

## SCANFIL GENERAL CONDITIONS FOR PROCUREMENT of Materials, Components and Services

### FORMATION OF AGREEMENT, DEFINITIONS

1. These terms and conditions ("General Conditions") shall apply to any purchase by Scanfil of Goods from Supplier and shall hereof become the only and exclusive agreement between the Parties. It is expressly agreed that these General Conditions shall and they are deemed to apply exclusively when Scanfil's Purchase Order is accepted by acknowledgement or commencement of performance, forming the Agreement between the Parties. Any additional terms and conditions proposed by, referred to or delivered by Supplier (for example in any correspondence, order acknowledgement or invoice) whatsoever different to these General Conditions shall not apply. Such other terms may only apply if it is expressly agreed to by Scanfil in writing and confirmed with signature by Scanfil legal representative.
2. However, in case and regardless of the foregoing, even if the Supplier refers in any context to any terms of sale containing similar contractual overruling stipulation regarding the applicable terms of Agreement as hereabove, the purchase and payment of Goods pursuant to the Purchase Order by Scanfil is only made on condition precedent that solely these General Conditions shall apply to the exclusion and substitution of any other terms and conditions whatsoever and the Supplier is deemed to have accepted to this by virtue of entering into this Agreement, delivery of Goods and receiving of the payment.
3. Notwithstanding the foregoing, in case Supplier is an approved vendor for Goods of Scanfil's end customer and Scanfil is entitled to issue Purchase Order to Supplier pursuant to AVL Purchase Agreement entered into between Supplier and Scanfil's end customer, then such AVL Purchase Agreement shall apply to the benefit of Scanfil. However, these General Conditions shall complement provisions not stipulated by AVL Purchase Agreement and if stated less favourable to Scanfil (such as Product Warranty and remedies, Product Liability, cancellation and Limitation of Liability) in such AVL Purchase Agreement.
4. The following definitions shall apply pursuant to these General Conditions: "Agreement" denotes to these General Conditions and any Goods ordered by Scanfil and shall be deemed to have been entered into by the Parties upon receipt of Scanfil Purchase Order by Supplier pursuant to acknowledgement or commencement of performance; "General Conditions" denotes to these terms and conditions of procurement and purchase of Goods; "Goods" denotes to, for example without limitation any materials, components and/or services ordered by Scanfil required to be supplied by Supplier; "Parties" denotes to Scanfil and Supplier hereof; "Purchase Order" denotes to any purchasing order placed by Scanfil in procurement of Goods referring to these General Conditions. Purchase Order may be placed by regular mail, e-mail, telefax, EDI or other mutually agreed format; "Scanfil" denotes to Scanfil EMS Oy and any of its affiliated and group companies; "Supplier" denotes to the person or entity to whom Scanfil has sent a Purchase Order.

### SHIPPING AND DELIVERY

5. The terms of delivery including the date on which the Goods shall be delivered ("Delivery Date") are defined in the Purchase Order and will be interpreted according to the Incoterms 2010.
6. The quantities of shipped Goods shall correspond to the quantity in the Purchase Order unless otherwise agreed by Scanfil. Scanfil is not obliged to receive any Goods before agreed Delivery Date unless accepted to by Scanfil in writing prior to delivery. Scanfil may accept or refuse and return at Supplier's risk and cost any such delivery of Goods made in excess of Purchase Order or prior to required Delivery Date.
7. Unless otherwise agreed, the title and risk of loss and damage will pass to Scanfil upon delivery of Goods according to the applicable delivery term Incoterms 2010.
8. Each shipment of Goods shall include at least the following information: (a) Purchase Order number; (b) the quantity of Goods; (c) the Delivery Date; (d) the price; and other information as may be required in the Purchase Order. Unless otherwise agreed, Supplier shall provide the documents indicated in the applicable Incoterm and/or according to any previous course of dealing.
9. Prices shall include cost of packaging where no charge is accepted unless having Scanfil's express written consent. Supplier shall pack the Goods properly to sustain transportation and in any case in accordance with good commercial practice and acceptable to common carriers. Supplier shall indemnify and hold Scanfil harmless of any damage to Goods resulting from improper packing and/or defects resulting from transportation and shipment.
10. Scanfil may provide Supplier with forecast on its future demand for Goods. The Parties acknowledge, that such forecasts are regarded as non-binding estimates only based on best assumptions of Scanfil and they are provided solely for Supplier's planning purposes. Any action taken by Supplier based on forecast is on Suppliers own risk and such forecast shall not be regarded as binding Purchase Order under any circumstances.
11. In case Supplier discontinues to manufacture and/or supply Goods or consider the same, Supplier shall notify Scanfil this at least twelve (12) months before the intended discontinuation date to enable Scanfil to place or consider placing an end-of-life orders for such discontinued Goods.

