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**FleetCare Ltd.'s General Terms and Conditions of Procurement****1. VALIDITY**

These terms and conditions of procurement shall be applied to the procurement agreement (hereinafter referred to as the "Agreement") between FleetCare Ltd (hereinafter referred to as the "Customer") and Supplier.

The Agreement shall not obligate Customer to order the services and/or goods (hereinafter referred to as the "products") referred to in the Agreement from Supplier. Neither shall Customer agree to any minimum purchases or other purchase quotas, unless specifically otherwise stated in the Agreement. Supplier understands that procurement volumes which may have been presented in any invitation(s) to tender or in negotiations are for reference only and that Customer shall not have any quantitative obligations to procure products on the basis thereof.

**2. SUPPLIER'S GENERAL OBLIGATIONS**

Supplier shall deliver all of the products referred to in the Agreement with due expertise, on time, securely and in compliance with best industry practices.

Supplier shall ensure that the products comply with applicable legislation, this Agreement and the order drawn up on the basis thereof and that the products are suitable for Customer's intended purpose of use, taking into account what can be expected from a competent supplier operating in the industry.

Supplier shall also comply with VR Group's code of conduct for suppliers, available at:  
[www.vrgroup.fi/en/vrgroup/responsibility/code-of-conduct-for-suppliers/](http://www.vrgroup.fi/en/vrgroup/responsibility/code-of-conduct-for-suppliers/)

The Supplier warrants that the Supplier is not subject to international sanctions and that the Supplier will comply with the provisions of international sanctions. Furthermore, the Supplier may not use subcontractors subject to international sanctions in the execution of the procurement.

If the Supplier or the Supplier's subcontractors become subject to international sanctions during the contract period, or if it otherwise becomes apparent that the Supplier has violated the regulations concerning international sanctions, the Supplier shall immediately notify the Customer's contact person for the contract and to [procurement.fleetcare@vr.fi](mailto:procurement.fleetcare@vr.fi). The Customer shall have the right to terminate the Contract with immediate effect if the Supplier violates the regulations concerning international sanctions.

Supplier shall be qualified to perform the required work and also have sufficient readiness to demonstrate these qualifications. If any specific certificate and/or standard is required in the Agreement, Supplier shall ensure that the offered service or product is in accordance with these

standards and/or certificates. Supplier shall also have a maintenance and management system that is adequate and documented.

**3. CONTRACTOR'S OBLIGATIONS**

Supplier shall guarantee and ensure that any subcontractors it uses act in compliance with the Act on the Contractor's Obligations and Liability when Work is Contracted Out (1233/2006), or any subsequent legislation, upon the commencement and during the validity period of the Agreement. Supplier shall, upon request, provide Customer with proof of fulfilment of the abovementioned obligations. Supplier shall ensure that the entire subcontracting chain is compliant with the Act on the Contractor's Obligations and Liability when Work is Contracted Out.

Supplier shall provide Customer with the documentation in accordance with the Act on the Contractor's Obligations and Liability when Work is Contracted Out every twelve (12) months and always when requested. The documentation may not be older than three (3) months. The documentation need not be delivered, if the same information is available via the [www.vastuugroup.fi](http://www.vastuugroup.fi) service.

Supplier shall reimburse Customer in full for any fines or fees imposed by the authorities in case Supplier has not provided Customer with the required reports pursuant to the Act on the Contractor's Obligations and Liability when Work is Contracted Out.

**4. TERMS OF PAYMENT AND INVOICING**

Supplier shall have the right to invoice Customer when the products have been delivered and Customer has approved them. Recurring payments shall be invoiced in arrears according to agreed invoicing periods. The term of payment is forty-five (45) days from receipt of the invoice. The interest on arrears is determined by current interest legislation.

Supplier shall provide Customer with an electronic invoice as well as an invoicing report, which comprises the required information for distributing Customer's internal costs.

The invoice shall be sent in accordance with VR Group Ltd's current invoicing instructions, available at:  
<http://www.vrgroup.fi/fi/vrgroup/yhteystiedot/laskutusohjeet/>

The invoice shall include a breakdown of the invoiced work, when the work was carried out, working hours or other basis used for invoicing as well as names of the professionals who took part in the delivery of the products.

