

General Terms and Conditions of Business for Orders

Enervent Zehnder Oy
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ART. 1 GENERAL

1. These “General Terms and Conditions of Business for Orders” (hereinafter “Conditions”) constitute an integral part of the Purchasing or Service Agreement.
2. In this document the Contractor (Service Agreement) or Seller (Purchasing Agreement) is referred to as “the Contractor” and the Principal (Service Agreement) or Purchaser (Purchasing Agreement) is referred to as “the Purchaser”. The work to be performed or the products being purchased are referred to as “the Product” or “the Products”.
3. These Conditions are applicable unless written agreements to the contrary have been concluded in specific cases. General business terms (conditions of delivery, assembly etc.) of the Contractor are only valid to the extent that they have been expressly accepted in the agreement.
4. If there are contradictions between these Conditions and the individual agreement, the provisions set out in the individual agreement shall take precedence. If there are any contradictions between these Conditions and the general terms of the Contractor, the provisions set out in these Conditions shall take precedence.
5. Amendments to the Purchasing or Service Agreement shall apply only upon written acceptance of both parties.

ART. 2 THE WORK AND THE PRODUCTS IN GENERAL

1. The Contractor shall confirm in writing the Purchaser’s order within three (3) business days. If such an order confirmation is not received by the Purchaser within three (3) business days, the purchase order shall be deemed accepted.
2. In submitting the order confirmation or a quotation, the Contractor affirms that all facts and circumstances necessary for the calculation, design and execution of the work are known to him.
3. The Contractor declares that it has sufficient knowledge and experience as well as financial, technical and staff capacity necessary for the execution of the work.
4. The Products shall be manufactured according to proven design principles, taking into account the latest state of the art of science and technology and using materials which are best suited for the purpose, to the effect that the Products serve the purpose for which it was intended in every respect and offers a maximum of operational safety. The Products shall be designed so as to limit overhauls and repairs to a minimum and render them executable in

the shortest possible time and with minimum outlay in terms of labor and materials.

5. The Products must in every respect comply with the corresponding statutory and regulatory provisions as well as the relevant technical regulations.

ART. 3 DRAWINGS, CALCULATIONS AND INSTRUCTIONS

1. The Contractor undertakes to submit to the Purchaser sufficiently in advance prior to manufacturing or provision of the Products all important technical documentation such as drawings with principal dimensions, material lists, foundation plans, diagrams, testing regulations etc. in duplicate and in binding form for review and commentary.
2. The Contractor undertakes to procure all data required by third parties participating in the project sufficiently in advance and in binding written form.
3. If, due to subsequent changes in the procedures or to the dimensions of the Products supplied by the Contractor, alteration work on the Purchaser's plant or on equipment supplied by third parties becomes necessary, all consequential costs shall be borne by the Contractor insofar as the alterations were carried out without the prior authorization of the Purchaser.
4. Submission of the documentation to and approval by the Purchaser do not release
5. the Contractor from his responsibility to honor the contractually stipulated
6. guarantees and obligations.
7. The Contractor undertakes to submit to the Purchaser, at the latest upon delivery
8. of the Products, four copies of detailed instructions for assembling, dismantling and monitoring, as well as for operation and maintenance of the Products. At the latest four weeks after provisional acceptance (according to Art. 10) the Contractor shall also hand over to the Purchaser three complete and updated sets of all drawings, diagrams and other documents (of which one shall be a reproducible set in paper form and one a data carrier) which are required for a clear understanding of the functioning, operation and maintenance of the Products, as well as for the ordering of replacement parts.
9. Any drawings and other documentation provided by the Purchaser to the Contractor shall remain exclusive property of the Purchaser. The Contractor shall not, without prior written approval of the Purchaser, have the right to use such drawings or other documentation for any other purpose than for manufacturing the Products, hand such drawings or other documentation over to any third party, or to disclose any information of such drawings or other documentations to any third party.