### DELAY IN DELIVERY

12. Any change to Delivery Date and delivery times are subject to Scanfil's prior written consent. It is expressly understood and agreed by Supplier that punctual and on time delivery is of essence to Scanfil and late delivery may cause irreparable harm and damage to Scanfil besides monetary loss. Any delivery not conforming to the specifications, product data and Product Warranty is deemed to be delayed delivery.
13. In case Supplier is unable or otherwise fails to deliver the Goods according to Purchase Order, Supplier shall notify Scanfil without delay immediately when Supplier became or should have become aware of such delay or potential delay ("Delay Notice"). Supplier shall use its best efforts to minimize such delay or potential delay.

14. Scanfil is entitled to liquidated damages when there is delay in delivery unless the delivery is delayed due to a reason of Force Majeure. In case of Force Majeure the Delivery Date is postponed with a reasonable time, however, not more than for the duration of Force Majeure. The liquidated damages are payable on the basis of the price of the delayed Goods at the rate of one percent (1 %) per each commencing day of delay or part thereof up to a maximum of fifteen percent (15 %) on the price of delayed Goods ("Liquidated Damages"). The amounts on Liquidated Damages are payable in double in case Supplier fails to send a Delay Notice. The Liquidated Damages shall not exclude Scanfil's right to compensation for damage in excess of the Liquidated Damages paid by Supplier. The Liquidated Damages are payable until the date Scanfil use its right to cancel such delivery in delay.
15. Without prejudice by or to Scanfil's right to Liquidated Damages, Scanfil may upon its sole discretion cancel any delivery in delay for two (2) days or more and/or terminate any Purchase Order partially or wholly in delay, both without any liability to Supplier. Scanfil's rights as defined here shall apply also in case of Force Majeure.

### PRICES AND PAYMENT TERMS

16. Prices for the Goods are defined in the Purchase Order and/or this Agreement and shall not be changed except upon Scanfil prior written consent. Supplier warrants that prices for Goods are not less favourable than to any other customer for the same or similar items during the term of this Agreement.
17. Prices are inclusive of all sales, excise duties, VAT and other similar taxes, unless otherwise stated. If any charges for taxes, shipping and/or insurance is applicable, they shall be separately noted by Supplier upfront and shall be separately stated on Supplier's invoice.
18. Except as otherwise agreed in writing, Supplier shall issue invoices only at the time of delivery of Goods or after completion of services. Scanfil shall pay the Goods at earliest in ninety (90) days from the Delivery Date provided that the Goods are delivered in agreed and exact amount and condition free from defects of any kind. Payment is deemed to have been made on the date of Scanfil's bank payment.
19. Without prejudice to the preceding article, if a Party does not pay a sum of money when it falls due, the other Party is entitled to overdue interest based on the rate of overdue interest according to the Korkolaki (1982/633) as amended from time to time, upon that sum from the time when payment is due up to the time of payment.
20. Scanfil shall be entitled at any time to set off any amounts whatsoever owing from Supplier to Scanfil or any of Scanfil's affiliates against any amounts due by Scanfil in connection with this Agreement or otherwise. Scanfil will inform to Supplier in case of any set off is being used.

### INSPECTION

21. Scanfil shall not be required to inspect or test the Goods but it shall be Suppliers responsibility to assure that all Goods are in strict conformance with all requirements, specifications and product data for the Goods and the Purchase Order and as published generally regarding such Goods.
22. However, Scanfil and its designated representative has a right upon its sole discretion to inspect and test any Goods prior to acceptance. Scanfil has a right to inspect and audit the premises where Goods are being manufactured and stored. In such case Supplier shall provide without charge reasonable facilities and assistance to Scanfil in execution of such inspection and audit.
23. Unless otherwise agreed, final inspection and acceptance may be made after delivery to Scanfil, and Goods shall only be deemed accepted when they have actually been counted, inspected and tested by Scanfil and found to be in conformance with respective Purchase Order. Payment of Goods delivered pursuant to any Purchase Order shall not constitute acceptance of such Goods by Scanfil.
24. Without prejudice to any other rights and remedies, Scanfil has a right to reject any Goods found upon inspection or thereafter not to conform to the requirements of each Purchase Order. Scanfil's failure to inspect or test Goods shall not relieve Supplier of any responsibilities according to this Agreement and these General Conditions.
25. Supplier shall provide and maintain an inspection system acceptable to Scanfil, and shall maintain complete inspection and test records, which shall be made available to Scanfil upon request.