In case an invoice sent by Supplier contains errors (e.g. the invoice does not correspond with the ordered products, the price does not correspond with the price agreed in the Agreement or Customer's reference is incorrect), Customer shall be entitled to return the incorrect invoice to

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Supplier for correction. In this case, the due date and payment term of the invoice shall be calculated from receipt of the corrected invoice.

Customer shall have the right to deduct from the unpaid price, e.g. the costs arising from a new matching product procured as a result of a faulty or delayed product, a late penalty fee in accordance with the Agreement or another agreed contractual penalty as well as interest accrued on a paid advance payment in case of a delay, termination or cancellation.

## 5. PLACING ORDERS

The procedure for placing orders under the Agreement is described in more detail therein.

Supplier shall send a written order confirmation to the contact person specified in Customer's order within two (2) working days from receiving the order. Any Supplier's standard terms or other additional conditions contradicting the terms of the Agreement included in the order confirmation shall not apply.

## 6. SUBCONTRACTORS

Unless otherwise agreed, Supplier shall have the right to use subcontractors to meet Supplier's contractual obligations. Customer shall have the right to refuse the use of a certain subcontractor for a justified reason. Supplier shall be liable for the work of its subcontractors as if for its own.

If during the contract period the Supplier's subcontractor becomes subject to international sanctions or it otherwise becomes apparent that the Supplier's subcontractor has violated the regulations concerning international sanctions, the Supplier shall take immediate measures to remove or replace the subcontractor in question and immediately notify the Customer at [procurement.fleet-care@vr.fi](mailto:procurement.fleet-care@vr.fi).

## 7. SUPPLIER'S PERSONNEL

Supplier shall use for the production or delivery of the products competent employees with suitable competence and experience. Changes in Supplier's personnel may not impair the quality of the products.

If Supplier's personnel linked to the production or delivery of the products have been named in the Agreement or a separate order, Supplier may not change such designated personnel without Customer's prior written approval, which, however, may not be unreasonably withheld. If Supplier changes designated personnel with Customer's approval, the replacing personnel shall have at least same degree of expertise and experience as the replaced personnel.

Supplier shall ensure that products are provided in accordance with section 2 (Supplier's General Obligations).

Upon Customer's request, Supplier shall without delay and free of charge replace any personnel involved in the production or delivery of products, if such personnel lacks sufficient competence or, in Customer's reasonable view, is otherwise not suitable for the task in question.

Supplier's personnel or its subcontractors' personnel shall not under any circumstances establish any employment, service, agency or similar corresponding relationship or contract with Customer when taking care of their duties in accordance with the Agreement.

If work is carried out in Customer's premises, Supplier's personnel shall adhere to Customer's policies and instructions pertaining to e.g. safety, data protection, general behaviour. However, Supplier shall remain responsible for supervision and monitoring of its personnel, unless it has been expressly agreed in the Agreement that said supervision and monitoring responsibility is transferred to Customer.

## 8. PRODUCT PROPERTIES

The type, quantity, quality and other properties of the products must comply with what has been agreed. The products shall also correspond with the product information submitted to Customer.

Unless otherwise agreed, the products must be suitable for the purpose for which said products are generally used for or they must be suitable for a specific purpose for which the products were intended to be used for, if Supplier was or should have been aware of said purpose taking into account circumstances and Supplier's level of expertise.

The products must comply with applicable mandatory EU and Finnish legislation, as well as decrees issued by relevant authorities pertaining to, for instance, structure, equipment, occupational safety, fire safety and electrical safety.

Supplier shall provide Customer with all certificates, licences and other documents required for use of the products. Supplier shall provide Customer with drawings, instructions and other documents included in the procurement, which are required for installation, repair, maintenance and use of the products. Such documentation must be in Finnish or English, unless Customer has approved delivery in another language.

Supplier shall ensure that the products have been packed with due care in order to avoid damages during handling or transport.

