



Unless otherwise expressly agreed in writing, these terms and conditions ("Conditions") will apply to any sales of products or services by any Purmo Group company ("Supplier") being an integral part of the order. These Conditions cannot be replaced by other terms and conditions sent to Supplier without mutual written agreement on deviating the Conditions.

"Affiliate" means any entity, directly or indirectly, through one or more intermediaries, controlling, controlled by, or is under common control with a Party.

"Contract" means the commitment between the Parties for Delivery subject to these Conditions.

"Customer" means the company purchasing Products from Supplier.

"Delivery" means any delivery of the Products to Customer under the Contract.

"Forecast" means Customer's rolling forecast estimating the need of Products to be ordered by Customer.

"IPR" means intellectual property rights such as invention, patent, utility model, copyright, trademark, and any other intellectual property rights of whatsoever nature as well as trade secrets, know how, and applications for any of the above whether or not such rights are perfected, registered or capable of registration.

"Party" means Customer or Supplier, together the "Parties".

"Personal Data" means any information relating to an identified or identifiable natural person or any other personal data referred to in applicable data protection legislation.

"Products" mean the goods to be delivered by Supplier to Customer specified and identified under the Contract, including related services.

"Supplier" means the respective Supplier company issuing offer and/or order confirmation in writing to Customer for the provision of delivery of the Products including its Affiliates.

1. CONTRACT

1.1 The Contract shall become valid on the date of either i) Supplier accepting order from Customer in written order confirmation; or ii) Customer accepting Supplier's offer; or iii) both Parties signing a mutually negotiated contract document.

1.2. Comments to Supplier's order confirmation shall be made by the Customer within 2 days from receipt. If no response is received, the order confirmation is deemed accepted by the Customer, the Contract is formed and the Supplier will start the delivery.

2. PRODUCTS AND FORECAST

2.1 The Products are specified in the Contract. Supplier is entitled to use subcontractors in manufacturing the Products at its sole discretion. The Customer has right to inspect the production of Products subject to prior inspection plan agreed between the Parties.

2.2 The Customer shall give to the Supplier, two weeks before start of each calendar quarter, Forecast for the Products it expects to purchase during the next calendar quarter. In addition the Customer shall provide the Supplier with an estimated Forecast for the Contract term or every twelve (12) months whichever is less.

2.3 Forecast shall be given in writing by means mutually agreed in the Contract. The Customer shall act in good faith when forecasting its requirements for Products.

2.4 Forecast provided under this clause does not constitute a Contract. The Parties shall review the Forecast monthly. If the Forecast or actual orders would alter more than 10%, the Supplier is entitled to increase Product prices with one month's prior notice.

2.5 If Supplier anticipates that it will be unable to meet the Forecast provided in accordance with this clause, the Supplier shall inform the Customer as soon as possible upon receiving the latest Forecast.

2.6 The Forecast is not binding but fair estimate. Supplier is committed to deliver Products only as agreed in the Contract. In case the Customer requires to manufacture special Products based on Forecast only, the Supplier has right to require a satisfactory collateral from Customer e.g. in the form of letter of credit or bank guarantee. The Customer shall be liable to purchase non-delivered

Products in stock if Products are manufactured, or the stock is maintained upon the Forecast.

3. DELIVERY

3.1 Delivery shall be complete on the actual Delivery date at a Delivery point agreed in the Contract. The Products are non-returnable after Delivery.

3.2 Supplier may deliver by instalments, which may be invoiced and paid for separately.

3.3 Customer shall make visual inspection on the Products upon Delivery and notify any visual deficiencies within 3 days after receipt.

3.4 If the Parties have expressly agreed on binding Delivery date in the Contract and Supplier is in delay with such binding Delivery date due to reasons solely attributable to Supplier, the delay is subject to liquidated damages. Unless otherwise agreed in the Contract the liquidated damages shall be 0,5% of the Contract price per each complete day max 10% of the Contract price. Liquidated damages shall be the sole and exclusive remedy for any delays in Deliveries.

3.5 In the event that Supplier is unable to meet binding delivery dates for reasons for which Supplier is not responsible (non-availability of goods, materials, or services), Supplier will inform the Customer without undue delay, stating new proposed Delivery date.

3.6 If the Products will not be available for a Delivery date, Supplier is entitled to withdraw partly or fully from the Contract, or cancel any part of the Delivery before dispatch, and refund without undue delay respective consideration already paid by the Customer for the Delivery. A case of non-availability of Products within the meaning hereof, shall be understood to be, in particular, late, short, or cancelled delivery or service to Supplier by its subcontractors provided that neither Supplier, nor its subcontractors, has caused the circumstance.

