

MIRKA GENERAL TERMS AND CONDITIONS OF PURCHASE (2019/9)

1 Definitions

1.1 The following terms shall have the following meanings:

Affiliate: any entity which directly or indirectly controls, is controlled by, or is under common control with a Party;

Buyer: the Party ordering the Goods and/or Services;

Buyer Data: any data or information, including Personal Data, acquired by Seller in preparation of or during the fulfilment of the Contract, irrespective of whether such data or information relates to Buyer, its Affiliates or their respective customers or suppliers;

Contract: a written agreement and/or the Order for the purchase of Goods and/or Services by Buyer from Seller which shall incorporate by reference these Mirka GTC, and any other documents submitted by Buyer to form part thereof, such as but without limitation to any specifications (which shall include any Seller specifications where Buyer agrees to use, or places an Order relying on, such specifications);

Delivery: delivery of Goods by Seller in accordance with Clause 4.1;

Delivery Location: Buyer's nominated warehouse, factory or other premises for physical delivery of Goods and/or Services, which may be the premises of one of Buyer's Affiliates or third party freight or logistics providers, or if no location is nominated, Buyer's place of business;

Goods: the items to be delivered by Seller in accordance with the Contract and/or all materials, documents, or other deliverables which are the result of Services provided by Seller under the Contract in any form or media, including but without limitation to data, diagrams, drawings, reports and specifications;

Intellectual Property Rights: (a) patents, utility models, copyrights, database rights and rights in trademarks, trade names, designs, knowhow, and invention disclosures (whether registered or unregistered); (b) applications, reissues, confirmations, renewals, extensions, divisions or continuations for any of these rights; and (c) all other intellectual property rights and similar forms of worldwide protection;

Mirka GTC: these Mirka General Terms and Conditions of Purchase (2019/9);

Order: Buyer's order issued to Seller for the purchase of Goods and/or Services, including any purchase order issued electronically.

Party: Buyer or Seller, collectively the Parties;

Personal Data: any data or information of an identified or identifiable natural person;

Seller: the Party providing the Goods and/or Services to Buyer (or any Buyer Affiliate at relevant Delivery Location);

Services: the services to be provided by Seller in accordance with the Contract.

2 Application

- 2.1 These Mirka GTC govern the Contract and/or Order.
- 2.2 No Order shall be binding on Buyer unless the Order is in writing.
- 2.3 No terms or conditions delivered with or contained in Seller's quotations, acknowledgements, acceptances, specifications or similar documents will form part of the Contract, and Seller waives any right which it might have to rely on such terms or conditions.

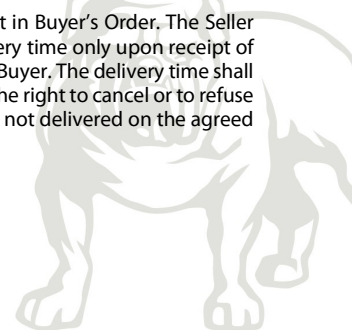
- 2.4 Seller shall accept the Contract either expressly by written statement or impliedly by fulfilling the Contract in whole or in part.
- 2.5 Any amendments to the Contract must be agreed in writing.
- 2.6 In the event of any inconsistency between documents comprising the Contract, the following Order of precedence shall apply;
 - 2.6.1 any Contract established by Buyer, (to the extent that specific deviations from the Mirka GTC, are explicitly identified in that Contract); then
 - 2.6.2 these Mirka GTC;
 - 2.6.3 and, for the avoidance of doubt, any terms and conditions set out, or referenced, in any other document shall not apply, nor form part of any Contract.

3 Seller's Responsibilities

- 3.1 Seller shall send Buyer a written acknowledgement of order within two (2) working days from receipt of the Order by Seller. Any inconsistencies in Seller's acknowledgement of order will not be accepted and shall be deemed null and void.
- 3.2 Seller shall deliver the Goods and provide the Services:
 - 3.2.1 in accordance with the applicable laws and regulations;
 - 3.2.2 in accordance with the Contract (including by providing any necessary documentation) and all Buyer instructions;
 - 3.2.3 free from defects and from any rights of third parties; and
 - 3.2.4 fit for any particular purpose specified in the Contract or, in absence thereof, fit for the purposes for which such Goods and/or Services would ordinarily be used.
- 3.3 Seller shall ensure that the Goods are packed according to industry standards and any applicable laws and regulations, in a manner adequate to preserve and protect the Goods, and sufficient to enable safe unloading and inspection at the relevant Delivery Location.
- 3.4 Seller shall inform Buyer in writing without delay if Seller learns of any changes made in product drawings, product material specification or the composition of raw materials in the Goods to be delivered to Buyer. Seller shall announce any such changes that may be made in the composition of the Goods also in the event that the properties of the technical specifications are met. Seller shall not make any changes in the drawings, specifications, compositions and/ or properties of the Goods without Buyer's written approval.
- 3.5 If any of the Goods and/or Services are or will be subject to export restrictions, it is Seller's responsibility to promptly inform Buyer (and any relevant Buyer Affiliate) in writing of the particulars of such restrictions.
- 3.6 Seller must not suspend the Delivery of any Goods or the provision of any Services.

