

## General Terms and Conditions of Supply

### 1. Scope of Application

These terms and conditions of supply ("Terms") shall apply, unless otherwise agreed in writing, to all deliveries of products, equipment and materials ("Products") by Hydroll Ltd ("Hydroll") to the parties purchasing such Products from Hydroll ("Buyer"; Hydroll and Buyer jointly the "Parties" and each a "Party").

The agreement between Hydroll and the Buyer shall consist of a separate agreement document signed by the Parties, if applicable ("Agreement Document"), these Terms, the purchase order issued by the Buyer ("Purchase Order") and confirmation of the Buyer's purchase order by Hydroll ("Order Confirmation"), as well as other documentation indicated in Order Confirmation, if any (Agreement Document, these Terms, Purchase Order and Order Confirmation collectively the "Contract"). In case of discrepancies between the provisions of the Contract, the order of precedence shall be: (i) the separate, signed Agreement Document (if applicable); (ii) Order Confirmation; (iii) these Terms; and (iv) Purchase Order. The application of any purchase terms of the Buyer or similar are specifically excluded.

### 2. Pricing and Payment

The price for the supply of Products shall be agreed in the Agreement Document, or Purchase Order and Order Confirmation. Costs of appropriate packing materials are not included in the prices and the price of applicable packing materials shall be added to the amount invoiced from the Buyer. The prices are exclusive of value added tax (VAT) and any other similar taxes and charges which shall be added to the prices in accordance with the applicable legislation. The respective invoiced amount must be paid within 30 days of the billing date. Invoices shall be marked with Buyer's order and item number designated by the Parties, as applicable. The interest on overdue payments is 13 per cent per annum.

### 3. Delivery Terms and Force Majeure

The delivery term is FCA Lapua, Finland (Incoterms 2020). The ordered Products shall be ready for shipment within 8 weeks from the Order Confirmation, unless otherwise agreed. Specific delivery date(s) shall be confirmed in Order Confirmation. If it becomes evident to either of the Parties that it will be unable to fulfil its duties in relation to the delivery, the delaying Party shall inform the other Party thereof without undue delay, and take reasonable actions to minimize the delay. The agreed delivery dates shall only apply, and the liquidated damages due to the delay be payable, if all possibly outstanding details of the relevant Contract have mutually been confirmed in due time, and Buyer has promptly fulfilled all of its obligations (including but not limited to the provision of needed certificates to Hydroll).

In case of delay in delivery due to reasons solely attributable to Hydroll, the Buyer shall be entitled to liquidated damages in the amount of 0,5 per cent of the value of the delayed part of the delivery for each full week of delay. However, the liquidated damages shall not exceed 10 per cent of the value of the delayed part of the delivery in the aggregate. Such liquidated damages shall be the Buyer's sole and exclusive remedy, and Hydroll's sole and exclusive liability, with respect to the delay(s) and for any and all damage, expenses and/or costs the Buyer may incur as a result of delay of Hydroll's deliveries.

Neither Party shall be liable to the other for any delay or non-performance of its obligations hereunder in the event and to the extent that such delay or non-performance is due to an event of force majeure or Covid-19 or similar pandemic. Events of force majeure are events beyond the control of the Party which occur after the Parties have entered into the agreement to which these Terms apply and which were not reasonably foreseeable at the time of entering into such an agreement, and the effects of which a Party is not capable of overcoming without unreasonable expense, effort and/or loss of time to the Party concerned. Events of force majeure shall include (without being limited to) war, rebellion, acts of government, strike, lockout and other industrial and labor disputes (even if the Party affected by such is a party thereto or subject thereof), natural disasters, fire and explosions, acts of God, riots, civil disorders or pandemic. A Party shall notify the other contracting Party of force majeure in writing without undue delay, as well as the anticipated duration and ending thereof.

After the issuance of the Order Confirmation by Hydroll, any changes to or modification in, *inter alia*, the agreed requirement specifications or technical purchase specifications as well as changes in design required by the Buyer shall be handled through a formal engineering change notification process and no such changes or modifications shall be made without a prior written agreement between the Parties.