4. TRANSFER OF TITLE AND RISK

4.1 Risk of loss or damage to the Products shall pass from Supplier to Customer upon Delivery according to the delivery terms defined in the Contract (INCOTERMS 2020 for international).

4.2 Title to the Products shall transfer from Supplier to the Customer upon full payment for the Products.

5. PRICES AND PAYMENT

5.1 Prices agreed in the Contract are valid for 30 days from the effective date whereafter Supplier has the right to provide Customer with new prices for another 30 calendar days, with the exception that immediate change is possible upon written notice any time before dispatch of Delivery in case of strong fluctuations in the price of raw materials, fuel, power, transport, taxes, duties, services, labour and all other costs. Such immediate changes are in addition considered as Force Majeure under clause 9

5.2 Price lists are agreed annually and are subject to change by Supplier upon written notice.

5.3 The general payment term is net 30 days from the date of invoice. Invoice is issued after dispatch of Delivery. Customer shall comment invoices within 7 days after the date of invoice, otherwise the invoice is deemed accepted by the Customer. Payment shall be made in accordance with Supplier's invoicing instructions.

5.4 Supplier has right to immediate payment in the event of a change in the economic or solvency conditions of the Customer, and in the event of non-compliance with the payment conditions of any Contract. In such cases Supplier has right to require from the Customer a guarantee for further payments. Refusal to give the guarantee entitles Supplier to immediately suspend Deliveries and cancel the fulfilment of pending Contracts.

5.5 In the event of non-payment by any due date of invoice, all sums debited from the account become immediately and automatically payable without the need for a formal notice, and Supplier has right to cancel all Contracts in progress.

5.6 Any delay in payment leads to the application of delay interest



being equal to 15% per annum. Liability for paying interest starts from the 1st day following the payment due date on the invoice without separate reminder.

5.7 All prices are exclusive of tax. In the event of the creation of a fiscal or parafiscal tax or a change in their rate between the day of acknowledgment of receipt of the order and the day of invoicing, the impact of these creations or modifications will be reflected in the amount of the invoice.

5.8 In the event of return of goods damaged during transport, the invoices remain payable in full without any extension of due date.

5.9 No claim on the quality of all or part of a supply is suspensive of payment.

5.10 Any discount or return of Products and refund mechanisms shall be agreed in the Contract in order to be applicable.

6. WARRANTY

6.1 Supplier warrants that the Products are new, unused, and free from defects in material and workmanship on the Delivery date. The basic warranty period for found deficiencies is 24 months from the Delivery date (**Warranty Period**) for each of the Products, unless otherwise agreed in the Contract.

6.2 The warranty for Products does not apply to:

(i) normal wear and tear, or (ii) any defects in the Products that have been caused or contributed to by any act or omission of the Customer or any third party after the Delivery, including (a) transportation, storage or other handling of the Products, (b) materials or articles not supplied by the Supplier, (c) misuse or alteration, or (d) failure to follow instructions, installation manuals, warnings or notes set forth in any written direction from Supplier with the Products or separately in writing.

6.3 Customer shall, during the Warranty Period, notify Supplier in writing without delay of any defects in the Product, or any indication that leads to a reasonable expectation of a future defect within the Warranty Period, when Customer becomes aware or should have become aware of the defect (or indication, as applicable).

6.4 Supplier shall repair or replace at its discretion the Products that are found to be against the warranty under this clause.

6.5 In the event that Supplier fails to remedy defects within a reasonable period of time in accordance with this clause, the Customer shall agree with the Supplier either to:

(a) carry out the work in a reasonable manner by himself or by others and recover from Supplier the reasonable cost for which Supplier would have been responsible, if Supplier had performed the correction work himself in accordance with the Contract, provided however that in such case, Supplier shall have no responsibility for the remedial work and the Warranty Period shall expire for such remedy by others; or

(b) require Supplier to agree on a reasonable reduction in the price of defective Product.

6.6 Repair and/or replacement of the defective parts shall be the sole and exclusive liability of Supplier and the sole and exclusive remedy of Customer for any defects in the Products, whether under contract, tort or otherwise. Supplier expressly disclaims any implied warranties of merchantability and fitness for a particular purpose.

7. CONFIDENTIALITY

7.1 The Parties will keep confidential all technical data, commercial information, know-how, specifications, inventions, processes, initiatives, and other information which is of a confidential nature, and which has been disclosed to the Customer by Supplier or its agents and any other confidential information concerning Supplier's business or its products which the Parties may obtain ("Confidential Information").

7.2 The receiving Party will restrict disclosure of the Confidential Information to such of its employees, agents or subcontractors as need to know the same and will ensure that such employees, agents, or subcontractors are subject to equivalent obligations of confidentiality as bind the receiving Party.