ART. 4 TOOLS, MATERIALS, QUALITY AND SAMPLES

1. Any tools provided by the Purchaser to the Contractor or any tools ordered from and paid by the Purchaser to the Contractor are the property of the Purchaser and shall not be handed over to any third party or used without the prior written approval of the Purchaser. The Contractor shall be liable for the maintenance of such tools. The Contractor shall compensate the Purchaser for any damages to such tools. The Contractor shall insure the tools which are owned by the Purchaser and which are in the Contractor's possession.
2. The Contractor shall storage and label the tools owned by the Purchaser in such a way that

they can always be separated from the Contractor's other property. If requested by the Purchaser, the Contractor shall return the tools in his possession to the Purchaser without undue delay.

3. The material specifications of the Products shall always be defined in the order, order confirmation or quotation. The Contractor shall ensure that the materials used in the delivered Products comply with the agreed specifications.
4. The Contractor ensures that the quality and quality control of the Products complies with ISO9002, TS16949 or with other agreed written standards.
5. The Purchaser and his representatives shall (upon prior appointment) have free access to the Contractor's manufacturing facilities and those of his sub-contractors, and he shall be provided with all desired information on the progress of the work, the quality of the material used etc.
6. The Purchaser shall have the right to test the used materials by spot checks. When procuring raw materials, the Contractor shall provide the Purchaser with test reports of the material specifications of each delivery lot, unless otherwise agreed between the parties. If the Products are manufactured according to drawings and designs provided by the Purchaser to the Contractor, the Purchaser shall have the right to supervise and check the production at the Contractor's premises, the material quality, the production and testing methods as well as request other reports and samples related to the Products. Before the commencement of purchases, the Purchaser shall have the right to conduct a supplier review of the Contractor's new raw material suppliers.
7. When a serial order is manufactured according to drawings and/or designs provided by the Purchaser to the Contractor, the Contractor shall provide the Purchaser with sample lots of the new parts before commencement of the serial production. The sample lots shall contain an appropriate measurement protocol. The Purchaser shall as soon as possible inspect such sample lots after receiving them and inform the Contractor of the inspection results. After the sample lots have been approved the serial deliveries may immediately commence according to the agreed delivery schedule.
8. Neither the performance of the aforementioned inspection by the Purchaser nor the performance of acceptance tests shall release the Contractor from his full responsibility for adherence to the contractually stipulated guarantees, warranties and obligations.

ART. 5 DELIVERY TIME AND TIME SCHEDULE

1. The Contractor shall submit, in good time before commencement of operations, a detailed time schedule to the Purchaser and shall keep the Purchaser regularly informed on the progress of the work. Any impending delivery delays shall be reported to the Purchaser immediately, and the reasons for the delays shall be explained in detail. At the same time the Purchaser shall be notified of the measures which the Contractor intends to take to ensure that commissioning of the work can nevertheless take place on schedule.
2. If, due to extraordinary circumstances which could not have been foreseen by the Contractor and for which the Contractor cannot be held responsible, the Contractor is prevented from fulfilling his obligations to such an extent that adherence to the agreed deadline is not possible, despite having taken all efforts and measures which could reasonably be expected

of him, the Contractor undertakes to inform the Purchaser to this effect and to provide him with written verification of such circumstances without delay. In cases of force majeure the Contractor shall be entitled to a reasonable extension of the contractually agreed deadlines. Force majeure shall mean any circumstances which are beyond the Contractor's reasonable control, such as war, uprising, revolution, general strike, major accidents, and currency restrictions, which impedes, delays or aggravates any obligation to be performed by the Contractor under these Conditions provided that the Contractor could not reasonably have foreseen such event or reasonably overcome its consequences. The Purchaser shall decide upon the duration of the extension, which as a rule shall correspond to the duration of the delay. If the Contractor neglects to inform and provide verification to the Purchaser of the force majeure, the Contractor may not demand that the obstructing circumstances be taken into account thereafter.

ART. 6 SUBCONTRACTORS

1. The Contractor is not entitled to use any subcontractors in fulfilling its contractual obligations stipulated in these Conditions without the prior written approval of the Purchaser.
2. The Contractor is responsible for the work and performance of its subcontractors as for its own.
3. The Contractor shall ensure that the subcontractor(s) approved by the Purchaser comply with the provisions set forth in these Conditions.

