

## PROVENTIA OY'S GENERAL TERMS AND CONDITIONS OF SALE, EMISSION CONTROL

### 1. SCOPE OF THE TERMS AND CONDITIONS

**1.1.** Proventia Oy (hereinafter "Seller") applies these general terms and conditions to the sale of all products and services in both the Retrofit –business (retrofit emission control systems installed in vehicles) and the OEM business (complete overall emission control solution contract designs, manufacture and integration for engine manufacturers and for other vehicle manufacturers).

**1.2.** The terms and conditions shall apply unless specifically agreed otherwise in writing. In case there are any special terms and conditions in the Seller's quotation(s) or in the product manuals or maintenance manuals for the products, such terms and conditions shall be applied along with these general terms and conditions.

**1.3.** Any and all terms, conditions, reservations, or clauses contained in the Buyer's purchase orders, or other documentation related to the purchase of the Seller's products and/or services, and which are in conflict with these terms and conditions, or which are additional to the Seller's conditions, are void and null and not binding on the Seller. None of the Buyer's terms shall apply.

**1.4.** In case of discrepancies, the order of priority shall be: (1) the Seller's order confirmation, (2) the Seller's offer, (3) these general terms and conditions.

**1.5.** The Seller reserves the right to alter these terms and conditions. The new terms and conditions shall come in force once they are published in the Seller's Internet site. However, the terms and conditions which were in force at the time of the order confirmation shall apply to the order.

### 2. DELIVERY TERMS

All deliveries shall be FCA, Oulunsalo, Finland, or FCA Seller's other premises specified in the order confirmation (INCOTERMS 2020).

### 3. PRICES

**3.1** All prices are in Euros unless otherwise agreed in writing. Prices quoted are for the product and/or service only, and do not include any amount for packaging, freight, insurance, fees, custom duties or Federal, State, Local, or Foreign excise, sales, use, service, occupation, gross income, property, withholding, or similar taxes, all of which are the responsibility of the Buyer.

**3.2** The Seller reserves the right to increase the price of the products at any time to reflect:

- a) any increase in the cost to the Seller which is due to any factor beyond the control of the Seller (such as, without limitation, any foreign exchange fluctuation, currency regulation, alteration of duties, significant increase in the costs of labour, materials or other costs of manufacture); and/or
- b) Any change in delivery dates, quantities or specifications for the products which is requested by the Buyer, or any delay caused by any instructions of the Buyer or failure of the Buyer to give the Seller adequate information or instructions.

### 4. PACKAGING

The Seller will package and prepare the products for shipment in accordance with its normal procedures or as otherwise mutually agreed

### 5. PAYMENT TERMS AND TRANSFER OF TITLE

**5.1.** The Buyer shall pay the products or services with the payment term fifteen (15) days net from the date of the Seller's invoice.

**5.2.** The Buyer shall pay interest for any late payments. The interest shall be according to the Finnish Interest Act, however the interest shall at all times be at least 12 %. Furthermore, Seller shall have the right to suspend performance of any and all of its contractual obligations without penalty until payment has been received in full.

**5.3.** The title to the products shall pass once the Buyer has paid the products in full. Until full payment the products are the property of the Seller. The transfer of title shall not affect the transfer of risk of loss of and damage to the Products, which shall transfer from the Seller to the Buyer in accordance with the agreed delivery term.

**5.4.** Payment terms are subject to change if Buyer's financial condition or payment record merits such change.

### 6. DELIVERY TIME

**6.1.** The delivery time for products and/or services is set forth in the relevant order confirmation.

**6.2.** In case the delivery is delayed due to a Force Majeure event or cause attributable to the Buyer (including i.a. delay in payment or other breach of contractual obligations), the Seller has the right to suspend or reschedule the delivery date.

**6.3.** The Buyer shall not have the right to suspend, reschedule or cancel any orders unless otherwise agreed in writing. In case the parties agree upon suspension, rescheduling or cancellation, the Buyer shall compensate any and all costs incurred to Seller (including i.a. materials, labor, storage and work done as well as any resulting obsolete Products and/or materials as set out in section 9).