7.3 The receiving party will not without the prior written consent of disclosing Party publish or disclose the Confidential Information to any third party or make any use of the Confidential Information except to the extent necessary to implement the Contract.

7.4 Confidential Information does not include information which: (a) at the time of disclosure to the Receiving Party is in the public domain or after disclosure becomes part of the public domain through no fault of the receiving Party or a party to which the Receiving Party has disclosed Confidential Information; (b) was in the receiving Party's possession without any obligation of confidentiality related thereto prior to the time of disclosure hereunder; or (c) is received by the receiving Party after disclosure hereunder from third parties without any obligation of confidentiality, and such third party did not acquire such information, directly or indirectly, from the disclosing Party.

7.5 Customer will use all reasonable efforts to ensure that it does not send any Personal Data to Supplier. Notwithstanding the foregoing, if the Parties agree that Supplier will process Personal Data on Customer's behalf as part of the Delivery, the Parties will enter into a data processing agreement incorporating the terms required under article 28 of EU GDPR, or other applicable data protection legislation.

8. IPR

8.1 Both Parties will retain their rights to all background IPR and no transfer of rights are deemed to be agreed under the Contract.

8.2 Customer will keep Supplier indemnified against all liability, loss, damage, injury, claim, action, demand, expense or proceeding in respect of any infringement or alleged infringement of any IPR resulting from the instructions or materials provided by Customer.

8.3 Supplier reserves the right to cease any work where it becomes aware that Product infringes or may infringe IPR of any third party. In the event a Product is claimed to be infringing, or which in the opinion of the Supplier may infringe IPR of a third party, and when such infringement is not in materials or instructions from Customer, Supplier is entitled, at its own expense and sole discretion, either (i) procure the right to continue using the Product, or (ii) replace the Product or parts thereof with non-infringing equivalents and/or modify the Product so that the same becomes non-infringing.

8.4 Unless otherwise agreed in writing ownership in all IPR subsisting in, resulting from, or relating to the works, or any associated instructions, plans, illustrations, descriptions, blueprints, designs, technical information, drawings, sketches, documents, or specifications (except where these relate solely to the Customer's Property) will vest in or be assigned to Supplier. If the Customer in any way acquires any such rights it will promptly inform Supplier and take such steps as Supplier may reasonably require to assign such rights or vest such title in Supplier.

8.5 Provided that the Customer is not in default of any payment obligations under the Contract Supplier grants to the Customer a non-exclusive, royalty free licence to use IPR in Products as may be owned by Supplier in accordance with clause 8.1 and 8.5.

9. FORCE MAJEURE

9.1 A Party will not be liable to the other Party or be deemed to be in breach of the Contract by reason of any delay in performing or failure to perform any of its obligations under the Contract if such delay or failure was due to event or circumstance i) which is beyond the Party's reasonable control, ii) which such Party could not reasonably have provided against before entering into the Contract, iii) which, having arisen, such Party could not reasonably have avoided or overcome, and iv) which is not substantially attributable to the other Party (the "Force Majeure").

9.2 If A party is unable to perform its obligations due to Force Majeure it will promptly notify the other Party of the nature and extent of the circumstances in question. In such a case the parties will agree on extension to agreed Delivery times corresponding the period of Force Majeure, and other consequences of the Force Majeure. Both Parties shall mitigate the consequences of Force Majeure without obligation to incur additional costs.



10. ASSIGNMENT AND AMENDMENTS

10.1 Neither of the parties may assign or transfer the Contract or any part of it to any other person without the prior written consent of the other party.

10.2 The Contract can be amended only by written prior agreement by both Parties.

11. EXPORT CONTROL

11.1 The Products shall be delivered, and the Supplier's obligations hereunder shall be, subject to all applicable export controls imposed on technology and products by any country, or organization or nation, including the United Nations, European Union, United Kingdom and United States, jurisdictions that can be extended to the Supplier. The Customer acknowledges that the Products including all related technical information, may not be re-exported, transhipped, diverted, or transferred, directly or indirectly, contrary to such controls.

11.2 The Products will not be used for purposes associated with any chemical, biological, nuclear weapons, or missiles capable of delivering such weapons, or in support of any terrorist activity or any other military end use. The Customer agrees to furnish an 'owner certificate' upon request by Supplier.

11.3 In the event the Supplier is obliged to stop the Delivery due to export control regulations, Supplier shall send the Customer a notice thereof and shall have the right to cancel related parts of Delivery without incurring any costs.

12. INSURANCES

12.1 Supplier shall, at its own expense, provide and maintain an insurance covering the risk of loss or damage to the Products in marine or inland transportation until risk of loss is transferred in accordance with the Contract. Further, Supplier shall maintain adequate insurance coverage for product liability regarding damages caused by the Products to other material or personal injuries due to reasons attributable to Supplier.