ART. 7 PACKING, STORAGE, SHIPMENT, TRANSPORT

1. Delivery readiness shall be notified to the Purchaser in writing. If the shipping of the Products has to be delayed beyond the contractual delivery date at the Purchaser's request, the Contractor undertakes to store the Products in his factory or at another suitable location for a period of six months free of charge.
2. No partial or extra deliveries shall be made without the prior written approval of the Purchaser. The Purchaser shall have the right to return any extra deliveries at the Contractor's cost and the Contractor shall be liable for any additional transportation costs relating to partial deliveries.
3. The delivery term DDP of INCOTERMS 2010 or the latest edition of INCOTERMS shall apply to the deliveries made under these Conditions. The transfer of risk and benefit as well as of title shall in every case be performed only at the time of the provisional acceptance pursuant to Art. 10.1. The Purchaser reserves the right to perform the transport with his own vehicles.
4. The costs for storing the Products at the destination site until assembly shall be borne by the Purchaser. Storage is the responsibility of the Contractor and can be monitored by him. The storage premises shall be provided by the Purchaser free of charge.

ART. 8 LEGAL CONSEQUENCES OF LATE DELIVERY

1. If the Contractor cannot meet a contractually stipulated or extended delivery date (Art. 5.2) he shall pay the Purchaser liquidated damages for non-performance. For each full week of delay these liquidated damages shall amount to 2% of the contract price. The maximum amount of the liquidated damages shall be 10% of the contract price. In addition, the Contractor shall compensate the Purchaser for any third-party compensations, exceeding the liquidated damages for non-performance, imposed to the Purchaser by third parties due to the late delivery of the Contractor.
2. The delivery date shall be deemed to have been met if notification of availability of the Products according to Art. 7.3 or notification of completion of assembly is received by the Purchaser within the specified time.
3. The liquidated damages for non-performance may be deducted from the payments to be made by the Purchaser. Settlement or setting-off of the payment does not release the Contractor from fulfilment of other obligations pursuant to the agreement.
4. The Purchaser is entitled to set a reasonable time schedule for fulfilment thereafter. If fulfilment is not achieved even on the expiry of this date, the Purchaser is entitled to forego the belated delivery and either to demand compensation for damages arising from non-performance, or to withdraw from the agreement and to demand compensation for damages due to the agreement becoming null and void. In addition, the Purchaser cumulatively retains his right to payment of the penalty for non-performance in accordance with Art. 8.1.

ART. 9 ASSEMBLY, COMMISSIONING AND TRIAL OPERATION

1. Assembly, commissioning and trial operation are included in the contract price.
2. If the agreement makes provisions for separately chargeable work at cost rate, this work will be invoiced at the assembly rates valid at the time of conclusion of the agreement. The accounts for work performed on at cost rate basis are to be cleared monthly according to the working hour reports initialed by the Purchaser.
3. The Contractor undertakes to take out liability insurance at his own cost for all employees, workers and helpers involved in assembly, commissioning and trial operations who are employed and paid by him.
4. Assembly must be performed efficiently and without interruption, and it must be effectively supervised.

ART. 10 PROVISIONAL ACCEPTANCE, WARRANTY PERIOD, FINAL ACCEPTANCE

1. On completion of assembly the Products supplied by the Contractor will be subjected to a mutual inspection by the Contractor and the Purchaser, and a trial operation will be carried out to verify that the Products function correctly. If the inspection and trial operation prove successful, a report will be compiled on the results of these tests and signed by both parties. The signing of the report shall constitute the provisional acceptance of the Products. If provisional acceptance is delayed for reasons for which the Purchaser is responsible, then

this must be performed after the Purchaser has indicated his readiness for provisional acceptance, but in any case, at the latest within six months after the Contractor notified readiness for provisional acceptance.

