



GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY



1. Validity

(1) Offers, deliveries and performances by Valeo Thermal Commercial Vehicles Finland Ltd, Turku, (hereinafter uniformly referred to as "Valeo Finland") shall be made exclusively on the basis of these General Terms and Conditions of Sale and Delivery. These Terms and Conditions shall also apply to all future business relations, even if their application is not expressly agreed upon. These conditions are deemed to be accepted at the latest upon Valeo Finland written order confirmation of goods and performances. General terms and conditions of the Buyer only apply as long as they are consistent with these Terms and Conditions of Sale and Delivery. Deviating terms and conditions of the Buyer do not apply, even in the case where Valeo Finland does not expressly object to these.

(2) Terms and conditions deviating from these General Terms and Conditions of Sale and Delivery will only apply if Valeo Finland has given its written consent.

2. Offer and conclusion of a Contract

(1) Offers submitted by Valeo Finland are subject to change without notice unless Valeo Finland expressly indicates in writing that they are binding. Notices of acceptance as well as orders are not effective until confirmed by Valeo Finland in writing. The same applies to amendments and additions to an order.

(2) Drawings, illustrations, measurements, weights and other performances are only binding if this is expressly agreed upon in writing by the parties.

3. Prices

(1) Unless otherwise agreed, Valeo Finland abides by the offered prices within 30 days from the date of the respective offer. The prices which are quoted in the price list as amended from time to time shall be decisive.

(2) Prices are ex works, if not agreed otherwise. Costs of delivery by a carrier chosen by Valeo Finland, including packaging, will be paid by the buyer. If the parties agree upon the return of the packaging, the Buyer has to return it to the supplier. Until the return of the packaging, the Buyer is liable for accidental loss or deterioration of the packaging.



4. Passing of risk

The risk passes to the Buyer at the latest with delivery of the goods to the forwarding agent or any other persons carrying out transportation.

5. Warranty and liability

- (1) As far as delivery has been executed in business dealings, the Buyer is obligated to inspect the delivered goods immediately upon receipt. The Buyer shall give written notice of any defects in quality and in quantity not later than 8 days after receipt of the goods. Any defects that cannot be detected within such period, even upon careful examination, shall be reported to Valeo Finland in writing immediately upon their discovery, in any case within the limitation period.
- (2) To the extent that a defect of the goods is present, Valeo Finland shall, at its option, be obliged and entitled to subsequent performance or substitute delivery of defective parts free of charge. The return of the defective goods has to be made carriage free in case return is requested by Valeo Finland. In case of any defect, Valeo Finland has to pay the costs of the cheapest return to the Buyer. If subsequent performance or substitute delivery of serial parts fails twice for reasons the Buyer is not responsible, the Buyer shall be able to demand rescission of the contract or reduction of the purchase price subject to the requirements of the legal provisions. Subsequent performance or substitute delivery is carried out without acknowledgment of any legal obligation and does not interrupt the limitation period for claims of defects.
- (3) The warranty period for claims based on defects for Valeo Finland product portfolio as well as Valeo Finland spares for these systems shall be 24 months. The warranty period starts with the day of installation of the goods and the initial registration of the vehicle in which the initial installation is made, respectively. The warranty period ends at the latest 36 months after delivery of the goods.
- (4) Any liability for damages caused by wear and tear is excluded, unless they can be attributed to the negligence of Valeo Finland. This applies for inappropriate or incorrect usage, incorrect storage, non-compliance with installation and operating instructions, incorrect or careless treatment, inappropriate resources, climatic or any other impacts. Liability is excluded for defects that have been caused by constructional faults or by the choice of inappropriate material, in the case where the Buyer, despite Valeo Finland's previous advice, has specified the construction or the material.
- (5) Subject to the provisions in paragraph 6, any further claims based on defect are excluded.
- (6) A guarantee shall only be considered to have been granted if declared explicitly and in writing.



6. Limitation of liability

- (1) Valeo Finland is liable for damages, irrespective of their legal basis, –if:
 - a) Valeo Finland negligently or willfully breaches an essential contractual obligation (cardinal obligation); or
 - b) Valeo Finland caused damages grossly negligently or willfully; or
 - c) Valeo Finland has given a guarantee.
- (2) In the following cases, Valeo Finland's liability is limited to typical, foreseeable damages:
 - a) In case of a breach of an essential contractual obligation (cardinal obligations), which has not been caused grossly negligently or intentionally;
 - b) In case of a breach of any other duties by employees or any other representatives of Valeo Finland who do not represent an organ of Valeo Finland and are not an executive employee of Valeo Finland; and
 - c) In case a guarantee has been given, insofar as there has not been given a guarantee as to quality and characteristics of material.
- (3) In cases of paragraph 6.2, Valeo Finland is not liable for any collateral damages, consequential damages and loss of profit.
- (4) Valeo Finland's liability according to Finnish product liability law for the injury of life, body and health, as well as for fraudulent concealment of a defect, or a guarantee by Valeo Finland as to quality and characteristics of material, will remain unaffected.
- (5) Paragraphs 6.1 to 6.4 are also valid if goods are only described by category.
- (6) Paragraphs 6.1 to 6.5 are also valid for any claims for damages by the Buyer against employees or other representatives of Valeo Finland.