4 Delivery

- 4.1 Unless agreed otherwise in the Contract, the Goods shall be delivered in accordance with the DAP of the latest version of the ICC Incoterms to the Delivery Location. The Services shall be provided at the Delivery Location.
- 4.2 The delivery time shall be as set out in Buyer's Order. The Seller may deliver in advance of the delivery time only upon receipt of previous written approval from the Buyer. The delivery time shall be rigorously respected. Buyer has the right to cancel or to refuse acceptance of delivery of any Order not delivered on the agreed



delivery time as well as to refuse all delivery of Goods not conforming to the Order, without prejudice to any of Buyer's other rights under the circumstances.

- 4.3 Upon Delivery, Seller (or its appointed carrier) shall provide Buyer (or, if requested, any nominated Buyer Affiliate at the Delivery Location) a delivery note and any other required export and import documents requested by Buyer. If Buyer has approved partial delivery, such delivery note shall also include the outstanding balance.
- 4.4 Delivery of Goods or provision of Services shall not be deemed to be acceptance of such Goods or Services by Buyer. The Buyer (or its nominated Buyer Affiliate at the Delivery Location) will visually inspect the Goods upon receipt. Otherwise the Buyer (or its nominated Buyer Affiliate at the Delivery Location) shall have reasonable time to inspect or test the Goods and/or Services and to report any defects to Seller. If the Goods is intended for resale the inspection or test of the Goods may be carried out by Buyer's customers. If a defect in the Goods and/or Services was not reasonably detectable during the inspection, Buyer (or its nominated Buyer Affiliate at the Delivery Location) shall have reasonable time to provide notice of such defect after it has become apparent and/or to reject the Goods and/or Services.
- 4.5 The Parties may agree on a certain acceptance procedure, in which case acceptance will be subject to Buyer's written acceptance statement (or that of Buyer's nominated Affiliate).

5 Delay

Seller will deliver Goods in accordance with any date or time, and at least in accordance with any lead times, specified in the Contract. If the Delivery of Goods or the provision of Services does not comply with the agreed date(s), Buyer may (without one option excluding any other):

- 5.1 terminate the Contract in whole or in part;
- 5.2 recover from Seller any expenses reasonably incurred by Buyer (or any affected Buyer Affiliate) in obtaining the Goods and/or Services in substitution from another seller;
- 5.3 Claim Liquidated Damages for delayed delivery which is calculated on the difference from the actual delivery date versus the delivery date or lead time specified in the Contract. Liquidated damages for delayed delivery shall be paid at the rate of 0,3% per day (or part there of), max. 10% of total Order value.

6 Ownership of Goods

Ownership of the Goods passes to Buyer at Delivery.

7 Payments

- 7.1 In consideration of the Goods delivered and/or the Services provided by Seller in accordance with the Contract, Buyer shall pay to Seller the purchase price stated in the Contract provided the invoice fulfils the requirements defined by Buyer. Payment shall be made to a bank account in the name of Seller in the country in which Seller is registered. The price is inclusive of all fees and taxes (other than VAT or equivalent) and of all costs of manufacturing, processing, warehousing and packaging (including returning any returnable packaging) of any Goods.
- 7.2 Seller shall submit invoices in an auditable form, complying with applicable laws, generally accepted accounting principles and the specific Buyer requirements.
- 7.2.1 Payment by Buyer is made solely against invoice. For the time of payment to be observed, at least the following markings must appear on the documents pertaining to the delivery:
- Freight bill
 - delivery address
 - name of product
 - gross weight
 - number of parcels
 - buyer's order number
 - Packing list
 - name of product
 - net weight
 - number of parcels

- buyer's order number
- Seller's production batch No

- Certificate of analysis
 - name of product
 - net weight
 - buyer's order number
 - Seller's production batch No
 - specified agreed properties

- Invoice/ Proforma Invoice
 - buyer's order number

- 7.3 Invoices must be sent to the billing address specified in the Contract (or as otherwise agreed with Buyer).
- 7.4 Buyer shall pay the invoice in accordance with the payment terms agreed in the Contract
- 7.5 Buyer shall be entitled to withhold payment until Seller meets its commitments in full. If Buyer fails to make payments as agreed Buyer shall pay overdue interest in accordance with the Finish Interest Act. Should there after the conclusion of the Contract occur a substantial increase or decrease of not less than 7.5 per cent (7.5%) of the total costs for the production and the transportation of the Goods, both Parties shall have the right to demand renegotiation of the price in respect of quantities due for delivery sixty (60) days after notice of renegotiation has been served.