### 4. Ownership, Transfer of Risk of Loss and Storage

The ownership and title to the Products, including documents, shall transfer to Buyer upon the receipt of respective payment(s) in full by Hydroll. The risk of loss passes to the Buyer upon delivery of the Products. If the Products are not delivered to Buyer on the agreed time of delivery due to an act or omission of the Buyer, or any other reason attributable to the Buyer, the risk of loss shall pass to the Buyer when Hydroll has fulfilled its obligations with regard to the delivery of the Products and the delivery is due.

Products shall be picked up at the latest by the agreed delivery time. Otherwise, Hydroll shall store them at the cost and risk of Buyer and is entitled to charge from the Buyer all reasonable costs incurred by Hydroll due to the storage for the time exceeding the agreed delivery time until delivered to the Buyer. Items, Products and tools that belong to the Buyer which are stored at premises of Hydroll shall be stored and insured to an amount and on conditions deemed reasonable by Hydroll, at Hydroll's sole and exclusive discretion, against fire, theft and damage by water at the Buyer's cost and expense. In this case, the Buyer shall without delay propose Hydroll a new delivery time, and the Parties shall endeavor to agree on a new delivery time. Should the Parties fail to reach a reasonable agreement on the new delivery time, or should Buyer fail to pick up the Products on that new delivery time, Hydroll shall have the right, in its sole and exclusive discretion, to cancel the Contract in question wholly or partially, and to claim damages for any and all damage, costs and expenses incurred by Hydroll.

### 5. Complaints, Liability for Products and Warranty

When the Products have been delivered, the Buyer shall, as soon as is practicable in the circumstances, perform incoming inspection of the Products (including without limitation visual inspection and pre-charge pressure inspection) and report any discrepancies or any other issues to Hydroll in writing without delay and within thirty (30) days from the delivery at the latest, indicating all necessary details, such as serial number(s), type and number of Product(s) in question, and type of defect (if any). Failure by the Buyer to inspect the delivery and/or to provide Hydroll with the aforementioned report shall be deemed to constitute a waiver by the Buyer of any and all claims relating to any discrepancies in delivery and/or other issues related to the delivery.

Hydroll shall, subject to the limitations and during the warranty period set forth below, at Hydroll's sole and exclusive discretion and as exclusive remedy, replace or repair Products that are defective due to a defect in design, material or workmanship at the cost of Hydroll or refund the purchase price of the defective Products. The warranty period commences on the test date stated on the product label and the duration of the warranty period shall be 12 months. However, Hydroll's total repair and replacement costs as well as other liabilities under the warranty or otherwise shall in no event exceed the limitations of liability set forth in Section 7 below.

All warranty claims with respect to this warranty shall be made to Hydroll in writing without delay and in any event no later than fourteen (14) days following the discovery of such defect during the warranty period or the date when the defect ought to have been discovered. In case of defects within the warranty period, the Buyer shall arrange the return of the defective Product(s) at the cost and expense of the Buyer to Hydroll. Hydroll shall, at its cost and expense and at the sole and exclusive discretion of Hydroll, either repair or replace the defective Product(s) within reasonable time or refund the purchase price of the defective Products, provided that all terms and conditions of the warranty are met.

Delivery of repaired or replacement Products shall be made in accordance with FCA Lapua, Finland (Incoterms 2020) trade term. Buyer shall choose the delivery method for the warranty deliveries. The new warranty period in respect of the Product(s) repaired or replaced under the warranty shall expire six (6) months following the last day on which the Product was repaired or replaced under the warranty. The warranty for repaired or replaced Product(s) shall otherwise be subject to the same terms and conditions (including but not limited to those on limitation of liability) as those applicable to the originally delivered Product(s).

Hydroll is not liable for defects or damages due to the characteristics of oil or any material or substance used in or in connection with the Product by the Buyer, nor for defects caused by design faults, lack of maintenance or by an unsuitable choice of material insofar as Buyer has specified or supplied the design or the material. Furthermore, Hydroll shall not be liable for defects that are attributable to normal wear and tear, or caused by improper treatment or improper storage or unsuitable production equipment and/or facilities of the Buyer, as well as climatic or other influences. No warranty is given for parts provided by Buyer. Hydroll's liability for any and all defects is explicitly excluded, and the warranty shall be null and void, if the Product(s) are modified or repaired by the Buyer or third parties or if parts or software not

authorized by Hydroll are installed, as well as if applicable regulations or instructions for shipment, packing, installation, treatment, use, maintenance or repair have not been followed, or if the Products were incorrectly put together or operated by the Buyer or a third party.