2. Compliance with the official regulations shall be verified at the latest prior to provisional acceptance.
3. The warranty period commences on the date of the provisional acceptance and at the same time ownership of the Products is transferred to the Purchaser.
4. The warranty period amounts to 48 months. The expiry of this period means the final acceptance, insofar as the operating performance of the Product as a whole has been verified. A report is to be compiled upon final acceptance and must be signed by both parties. Approval of the Products in connection with final acceptance does not apply to deficiencies to which objections were filed during the warranty period and which, up to the time of the final acceptance, have not yet been eliminated, as well as for parts which proved to be deficient only at the time of final acceptance. If, for reasons for which the Purchaser can be held responsible, commissioning - and hence also provisional acceptance - are delayed, the warranty time shall be extended to a maximum of 60 months from notification of readiness for delivery.
5. In the event of deficiencies having to be rectified or replacement Products made, the warranty period for the parts affected by these measures begins on the day of the rescheduled provisional acceptance. In the case of major work, alterations and replacement part deliveries which are of fundamental importance for the functioning of the Products, a new warranty period shall be accorded for the entire consignment. The new warranty period shall, however, in no case last for more than five years after the initial provisional acceptance of the Products or a part thereof.

ART. 11 WARRANTIES

1. The Contractor warrants that the design and workmanship will be free from deficiencies, and that the Products in their entire scope will function correctly. During the warranty period the Contractor will, as quickly as possible and at his own cost, repair or replace (if necessary with parts of another suitable design) all parts and equipment which show defects in design, material, workmanship or assembly or which otherwise fail to meet the contractual stipulations.
2. Indirect advantages which ensue for the Purchaser as a result of rectification of deficiencies shall not be charged to the account of the Purchaser. Excepted from the warranty are normal wear and tear in the case of wearing parts and damages attributable to inadequate supervision or operating errors on the part of the plant personnel (despite correct and clear instructions in the documentation).

ART. 12 LEGAL CONSEQUENCES OF NON-ADHERENCE TO WARRANTIES, LIABILITY FOR DAMAGE

1. If the Products show substantial deficiencies or non-conformance with the agreement to the

extent that the Purchaser cannot use the Products or reasonably be expected to accept them, the Purchaser may refuse to accept the Products, withdraw from the agreement and demand compensation for damages.

2. Should the deficiencies or non-conformance with the agreement be less substantial, the Purchaser shall allow the Contractor a reasonable period of time in which to carry out the required improvements or to replace the Products as warranty work. If, within this time period, the deficiencies are not rectified or rectification is unsuccessful, the Purchaser is entitled to perform the warranty work himself or have it performed by a third party at the cost of the Contractor. If, instead, the Purchaser forgoes rectification of the deficiencies, or if it is only possible to rectify part of the deficiencies, the Purchaser is entitled to deduct an appropriate amount from the price corresponding to the reduction in value.

ART. 13 PRODUCT RECALL, PRODUCT LIABILITY

1. The parties shall inform each other without undue delay after becoming aware of a risk relating to the safety of the Products (the "Safety Risk").
2. Without undue delay thereof, the Contractor shall provide the Purchaser with an action plan to remove or remedy the Safety Risk.
3. If the Safety Risk is due to the Products not being in compliance with these Conditions or the applicable mandatory laws or rules (the "Safety Problem"), the Contractor shall at the Purchaser's request and at the Contractor's own cost and expense:
 - a. present a corrective action plan for the Safety Problem within a reasonable time as set forth by the Purchaser;
 - b. promptly make available technical assistance necessary to analyze and remedy the Safety Problem;
 - c. assist the Purchaser in its recall actions;
 - d. accept the suspension, rescheduling and/or cancellation of any issued or confirmed purchase orders or parts thereof which the Safety Problem relates to; and
 - e. accept the Purchaser's return of any Products the Safety Problem relates to in the Purchaser's or its customer's possession, and, in accordance with the Purchaser's preference, either supply safe Products, or refund the purchase price of the Products the Safety Problem relates to.
4. The Purchaser shall be responsible for the public communications of the Safety Risk or the Safety Problem and shall manage the communications with the authorities and with the Purchaser's customers, installers and with other third parties.
5. The Contractor shall be liable to compensate the Purchaser for all costs, expenses and damages arising from the corrective actions needed to remedy the Safety Risk and/or the Safety Problem.
6. The Contractor shall be liable for all personal injury, material damage or other damage caused by the Safety Risk or Safety Problem to personnel or property of the Purchaser or the Purchaser's customers, installers or any other third party.
7. The Contractor shall indemnify, defend and hold the Purchaser harmless from and against any claims, liabilities, damages, disputes, proceedings, suits, actions and costs and loss (including reasonable attorney's fees) relating to the Safety Risk or Safety Problem.
8. The Contractor shall insure the Products against product recalls and product liability.