### PRODUCT WARRANTY AND REMEDIES

26. Supplier represents and warrants that Goods shall at the Delivery Date and during the Warranty Period as defined hereunder: (i) be new and unused; and (ii) be in good working condition and of merchantable quality and fit for the purpose for which they were intended; and (iii) be and remain free from any defects arising from materials and/or inferior manufacturing or workmanship; and (iv) fully and strictly conform to the requirements stated in Purchase Order, these General Conditions and this Agreement and any specifications and product data specified by Scanfil or referred to by Scanfil, Supplier, any general component or material catalogue, samples provided or otherwise agreed between Scanfil and Supplier; and (v) be properly installed and in good working order when Goods are installed by Supplier ("Product Warranty"). The Product Warranty and Warranty Remedy as agreed upon these General Conditions and this Agreement shall be in addition and without limitation to any rights and remedies Scanfil may have pursuant to applicable legislation and trade customs. Product Warranty and all other such warranties and guarantees as may be applicable shall run to Scanfil, its affiliates, their successors, assignors and/or their customers.
27. The warranty period during which the Product Warranty shall be in force is twenty-four (24) months or such other longer time period as may be specified in applicable Purchase Order, commencing as of the Delivery Date of the respective Goods ("Warranty Period"). In case any Good is rejected or the Delivery Date is rescheduled, then the Warranty Period commence as of the actual Delivery Date.
28. Without excluding any statutory or implied conditions or warranties, Supplier shall indemnify, defend and hold Scanfil harmless from and against any damages, costs and expenses whatsoever (including without limitation reasonable attorneys and legal fees, travel-, labour-, site-, retrofit- and material costs) resulting from defect in Goods and/or Supplier's breach of this Product Warranty by any means including any damage and compensation Scanfil is obliged to pay to its end

customers or other third parties. Unless Supplier takes to bear any such payment liability directly, it shall reimburse Scanfil any such damages, costs and expenses ("Warranty Remedy").

29. Pursuant to article 20, Scanfil has right to deduct the value of each rejected Goods from any invoice of Supplier for which purpose Supplier shall provide Scanfil with a credit note accordingly. In case the Parties agree on return or scrapping of the defective Goods, it shall be made at Supplier's risk and expense.
30. During the Warranty Period, or any other longer period as may be agreed by the Parties, in addition to the Warranty Remedy Supplier shall indemnify, defend and hold Scanfil harmless from and against any damages, costs and expenses whatsoever (including without limitation reasonable attorneys and legal fees, travel-, labour-, site-, retrofit- and material costs) resulting from a Serial Defect and/or recall of the end products where the Goods were used or assembled to ("End Product"), in case such Serial Defect or recall is resulting directly or indirectly from defective Goods. Serial Defect shall mean any defect, flaw, failure and/or non-conformance with Product Warranty which appear during seven (7) years from the Delivery Date in more than zero point five percent (0.5 %) of certain type of Goods delivered or manufactured in the same delivery or manufacture lot ("Serial Defect"). Supplier shall diligently and without delay perform sufficient root cause analysis to determine the root cause of the Serial Defect.
31. Without prejudice to Scanfil's right to any Warranty Remedy, Scanfil may upon it's sole discretion cancel any delivery with defective Goods and/or pursuant to Supplier's breach of Product Warranty without any liability to Supplier. Further, in case of breach of Product Warranty, Scanfil may at it's option: (i) require Supplier to correct any defective or nonconforming Goods by repair or replacement without cost to Scanfil; (ii) return any defective Goods to Supplier at Supplier's cost and recover from Supplier the purchase price and any costs thereof; (iii) correct the defective Goods itself and charge Supplier with all costs of such correction; (iv) acquire replacing Goods from a third party on Supplier's expense; (v) and require Supplier to compensate any damages, costs and expenses including retrofit costs of the End Product.
32. Supplier shall maintain all design, testing and any other relevant records for Goods to verify and evidence that the Goods conform to the specification including Goods traceability for a period of ten (10) years unless otherwise agreed in writing.
33. Any remedies pursuant to Product Warranty and appropriate corrective actions shall not be unreasonably withheld or delayed by Supplier.