### 7. INSPECTION

The Buyer is obliged to inspect the products or the outcome of the service immediately and at the latest within fourteen (14) days after the product or service is handed over to the Buyer. The Buyer shall inform the Seller of possible defects or faults within said time period. If the Seller receives no notification of faults or defects within the time period, the products and/or services shall be deemed accepted.

### 8. PRODUCT LIABILITY

The Seller shall be liable for any damage to persons or to property according to mandatory product liability legislation. The limitations of liability shall apply to the extent permitted by applicable law.

### 9. OVERSTOCK AND OBSOLETE MATERIALS

In case the Seller reasonably purchases materials for products to be manufactured to the Buyer based of forecast received from Buyer and the materials are not used for said products for other reasons than reasons attributable to the Seller, and provided that the Seller cannot use the materials in any other business, the Buyer is obliged to reimburse the Seller for the acquired materials added with a 5 % interest.

### 10. WARRANTY AND THE SELLER'S LIABILITY FOR DEFECTS

#### 10.1. Warranty and liability for defects in the Retrofit business:

**10.1.1.** A pre-condition for the warranty is that the Buyer has filled the Seller's Warranty Registration form.

**10.1.2.** The Seller makes no warranty or is liable for any defects, except as set forth herein.

**10.1.3.** The Seller warrants that the products delivered hereunder will be in substantial conformity with quotation and will be free from defects in material and workmanship under normal use and operation.

**10.1.4.** The normal use and operation shall mean the use of products and vehicles, into which the product is installed, in a way they were intended to be used and other than: in abnormal operating conditions (e.g. the longtime use of the vehicle in idling speed or with a light load), in especially risky and dangerous operating conditions (e.g. the use of a vehicle in areas or premises containing dust, gas, or other elements which are prone to explosions or fire), in such a way that (i) all engine services and maintenance have been carried out in accordance with the manufacturer's guidelines and engine out exhaust opacity levels has been maintained within the manufacturer's and local applicable regulation limits and recorded at each service interval, (ii) major events such as engine malfunctions, especially turbo failure have been recorded and the date and vehicle mileage have been recorded in all services, (iii) only ultra-low sulfur diesel (ULSD) fuel with a maximum sulfur content of <10ppm (parts per million) have been used, (vii) only Diesel Exhaust Fluid (DEF or AdBlue®) that meets the ISO22241-1 standard is used and (v) engine oil consumption have been maximum one (1) liter per ten thousand (10.000) kilometers and the engine has never overfilled with oil and (vi) ash content of lubrication oil is <0,9%.

**10.1.5.** The warranty and the Seller's liability for defects shall be in force for one (1) year from the date of shipment to the Buyer or two thousand (2.000) hours or one hundred fifty thousand (150.000)

kilometers normal use and operation of the product, whichever occurs first. The kilometers driven or hours driven at the time of installation shall be recorded and informed to the Seller in order for the Seller to verify the warranty period.

**10.1.6.** In retrofit NOxBUSTER, system warranty is void if operated without supply of AdBlue® (DIN 70070)/ DEF that meets the ISO22241-1 standard or without pressurized air for more than 16 consecutive operating hours.

**10.1.7.** Performance of exhaust gas after-treatment components (DOC/DPF/SCR/etc) is not warranted if any fuel other than sulfur free EN590 or HVO renewable diesel meeting TS15940 technical specification is used. If fuels other than those stated here are used, components which are not in contact with the fuel or post combustion components of the fuel, will continue to be covered by the normal warranty.

**10.1.8.** If the product is being used contrary to the aforementioned normal use and operation and documentation, the warranty and the Seller's liability for defects shall not apply. The Buyer shall inform the Seller of a defect, fault or action covered by the warranty within fourteen (14) days from notice of such defect, fault or action. Otherwise, the Buyer's rights based on the warranty shall lapse.

**10.1.9.** The Seller shall fulfill its warranty obligations at the Seller's sole discretion in such a way that the Seller may repair, replace the faulty product with a new product, or reimburse the Buyer for the price invoiced at the time of shipment.