The express warranties and remedies described in this Section 5 are the sole and exclusive warranties and remedies provided by Hydroll to the Buyer. Any and all other warranties, whether express, implied, statutory, conditions of merchantability, fitness for particular purpose or otherwise, are hereby waived and excluded.

## **6. Intellectual Property Rights**

Hydroll shall be liable for breach of intellectual property rights of a third party in force in Finland by the Products. Hydroll's liability shall be limited to compensation of the direct damage and reasonable costs incurred by the Buyer in accordance with a final verdict of a competent court. Hydroll shall have no liability whatsoever for any infringements that result from material, planning instructions, parts or information provided by the Buyer, any modifications to the Products by the Buyer or a third party or any breach of instructions given by Hydroll. Further, a prerequisite for Hydroll's liability is that the Buyer has immediately informed Hydroll in writing of any such claim by a third party and has refrained from any acts or omissions that would be prejudicial to or otherwise not in Hydroll's best interests, and that Hydroll has been given the opportunity, at the cost of Hydroll, to either settle the matter at the sole and exclusive discretion of Hydroll, or to organize and conduct defense of the claim (in a court of law or otherwise). The hereinabove mentioned shall constitute Hydroll's total liability and obligations in relation to any breach of any third party intellectual property rights, and all other liability and obligations of Hydroll is specifically excluded.

Any and all intellectual property rights to the Products, as well as to any and all specifications, drawings, data, software, firmware, documentation, manuals, guides as well as any information provided to the Buyer (collectively "Information") shall remain in the ownership of and vest with Hydroll and/or its licensors. Hydroll grants the Buyer a limited, non-exclusive, revocable, non-transferable license to use the Information in order to use, maintain, service and repair the Products in accordance with the intended purpose of the Products, and the Buyer shall not use the Information for any other purpose, nor disclose the Information to third parties.

## **7. Limitations of Liability; Insurance**

Under no circumstances after or within the warranty period shall Hydroll be responsible for any removal, installation or transportation costs arising from removal, repair or replacement of a defective Product. The liability of Hydroll shall in no event exceed the total amount actually paid to Hydroll for the Product(s) in relation to which the claim arises. In no event shall Hydroll be liable (whether such liability arises due to negligence, breach of contract, misrepresentation or for any other reason) for any indirect, consequential or special loss or damage including, without limitation, any loss of actual or anticipated profits or revenue or anticipated savings, punitive or exemplary damages, the cost of substituted equipment or replacement from third party, inability to use equipment or other deliverables, pollution remediation costs or removal or reinstallation of the Product, loss due to reduction or interruption in production or turnover, other loss arising because the Product cannot be used as intended, any loss arising because a contract with a third party has been lost or breached (including any liquidated damages payable by the Buyer to a third party), loss due to damage to property other than the Product sold, and other similar loss and damage that is difficult to foresee.

Hydroll shall take and maintain at its own expense product liability insurance and general liability insurance. Any insurance of Hydroll shall not have any effect on the amount of liability of Hydroll nor its interpretation under these terms.

## **7. Law and Jurisdiction**

The Contract, including the arbitration clause, and all matters arising out of or in connection with the Contract shall be governed by and construed exclusively in accordance with the laws of Finland without regard to its choice of law provisions and excluding the United Nations Convention on the International Sale of Goods.

Any disputes, controversies or claims arising out of or relating to the Contract shall in the first place be solved by the Parties in mutual negotiations. If the Parties are not able to find an amicable solution through negotiations, 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). The seat of arbitration shall be Helsinki, Finland and the language of the arbitration shall be English.

However, nothing in the Contract or these Terms shall prevent either Party from applying to the courts of any country for injunctive or other equitable relief (i) to prevent or curtail any breach of the Contract, (ii) in relation to an infringement of any intellectual property rights; (iii) in respect of misuse of confidential information or breach of confidence; (iv) for Hydroll to reclaim sums owing by the Buyer; or (v) for enforcement of an arbitral award.