

## PESMEL GROUP GENERAL TERMS AND CONDITIONS FOR SPARE PARTS AND MAINTENANCE SERVICES

Valid as of 26.01.2022, version 07

### 1. SCOPE AND CONTRACT

These General Terms and Conditions ("**General Terms**") shall apply in sale and delivery of spare parts ("**Products**") and maintenance services ("**Services**") between Pesmel Group companies ("**Pesmel**") and their customers ("**Customer**"). Pesmel and the Customer are also referred to individually as a "**Party**" and collectively as "**Parties**".

Each delivery of the Products and the Services by Pesmel shall be subject to Pesmel's offer indicating the offered Products and/or Services and their prices, the Customer's order and Pesmel's order confirmation ("**Contract**"). In case any specific technical specifications will be required, the Parties shall agree these separately in writing. These General Terms are used as such or to complement the Contract between the Parties. Deviations from these General Terms shall not apply unless otherwise expressly agreed in writing.

If the Customer in its order refers to other terms and conditions, such terms and conditions shall apply only to the extent Pesmel expressly agrees to them in writing, otherwise the Customer's conditions have no effect and they shall not apply.

In case of any discrepancies between the Contract and these General Terms, the terms in the Contract shall prevail.

### 2. PRICES AND PAYMENT TERMS

The prices and the payment terms shall be specified in the Pesmel's offer unless otherwise expressly agreed in writing. The price refers to the price excluding value added tax (VAT) and VAT shall be added, if applicable.

The Parties shall always agree any adjustment of the prices in writing.

Unless otherwise expressly specified in the Pesmel's offer, Pesmel shall invoice the Products after order confirmation and the Services following their performance. Payments shall be made against Pesmel's invoice. Unless otherwise expressly agreed in writing, the payment term is 30 days net from the date of invoice. In addition, Pesmel shall have the right to require an advance payment or a bank guarantee from the Customer at its sole discretion. Pesmel shall notify the Customer of such requirement in advance in the Pesmel's offer.

Payment shall be made in full, without any set-off, counterclaim or deduction and free of bank charges by

cash transfer to the bank account indicated by Pesmel on the respective invoice(s).

In case the payment of the price is delayed, the Customer shall pay annual interest for late payment. The amount of interest on delayed payments is 10 percentage points higher than the reference rate in accordance with the Finnish Interest Act. Pesmel shall also be entitled to charge all costs borne by Pesmel in connection with the collection of overdue payments.

### 3. GENERAL OBLIGATIONS OF CUSTOMERS

The Customer undertakes to comply with all Pesmel's instructions and any specific directions for use concerning the Products while the Customer is using the Products and adhere with these instructions during any installation and maintenance work.

The Customer undertakes to inform Pesmel if any stricter conditions are required to the Products and Services by local legislation or for any other mandatory reason. The Customer shall compensate the costs occurred due to needed modifications or additions to the Products and Services due to local legislation and governmental rules.

### 4. TERMS OF DELIVERY AND TIME OF DELIVERY

The delivery of all Products shall be FCA (Incoterms 2020) unless otherwise expressly specified in the Pesmel's offer.

If the delivery cannot be completed either partially or wholly, or if the Products cannot be received within the agreed time schedule, or if it appears likely that this kind of delay will occur, Pesmel shall inform the Customer without undue delay in writing. The written notification shall also explain the reason for the delay as well as a new delivery date.

If a delivery is delayed for a reason solely attributable to Pesmel, the Customer is entitled to liquidated damages. The liquidated damages payment shall be 0,1 percent of the price of the delayed Product(s) for each completed week of delay. The liquidated damages shall not in total exceed 2,5 percent of the price of the delayed Product(s). The Customer shall not have right to any other compensation for damages related to the delay.

If the Customer fails to accept delivery at the delivery time, the Customer shall nevertheless pay any part of the purchase price which becomes due on delivery, as if delivery had taken place. Pesmel shall arrange for storage of the Product at the risk and expense of the Customer.