8 Warranty

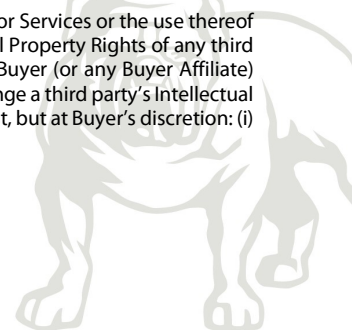
Seller explicitly warrants that the Goods and/or Services delivered under any Order: a) conform to the Order and meet agreed technical characteristics and specifications; b) are of merchantable quality or, where Seller at the time of contracting has reason to know any particular purpose for which they are required, fit for such particular purpose; c) are free from defects in design, workmanship's and/ or materials and that the terms of section 3.4 have been complied with; and d) comply with safety and other applicable laws and regulations in force within the European Union. Seller shall immediately and on its own expense make good (by repair or replacement) all defects that may appear in the delivered Goods and/or Services during the warranty period, which shall be eighteen (18) months from the date of delivery unless otherwise agreed in writing by the Parties. Seller shall also be responsible for any direct, indirect and/or consequential damages that may result from defects to Buyer and/or its customers.

9 Force Majeure

Either Party shall be relieved of liability for complete or partial nonperformance of its obligations under the Contract, if this non-performance is due to circumstances of force majeure which have arisen after the Contract was formed as a result of events of an exceptional character, which the Party concerned could not foresee or prevent by reasonable measures. A delay by any of Seller's subcontractors shall not be considered as force majeure (unless the delay of the subcontractor is due to circumstances of force majeure as defined in this Section)

10 Intellectual Property Rights

- 10.1 Any Know-how, specifications, samples, patterns, models, drawings, tools, measuring instruments, descriptions of methods of measurement, and quality system instructions and any other information, whether technical or commercial nature, received by Seller from Buyer, as well as all Intellectual Property Rights to the same, shall remain the property of Buyer and Seller shall make no unauthorized use of the same nor communicate the same to any third parties without the prior written consent of Buyer. Seller shall not cite Buyer as a reference in Seller's marketing or sales activities.
- 10.2 Seller warrants that the Goods and/or Services or the use thereof does not infringe on any Intellectual Property Rights of any third party. If any claim is made against Buyer (or any Buyer Affiliate) that the Goods and/or Services infringe a third party's Intellectual Property Rights, Seller shall at its cost, but at Buyer's discretion: (i)



procure for Buyer, Buyer's Affiliates and Buyer's clients, as the case may be, the right to continue using the Goods and/or Services; or (ii) modify the Goods and/or Services so they cease to be infringing; or (iii) replace the Goods and/or Services with non-infringing equivalents; and (iv) indemnify and hold Buyer (or any Buyer Affiliate) harmless for any costs or loss in connection with the infringement.

11 Compliance, Integrity

- 11.1 Seller shall provide the Goods and/or Services in compliance with all applicable laws, administrative regulations, and codes of practice.
- 11.2 Seller represents and warrants
- 11.2.1 that it is and will remain fully compliant with all applicable trade and customs laws, regulations, instructions, and policies, including, but not limited to, satisfying all necessary clearance requirements, proofs of origin, export and import licenses and exemptions from, and making all proper filings with appropriate governmental bodies and/or disclosures relating to the provision of Services, the release or transfer of Goods, hardware, software and technology; and
- 11.2.2 that it is not engaged in, and will not engage in, any unfair labour, wage or benefits practices that violate the laws or regulations of the country of manufacture or assembly of Goods or provision of Services that involve unsafe and/or unhealthy labour conditions, the employment of child, uncompensated labour, discrimination based on race, gender, nationality, religion or other similar employment conditions. Furthermore, Seller represents and warrants that it will follow the highest ethical standards and integrity whilst conducting business with Buyer.