**10.1.10.** In case the Buyer's warranty claim is groundless, the products will be returned at the Buyer's expense.

**10.1.11.** The warranty period shall not in any circumstances be extended by the replacement of any defective goods i.e. the replacement goods shall be warranted in terms hereof only for the unexpired period of the warranty applicable to the replaced goods.

**10.1.12.** The warranty shall not cover situations where the Buyer has used the Seller's products in another vehicle than what was specified at the time the product was sold, or the Buyer has attached equipment to the Seller's product which is not manufactured by the Seller. This warranty shall not apply to any products which have been repaired or altered, except by the Seller, or which shall have been subject to physical or electrical abuse or misuse.

**10.1.13.** The Seller does not have any liability for defect outside the warranty for faults or defects in products. The limitations of liability (clause 13) shall apply also to the Seller's warranty.

**10.1.14.** The warranty shall apply also to services to the extent the services have an impact on the functionality of the product(s).

**10.1.15.** The warranty does not extend to parts, materials or equipment not manufactured by the Seller, in respect of which the Buyer shall only be entitled to the benefit of any warranty or guarantee as is given by the manufacturer to the Seller.

**10.1.16.** Buyer agrees that prior to using or distributing any systems that include Seller's products, Buyer will thoroughly test such systems and the functionality of such Seller's products as used in such systems. Seller may provide technical, applications or design advice, quality characterization, reliability data or other services. Buyer agrees that providing these services shall not expand or otherwise alter Seller's warranties, as set forth above, and no additional obligations or liabilities shall arise from Seller providing such services.

#### **10.2. Warranty in the OEM business:**

**10.2.1.** The warranty terms set forth in clause 10.1 shall apply where appropriate. In addition, the following shall apply:

**10.2.2.** In case the system designed by the Seller is manufactured by a third party other than the Seller or the Seller's subcontractor, the Seller is not responsible for the manufacture or possible defects or faults caused by a third party.

**10.2.3.** The warranty shall begin once the installation has been mutually approved, and responsibilities agreed (PPAP installation approval).

### **11. INTELLECTUAL PROPERTY RIGHTS ("IPR")**

**11.1. Definition of IPR.** IPR shall mean all forms of protection of intellectual property rights provided by then current legislation including patents, utility models, design patents and designs (whether or not capable of registration), chip topography rights and other like

protection, copyright, trademark and any other form of statutory protection of any kind, and applications for any of the foregoing respectively as well as any trade secrets and knowhow. Furthermore, intellectual property rights shall include models, software, ideas, works, proposals for adjustments, and research results as well as drawings, layouts of products, tooling, and any documents related to the above-mentioned.

**11.2. IPRs in the Retrofit business.** Any and all IPRs shall remain the property of the Seller and no IPRs shall transfer to the Buyer. The Seller has the sole and exclusive right to commercially exploit said IPRs. No exploitation rights or licenses shall be granted unless expressly agreed in writing.

**11.3. IPRs in the OEM business.** No IPR shall transfer to Buyer unless specifically agreed separately in writing. The aforesaid shall also concern any designs or services ordered and paid by the Buyer. Unless otherwise agreed, in these cases the Buyer shall receive the right to use the ordered design and the application's end result, but the Buyer shall not have the right to manufacture or have manufactured by a third party for commercial purposes any products which are within the scope of the design and the application.

**11.4. Liability.** Buyer shall indemnify and hold the Seller harmless from any and all costs and damages (including indirect damages which shall include i.a. loss of profits, loss of revenue, loss of production, loss of contract, and any other indirect, special or consequential damages) incurred to Seller as a result of or otherwise arising from the Buyer's failure, intentional or unintentional, to comply with the terms and conditions regarding IPR.