Supplier shall guarantee maintenance and availability of spare parts for the products pursuant to the Agreement. Unless otherwise agreed, maintenance and spare parts shall be available for the life-cycle of the products.

Upon Customer's consent, Supplier may replace a product with a corresponding product. The replacement product must meet the requirements set in the Agreement and

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properties of the replacement product must at the minimum correspond with those of the original product. Supplier must provide the replacement product for a price not higher than the price of the original product.

If the product does not conform to the requirements in accordance with this section 8 (Product Properties), it is faulty.

## 9. DELIVERY AND LIABILITY FOR RISK

Supplier shall hand over or deliver the products to Customer at the time specified in the Agreement. The products or parts thereof may not be delivered before the agreed time without Customer's prior consent.

Unless otherwise agreed, the term of delivery is DAP (DAP - Delivered At Place (named place of delivery) Incoterms 2020).

The liability for risk shall pass to Customer once the products have been delivered to Customer in accordance with the terms of delivery.

If the products are not delivered at the correct time due to a reason related to Customer, the liability for risk shall pass to Customer when Supplier has taken all actions required from Supplier by the delivery and once Customer has been notified of this in writing.

Supplier may not without Customer's written approval insure the products at Customer's expense for which liability for risk belongs to Customer pursuant to the Agreement.

Supplier shall bear liability for risk for Customer's items, parts or equipment that Customer has handed over to Supplier for storage, repair or other like purpose.

## 10. DELIVERY INSPECTION

Customer shall have the right to inspect the products before their delivery. The inspections carried out by Customer prior to delivery of products shall not limit Supplier's contractual obligations.

Customer shall visually inspect (type, quantity and condition of the products) the received products within five (5) working days of Supplier's delivery of the products in accordance with the Agreement.

Customer shall notify Supplier in writing of any faults detected in the products without undue delay, nevertheless, within fourteen (14) days from the period of time reserved for the delivery inspection. If Customer does not issue a complaint within the aforementioned period of time, the products shall be deemed approved and received.

Each Party shall contribute to delivery inspections as well as other inspections. The Parties shall be liable for their costs arising from the such inspections.

Supplier shall at its own cost and without undue delay remove faults detected in the delivery inspections and other

inspections. Customer shall not compensate Supplier for any costs that result from products having become unfit for use or the value of which has been reduced in a normal inspection.

If the product is faulty, Supplier shall compensate Customer for all costs incurred from repeating the inspections, handling and transport.

If Supplier stores Customer's property on behalf of Customer, such storage shall be carried out with due care and according to best industry practices. Supplier shall ensure that Customer's property is separated from other property accordingly. Customer's property shall also be clearly marked as Customer's property.

Liability for risk regarding Customer's property shall pass to Supplier upon Supplier's receipt of Customer's property. If return of Customer's property is not possible due to damage, loss or other like reason, Supplier shall compensate Customer for the resulting loss, unless the Parties have specified liquidated damages for such loss in the Agreement.

## 11. WARRANTY

The warranty of the products is 24 months, unless otherwise stated in the Agreement. Warranty starts on the date the product has been delivered to Customer. However, if Customer detects a fault in the product in the delivery inspection, warranty shall start on the date on which Supplier has delivered the repaired product to Customer.

Warranty shall cover all faults that occur during the warranty period. However, warranty shall not cover faults that result from use of the product contrary to Supplier's written instructions or in a manner that is otherwise clearly incorrect.

Upon being notified, Supplier shall at its own cost and without undue delay repair all faults that occur during warranty or provide a new product to replace the faulty one. Warranty repair shall also include necessary amendments resulting from the repair to any product documentation.

Unless otherwise agreed, the products' warranty shall be extended by the time during which the product cannot be used as a result of the fault. However, warranty period shall be limited to twice (2) the original warranty period.

If a fault occurs in the product during warranty and there are reasonable grounds to assume that the same fault will also occur in other products (a design error), Supplier shall be obligated to repair the fault in all similar products delivered under the Agreement.