7. Delivery time

- (1) In order to be legally binding, the agreement of delivery dates and delivery terms must be made in writing. If the delivery is delayed due to reasons for which the Buyer is responsible or due



to any other reasons beyond Valeo Finland's control, the agreed delivery time or the agreed delivery date shall be extended accordingly.

(2) Delivery dates are considered to be observed if, prior to expiration of the delivery term, goods have left the factory.

(3) In the event of default for late delivery, after the expiration of an adequate grace period of at least two weeks, the Buyer is entitled to rescind the contract and to demand repayment of any prepayment.

8. Retention of title

(1) The goods delivered by Valeo Finland shall remain under the ownership of Valeo Finland until the fulfilment of all claims to which Valeo Finland is entitled to vis-à-vis the Buyer.

(2) If Valeo Finland's ownership expires due to combination, commingling or processing, the Buyer transfers to Valeo Finland upon signing of the respective delivery contract all claims for return against third parties as well as his or her rights of (co-)ownership with regard to the manufactured goods. The Buyer shall keep Valeo Finland's ownership in safe custody with professional diligence.

(3) The Buyer is not entitled to pledge goods subject to the above retention of title to a third party nor to assign them as security. The Buyer may resell goods subject to the retention of title, only in the course of his or her regular business, if the Buyer arranges with his or her customers for a reservation of title. The Buyer hereby already assigns to the Seller by way of security to the full extent all claims resulting from the resale or any other legal reason with regard to the goods subject to the retention of title. Also after the assignment, the Buyer is, subject to revocation, entitled to collect the claim himself or herself. Valeo Finland will only revoke this entitlement if the Buyer does not fulfil his or her payment obligations.

(4) If third parties have access to the goods subject to retention of title, the Buyer will point out that these goods are in the ownership of Valeo Finland and inform Valeo Finland immediately. The Buyer shall pay for costs and damages incurred in connection thereof.

(5) If the Buyer acts contrary to the terms of the agreement, in particular in the event of a suspension of payment or an application for opening of insolvency proceedings, Valeo Finland is entitled to take back the goods subject to retention of title or mark them and, for these purposes, to enter the Buyer's premises.

(6) If the value of the securities exceeds Valeo Finland's claims by more than 20%, Valeo Finland shall, upon the Buyer's request, release collateral of Valeo Finland's choice.



9. Terms of payment

(1) Unless otherwise agreed, invoices of Valeo Finland have to be paid in advance. Without any further demand for payment the Buyer is in default of payment. In the event of default for late payment, Valeo Finland is entitled to interest of 7 percentage (subject to change). In the case where Valeo Finland accepts any bills of exchange, Valeo Finland will only accept them on account of performance. Even if it accepted bills of exchange, Valeo Finland reserves its right to return them and demand immediate payment or other securities in case there is a risk that they do not provide sufficient security.

(2) If Valeo Finland becomes aware of circumstances which suggest that the Buyer's financial situation has deteriorated considerably after conclusion of the contract, particularly if the Buyer fails to pay invoices due for payment, and if, therefore, payment claims by Valeo Finland appear to be at risk, Valeo Finland is entitled to execute deliveries exclusively against immediate full or partial payment or against the provision of a security. In case of insolvency or the Buyer's inability to pay, Valeo Finland is entitled to rescind all contracts.

(3) The Buyer is only entitled to a set-off in cases where the Buyer's claims are undisputed or legally confirmed.

(4) Small invoice fee 50€ for orders below 1000€ is in effect.

10. Special conditions for prototypes, test models, pilot constructions and similar components

For prototypes, test models, pilot constructions and similar components (hereinafter collectively referred to as prototypes), the following restrictions and/or conditions shall apply:

Prototypes shall be in principle development, -demonstration, pretesting and similar processes. The specification of such prototypes can deviate from planned development targets and/or final production components. In particular, this may apply to the compliance with safety and certification requirements of any kind. These prototypes are therefore not suitable in any way for normal production use. Hence, Valeo Finland shall assume no liability whatsoever insofar. In the case of orders for development which also include components for serial production, any order of such components for serial production shall be deemed as acceptance of the respective prototypes.

11. Final conclusions

(1) If the Buyer is a corporation, limited liability company, commercial partnership or otherwise operates a commercial business, the place for fulfilment of obligations shall be the registered office of Valeo Finland which also determines the legal venue.



(2) These General Terms and Conditions are governed by the laws of Finland. Any dispute, controversy or claim arising out of or in connection with this contract, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Helsinki Chamber of Commerce. The seat of Arbitration shall be Helsinki and the language to be used in the arbitral proceedings shall be English. The application of the UN Convention on the International Sale of Goods (CISG) shall be excluded.

(3) In the event that a provision of these General Terms and Conditions is or becomes invalid, the remaining provisions will continue in full force and effect.

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