expense and at location appointed by the Purchaser, (ii) complete, repair, or rework the Services or cause the Services to be completed, repaired, or reworked by any third party at Supplier's sole risk and expense, or (iii) terminate the Supply Contract in whole or in part without incurring any liability to Supplier, if the Purchaser reasonably considers that none of the actions mentioned in (i) through (ii) are feasible or effective to attain the purpose of the Supply Contract. Purchaser has the right to deduct the value of the Defective Services from any invoice of the Supplier or if no such invoices exist, the right to have a full refund for the Defective Services. If the same Services are

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repeatedly delivered in a defective condition, the Purchaser, after a written notice, shall be entitled to terminate the Supply Contract.

15.7.

Notwithstanding anything to the contrary in this Clause 15, the Purchaser shall be entitled to full compensation for all Consequences incurred due to Defective Services, including all costs caused by any interruption of production.

15.8.

The Supplier shall promptly inform the Purchaser of any Defects or of a risk of Defect as soon as reasonably possible.

IV GENERAL TERMS AND CONDITIONS

16. Changes

16.1.

The Purchaser may require changes to the Purchase Order, Supply Contract, Delivery Schedule, Goods, Tooling, or Services at any time. If such changes result in an increase or a reduction of Supplier's costs or in a delay of delivery, Supplier shall inform the Purchaser immediately. If a Supply Contract has already been concluded, the Parties shall agree in writing on a reasonable adjustment of the Purchase Order.

16.2.

All changes to the Goods, Tooling or Services shall be agreed mutually in writing before start of a change process. Except when agreed by the Purchaser regarding minor changes, implementation of any changes require a project plan including back-up plans as well as executing a complete acceptance procedure according to the Purchaser's Quality Management Manual.

16.3.

Upon receipt of a change request from the Purchaser, the Supplier undertakes to evaluate the change request and respond to the Purchaser promptly and latest within 5 working days. The response shall include a proposal for a detailed project plan, quotation

for the costs and timelines for implementing the requested change.

16.4.

The Supplier is not entitled to make any changes, including but not limited to changes in the manufacturing process, manufacturing or other location, Specifications, country of origin and/or dispatch location or approved sub-suppliers without obtaining prior written approval from the Purchaser.

16.5.

The Supplier shall be responsible of relevant audits and other quality management processes and ensuring at its own expense that the change will not jeopardize the production at the Purchaser. The Purchaser is entitled to audit a new sub-supplier or manufacturing or other location.

16.6.

If financial benefits arise out of a change, these benefits will be transferred to the Purchaser.

17. Compliance

17.1.

The Supplier shall comply with the requirements set in the most recent version of the Purchaser's Quality Management Manual for Suppliers and VA Supplier Code of Conduct.

17.2.

The Supplier shall comply with the principles of the UN Initiative Global Compact (Davos 01/99) and the principles and rights approved by the International Labor Organization (ILO) in its "Declaration on fundamental principles and rights at work" (Geneva 06/98). The Supplier supports and respects the United Nations' Universal Declaration of Human Rights.

17.3.

The Supplier shall comply with all applicable laws, directives and regulations that relate to the Goods or the Services, as well as the Purchaser's requirements communicated to and accepted by the Supplier on environmental protection, health and safety.

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17.4.

The Supplier shall establish and maintain a certified environmental management system in accordance with the requirements of ISO 14001. The Supplier shall provide a copy of the certificate to the Purchaser.

17.5.

Environmental data related to the production of the Goods or supply of the Services, the Goods themselves and transportation of the Goods or in relation to the Services must be made available upon the Purchasers' request to enable environmental assessments (e.g. life cycle assessment).

17.6.

The Supplier shall establish and maintain a certified health and safety management system in accordance with the requirements of OHSAS 18001. The Supplier shall provide a copy of the certificate to the Purchaser.

17.7.

The Purchaser may initiate various programs designated to improve quality, increase customer satisfaction or reduce cost. The Supplier is required to actively participate in these initiatives when requested by the Purchaser. The Purchaser and its customers have the right, by themselves or through appointed representatives, during regular business hours and following reasonable notice to Supplier, to inspect Supplier's and/or its subcontractors physical premises and Supplier's quality control procedures, in order to verify compliance with the Supply Contract, the manufacturing process and other standard industry practices and procedures. The Supplier shall impose corresponding obligations as contained in this Clause 17 to its suppliers and will monitor the compliance in its supply chain.

17.8.

The Supplier shall submit a valid certificate as the confirmation of the Supplier's fulfillment of taxation responsibilities in a legible copy and shall inform the Purchaser promptly in writing upon any changes thereto.

17.9.