Customer shall deliver the product for warranty repair to a location indicated by Supplier. Supplier shall be liable for any costs incurred by warranty repairs as well as costs resulting from delivery and return of the product.

If Supplier does not fulfil its warranty obligations within a reasonable time from the date on which Customer notified

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Supplier of such fault, Customer shall be entitled to have necessary repairs carried out by a third party and demand that Supplier reimburse Customer for such resulting costs. Customer must notify Supplier in advance in writing of its intention of having the repairs carried out by a third party. Customer shall be entitled to demand a price reduction instead of the repair.

Even after the warranty period, Supplier, upon being notified, shall be obligated to repair at its own cost faults in the products that existed in the products when the liability for risk passed to Customer and which Customer could not reasonably have detected in delivery inspection(s) or during warranty.

## **12. INSURANCE**

Supplier shall ensure that it has taken out and will maintain sufficient liability insurance and other insurances, which are mandatory or customary in the industry.

Supplier shall be responsible for the product safety of the items and related services (e.g. installations) in accordance with currently valid product liability legislation.

Supplier shall indemnify and hold Purchaser harmless for any personal injury or property damage caused by any product which Purchaser is held liable under applicable product liability legislation.

## **13. SECURITIES**

If Customer makes an advance payment to Supplier according to the Agreement, Supplier shall, prior to such advance payment, provide a payment security approved by Customer which must be at least five (5) per cent greater than the advance paid. The security must be valid for at least one (1) month after the product subject to the advance payment has been delivered and approved. If Supplier is late in fulfilling its obligations, Supplier must extend the validity period of the security.

Primarily, an acceptable security shall be a bank deposit made in Customer's name or a bank guarantee provided by a bank or insurance institution with good financial standing, as approved by Customer.

Supplier shall cover all costs arising from the acquisition of the security.

## **14. CONFIDENTIALITY AND DATA PROTECTION**

Parties shall keep confidential and not disclose to any third parties any material or information received from each other marked as confidential or otherwise to be regarded as confidential, or material or information otherwise encountered in the performance of the Party's contractual obligations. Parties are responsible for ensuring that their employees and subcontractors comply with this provision.

The confidentiality obligation does not apply to information commonly available or public, or to information a Party has

lawfully obtained by means other than from the other Party.

If the Agreement is terminated for any reason, the Party shall return, or with the consent of the other Party, destroy all confidential material belonging to the Party, provided that mandatory law does not require for the confidential material to be retained.

Supplier shall ensure that information concerning Customer can only be accessed by persons on a need-to-know basis. Supplier shall ensure that its personnel are aware of and conform to confidentiality obligations of the Agreement.

Customer shall have the right to issue to Supplier specific requirements or instructions regarding data protection and data security. If Supplier processes Customer's personal data on behalf of Customer in a manner pursuant to the General Data Protection Regulation (EU 2016/679), the Parties shall sign or otherwise attach to the Agreement Customer's standard data processing agreement.

Supplier shall not use Customer's name or trademarks or similar material in marketing without Customer's prior written consent.

The terms and conditions of this section shall remain in force after the termination of the Agreement.

## **15. INTELLECTUAL PROPERTY RIGHTS**

To the extent that the products include intellectual property rights or other proprietary rights, Supplier shall ensure that Customer has the right to use the products without any further limitations or fees arising from copyrights, other intellectual property rights or trade secrets. This right shall survive the termination of the Agreement.

Supplier shall also ensure that the products are not in violation of third-party intellectual property rights.

Unless otherwise agreed, if the products or parts thereof include material specifically made for Customer, Supplier shall transfer all intellectual property rights to such material to Customer in full and without any limitations.

Unless otherwise stated in the Agreement, copyrights and other intellectual property rights pertaining to Supplier's standard documentation, such as instruction manuals, drawings or forms, included in or delivered with the products shall belong to Supplier or a third party. Customer shall always have an irrevocable, non-exclusive, perpetual, royalty-free, global and otherwise unlimited right to use, copy and make or commission changes to standard documentation for an unlimited period of time, unrestricted by Supplier's copyright or other intellectual property rights or trade secrets. Customer shall also be entitled to transfer this right in full or in part.

