

Effective as of 1.9.2010

## 1. SCOPE

These terms of delivery shall be applied to sale of equipment and components ("products") by Produal Oy (hereinafter "seller") to its customers and by reference they shall become an integral part of the agreement between the parties unless otherwise agreed (however, not in deliveries in which the object is customized to the individual requirements of the customer, nor in deliveries which include installation work as an integral part). Any amendment made in these Terms of Delivery shall be null and void, unless made in writing and duly approved by signatures of competent representatives of the parties.

## 2. PRICE

Produal Oy's prices that are effective on the date of order shall be used as the basis for pricing. All prices are exclusive of value-added tax, which will be invoiced in accordance with at-each-time applicable legislation.

In the event changes in customs, freight, value-added tax or other general or public payments related to delivery occur, the seller is entitled to change the price of the products in the same proportion that the said changed taxes, prices or payments have affected the price of the products.

## 3. OFFER

The price referred to in the offer is the net price ex warehouse for a particular unit at the amount in question, excluding value-added tax. The seller's offer is binding and it valid for thirty (30) days unless otherwise stated in the offer.

If the seller's offer has been made subject to being unsold, it means an offer immediately from the stock such that products can be sold to a third party while the offer is effective and the seller does not guarantee the sufficiency of products in stock.

## 4. AGREEMENT

An agreement between the seller and the customer is deemed to have been entered into when

- the contracting parties have signed a written agreement ("supply contract");
- the customer has approved a binding offer ("order") in writing or orally; or
- the seller has confirmed in writing or orally an order, as such, that is not based on a offer or that deviates from an offer, and seller accepts this by confirmation of order ("confirmation of order").

## 5. DRAWINGS AND PROSPECTUSES

Information presented in prospectuses, pictures, drawings, catalogues and price lists regarding prices, dimensions, weight and performance as well as other data containing technical and other details is provided without obligation unless otherwise agreed between the parties in the agreement. The seller reserves a right to make alterations and changes in the products, provided that such alteration and changes do not materially prevent the use of the products.

All drawings and technical documents relinquished by one party to the other before or after reaching an agreement, and which are needed for manufacturing the products or any part thereof, remain the property of the discloser. The recipient may not without the written consent of the discloser use, copy, relinquish or otherwise give out information about said drawings or technical documents to a third party or use them in its business otherwise than in a manner required by the agreement between the parties.

## 6. TERMS OF DELIVERY

The terms of delivery are ex warehouse (Incoterms 2000 EXW Produal Oy's warehouse) unless otherwise agreed in supply contract.

## 7. PACKING

Prices referred to in price lists and catalogues mean unpacked products.

## 8. TIME OF DELIVERY

The seller shall deliver the products within the agreed time. If the seller has overdue receivables from the customer, the seller has the right to stop the agreed deliveries, until the overdue receivables have been paid in full. In such event, the time of delivery is deemed to have postponed respectively, and the customer is not entitled to claim any compensation for damages or make other claims resulting from such delay. By stopping the agreed deliveries seller shall not waive any of its rights in connection with or arising out of the agreement or these terms of delivery.

The products are deemed to have been delivered when the risk of loss and damage in respect to the products has transferred to the customer in accordance with the Section 6. in these terms of delivery.

## 9. NOTIFICATION OF DELAY

The seller and the customer shall without a delay notify each other in the event the delivery or receiving of the products is in danger of delay. When seller or customer receives knowledge of a delay, it shall notify the contracting party of the said delay and the underlying reasons and the new estimated date of delivery.

## 10. DELIVERY AND INSPECTION OF PRODUCTS

The risk of loss and damage is transferred to the customer when the delivery of products has taken place.

Upon the delivery of the products the customer shall confirm that the delivery is in accordance with the agreement and shipment list, and shall carefully inspect that the delivery is externally undamaged. Before using, attaching or installing the products, the customer shall diligently inspect the products with due care once more..

A notification related to the amount, condition or type of the products must be made in writing within 8 working days of the receipt of the products, at the risk of the customer otherwise losing the right to make any claims based on a defect or deficiency.

## 11. FORCE MAJEURE

The seller is not liable for non-performance of its the obligations under the agreement, if this is due to an impediment which the seller or its subcontractor or supplier cannot overcome, or if the performance would require seller's sacrifices that are excessive compared to the benefit gained by the customer. When the manufacturer or supplier has not fulfilled their respective agreement and the seller's delivery is delayed or is left unfulfilled, the seller is not liable for the customer for any damage thereof. Force majeure events shall include but shall not be limited to strikes, lock-outs, boycotts and other labour disputes to which the seller is a subject or a participant.

If the impediment or disparity ends within a reasonable time, the customer is entitled to demand fulfillment of the agreement from the seller. In the event it becomes impossible to fulfil the agreement within a reasonable period of time due to a circumstance stipulated in this Section 11, each party is entitled to terminate the agreement without liability for damage by notifying the other party in writing thereof.

## 12. PAYMENT

The payment term shall be fourteen (14) days net, if not otherwise agreed in the supply contract. The payment term shall be calculated from the date of invoicing. Upon delay of payment, the customer is liable to pay late payment interest in accordance with the interest rates applied by the seller, as well as expenses incurred from debt collection. The seller has the right to set-off any receivables from the customer against any payment by the customer.

