

## TERMS AND CONDITIONS OF COMMERCIAL SALE OF POLARMOSS LTD

### 1. OFFER, CONFIRMATION OR AGREEMENT

These terms and conditions of commercial sale of Polarmoss Ltd (the "Terms and Conditions") apply to and form an integral part of all quotations and offers made by Polarmoss Ltd ("Polarmoss"), all acceptances, acknowledgements and confirmations by Polarmoss of any orders by Buyer and any agreements where these Terms and Conditions have been referred to ("Agreement(s)") regarding the sale by Polarmoss and purchase by Buyer of goods ("Products"), unless and to the extent Polarmoss explicitly agrees otherwise in writing.

Any terms and conditions set forth in any document issued by Buyer are hereby explicitly rejected and disregarded by Polarmoss, and any such terms shall be wholly inapplicable to any sale of Products by Polarmoss to Buyer and shall not be binding in any way on Polarmoss.

Polarmoss' offers may be accepted within the period stated in the offer or, when no period is stated, within thirty (30) days from the date of the offer, but any offer may be withdrawn or revoked by Polarmoss at any time prior to the receipt of Buyer's acceptance thereof by Polarmoss.

### 2. PRICING

Prices in any offer, order confirmation or Agreement are in Euros, based on delivery term Ex-Works (INCOTERMS latest version) Polarmoss' manufacturing facility or other facility designated by Polarmoss, unless agreed otherwise in writing between Buyer and Polarmoss and do not include any taxes, duties or similar levies, now or hereafter enacted, applicable to the Products or any other expenses. Polarmoss will add taxes, duties and similar levies to the sales price where Polarmoss is required or enabled by law to pay or collect them and these will be paid by Buyer together with the price.

### 3. PAYMENT

(a) Unless agreed otherwise between Polarmoss and Buyer in writing, net payment is made in advance prior to the delivery of Products based on the Order Confirmation/Proforma Invoice. All payments shall be made to the designated Polarmoss bank account. No discount is applicable for early payment unless agreed to in writing by Polarmoss. In addition to any other rights and remedies Polarmoss may have under applicable law, interest will accrue on all late payments at the rate of seven and half percent (7,5%) over the reference rate published by the European Central Bank per annum or the applicable statutory rate, whichever is higher and to the extent permitted by applicable law, from the due date until payment in full.

(b) If Buyer has been granted credit by Polarmoss at its sole discretion, all deliveries shall at all times be subject to credit approval of Polarmoss. Polarmoss will in that case invoice Products upon delivery and the payment term is fourteen (14) days from the date of invoice, unless the parties have otherwise agreed in writing. If, in Polarmoss' judgment, Buyer's financial condition at any time does not allow production or delivery of Products, Polarmoss may require full or partial payment in advance or other payment terms as a condition for delivery, and Polarmoss may suspend, delay or cancel any credit, delivery or any other performance.

(c) In the event of any default by Buyer in the payment of any fees or charges due, or any other default by Buyer, Polarmoss shall have the right to refuse delivery of any Products until payments are fully made and Polarmoss may suspend, delay or cancel any credit, delivery or any other performance by Polarmoss. Such right shall be in addition to, and not in lieu of, any other rights and remedies available under the Agreement or at law.

### 4. DELIVERY AND QUANTITIES

(a) Products shall be delivered Ex-Works (INCOTERMS latest version) Polarmoss' manufacturing facility or other facility designated by Polarmoss, unless otherwise agreed in writing. The delivery date (Week/Year) indicates when the Products are available for departure from Polarmoss. Delivery dates communicated or acknowledged by Polarmoss are estimates only, and Polarmoss shall not be liable for, nor shall Polarmoss be in breach of its obligations to Buyer, for any delivery made before or after the communicated delivery date. Polarmoss agrees to use commercially reasonable efforts to meet the delivery dates communicated or acknowledged by it provided that Buyer provides all necessary order and delivery information sufficiently prior to the such delivery date.

(b) In case Polarmoss has not delivered Products within reasonable time after the communicated delivery time, Buyer may give Polarmoss a written notice of failure to deliver and allows thirty (30) days within which to cure the delay. If Polarmoss does not deliver within such thirty (30) day period, Buyer's sole and exclusive remedy is to cancel the affected order for undelivered Products.

(c) Title to the Products shall pass to Buyer upon payment in full of all monies due to Polarmoss. Until title in the Products has passed to Buyer, Buyer shall not assign, transfer or pledge any of the Products, or grant any right or title in the Products to any third party, except in the event such right or title is granted in normal course of business. Risk of loss and damage to the Products shall pass to Buyer upon delivery in accordance with the applicable INCOTERMS delivery term.

(d) If Buyer fails to take delivery of the Products ordered, then Polarmoss may stock the Products at Buyer's cost.