Ownership and intellectual property rights to Customer's materials shall always remain with Customer or a third

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party. Supplier shall have the right to use Customer's materials provided for it only for purposes in accordance with the Agreement.

## 16. VIOLATION OF INTELLECTUAL PROPERTY RIGHTS

If any claims are brought against Customer concerning infringements of intellectual property rights relating to the products, Supplier shall indemnify and hold Customer harmless from all such claims. Supplier shall, at its own expense, defend any claims or action brought against Customer and pay any award or damages assessed against Customer or agreed to be paid by in a settlement resulting from such action, provided that Customer provides Supplier: (i) prompt notice in writing of such action, (ii) the right to control the defense and settlement of the action, provided that such defense and/or settlement may not prejudice Customer in any way and (iii) reasonable assistance and information. Without prejudice to Supplier's obligation to indemnify as set out above; if, as a result of any binding settlement among the Parties or a final determination by a court of competent jurisdiction, any of the deliverables held to infringe and its use is enjoined Supplier shall have the option to: (i) obtain the right to continue use of the products or (ii) replace or modify the products so that they are no longer infringing.

The foregoing indemnification shall not apply in case Supplier proves that the infringement arises directly from (a) modifications made Customer to the products without Supplier's approval, (b) use of the products in material breach of the Agreement.

Customer shall have the right to terminate the Agreement with immediate effect in case the products cannot be used in accordance with the Agreement pertaining to this section.

## 17. RIGHT TO AUDIT

Customer shall have the right at its own expense to audit Supplier's premises used for provision of the products to the degree that they are the responsibility of and controlled by Supplier. Customer may carry out the audit itself or have it performed by a third-party auditor, however not Supplier's direct competitor. The audit may be directed, e.g. at Supplier's obligations in accordance with this Agreement, including processes, product quality, ethical conduct, or requirements set by the authorities. Customer shall be entitled to the above-mentioned audit once each calendar year for no additional cost. In case Customer requests an audit to be performed more frequently than once a year, Supplier shall be entitled to reasonable compensation for additional work resulting from the audit.

Supplier shall agree to assist Customer with the audit at its own expense and to provide Customer with the information required for the audit. The audit shall be carried out during normal office hours, and may not unreasonably disturb Supplier's business operations. If the audit reveals

flaws, Supplier shall remedy such flaws in accordance with its own processes, however without undue delay.

Customer shall notify Supplier of its intention to carry out an audit no later than twenty-one (21) days before the commencement of the audit.

Supplier shall have the right to require that the performer of the audit sign a non-disclosure agreement with Supplier prior to the commencement of the audit.

## 18. DELAYS

If a Party is, or is likely to be delayed in complying with its obligations, the delayed Party must without undue delay notify the other Party in writing of such delay and its effect on the fulfillment of the Agreement.

If Supplier is late with meeting its obligations, it must notify Customer of the new time of performance as soon as possible.

Product delays shall equate with delays pertaining to information, items and documentation in accordance with the Agreement.

If the products are delayed due to Supplier, Customer shall be entitled to collect liquidated damages from Supplier. Customer shall be entitled to liquidated damages without having to prove incurred damages. Unless otherwise agreed in the Agreement, liquidated damages for delays shall be two (2) per cent of the price, excluding value-added tax, of the delayed products for each starting seven (7) day period by which Supplier is delayed from the agreed deadline. Liquidated damages shall be limited to a maximum period of twelve (12) weeks. Supplier's damages for the delay in question is limited to liquidated damages.

If Customer has paid an advance and the products are delayed due to a reason arising from Supplier, Supplier shall pay annual interest for the delay in accordance with the Interest Act for the amount of the advance corresponding with the delayed product.

Based on the delay, Customer shall have the right to refuse to pay the price of the delayed products. However, Customer may not withhold a sum which exceeds the claims to which Customer is entitled to resulting from the delay.

Customer shall have the right to terminate the Agreement if the delay is material.

## 19. LIMITATION OF LIABILITY

Each Party's liability shall be limited to direct damages.

