

## KONE GENERAL TERMS AND CONDITIONS OF PURCHASE ("GTC")

### 1 Definitions

The below capitalized terms shall have the meanings defined below, unless otherwise defined in the Agreement:

**"Agreement"** shall mean the agreement to which this GTC is attached. In the case of a discrepancy between such Agreement and this GTC, the Agreement shall prevail. If the parties have not entered into any separate agreement, the Agreement shall mean this GTC and any purchase order made between the parties;

**"Products"** shall mean the products to be delivered by the supplier to the purchaser as specified in the purchase order, including any specified services to be performed in connection with the delivery, such as installation and testing of the Products.

### 2 Delivery

**2.1** The delivery time and delivery terms for the Products are defined in the purchase order. If no delivery time is defined in the purchase order, the supplier shall deliver the Products as soon as possible.

**2.2** The Products shall be packed in a manner suitable for the means of transportation and the nature of the Products. The supplier shall mark the Products and their packages as instructed by the purchaser and as may be required by applicable regulations.

**2.3** In case the delivery of a Product is in delay, the purchaser shall be entitled to liquidate damages in the amount of 1% of the price of the Products per each day of delay. The maximum amount of the liquidated damages for delay shall be 15% of the price of the Products in delay. This does not restrict the purchaser's right to any further compensation for damages caused by the supplier's delay.

### 3 Prices and payment terms

**3.1** The purchaser shall make all payments for Products within 30 days from the end of the month of delivery.

**3.2** The prices of the Products is detailed in the purchase order. The prices include transportation costs and packing and packing materials, as well as all taxes, duties, levies and other possible charges, unless otherwise set out in the purchase order or the Agreement.

### 4 Quality

**4.1** The Products shall have been manufactured with the highest level of craftsmanship and precision and shall be free from any defect in materials, workmanship or design. The Products shall comply with the supplier's product specifications and any specifications provided by the Purchaser.

**4.2** The Products shall comply with and be manufactured in accordance with all applicable laws, regulations and standards in the country of origin.

### 5 Warranty

**5.1** The supplier warrants that the Products comply in every respect with the requirements and specifications set forth in this Agreement.

**5.2** The supplier warrants all Products for a period of 24 months from the date of delivery of the Product ("**Warranty Period**"). If the warranty that the purchaser has given to its customer for the end-product is still valid after 24 months from the delivery of the Product by the supplier, the Warranty Period shall be extended for as long as the purchaser's

warranty for the end-product is in force, however not longer than 36 months from the date of the supplier's delivery of the Product.

**5.3** The supplier shall correct any non-compliance or defect in the Products appearing during or dating from the Warranty Period by a new delivery of replacement Product free-of-charge, or, upon the purchaser's discretion, by repairing the defective Product. The supplier shall be liable for the costs of inspection, shipping, replacement and/or repair of the affected Products as well as disassembly of the end-product necessary for the corrective measures. This shall include compensation for the time spent by the purchaser's employees or contractors on the corrective measures.

**5.4** The supplier shall not be liable for defects or costs arising out of the purchaser's specifications for the Products. The supplier's liability does not cover defects, which are caused by the purchaser or its agents or customers e.g. through incorrect installation or use.

### 6 Indemnification

**6.1** The supplier shall indemnify and hold the purchaser harmless against any injuries to persons or damage to property caused by the Products. The supplier's liability shall be reduced proportionately to the extent the purchaser or its agents contributed to such injury or damage.

**6.2** The supplier shall indemnify and hold the purchaser harmless against all consequences of any infringement by the Products on third party patents, trademarks, copyrights or other intellectual property rights, other than those resulting directly from the design or specifications of the purchaser.

### 7 Confidentiality

**7.1** The supplier shall not disclose to third parties nor use for any other purpose than the proper fulfillment of this Agreement any information of confidential nature, such as technical information and data, drawings, price structures, costs, and volume information, received from the purchaser ("**Information**"), without the prior written permission of the purchaser, except Information which (a) was in possession of the supplier prior to disclosure hereunder; (b) was or becomes part of the public domain without breach of the confidentiality obligations herein; or (c) was independently developed by personnel of the supplier having no access to the Information.

### 8 Documentation

**8.1** The supplier shall deliver the Products with all necessary documentation to enable the correct use and installation of the Products. The purchaser shall have the right to use and distribute such documentation for the sales and maintenance of the Products.

**8.2** The supplier shall upon request provide the purchaser with information on the country of origin of the Products, the correct tariff classification codes for the Products and whether the Products classify as dual-use goods under the applicable export control laws and regulations.

**8.3** All safety components (as defined in the EU Lifts Directive 2014/33/EU) delivered under this Agreement (whether as stand-alone Products or as parts of the Products) to be used within the EU, shall be labeled with (i) the name or brand of the manufacturer and (ii) the postal address of the manufacturer. Further, to the extent any safety components provided to the purchaser are not manufactured by the supplier, but are purchased from third parties, the supplier shall keep records of the company from which the supplier purchased the safety component for at least 10 years from the delivery to the purchaser. The supplier shall upon request make such records available to the purchaser.

## **9 Term and termination**

**9.1** This Agreement shall remain in force until all Products have been delivered and all obligations under this Agreement have been met (including the warranty obligations).

**9.2** Notwithstanding the above, and in addition to any termination rights under applicable law, either party may terminate this Agreement with immediate effect at any time by written notice to the other party if the other party is in material breach of this Agreement and fails to remedy such breach, if capable of remedy, within 14 days after issuance of a written notice thereof, or the other party files for bankruptcy or liquidation or becomes insolvent

**9.3** The sections on warranty, indemnification, confidentiality and any other sections that by their nature are deemed to survive, shall survive the termination of this Agreement.

## **10 Miscellaneous**

**10.1** This Agreement constitute the entire agreement between the parties relating to the subject matter hereof. For the avoidance of doubt, any references to the supplier's general terms of sales included in an order confirmation or otherwise shall not be binding upon the parties.

**10.2** Any amendments to this Agreement must be made in writing signed by the authorized representatives of both parties.

**10.3** The supplier shall maintain adequate insurance to cover any general liability or product liability the supplier may incur in connection with or as a result of the performance of its obligations under this Agreement. The supplier shall upon request present the corresponding insurance certificates to the purchaser.

**10.4** The supplier may not transfer or assign this Agreement or any part of it without the prior written consent of the purchaser. The purchaser may freely assign the Agreement or any part thereof to any company affiliated with the purchaser.

**10.5** This Agreement shall be governed by and construed in accordance with the laws the domicile of the purchaser.

**10.6** The parties shall discuss in good faith to resolve any disputes. If such discussions are not successful, any disputes relating to the Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce. The seat of the arbitration shall be Helsinki, Finland and the language of the arbitration English.