If the Supplier or any third party commissioned by the Supplier employs employees who need a work permit, the Supplier shall furnish the respective work permits before commencing the work. If the Supplier violates the obligation to furnish work permits as herein stated, the Purchaser shall be entitled to terminate the Supply Contract and/or claim damages under Clause 21.2 of the Terms.

18. Time of Delivery

18.1.

Time is of the essence. Supplier shall deliver the Goods, Tooling and Services at the times and in the volumes specified in the Supply Contract and/or Delivery Schedule. Advance, partial or excess deliveries are subject to Purchaser's prior written consent.

18.2.

The Supplier shall immediately inform the Purchaser of any foreseeable delays, including the anticipated duration and impact of such delay. If the Supplier fails to inform the Purchaser, such failure shall be regarded as gross negligence of the Supplier.

18.3.

If a delivery is delayed, for reasons other than Force Majeure or attributable to the Purchaser the Purchaser is, in addition to its other rights and remedies available, entitled to liquidated damages as fair and reasonable pre-estimate of damages. The liquidated damages payment shall be two percent (2%) of the price of the delayed Goods or Services for each day of delay. The liquidated damages shall not in total exceed ten percent (10%) of the total value of the Purchase Order.

18.4.

If the Supplier fails to deliver the Goods or the Services as agreed the Purchaser may additionally, without limiting its other rights and remedies

- i) expedite the shipment of Goods in question at Supplier's cost;
- ii) obtain Goods or Services from an alternate source and charge additional costs to the Supplier; and/or

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- iii) cancel the Purchase Order or Supply Contract.

18.5.

Notwithstanding anything to the contrary in this Clause 18, the Purchaser shall be entitled to full compensation for all Consequences incurred due to failure to deliver in accordance with the Supply Contract. Liquidated damages paid will be considered when calculating the amount of full compensation.

19. Prices and Payment Terms

19.1.

Unless otherwise agreed in writing, the prices specified in a Supply Contract shall be all inclusive encompassing i.a. the Goods or the Services, proper packaging, any rights granted to the Purchaser, overtime expenses as well as possible travel, daily, and lodging allowances, and all Supplier's obligations and all public charges determined by the authorities, except value added tax. Value added tax shall be added to the prices in accordance with each time current regulations. The Supplier may not charge any additional amounts unless otherwise expressly agreed in writing.

19.2.

Unless otherwise explicitly agreed between the Parties in writing, the term of payment is 90 days net from the receipt of an auditable invoice. Invoice shall not be considered received by the Purchaser prior to the actual completion of delivery of the Goods or the Services in accordance with the Supply Contract. The Purchaser has the right to set off its receivables from the Supplier against any invoice.

19.3.

For Services charged according to the amount of working hours, the Supplier shall present the timecards signed or approved by other documented means weekly by the Purchaser's representative. Without the signed or approved timecards, the Services in question shall not be compensated.

19.4.

Payment shall be made to the Supplier's bank account indicated in the invoice or by means of credit note procedure respectively.

19.5.

In case of late payment due to reasons attributable to the Purchaser, the Supplier has the right to charge late payment interest corresponding to an annual interest of 5% plus the interest rate on the main refinancing operations (MRO) of the European Central Bank effective on the due date of payment until the payment is duly affected.

19.6.

The Supplier shall not assign its claims for money due from the Purchaser without prior written consent which may not be unreasonably withheld. If the Supplier assigns its claims for money contrary to this Clause the assignment shall be valid, but the Purchaser may validly make payment to the Supplier or the assignee.

20. Intellectual Property Rights

20.1.

All rights to the drawings, technical documents, tooling, data, software and other material disclosed or provided by the Purchaser to the Supplier shall remain the property and be deemed to be Confidential Information of the Purchaser.

20.2.

The Supplier grants to the Purchaser an unlimited, fully paid up, irrevocable, perpetual, non-exclusive, sub-licensable and transferable right and license to freely utilize all results (including but not limited to know-how, testing and development reports, suggestions, drafts, designs, drawings, recommendations, samples, models, software including source code, CAD data records including histories, etc.), produced by the Supplier in the framework of the activities specified in the Supply Contract (hereinafter referred to as "Work Results"). All Work Results shall be made available without any copyright or other designations of Supplier. To the extent the Work Results are protected by copyrights, Supplier hereby expressly grants

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the Purchaser the right to assign the rights and modify the Work Results.

20.3.