(e) In the event Polarmoss' production is curtailed for any reason, Polarmoss shall have the right to allocate its available production and Products, in its sole discretion, among its various customers and as a result may sell and deliver to Buyer fewer Products than specified in the Agreement, as the case may be, without being responsible or liable to Buyer for any damage resulting therefrom.

### 5. FORCE MAJEURE

Polarmoss shall not be liable for any failure or delay in performance if:

(i) such failure or delay results from limited availability of raw material for the Products or other interruptions in the Product manufacturing process; or

(ii) such failure or delay is caused by Force Majeure as defined below and/or by (case) law.

In case of such a failure as set forth above, the performance of the relevant part(s) of the Agreement will be suspended for the period such hindrance continues, without Polarmoss being responsible or liable to Buyer for any damages resulting therefrom.

The expression "Force Majeure" shall mean and include any circumstances or occurrences beyond Polarmoss' reasonable control - whether or not foreseeable at the time of the Agreement - as a result of which Polarmoss cannot reasonably be required to execute its obligations including force majeure and/or default by one of Polarmoss' suppliers. In the event that the Force Majeure lasts for a period of more than three (3) consecutive months either Party shall be entitled to cancel all or any part of the Agreement without any liability towards the other Party.

### 6. INTELLECTUAL PROPERTY RIGHTS

Polarmoss or its licensors retain all intellectual property rights in and related to the Products and their documentation.

These Terms and Conditions shall not be construed as conferring any right, license or immunity, either directly or by implication, estoppel or otherwise to Buyer or any third party under any Polarmoss' intellectual property rights other than explicitly agreed in writing.

### 7. LIMITED WARRANTY AND DISCLAIMER

(a) Polarmoss warrants that the Products shall at the time of delivery to Buyer substantially conform to Polarmoss' specifications for such Product, or such other specifications as Polarmoss has agreed to in writing, as applicable. Buyer shall perform incoming inspection within ten (10) days from the receipt of Products and inform Polarmoss in writing of any shortcomings or non-conformities. In case Buyer has not notified Polarmoss within the said period of time the Products are deemed accepted and Buyer waives any right for future claims based on shortcomings or non-conformity of Products.

(b) Polarmoss is entitled at its option to replace the non-conforming Product(s) with a similar product that has minor deviations in design and/ or specifications not affecting the functionality of the agreed Product(s) or refund the price paid for the non-conforming Product. The non-conforming Products shall become Polarmoss' property as soon as they have been replaced or credited. (c) Buyer may ship Products returned under warranty to Polarmoss' designated facility only in conformance with Polarmoss' then-current return material authorization policy. Where a warranty claim is justified, Polarmoss will pay for freight expenses. Buyer shall pay for returned Products that are not found to be defective or non-conforming together with the freight, testing and handling costs associated therewith.

(c) Notwithstanding the foregoing, Polarmoss shall have no obligations under warranty if the alleged non-conformance is found to have occurred as a result of, misuse, neglect, improper installation or accident, or as a result of alteration, modification, improper storage, transportation or handling.

THE WARRANTY PROVIDED HEREIN IS BUYER'S SOLE AND EXCLUSIVE WARRANTY AND REMEDY AND REPLACES ALL OTHER WARRANTIES AND CONDITIONS, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES FOR MERCHANTABILITY, NONINFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE.

## 8. LIMITATION OF LIABILITY

(a) POLARMOSS SHALL NOT BE LIABLE FOR ANY LOST REVENUE, LOST PROFITS, LOST SAVINGS, INTERRUPTION OR LOSS OF PRODUCTION, LOSS OF CUSTOMERS OR CONTRACTS, LOSS OF REPUTATION, LOSS OF GOODWILL, LOSSES OR LIABILITIES UNDER OR IN RELATION WITH A CONTRACT CONCLUDED WITH A THIRD PARTY OR INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT OR THE SALE OF ANY PRODUCTS BY POLARMOSS OR THE USE THEREOF WHETHER OR NOT SUCH DAMAGES ARE BASED ON TORT, WARRANTY, CONTRACT OR ANY OTHER LEGAL THEORY – EVEN IF POLARMOSS HAS BEEN ADVISED, OR IS AWARE, OF THE POSSIBILITY OF SUCH DAMAGES. POLARMOSS' AGGREGATE AND CUMULATIVE LIABILITY TOWARDS BUYER UNDER ANY AGREEMENT SHALL NOT EXCEED TWENTY PERCENT (20%) OF THE PRICE PAID FOR THE PRODUCTS AGREEMENT THAT ARE THE BASIS FOR THE CLAIM(S).

(b) Any claim must be brought by Buyer within thirty (30) days from the date of the event giving rise to any such claim, and any lawsuit for any such claim must be filed within ninety (90) days of the date of the claim. Any claims that have not been brought or filed in accordance with the preceding sentence are null and void.