### **12. FORCE MAJEURE**

**12.1.** 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. Events of "Force Majeure" are events beyond the control of the Party and which were not reasonably foreseeable at the time of entering into business relationship and whose effects are not capable of being overcome without unreasonable expense and/or loss of time to the Party concerned. Events of Force Majeure shall include (without being limited to) earthquakes, floods, fire, Acts of God and other natural disasters as well as terrorism, cyber-attack (to the extent Party has taken appropriate measures to protect against viruses, worms, Trojan horses, phishing, denial of service (DOS) attacks, unauthorized access, and control system attacks), riots or civil disturbances; war, strikes (excluding strikes which are specific to the site or the project company or any of its subcontractors), nuclear or chemical contamination, failure of public infrastructure and other comparable events. For the avoidance of doubt, pandemic or epidemic in itself does not constitute an event of Force Majeure, unless such result in governmental actions preventing fulfilment of obligations.

**12.2.** The Party affected by an event of Force Majeure shall without delay give written notice to the other Party and the Party giving notice of its occurrence and probable duration and shall immediately take any necessary measures in order to limit and minimize the effect of such an event on the performance of its obligations.

### **13. LIMITATION OF LIABILITY**

**13.1.** The maximum liability of the Seller shall at all times be limited to the purchase price of the products and/or services (VAT excluded) giving rise to a claim, however Seller's aggregate liability shall not under any circumstances exceed the maximum amount of 150,000 Euros per order.

**13.2.** The liabilities of the Seller, except for product liability based on mandatory legislation, shall terminate at the latest upon the expiry of the warranty period.

**13.3.** In no event shall the Seller be liable for any indirect, consequential, incidental, unforeseeable, or special damages of any kind, or for any liquidated damages. Further the Seller shall not be liable for any loss of profit, loss of business revenue, or failure to realize expected savings, which arise out of or in connection with the products or services.

### **14. IMPORTATION AND EXPORTATION**

**14.1.** The Buyer shall comply with all applicable export control laws (including i.a. Council Regulation (EU) No 833/2014) and shall not,

directly or indirectly export, re-export, resell, ship, or divert any product, material, service, technical data, or software furnished hereunder to any person, entity, project, use, or country, in violation of the laws or licensing requirements of any appropriate national authority.

**14.2.** Violation of any export control laws shall constitute a material breach, and the Seller shall be entitled to seek appropriate remedies, including, but not limited to termination of agreement and any and all purchase orders with immediate effect. The Buyer shall indemnify and hold the Seller harmless from any and all claims, demands, cost, fines, penalties, fees, expenses, or losses arising from the Buyer's failure, intentional or unintentional, to comply with the foregoing paragraph.

#### **15. CONFIDENTIALITY**

**15.1.** The Buyer and the Seller agree to keep confidential all information received from one another which has been marked as confidential or which are by the information's nature considered confidential.

**15.2.** Buyer shall indemnify and hold the Seller harmless from any and all costs and damages (including indirect damages which shall include i.a. loss of profits, loss of revenue, loss of production, loss of contract, and any other indirect, special or consequential damages) incurred to Seller as a result of or otherwise arising from the Buyer's failure, intentional or unintentional, to comply with the terms and conditions regarding confidentiality.

#### **16. TERMINATION**

If

- a) Buyer fails to pay to Seller any amount payable or is otherwise in material breach of the agreement and has not remedied or taken reasonable steps to remedy such breach within thirty (30) days of receipt of a notice; or
- b) Buyer becomes bankrupt or insolvent, goes into liquidation, has a receiving or administration order made against it, compounds with its creditors, or carries on business under a receiver, trustee or manager for the benefit of its creditors, or if any act is done or event occurs which (under Applicable Law) has a similar effect to any of these acts the Seller may terminate the Contract with immediate effect by giving notice in writing to the Buyer.

#### **17. APPLICABLE LAW AND DISPUTE RESOLUTION**

**17.1.** These general terms and conditions are governed by and construed in accordance with the laws of Finland excluding its choice of law provisions and the United Nations Convention on Contracts for the International Sale of Goods.

**17.2.** Any and all disputes arising between the Buyer and the Seller shall be settled in arbitration in accordance with the arbitration rules of the Finnish Central Chamber of Commerce by a sole arbitrator. The arbitration proceedings shall be held in Helsinki, Finland in the English language.