

PKC'S GENERAL TERMS OF PURCHASE

These General Terms of Purchase shall apply for and govern any and all purchase and deliveries to PKC Wiring Systems Oy and its affiliates ("PKC") of goods and material ("Products"). "Affiliate" shall mean any company which, (i) is directly or indirectly controlling PKC; or (ii) is under the same direct or indirect ownership or control as PKC; or (iii) is directly or indirectly owned or controlled by PKC. For these purposes, an entity is considered as being controlled by another, if that other entity has fifty percent (50%) or more of the votes in such entity, is otherwise able to direct its affairs and/or to control the composition of its board of directors or equivalent body. The term "Agreement" shall mean these general terms, purchase order/agreement and any and all call offs/orders of products. The term "Supplier" shall mean seller, including its Affiliated Companies supplying the products to PKC. Unless otherwise expressly stated, any amendment or addition to these terms, or Supplier's own general terms shall not be valid unless expressly agreed in writing and signed by both parties.

1. Ordering

"Purchase Order" shall mean either an individual purchase order or a purchase order submitted by PKC to Supplier as part of a Delivery Plan, in which case it shall mean a line, which contains Purchase Order Number. "Delivery Plan" shall mean a schedule provided by PKC laying out timetable for future deliveries. Delivery Plan consists of binding Purchase Order and non-binding Order Forecast. The offer/order confirmation must conform with what has been stated on the Purchase Order and include the following:

- A list of the Products in detail (e.g. PKC's part number, quantity, specification etc.);
- The cost, including unit price, and possible discounts;
- Delivery or arrival date (depending on what has been agreed between the parties);
- Any other matters PKC mentioned in the Purchase Order.

"Order Forecast" is a line in the Delivery Plan, which does not contain Purchase Order Number and is specified as forecast. Any estimated quantities of future deliveries (Order Forecasts), provided by PKC in any form, shall not be binding, unless otherwise expressly stated.

In case Supplier's offer, confirmation or other communication contain terms and conditions, which are in discrepancy with, or attempt to amend, or change in any way this Agreement, such terms and conditions shall be regarded as null and void.

2. Prices and Payment term

Agreed prices are firm and fixed and include packaging, duties, taxes, royalties, tariffs or other costs. If no other term has been specified, payment term is **ninety (90) days** from the date of the invoice, which shall not be earlier than the date when the shipment is ready for shipping at the supplier's premises.

3. Delivery

If no other term has been specified, term of delivery is **DAP** PKC's premises (Incoterms 2020). Title to the products shall pass upon delivery. The date of delivery should be strictly respected, which means that, unless otherwise agreed upon, products have to be delivered on the specified date(s) (not earlier or later).

Supplier agrees to comply with the packing, marking and other delivery instructions and guidelines set by PKC (e.g. Delivery Manual).

4. Delayed delivery

Products are considered having been delivered when they have arrived at the agreed time according to the terms of delivery, and the delivered products are flawless, and of the quality, quantity, other capacity and packaging, as agreed.

If Supplier realises that he cannot meet the delivery date, or that a delay is more than likely, he must inform PKC immediately about the cause for the delay and the new estimated delivery date. In order to avoid any delay in delivery and/or to minimize the effect of any delay, Supplier shall use best efforts and take every necessary action at its own cost, including but not limited to, extra work, over-time and expedited freight. In case the delivery is delayed due to defects in delivered parts, such defects shall be repaired, or defective part replaced, and delay shall be considered to last until such defect has been repaired or replaced.

If the delivery is delayed, PKC has either a right to cancel the delivery or a right to liquidated damages. Liquidated damages shall be payable at the rate of **5% (five percent)** of the price of the delayed products per each commenced week for the duration of the delay. In addition to liquidated damages and in case of cancellation Supplier shall be liable for any and all costs and damages incurred to PKC due to Supplier's delay, including, but not be limited to, extra work, over-time and expedited deliveries carried out by PKC, costs for ordering the products from a third party, as well as any and all costs and damages PKC becomes liable towards its customer due to Supplier's delay.