## 9. CONFIDENTIALITY

Buyer acknowledges that all technical, commercial and financial data disclosed to Buyer by Polarmoss is confidential information of Polarmoss. Buyer shall not disclose any such confidential information to any third party and shall not use any such confidential information for any purpose other than as agreed by the parties and in conformance with the purchase transaction contemplated herein.

## 10. EXPORT/IMPORT CONTROLS

Buyer understands that certain transactions are subject to export control laws and regulations, which prohibit export to certain countries, persons or entities. If the delivery of products, services and/or documentation is subject to obtaining an export or import license from certain governmental authorities or otherwise restricted or prohibited due to export/import control regulations, Polarmoss may suspend its performance until such license is granted or for the duration of such restrictions or prohibitions. Furthermore, Polarmoss may terminate the relevant Agreement in such a case without incurring any liability towards the Buyer or end-user. Buyer shall at all times comply with all applicable import and export laws, rules and regulations.

Buyer shall cooperate fully with Polarmoss in any official or unofficial audit or inspection related to applicable import or export control laws or regulations.

## 11. ASSIGNMENT AND SETOFF

Buyer shall not assign any rights or obligations under the Agreement without the prior written consent of Polarmoss. Buyer shall have no right to withhold or reduce any payments or to offset existing and future claims against any payments due for Products sold under the Agreement or under any other agreement that Buyer may have with Polarmoss or any of its affiliates and agrees to pay the amounts hereunder regardless of any claimed offset which may be asserted by Buyer or on its behalf.

## 12. ETHICAL STANDARDS AND PRINCIPLES

Polarmoss will only do business with those companies that respect the law and adhere to ethical standards and principles. Should Polarmoss receive any agrees to cooperate and provide whatever information is necessary to allow Polarmoss to decide whether there is any basis to any allegation received. Polarmoss has the right to terminate the Agreement in case it determines, acting reasonably, that the Buyer has not adhered to ethical standard and principles or the applicable laws.

## 13. GOVERNING LAW AND FORUM

All offers, confirmations and Agreements are governed by and construed in accordance with the laws of Finland without reference to the choice of law provisions and excluding Convention for International Sale of Goods. Any dispute arising out of or in connection with any Agreement shall first be attempted to be settled through consultation and negotiation in good faith in a spirit of mutual cooperation by the parties.

Any dispute, controversy or claim arising out of or relating to the Agreement, or the breach, termination or validity thereof that cannot be resolved amicably by the Parties, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce by a sole arbitrator. The seat of arbitration shall be Oulu, Finland. The arbitration shall be conducted and the arbitration award shall be given in the English language. The Parties agree that the arbitration procedure and all thereto related material and information shall be treated as Confidential Information.

Notwithstanding the foregoing, Polarmoss shall be entitled to claim for any undisputed, due and outstanding receivables at the district court of the domicile of Buyer. This Section 13 shall not preclude a party from obtaining interim injunctive relief on an immediate basis from a court of competent jurisdiction where such relief is necessary to protect that party's interests in pending completion of the legal proceedings.

## 14. BREACH AND TERMINATION

Without prejudice to any rights or remedies Polarmoss may have under the Agreement or at law, Polarmoss may, by written notice to Buyer, terminate with immediate effect the Agreement or any part thereof without any liability whatsoever, if:

(a) Buyer violates or breaches any of the provisions of the Agreement;

(b) any proceedings in insolvency, bankruptcy (including reorganization) liquidation or winding up are instituted against Buyer, whether filed or instituted by Buyer, voluntary or involuntary, a trustee or receiver is appointed over Buyer, or any assignment is made for the benefit of creditors of Buyer; or

(c) the control or ownership of Buyer changes.

Upon occurrence of any of the events referred to above, all payments to be made by Buyer under the Agreement shall become immediately due and payable. In the event of cancellation, termination or expiration of an Agreement, the terms and conditions destined to survive such cancellation, termination or expiration shall so survive.

## 15. MISCELLANEOUS

(a) In the event that any provision(s) of these Terms and Conditions shall be held invalid or unenforceable by a court of competent jurisdiction or by any future legislative or administrative action, such holding or action shall not negate the validity or enforceability of any other provisions thereof. In the event that any provision of these Terms and Conditions shall finally be determined to be unlawful or unenforceable, such provision shall be deemed severed from these Terms and Conditions, but every other provision shall remain in full force and effect, and in substitution for any such provision held unlawful or unenforceable, there shall be substituted a provision of similar import reflecting the original intent of the clause to the extent permissible under applicable law.

(b) The failure on the part of either party to exercise, or any delay in exercising, any right or remedy arising from the Agreement shall not operate as a waiver thereof; nor shall any single or partial exercise of any right or remedy arising therefrom preclude any other or future exercise thereof or the exercise of any other right or remedy arising from the Agreement or from any related document or by law.

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