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### 13. GUARANTEE

The seller gives a twenty-four (24) month guarantee for the material and manufacturing of the delivered products. The guarantee period is deemed to begin on the date of delivery.

In respect to defects in raw material or manufacturing, the seller shall correct the defects provided that product has been sent to the seller without delay or no later than at the end of the guarantee period, at the sole discretion of the seller, by repairing the damaged product or by providing the customer with a new product free from defects and sending it to the customer. The customer shall pay for expenses incurred from sending equipment for repair under warranty, and the seller shall pay for the costs of returning it. The Seller is not liable for reimbursement of any costs related to detaching or reinstallation of the products.

The guarantee does not cover damages caused by accidents, lightning, floods or other acts of god, normal wear and tear, improper, careless or abnormal use or use which is non-compliant with the instructions, abnormal storing, over-stressing, defective maintenance or storage or alterations, changes and installation works that are not done by the seller (or the seller's authorised representative). The customer is responsible for the selection of material for equipment exposed to corrosion unless agreed otherwise.

If the seller alters the structure of its equipment, the seller is not liable for making similar changes to equipment already purchased.

The guarantee is applicable provided that the customer has, for his part, correctly fulfilled his obligations under the delivery and the agreement.

The seller gives a new guarantee for products repaired or replaced under the guarantee, however only until the end of the guarantee period of the original product.

The seller may against separately invoiced fees repair equipment. The seller shall give a three (3)-month service guarantee that covers material and labour for the repair of equipment outside the guarantee.

This guarantee, under section 13, sets forth the total aggregate liability of the seller in respect to any defects in the products and the seller specifically disclaims any other guarantees, representations and warranties, either express or implied, including but not limited to warranty for fitness for specific purpose.

### 14. LIMITATION OF LIABILITY

Parties are responsible for their obligations under the agreement. However, the seller shall not be liable for any indirect or consequential damages to customer including but not limited to loss of production or profit, financing costs, loss of data, costs or damages related to cover purchase, damage to other products or equipment.

The total aggregate liability of the seller under the agreement shall not exceed the contract value of the delivered products under the respective agreement excluding the value added tax. The limitations of liability under this section 14 shall not apply, if the damage is caused by wilful misconduct or gross negligence.

### 15. INTELLECTUAL PROPERTY RIGHTS

By these terms of delivery or by the agreement the seller does not transfer or assign any intellectual property rights in connection to or arising out of the products or any other intellectual property rights. The customer may only use the product. The customer may not copy, alter, amend or develop further the products or transfer or assign any intellectual property rights in connection to or arising out of the products.

### 16. RETURN AND TERMINATION OF THE AGREEMENT

An agreement that has become effective is binding and irrevocable and the seller is not obligated to accept a return. Products that have been delivered in accordance with the agreement will be taken back and a maximum reimbursement of 70 % will be given only under the condition that the seller has expressly accepted the return. Such products will be taken back and reimbursed only if they are in their original packaging and condition. The seller may terminate the agreement forthwith in the event 1) there is an application pending for customer's bankruptcy, liquidation, restructuring or other similar insolvency proceeding 2) bankruptcy, liquidation, restructuring or other similar insolvency proceeding in respect to the customer has been initiated by a court 3) the customer is otherwise insolvent, or 4) the customer is not able to pay overdue receivables of the seller after a lapse of seven days from the seller's written notice thereof. By terminating the agreement seller does not waive any of its rights under the agreement.

### 17. NOTICES

Notices under the agreement shall be in writing. When sending notices to the other party, the sender is responsible for the arrival of the notice.

### 18. TRANSFER OF THE AGREEMENT

The parties may not assign or transfer any rights, interest or obligations arising out of the agreement to any third party, without the written consent of the other party. The seller may, however, transfer the rights, interest and obligations arising out of this agreement in connection with a transfer of its business or its business assets to a third party without the consent of the customer. Without prejudice to this Section 18, the seller may also transfer, partly or entirely, its contractual receivables to a finance company or other third party without the consent of the customer.

### 19. THE TITLE AND OWNERSHIP

The title and ownership to the products shall transfer to the customer first when the entire purchase price and other receivables arising out of the agreement have been paid to the seller or a third party to which the receivables have been transferred to.

### 20 ORDER OF PRECEDENCE

The agreement shall consist of the documents and schedules set out below. In the event the documents conflict with one another the documents shall be applied in an order where a document with smaller number shall prevail over a document with a larger number

1. supply contract / confirmation of order
2. these terms of delivery
3. offer
4. order

### 21. GOVERNING LAW AND DISPUTE RESOLUTION

The agreement and these terms of delivery shall be governed by and construed in accordance with the laws of Finland excluding any conflict of law stipulations.

Disputes arising out of the agreements and any provisions thereof shall primarily be settled between the parties. If no settlement is reached, disputes shall be resolved in one arbitrator's arbitration in compliance with the rules of Arbitration Institute of Central Chamber of Commerce of Finland in Helsinki

Without prejudice to this Section 21, the seller may claim undisputed receivables in a district court of the seller's domicile.

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