Unless otherwise agreed in writing, the Purchaser shall have and obtain the exclusive rights in all aspects, including without limitation all Intellectual Property Rights worldwide and in perpetuity, in or pertaining to the Goods or part thereof to the extent customized by or for the Purchaser and to their Specifications. If requested by the Purchaser, the Supplier shall provide the drawings or Specifications of the customized Goods or part thereof. The Purchaser may free of charge sell, manufacture, have manufactured and/or otherwise use, license and/or commercialize any of the customized Goods or customized part thereof without charge. Supplier shall not directly or indirectly manufacture, sell or otherwise use or commercialize any such customized Goods or customized part thereof for or to any other party (including itself or any of its Affiliated Companies) without the Purchaser's prior written consent.

20.4.

The Parties commit themselves to inform each other of all alleged or identified violations of any IPR. The Supplier shall inform the Purchaser about the use of any published or unpublished IPR owned by or licensed to Supplier, which relate to the Goods.

21. Indemnities and Liability

21.1.

No inspections, tests, approval, or acceptance of Goods, Tooling, or Services by the Purchaser shall relieve Supplier from its liability.

21.2.

Supplier shall indemnify the Purchaser against and hold the Purchaser harmless from all Consequences and Claim(s) related to or arising from:

- i) product liability, product safety, personal injury and/or death, loss of and/or damage to property;
- ii) infringement or alleged infringement of Intellectual Property Rights attributable to

Supplier's manufacturing process, Goods or Tooling or their proper use, or performance of the Services;

iii) breach of contract or negligence of the Supplier;

iv) any Defect of the Goods, Tooling, and/or Services;

v) failure of the Supplier to comply with any applicable law, statute or regulation.

21.3.

The Purchaser shall provide written notification to the Supplier of a Claim. If possible, the Supplier will be given the opportunity to investigate the root cause of the Claim. The Supplier shall assist the Purchaser in responding and defending the Claim or assume the defense of the Claim if requested by the Purchaser.

22. Force Majeure

22.1.

Subject to compliance with Clause 22.2, neither Party shall be liable for non-performance caused by a Force Majeure Event.

22.2.

A Party shall notify the other Party of a Force Majeure Event, including its expected length and impact on the Party's ability to meet its contractual obligations, in writing without delay. The Party shall correspondingly notify the other Party of the termination of a Force Majeure Event.

22.3.

When becoming aware of a Force Majeure Event or threat of it the Parties agree to immediately commence discussions and agree actions on mitigating the effects of Force Majeure Event (for example (i) implementation of a production contingency plan, (ii) increasing Supplier's inventory of finished Goods to a level sufficient to sustain deliveries during Force Majeure Event).

The division of additional costs due to the mitigation actions will be mutually agreed in writing.

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22.4.

In case a Force Majeure Event continues for a period exceeding thirty (30) days, the Purchaser may cancel the undelivered portion of the Supply Contract.

23. Insurance Requirements

23.1.

The Supplier shall procure and maintain at its sole expense, adequate insurances with reputable and financially sound insurance companies to cover the Supplier's liability against the Purchaser and third parties. Liability insurance policies shall have combined single limits of no less than two million EUR (EUR 2,000,000) per occurrence and in the annual aggregate. The Supplier shall procure and maintain an insurance against business interruption with a limit of no less than five million EUR (EUR 5,000,000). The Purchaser is entitled to require additional insurance coverage. Insurance coverage shall not limit Supplier's liability or obligations under the Supply Contract in question.

23.2.

The Supplier shall promptly provide to the Purchaser certificates of such valid insurances signed by the issuing company or their agent and proof of payment of premiums at any time upon renewal date of such insurances as well as upon the Purchaser's request.

24. Confidentiality, Cyber Security and Processing of Personal Data

24.1.

Each Party shall keep in confidence all Confidential Information and shall not disclose the Confidential Information to any third party or use the Confidential Information for any purpose other than for the performance of the Party's obligations or exercising its rights under the Supply Contract ("Purpose").

24.2.

A receiving Party shall have the right to:

- i) copy Confidential Information only to the extent necessary for the Purpose;

- ii) disclose Confidential Information only to those of its employees and permitted sub-contractors who need to know Confidential Information for the Purpose;

- iii) disclose Confidential Information to its own advisors provided that such advisors are bound by confidentiality provisions at least as restrictive as contained in this Clause 24.

24.3.

The confidentiality obligation shall not apply to information that the receiving Party can evidence:

- i) being public knowledge or later becoming public knowledge other than by breach of the confidentiality obligation; or
- ii) having been in the possession of the receiving Party with the full right to disclose it prior to receiving it from the disclosing Party;
- iii) having received it from a third party with a full right to disclose it and without a confidentiality obligation; or
- iv) having been developed at any time independently without accessing or using Confidential Information of the disclosing Party.

24.4.

Each Party shall comply with the applicable laws and regulation in processing personally identifiable information ("Personal Data"). In case the Supplier processes personally identifiable information on behalf of the Purchaser, the Parties shall conclude a separate written data processing agreement.