5. Warranty and Product Liability

Supplier guarantees that the delivered Products always meet the latest specifications. The warranty period is **36 months** starting from the delivery. Supplier shall, at his own cost repair, replace and/or remedy any Products found to be faulty during the warranty period without delay after receiving PKC's notice. PKC has a sole right to choose between repairing, replacing and remedying the fault. Supplier shall be liable for reimbursing all costs and losses suffered by PKC due to Product being defective. The Warranty for repaired or replaced Products shall be treated as set out in this article. Normal wear and tear or PKC's neglect is not the responsibility of Supplier.

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Supplier shall reimburse PKC for all direct and indirect losses and damages arising out of or relating to a product having caused personal injury or property damage. If there is a risk of a Product causing personal injury or property damage, such that PKC or its customer decides to recall the Products Supplier shall compensate PKC for its costs in conjunction with such recall.

6. Quality and Environmental issues

Supplier agrees to comply with quality and environmental principles and requirements set out by PKC in Delivery Manual and PKC Group Supplier Requirements.

7. Intellectual Property Rights and Confidentiality

Ownership in any and all drawings, specifications, designs, samples, data, know-how, inventions, tooling, or any other technical documentation and information, which have been or will be delivered by PKC or which are otherwise owned by PKC shall remain with PKC and Supplier shall have no right thereto, except that Supplier may use such drawings, specifications, designs, samples and tooling for the proper fulfilment of its obligations under this Agreement.

Supplier is responsible for ensuring that the Products or their use does not infringe the intellectual property rights of a third party. Supplier shall indemnify PKC against and hold PKC harmless from any and all claims suits, actions or demands asserted against PKC or its customers which result from the infringement of any intellectual property right.

Supplier undertakes to keep confidential and not to disclose to any third party any technical, commercial, business related, financial or company information of PKC received during the course of their business relationship unless such details are public, and not to use such information except for the proper fulfilment of its obligations.

8. Termination

Either one of the parties may terminate the agreement by sending a written notice of termination to the other Party at least **six (6)** months prior to the intended termination date, in which case this Agreement is deemed to be terminated as from such termination date.

Either one of the parties may terminate the agreement, if the fulfilment of the agreement is delayed more than **six (6)** months due to non-foreseeable, inescapable and serious events beyond the Party's control effectively preventing such fulfilment (Force Majeure).

PKC can always terminate the agreement forthwith if the delay in the fulfilment of Supplier's contractual obligations has a substantial meaning to PKC and Supplier was aware of this or should have been aware of it. PKC has also the right to terminate the agreement if Supplier's performance is not in accordance with the agreement, and the problem is not immediately corrected after PKC makes a note of it, or if Supplier's financial condition is discovered to be such, that he can't be expected to fulfil the obligations of the agreement.

Supplier shall be liable for reimbursing all costs and losses suffered by PKC (including but not limited to inspection costs, extra work and costs for ordering the products from a third party), which are due to termination on the basis of breach of contract on Supplier's part.

9. Limitation of liability

Unless otherwise stated in any other provision of these terms or expressly otherwise agreed in writing, Parties shall under no circumstances be liable for any special, indirect, consequential or incidental damage or lost profits, lost opportunities, lost revenues or damage arising under or in connection with their business relationship, except in cases of intentional misconduct or gross negligence.

10. Applicable law and Disputes

The sale and purchase of products shall be governed by the laws of Finland (excluding its conflict of laws principles and excluding the convention on contracts for international sale of goods). All rights and remedies of PKC herein specified shall be cumulative and in addition to its rights or remedies at law or in equity. Supplier represents that the articles and materials to be furnished or the work to be done by Supplier will comply with all applicable federal, state and local laws, rules and regulations.

Any and all disputes arising out of or in connection with this Agreement shall be finally settled in arbitration in accordance with the Arbitration Rules of the Finnish Central Chamber of Commerce by one arbitrator. The arbitration proceedings shall be conducted in Helsinki, Finland in English (or in local language if both parties are from the aforementioned country). The arbitration award shall be final and binding on the Parties.

11. Miscellaneous

Any failure of either Party to enforce at any time any of the provisions, including without limitation the termination provision, of these terms shall not be construed to be a waiver of such provision or of the right of a Party thereafter to enforce such, or any other provision.

Supplier shall not have right to transfer any part of its obligations or liabilities to any third party without a prior written consent of PKC. If Supplier uses Subcontractors for the fulfilment of its obligations under these terms, Supplier shall under all circumstances remain liable for the performance of its Subcontractors. Supplier shall ensure that its Subcontractors are bound by appropriate confidentiality undertakings.