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Pesmel shall also, insure the Product at the Customer's expense if the Customer so requires and Customer has paid the insurance expenses to Pesmel in advance. In addition to the above, Pesmel shall be entitled to liquidated damages. The liquidated damages shall be payable at a rate of 0.1 per cent of the Product price for each completed week of delay in acceptance of delivery by the Customer. The total amount of the liquidated damages shall not exceed 2.5 per cent of the price of not accepted Product.

Pesmel shall always have a right to change the delivery time without an obligation to pay any liquidated damages or other damages for such delay to the Customer if raw materials, components, products or other parts cannot be obtained for example due to general availability problems or shortage of components in the market and it is not possible for Pesmel to arrange replacement for such products, components or other parts by reasonable commercial measures.

## 5. TRANSFER OF TITLE

Unless otherwise agreed in writing and notwithstanding the transfer or risk according to agreed delivery term, Pesmel shall retain the title and ownership on the spare parts until the full purchase price is paid.

## 6. INTELLECTUAL PROPERTY RIGHTS

These General Terms do not provide for the transfer of ownership or title nor grant any express or implied licence to the Customer to any intellectual property or software created or held by Pesmel unless otherwise expressly agreed in writing. The Contract has no effect on pre-existing intellectual property rights.

## 7. WARRANTY AND CLAIMS

Pesmel warrants the Products to be free from defects in designs, materials and workmanship for a period of 12 months from the delivery. If the daily use of the Product exceeds what has been agreed, this warranty period shall be reduced proportionately.

The Customer shall immediately notify Pesmel in writing of any defects which appears. Such notice should be given in 7 days following the detection of the defect, or when the defect should have been detected when exercising diligent care. If the Customer fails to notify Pesmel in writing of a defect within the time limit set forth in this clause, the Customer shall lose its right to have the defect remedied as warranty. After the time limit, Pesmel may remedy defects against a separate invoice. The Products suspected to be defected shall not be used. The notice shall contain the detailed description of the defect and the defected Product. If Pesmel receives a notice of defect from the Customer and no defect is found for which Pesmel is liable, Pesmel shall be entitled to

compensation from the Customer for any cost incurred to Pesmel and reasonable interest.

If Pesmel is liable for the defect Pesmel shall, upon receipt of the Customer's claim, at its own expense and in its sole discretion either repair the detected defect or carry out a replacement delivery or have the defect repaired at Pesmel's expense by a third party as mutually agreed upon by the Parties. Pesmel's liability regarding defects is limited to repairing or replacing the defected part.

Pesmel's liability does not extend to defects due to normal wear and tear or to defects which are caused by improper use or faulty maintenance or repair on the part of the Customer. Also, Pesmel shall not be liable for defects that are due to the Customer's violation of Pesmel's instructions.

The Customer agrees to store any defected the Products for Pesmel's investigations and return the defected Products to Pesmel at Pesmel's cost, should Pesmel so request.

The Customer shall be obliged to make payment in full and fulfill all other obligations in accordance with the Contract and these General Terms, whether or not they have any claims or complaints.

From the first delivery of the Products Pesmel guarantees spare parts availability as follows: mechanical parts 10 years, electrical parts 5 years, electronic parts 2 years, whereby similar and/or compatible solutions are permitted. Any conversion or modification costs necessary in this respect shall be borne by the Customer.

Pesmel warrants that the Services has been performed professionally and carefully. Unless otherwise expressly agreed in writing Pesmel shall not warrant functionality of the Services.

## 8. LIABILITY

The maximum liability for damages of Pesmel towards the Customer shall not exceed in aggregate 10 percent of the total price for the delivered Products or Services under the respective Contract excluding value added tax.

Neither Party shall be liable for loss of profit, loss of production or any other indirect or consequential damages.

Pesmel shall have no liability for the damage to other property caused by the Products it has delivered. If a claim for damage as described in this clause is lodged by a third party against one of the Parties, the informed Party shall without delay inform the other party thereof in writing.

Limitations of liability shall not apply to damage caused by wilful conduct or gross negligence.

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## 9. CONFIDENTIALITY

Each Party shall keep in confidence all material and information received from the other Party and marked as confidential or which should be understood to be confidential. For example photographs, drawings, schematics and calculations provided by Pesmel for the Customer shall always be considered as confidential.