ART. 14 BEARING OF RISK, INSURANCE, LIABILITY FOR DAMAGES

1. The Contractor bears the full risk for the Products up to provisional acceptance.
2. The Contractor is responsible for insuring the Products against the usual transport and storage risks, as well as assembly risks up to provisional acceptance. At the Purchaser's request the Products will be insured for the account of the Contractor.
3. The Contractor shall be liable for all direct and indirect damages inflicted on the Purchaser through the Products, the Contractor or the Contractor's personnel. Liability for material damages and pecuniary losses is limited to EUR 10'000'000 per order. For orders with a value of over EUR 10'000'000, the cap on liability shall be agreed separately in each case.

ART. 15 PRICES, TERMS OF PAYMENT, SECURITIES

1. The specified prices are lump-sum fixed prices in euros for the contractually stipulated, completed and accepted Products. The prices include all the Contractor's personnel and material outlay for the contractually stipulated scope of work and include such packaging and covering costs which are necessary to avoid damages and deterioration of the Products during transportation. The prices shall include all taxes, duties and other charges unless otherwise agreed.
2. No down payment or advance payment shall be made for orders amounting to less than EUR 100.000. The Purchaser can however request a bank or insurance guarantee in accordance with Art. 15.6.
3. If, in the case of an order exceeding the amount of EUR 100.000, a down payment or an advance payment has been agreed, the Contractor shall provide, at no cost to the Purchaser, a security for the Purchaser's down payment or advance payment. The down payment or advance payment will be transferred within 60 days after receipt of the Contractor's order confirmation and a bank or insurance guarantee acceptable to the Purchaser (sample form of the Purchaser). The security shall be regarded as security for the payment to be made by the Purchaser up to provisional acceptance. It will be released by the Purchaser after the report has been signed (Art. 10.1).
4. If the Work is delivered in instalments, the payment instalments become due according to the stipulated payment schedule.
5. Payment of any agreed differences between the basic price and the final contract price will be made within 60 days following provisional acceptance and the final invoice. If provisional acceptance is delayed due to reasons for which the Contractor cannot be held responsible, the difference will become due six months after the scheduled provisional acceptance.
6. 10% of the value of the final delivery shall remain unpaid as a warranty retainer until the warranty period has expired, or it will be paid with last instalment after receipt of a bank or insurance guarantee acceptable to the Purchaser (sample form of the Purchaser). The warranty retainer shall serve as security for the obligations of the Contractor ensuing from the warranty provisions. It will be released by the Purchaser when the warranty has expired if the Products are free from deficiencies or if the Contractor has completely fulfilled his warranty

obligations. The warranty retainer shall not accrue interest.

7. Payments shall be made 60 days net after receipt of the invoices or provisional acceptance of the Products whichever occurs later. If the Products are not accepted by the Purchaser due to deficiencies, the payment period shall not begin until the Contractor has rectified the deficiencies or replaced the Products. The due dates of the individual payments shall be notified by the Contractor.