13. TERMINATION

13.1 Without affecting any other right or remedy available to it, either Party may terminate the Contract with immediate effect by giving written notice to the other Party if:

(a) the other Party commits a material breach of any other term of this agreement and (if such breach is remediable) fails to remedy that breach within a period of 30 days after being notified in writing to do so;

(b) the other Party breaches any applicable laws and regulations;

(c) the other Party repeatedly breaches any of the terms of this agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of this agreement;

(d) the other Party is in bankruptcy, liquidation, subject to company restructuring or another matter is causing the party to otherwise be insolvent;

(e) the other Party is acquired by a competitor of the other; or

(f) any Force Majeure event under clause 9 prevents the other party from performing its obligations under Contract for any continuous period of three (3) months.

13.2 In case of 14.1 (a), (b) or (c) the defaulting Party shall indemnify the other Party against costs incurred due to the termination.

13.3 If the Contract is agreed to be in force for an indefinite period, both Parties may terminate the Contract without cause to the end of the latest Forecast with six (6) months prior written notice before the intended date of termination.

14. LIMITATION OF LIABILITY.

14.1 All warranties, conditions and other terms are set forth in the Contract and any warranties implied by statute are, to the fullest extent permitted by law, excluded from the Contracts.

14.2 Supplier will not in any case be liable to the Customer in misrepresentation or otherwise for:

(a) economic loss of any kind (including but not limited to loss of use, profit, anticipated profit, business, contracts, overhead recovery, machining costs, revenue or anticipated savings);

(b) any damage to the Customer's reputation or goodwill;

(c) any product recall or business interruption costs of the Customer; or (d) any special, indirect or consequential loss or damage (even if Supplier has been advised of such loss or damage) arising out of or in connection with the Contract.

14.3 Supplier's total liability in contract, tort or delict (including but not limited to negligence), misrepresentation or otherwise arising out of or in connection with a Contract will be limited to aggregate price of Products paid by the Customer within the last 12 full calendar months.

14.4 Damages caused by the Products are limited to the amount received from insurance covering such damage (provided that nothing in these Conditions will oblige Supplier to obtain any insurance or claim upon any insurance which it holds) or 1MEUR (whichever is the greater).

14.5 Nothing in the Contracts excludes or limits the liability of Supplier for intentional misconduct or gross negligence or other fraudulent actions.

14.6 Any claim that is not issued to Supplier within 14 days from becoming aware or should have becoming aware of the reason to claim by the Customer is considered time barred.

15. GOVERNING LAW AND DISPUTE RESOLUTION

15.1 The Contract will be governed by the laws of the domicile of the Supplier, excluding the application of United Nations Convention on contracts for the International Sales of Goods (Vienna 1980) (CISG). Disputes shall be resolved amicably between the Parties, but will finally be settled by arbitration in accordance with the rules of International Chamber of Commerce in effect at the date of Contract. The number of arbitrators shall be 3, selected in accordance with the above rules. The seat of arbitration shall be the domicile of Supplier. The language to be used in the procedure shall be English.

16. MISCELLANEOUS

16.1 The remedies which are specified in the Contract shall be the sole and exclusive remedies available and neither Party shall be entitled to indemnification from the other Party except as specified in the Contract.

16.2 Any notice or other document to be served under the Contract must be in writing and may be delivered or sent by email or prepaid first class post to the recipient's registered office.

16.3 Any notice or document shall be deemed served, if delivered at the time of delivery, if posted, 48 hours after posting and if sent by email, at the time of transmission.

16.4 If any provision of the Contract is found by any court, tribunal, or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, unenforceable or unreasonable it will, to the extent of such illegality, invalidity, voidness, unenforceability, or unreasonableness, be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.

16.5 Failure or delay by either party in exercising any right or remedy provided by the Contract or by law will not be construed as a waiver of such right or remedy or a waiver of any other right or remedy.

16.6 Any waiver by either party of any breach of, or any default under, any provision of the Contract by the other party will not be deemed a waiver of any subsequent breach or default and will in no way affect the other terms of the Contract.



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16.7 A person who is not a Party to the Contract will have no right under any rule of law to enforce any term of the Contract.

16.8 The Customer agrees that it will have no remedy in respect of any untrue statement innocently or negligently made by or on behalf of Supplier prior to the Contract upon which the Customer relied in entering into the Contract whether such statement was made orally or in writing.

16.19 Customer shall ensure the terms and conditions in the Contract are applied mutatis mutandis in sales to end customers.

16.10 In performing their obligations under the Contract, the Parties shall and shall procure that they and their Affiliates and employees as well as their customers comply with all applicable laws, statutes, and regulations from time to time in force, including those concerning anti-corruption, anti-money laundering, anti-bribery, climate protection and human rights.

[END]