12 Confidentiality, Data Security, Data Protection

- 12.1 Seller shall keep in strict confidence all Buyer Data and any other information concerning Buyer's or its Affiliates' business, their products and/or their technologies which Seller obtains in connection with the Goods and/or Services to be provided (whether before or after acceptance of the Contract). Seller shall restrict disclosure of such confidential material to such of its employees, agents or subcontractors or other third parties as need to know the same for the purpose of the provision of the Goods and/or Services to Buyer. Seller shall ensure that such employees, agents, subcontractors or other third parties are subject to and comply with the same obligations of confidentiality as applicable to Seller and will be liable for any unauthorized disclosures.
- 12.2 Seller shall apply appropriate safeguards, adequate to the type of Buyer Data to be protected, against the unauthorised access or disclosure of Buyer Data and protect such Buyer Data in accordance with the generally accepted standards of protection in the related industry, or in the same manner and to the same degree that it protects its own confidential and proprietary information – whichever standard is higher.
- 12.3 Seller must not: (i) use Buyer Data for any other purposes than for providing the Goods and/or Services; or (ii) reproduce Buyer Data in whole or in part in any form except as may be required by the Contract; or (iii) disclose Buyer Data to any third party, except with the prior written consent of Buyer.
- 12.4 Seller shall install and update at its own cost adequate virus protection software and operating system security patches for all computers and software utilized in connection with providing the Goods and/or Services.
- 12.5 Seller shall inform Buyer (and any affected Buyer Affiliate) without delay about suspicion of breaches of data security or other serious incidents or irregularities regarding any Buyer Data.
- 12.6 If Buyer discloses Personal Data to Seller, Seller shall comply with all applicable data protection laws and regulations. Seller acknowledges that the processing of Personal Data in accordance with the Contract may require the conclusion of additional data processing or data protection agreements with Buyer or its Affiliates. To the extent such additional agreements are not initially concluded as part of the Contract, Seller, its relevant Affiliates or subcontractors shall upon Buyer's request promptly enter into any such agreement(s), as designated by

Buyer and as required by mandatory law or a competent data protection or other competent authority.

13 Provisions Severable

If any provision of the Contract is held to be invalid or unenforceable, partly or wholly, such invalidity or unenforceability shall not invalidate any other provisions of the Contract.

14 Liability and Indemnity

- 14.1 Without prejudice to applicable mandatory law, Seller shall, without any limitations, indemnify and hold harmless Buyer, and any affected Buyer Affiliate, for all liabilities, damages, cost, losses or expenses incurred by Buyer (or such Buyer Affiliate) as a result of Seller's breach of the Contract. Seller shall, without any limitations, indemnify and hold harmless Buyer and each relevant Buyer Affiliate for any claim made by a third party against Buyer (or such Buyer Affiliate) in connection with the Goods and/or Services, including but without limitation to claims that such Goods and/or Services infringe a third party's Intellectual Property Rights, cause personal injury or death or any damage to property or environmental liability. Upon Buyer's request Seller shall defend Buyer (or any relevant Buyer Affiliate) against any third party claims.
- 14.2 Seller is responsible for the control and management of all of its employees, suppliers and/or subcontractors, and it is responsible for their acts or omissions as if they were the acts or omissions of Seller.

15 Assignment

- 15.1 Any Contract or the rights and/or obligations of Seller there under, including but not limited to claims for payment, may not be assigned by Seller without Buyer's written consent.

16 Notice and Termination

- 16.1 Any notice must be given duly signed by registered mail, courier or by e-mail to the address of the relevant Party as stated in the Contract and/or to such other address as such Party may have notified in writing (including Buyer Affiliates operating at relevant Delivery Locations). E-mail require written confirmation of the receiving Party. Seller's reply, correspondence, information or documentation related to the Contract must be provided in the language used in the Contract.
- 16.2 Buyer may terminate the Contract for convenience in whole or in part by giving Seller thirty (30) calendar days written notice. In such event Buyer shall pay to Seller the value of the delivered but unpaid Goods and/or Services (provided that such Goods and/or Services otherwise comply with the Contract) and proven direct costs reasonably incurred by Seller for undelivered Goods and/or Services, however in no event more than the price for the Goods and/or Services agreed under the Contract. No further compensation will be due to Seller.
- 16.3 Upon termination Seller shall immediately and at Seller's expense return to Buyer (or Buyer's Affiliate) all Buyer or Buyer Affiliate property (including any Buyer Data, documentation, and transfer of Intellectual Property Rights) then under Seller's control and provide Buyer (or its nominated Affiliate) with the complete documentation about the Goods and/or Services.

17 Governing Law and Disputes

The Contract shall be governed by the substantive laws of Finland. Any dispute, controversy or claim arising out of or relating to the Contract, or the breach, termination or validity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce. The number of arbitrators shall be one (1) and the arbitration proceedings shall be held in Helsinki, Finland and conducted in the English language.