The confidentiality obligation shall, however, not apply to material or information a) which is generally public; b) which the receiving Party has received from a third party without any obligation of confidentiality; c) which was in the possession of the receiving Party prior to receipt of the same from the other Party without any obligation of confidentiality related thereto; d) which the receiving Party has independently developed without using any material or information received from the other Party; or e) which the receiving Party is required to provide due to law or regulation by the authorities.

The right and responsibilities under this section shall survive the termination or expiration of the Contract.

## 10. FORCE MAJEURE

Neither Party shall be liable for delay and damage caused by an impediment beyond the Party's control and which the Party could not have reasonably taken into account at the time of conclusion of the Contract and whose consequences the Party could not reasonably have avoided or overcome. Such events shall include, if not proven otherwise, inter alia, fire, war or insurrection, extensive military mobilization, earthquake, export or import prohibitions, flood or other similar natural catastrophe, epidemics, quarantine restrictions, orders by government or authorities, interruptions in general traffic, data communication or supply of electricity, restrictions in the use of power, lockout, injunction, requisition, seizure, import or export embargo, boycott or other similar industrial action.

A force majeure event suffered by a subcontractor of a Party shall also be considered a force majeure event in relation to the Party if the work to be performed under subcontracting cannot be done or acquired from another source without incurring unreasonable costs or significant loss of time.

A Party shall notify the other Party in writing without delay of a force majeure event. The Party shall correspondingly notify the other Party of the termination of a force majeure event.

## 11. CANCELLATION OF CONTRACT

If either Party is in material breach of the Contract or these General Terms, the non-breaching Party shall have the right to cancel the Contract. The non-breaching Party

shall not have such right if the material breach is rectified, if capable of being rectified, within 30 days after receipt of written notice of the breach.

If the Customer has failed to perform its payment obligations, Pesmel shall have the right, as an alternative to cancellation of the Contract, to interrupt deliveries until the overdue invoice has been paid. In that case the agreed delivery date shall be moved forward by an equivalent period of time.

When the Contract is cancelled in accordance with this section, the non-breaching Party shall have the right to receive compensations for expenses and damages resulting from unperformed obligations under the Contract. The total amount of compensation shall not exceed the total price for the delivered Products or Services under the respective Contract excluding value added tax.

## 12. PROCESSION OF PERSONAL DATA

Pesmel may store, process and use data collected from the Customer. Pesmel shall process and protect the information in accordance with its Privacy Policy.

## 13. INSURANCE

The Parties are responsible for insuring the Products in accordance with the division of responsibility indicated in the terms of delivery agreed. Any other insurance is subject to a separate agreement.

## 14. SETTLEMENT OF DISPUTES AND APPLICABLE LAW

The Contract and all matters arising out of or in connection with it shall be governed in accordance with the laws of Finland without reference to its choice of law rules. The United Nations Convention on Contracts for the International Sale of Goods, done at Vienna April 11, 1980, is excluded.

In the event no amicable settlement can be reached by means of negotiations, all disputes arising out of or in connection with the Contract shall be finally settled in accordance with the Arbitration Rules of the Finland Central Chamber of Commerce. Place of arbitration shall be Helsinki, Finland. The number of arbitrators shall be one and the language of the arbitration shall be English.

## 15. MISCELLANEOUS

If any provision of these General Terms is found or becomes invalid, unlawful or unenforceable, this shall not affect the validity or enforceability of these General Terms. In this case, only that part is deemed to be invalid or ceased to be enforceable.

All notices and alterations to the Contract must be given in writing and the sender is responsible for the delivery of notice sent to the other Party.

Neither Party shall have the right to assign this Contract or any of its rights or obligations hereunder to any third party without prior written consent of the other Party. Pesmel has however the right to assign the Contract without the Customer's consent to its affiliated company or a third party to whom its business operations relevant to the Contract are transferred. Pesmel shall be entitled to assign its receivables related to the Contract to a third party.

#### **16. VALIDITY**

As of 26 January 2022, these General Terms shall apply until further notice from Pesmel and replace any existing terms and conditions regarding the Products and the Services.