#### INTELLECTUAL PROPERTY RIGHTS

34. Any specification, data, drawings, blueprints, memorandums, calculations, notes and other material and copies thereof made available to Supplier by Scanfil shall remain the sole and exclusive property of Scanfil and must be returned to Scanfil at the completion of each Agreement or upon Scanfil's request. Pursuant to the completion of each Purchase Order, Scanfil shall be deemed to have acquired sole and exclusive title and ownership of all Goods and related documents.
35. Supplier represents and warrants that the Goods and their use does not infringe any patent, trademark, copyright, certificate or any other intellectual property right or industrial right relating to or arising from under or in connection with the Goods ("IPR"). Supplier shall notify Scanfil without any delay of any actual and/or potential IPR infringement claim and suit known by Supplier.
36. Supplier shall, at it's own cost and expense, indemnify, defend and hold Scanfil, it's affiliates and their customers harmless from and against in any IPR infringement and/or alleged infringement claim and suit brought for reason of the use of Goods delivered by Supplier and to provide alternate non-infringing Goods acceptable to Scanfil. Supplier's liability hereunder shall include any liabilities, damages, costs and expenses whatsoever incurred by Scanfil and it's customers (including reasonable attorneys fees and other legal expenses as may be applicable) arising from any such claim or suit regarding Goods being incorporated by Scanfil into products sold by Scanfil and/or by Scanfil's end customer or which may be attributable to any other use and/or sale of Goods by Scanfil and/or Scanfil's direct or indirect customers.

#### PRODUCT LIABILITY

37. It is agreed that Supplier shall be solely responsible and liable for compensating any and all damage to property and/or injury to persons caused by a defect in Goods ("Product Liability Event"). Supplier shall notify Scanfil in writing and without delay of any actual and potential Product Liability Event being related directly or indirectly to Goods.
38. Based on obligatory product liability legislation Scanfil and/or it's customer may be held liable to pay compensation for damage to property and/or injury to persons pursuant to Product Liability Events caused by a defect in Scanfil's product or it's end customer's End Products into which Goods have been used and/or incorporated. In case Product Liability Event results from a defect in Goods used or incorporated into any End Products, Supplier shall indemnify, defend and hold Scanfil, it's affiliates and their customers harmless from and against any damage, cost, compensation and expense whatsoever (including attorneys fees and other legal expenses), which Scanfil, it's affiliate and their customer may have been ordered to pay to a third party by a court, arbitration tribunal or by settlement out of court, including which Scanfil, it's affiliate and their customers may have incurred in course of such action.
39. Supplier shall maintain adequate insurance for product liability with a reputable insurance company to cover Supplier's liability under these General Conditions and shall produce evidence of such insurance policy to Scanfil upon request.

#### CANCELLATION OF PURCHASE ORDER

40. Scanfil has also right to cancel any Purchase Order for reason and for convenience. Any compensation to Supplier for cancellation shall be exclusively as stated hereafter.
41. Purchase Order for standard Goods (for example standard components) may be cancelled by Scanfil without any cost to Scanfil. Purchase Order for customer specific Goods (for example customer specific or tailored components) may be cancelled by Scanfil without any cost to Scanfil provided that the agreed lead-time for the respective Goods has no yet commenced.
42. Cancellation of Purchase Order by Scanfil for other customer specific Goods entitle Supplier to receive reasonable compensation for unavoidable direct expenses accrued prior to cancellation date. For any such compensation Supplier shall provide evidence acceptable to Scanfil of any such accrued expenses. Supplier shall use best efforts to mitigate any costs and expenses resulting from cancellation. Pursuant to Scanfil's cancellation Supplier shall immediately stop all

work and activities in execution of cancelled Purchase Order. Compensation shall in any case be limited to the value of cancelled Goods. Scanfil is not liable to pay any compensation for cancellation in case Supplier is in delay or otherwise in breach of this Agreement and/or these General Conditions.

43. Scanfil reserves the right to cancel all or any part of Purchase Order without any liability if Supplier fails to make delivery as specified herein or otherwise is in breach of this Agreement and/or these General Conditions and does not correct such failures within three (3) days after receipt of a notice from Scanfil. In the event of insolvency of Supplier, an assignment for the benefit of creditors, the filing of voluntary or involuntary petition in bankruptcy, restructuring of debts or appointment of a receiver or trustee by or for Supplier, Scanfil shall have right to cancel this Purchase Order immediately without any liability.