ART. 16 PROPRIETARY RIGHTS

1. The copyrights pertaining to the Products shall be retained by the Contractor, unless the latter is expressly compensated for their transfer.
2. From the time of conclusion of the agreement onwards the Purchaser shall acquire all rights, unlimited in place or time, which are necessary for the initialization, commissioning, operation, utilization, servicing, maintenance and renovation of the Products, in particular ownership (within the meaning of Art. 16.1), application, utilization, licensing and amendment rights. To this end, the Contractor shall grant the Purchaser non-exclusive, non-transferrable and royalty-free license. Free utilization for test purposes is permitted. The source code of software is not a part of the transfer of rights.
3. If a third-party asserts claims against the Purchaser relating to the Products on the grounds of a breach of intellectual property rights, the Purchaser must inform the Contractor without delay. The Contractor shall be liable vis-à-vis the Purchaser for all third-party legal claims arising out of the contractual fulfilment and is obliged to conduct any possible legal proceedings at his own expense on behalf of the Purchaser and to indemnify the Purchaser in respect of any possible losses. The Contractor shall ensure that such third-party claims do not cause any delays to the contractual fulfilment for the Purchaser and he shall be comprehensively liable vis-à-vis the Purchaser for any possible losses arising out of any such delay in the contractual fulfilment. The Purchaser undertakes to co-operate to the extent required by law in order to minimize the level of any such losses which he may thereby incur.

ART. 17 SUBSEQUENT DELIVERIES, OVERHAULS, REPAIRS

The Contractor undertakes to perform any subsequent deliveries within the warranty period according to the conditions of the agreement and at reasonable prices. Furthermore, at the request of the Purchaser the Contractor shall perform any necessary overhauls and repairs to the Products supplied by him at reasonable prices after the warranty period has expired.

ART. 18 BUSINESS ETHICS

1. The Contractor hereby warrants that it will not, directly or indirectly, and it has no knowledge that other persons will, directly or indirectly, make any payment, gift or other commitment to

its customers, to government officials or to agents, directors and employees of the Purchaser or any other party in a manner contrary to applicable laws and shall comply with all relevant laws, regulations, ordinances and rules regarding bribery and corruption.

2. Nothing in these Conditions shall render the Purchaser liable to reimburse the Contractor for any such consideration given or promised.
3. The Contractor's material violation of any of the obligations contained in this Clause "Business Ethics" shall entitle the Purchaser to terminate the agreement with immediate effect and without prejudice to any further right or remedies on the part of the Purchaser under these Conditions or applicable law. The Contractor shall indemnify the Purchaser for all liabilities, damages, costs or expenses incurred as a result of any such violation of the above-mentioned obligations and termination of these Conditions.

ART. 19 DATA PROTECTION

The parties shall adhere to the relevant provisions of the EU General Data Protection Regulation at all times. The parties shall be entitled within the scope of the respective agreement to collect, process, use and disclose data of the staff, managers and other employees of the contractual partner for all purposes in connection with contractual performance. Consent also includes the use for marketing purposes. Furthermore, the parties shall mutually and expressly authorize each other to process data regarding the other party in any form and to disclose such data to any group company or third parties abroad. Such recipients can also be located in countries which may not have an equivalent data protection law in place. The parties expressly agree to data transmission in such countries. In such cases, data protection shall be ensured with the group companies or third parties through contractual standardized data protection clauses pursuant to Art. 46 Abs. 2 lit. c of the EU General Data Protection Regulation. The parties expressly declare that such consent for data transmission is at hand. Each party shall be entitled to request the declaration of consent for data transmission from the other party at any time.

ART. 20 APPLICABLE LAW, PLACE OF JURISDICTION, DISPUTES

1. These Conditions as well as all quotations, orders, order confirmations and contracts for purchases between the parties shall be construed under, governed by and interpreted in accordance with the laws of Finland, excluding its conflict of law provisions, the Finnish Sale of Goods Act (355/1987 as amended) and the United Nations Convention on Contracts for the International Sale of Goods).
2. Any dispute, controversy or claim arising out of or relating to these Conditions shall be finally settled by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce. The seat of the arbitration shall be Helsinki, Finland. The number of arbitrators shall be one (1) and the language to be used shall be English and/or Finnish.
3. Differences of opinion relating to these Conditions, each quotation, orders, order confirmations and contracts for purchase do not entitle the Contractor to interrupt the work or to refuse to perform any work or deliveries pursuant to the contract.