The maximum aggregate liability of a Party shall be limited to twice (2) the value of the Agreement or five hundred thousand (500,000) euros, whichever sum is more. Any fines, administrative penalties and other similar penalties which are imposed on Customer by the relevant

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authorities based either on Supplier's negligence or breach of contract over legislation are considered direct damages.

The aforementioned limitations of liability do not apply if the damage was caused by willful misconduct, acts of gross negligence or breach of confidentiality obligations or breach of intellectual property rights.

Notwithstanding the aforementioned limitations of liability, Supplier shall remain fully liable for any damage caused by violations of mandatory legislation, especially competition and data protection legislation.

## 20. TERMINATION

Notwithstanding a fixed-term agreement period, Customer shall have the right to terminate the Agreement or an order(s) made on the basis thereof in full or in part in any of the following situations:

- Supplier experiences financial difficulties which give reason to assume that the performance of their contractual obligations is compromised;
- Supplier is repeatedly unable to fulfil its obligations within the agreed schedule or the products are materially or repeatedly faulty due to a reason other than force majeure;
- Supplier is in material breach of the Agreement or an order and does not remedy such breach within thirty (30) days of receiving a written notice thereof;
- Supplier is in violation of or does not meet VR Group Ltd's ethical terms and conditions, as attached to the Agreement;
- Supplier's executive or administrative positions are held or directly or indirectly influenced by persons subject to business prohibition; or
- The Parties do not reach an agreement on price adjustments or proposed changes to personnel or subcontractors.

Additionally, Customer shall have the right to terminate the Agreement with immediate effect in case more than one (1) order has been terminated due to Supplier's breach of contract.

If the Supplier or a subcontractor used by the Supplier to carry out the procurement violates the regulations concerning international sanctions, the Customer has the right to terminate the Contract with immediate effect without any obligations.

The Agreement must be terminated by notifying in writing the contact person of the other Party in accordance with the Agreement.

## 21. TRANSFER OR AMENDMENT OF AGREEMENT

Supplier shall not have the right to transfer the Agreement or any part(s) thereof without Customer's written approval. Customer shall have the right to transfer the Agreement to a third party to whom Customer's tasks are transferred in full or in part.

Amendments to the Agreement must be made in writing. Amendments made in electronic format shall also be deemed written amendments of the Agreement.

If the Agreement includes an option to extend the Agreement term, Customer shall in its sole discretion decide on its activation. The option shall be subject to the terms and conditions of the Agreement.

## 22. FORCE MAJEURE

Grounds for discharge from liability shall be limited to extraordinary events which prevent the fulfillment of the Agreement and which occurs after the entry into force of the Agreement, and which a Party had no reason to take into consideration when entering into the Agreement and which is independent of the Parties and the effect of which makes it impossible to fulfil a Party's contractual obligations without unreasonable additional cost. Such events include wars, uprisings, internal unrest, requisition or seizure conducted by the authorities for public need, import or export bans, natural disasters, suspension of public transport or general energy distribution, strikes or other industrial action, fires or other equally significant or unusual reasons that are independent of the Parties.

A subcontractor's delay shall only be deemed force majeure in case the subcontractor's delay is caused by an obstacle referred to in this section and the subcontracting cannot be carried out by another party without unreasonable expense.

The Parties must immediately notify the other Party of a force majeure as well as the ceasing of the force majeure, after which at the latest the Parties must agree on the effects thereof on the delivery.

Each Party shall have the right to terminate the Agreement or order, if compliance with the Agreement or order is delayed by more than three (3) months due to force majeure.

## 23. APPLICABLE LAW AND SETTLEMENT OF DISPUTES

This Agreement and orders made on the basis thereof shall be governed by the laws of Finland, excluding the principles on conflict of laws and the United Nations Convention on Contracts for the International Sale of Goods (CISG).

Any dispute, controversy or claim arising out of, or in connection with this Agreement or any orders shall be resolved primarily through negotiations between the Parties. If a dispute cannot be resolved, the matter shall be settled in the first instance by the District Court of Helsinki.