#### CONFIDENTIALITY

44. Any information received or obtained by Supplier from Scanfil which is identified as confidential or proprietary or which by it's nature or circumstances is deemed to be or should have been understood to be confidential or proprietary shall (i) be kept in confidence; (ii) shall remain the property of Scanfil; (iii) shall not be disclosed to a third party without Scanfil's consent; (iv) shall be used by Supplier solely to the extent necessary for the performance of this Purchase Order. In case of failure by Supplier to comply this provision, in addition to any other rights and remedies Scanfil may have, Scanfil has a right to terminate this Purchase Order without any cost and liability to Supplier.

#### QUALITY CONTROL

45. Supplier shall establish and maintain during the course of this Agreement quality systems conforming to the requirements set out in ISO 9001 and if applicable QS9000 or equivalent standard.

#### ENVIRONMENTAL AND ETHICAL CONDUCT

46. Supplier shall have ISO 14001 or equivalent environmental management system. Supplier represents and warrants that Goods do not contain any restricted or hazardous substances and that any raw material contents and information on end-of-life treatment of the supplied Goods are recorded properly and made available to Scanfil upon request.
47. Supplier represents and warrants that Goods comply with any legislative and other regulatory requirements such as but not limited to health, safety and environment including European Parliament and Council directives for RoHS, Reach and WEEE.
48. Supplier shall during the course of this Agreement duly comply with internationally recognized social and ethical standards including SA8000 and Scanfil Code of Conduct (will be delivered to Supplier on request).

#### EXPORT CONTROL

49. Supplier agrees to comply with all applicable export control laws and regulations and shall notice to Scanfil of any export control restrictions which may apply to Goods and provide any information needed to accurately classify the Goods under any applicable export regulations.

#### LIMITATION OF LIABILITY

50. Without being prejudiced by any provision of this Agreement, these General Conditions or any Purchase Order, Supplier shall not be liable to Supplier for any consequential, indirect and/or special damages or costs whatsoever (such as without limitation, loss of production, loss of agreements or loss of profit) arising under or in connection with this Purchase Order and Agreement, whether or not the possibility of such damages could have been reasonably foreseen.

#### LAW AND DISPUTE SETTLEMENT

51. This Agreement, these General Conditions and any Purchase Order shall be governed in accordance with the laws of Finland to the exclusion of the United Nations Convention on the International Sale of Goods and without regard to the conflict of laws principles.
52. Any dispute arising under or in connection with this Agreement and these General Conditions and each Purchase Order, including their applicability, interpretation and termination, shall be resolved and settled by the District Court of Helsinki as first instance.

#### MISCELLANEOUS

53. Supplier may not assign this Purchase Order or any rights and obligations under this Agreement without prior written consent of Scanfil.
54. Any remedies reserved to Scanfil herein shall be additional to pay any other or further remedies provided in law.
55. No failure or delay of Scanfil in exercising it's rights hereunder (including but not limited to require performance of this Agreement) shall be deemed to be a waiver of such rights unless expressly made in writing and signed by Scanfil.
56. Neither Party shall be liable to the other for delay or non-performance of it's obligations in the event and only to the extent that such delay or non-performance is due to an event which is unforeseeable and beyond reasonable control of a Party, however, to the extent such event prevents or delays a Party to fulfil its obligations. Such events include war, civil unrest, acts of government and natural disasters ("Force Majeure"). The Party affected by Force Majeure shall immediately inform the other Party and shall take reasonable steps to minimize the consequences. Scanfil reserves a right to cancel any Purchase Order affected by a Force Majeure without any liability to Supplier.
57. Total or partial invalidity or non-enforceability of any provision of these General Conditions shall not affect the validity of any other provision hereof.
58. This Agreement sets forth the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements and discussions. No modification or amendment hereof will be effective unless in writing and signed by a duly authorized representative of each Party. ANY TERMS AND CONDITIONS SET FORTH IN ANY ORDER CONFIRMATION OR ACKNOWLEDGEMENT, INVOICE OR ANY OTHER DOCUMENTS IN CONFLICT WITH THESE GENERAL CONDITIONS SHALL BE OF NO FORCE OR EFFECT WHATSOEVER.