24.5.

If any transactions require either Party to access or connect to any network, system, software, or other technology of the other Party, such access or connection will be used for the limited purposes set forth in the Supply Contract. The Parties will each maintain commercially reasonable technical, organizational, and security measures to protect the content provided or accessed under or in connection with the Supply Contract against accidental or unlawful destruction, alteration, unauthorized disclosure, or access.

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In the event that the Supplier becomes aware of any actual or suspected network, system and/or data breach with respect to information technology it uses (such as a system intrusion, virus or malicious code attack, data theft, or any acts of data ransom) that results in unauthorized access to any information of the Purchaser, the Supplier shall immediately report the breach to the Purchaser and take appropriate steps to mitigate the breach.

24.6.

Each Party warrants the observance and proper performance of this Clause 24 by all its subcontractors and other parties to which Confidential Information has been disclosed.

24.7.

The Supplier may only disclose the business relations to the Purchaser, including mentioning Purchaser in reference lists, after prior written approval by the Purchaser.

24.8.

The provisions of this Clause 24 shall survive the expiration or termination of any Supply Contract or the Frame Supply Contract.

25. Termination

25.1.

Each Party shall have the right to terminate any Supply Contract with immediate effect upon written notice to the other Party if

- i) the other Party commits a material breach of any of the terms and conditions of the Supply Contract and, if remediable, fails to remedy such a breach within thirty (30) days of the other Party's written notice thereof; or
- ii) the other Party is insolvent, declared bankrupt, is put into liquidation, sells all its assets, ends its business or it otherwise, without justified reason, ceases with its payments to the terminating Party.

25.2.

The Supplier shall notify the Purchaser of any changes in its ownership or control without undue delay. The Purchaser may terminate any Supply Contract if there is a change in control or ownership of the Supplier that the Purchaser

at its sole discretion considers affecting adversely the Supply Contract.

25.3.

The termination of any Supply Contract under this Clause 25 shall not affect the Parties' rights and liabilities accrued by the time of termination.

25.4.

Any provision which is to come into or continue in force after such termination, whether expressly or by implication remains unaffected.

25.5.

In case at the date of termination the title to the Tooling is not transferred to the Purchaser, the Purchaser shall obtain title to such Tooling by paying to the Supplier i) (in relation to finished Tooling) the outstanding portion of the agreed total cost or i) (in relation to unfinished Tooling) such proportion of the outstanding cost as is represented by the cost actually incurred by the Supplier in the supply of the Tooling as at the date of termination.

25.6.

In case of termination of the Supply Contract by the Supplier, the Supplier shall send a written notification to the Purchaser in such time that the Purchaser is able to secure production of the Goods or supply of the Services from another Supplier without disturbances.

26. Governing Law and Dispute Resolution

26.1.

Any Purchase Order or Supply Contract as well as these Terms are governed by, construed and interpreted in accordance with the laws of the country where the Purchaser is domiciled, except for the choice of law provisions. The application of the UN Convention on Contracts for the International Sale of Goods is excluded.

26.2.

The Parties shall first strive to resolve any disputes amicably. If the Parties are not able to find an amicable solution within one (1) month from the first written request for negotiations, then the dispute shall be finally settled by

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arbitration in accordance with the Rules for Expedited Arbitration of the International Chamber of Commerce. The seat of arbitration shall be Helsinki. The arbitration shall be conducted, and the arbitration award shall be given in the English language. The Parties agree that the arbitration procedure and all thereto related material and information shall be treated as Confidential Information in accordance with Clause 24.

26.3.

Clause 26.2. does not preclude a Party from obtaining interim injunctive relief on an immediate basis from a court of competent jurisdiction where such relief is necessary to protect that Party's interests in pending completion of any legal proceedings. In case a third party initiates a Claim against the Purchaser (for which the Supplier is required to indemnify the Purchaser) in a court, the Purchaser may, at its discretion, conduct the court procedures necessary to enforce indemnification in the court where the Claim is being or has been handled. In such a case the laws of the forum state shall govern the rights and obligations of the parties involved in relation to Claim and indemnification.

27. Other Provisions

27.1.

Any waiver must be explicit and given in writing by an authorized representative of a Party. A waiver is not a waiver of any future right or remedy of a Party.

27.2.

If any provision of the Supply Contracts or these Terms is found to be or becomes invalid, unlawful, or unenforceable to any extent, the provision in question will be severed from the remaining provisions, and the Supply Contract will continue to be valid and enforceable to the fullest extent permitted by law. The Parties agree to replace the invalid provision with a valid one the mostly reflects the Parties' intention.

27.3.

If the Supply Contract or these Terms have been translated into different language versions, the English version shall prevail.