

VTT GENERAL TERMS OF CONTRACT 1.9.2019

1. SCOPE OF APPLICATION

- 1.1 These VTT general terms of contract (hereinafter General Terms) shall apply as a part of an agreement between VTT Technical Research Centre of Finland Ltd (hereinafter VTT) and VTT's client (hereinafter Client) in which they (hereinafter VTT and the Client together Parties, each individually Party) agree on work to be done or services to be performed by VTT (hereinafter Commission or Project).
- 1.2 An offer shall be valid for one (1) month from the date of the offer.
- 1.3 The Contract or any rights or obligations arising therefrom may not be transferred to a third party without a written consent of the other Party.
- 1.4 The Parties may modify the Contract only by a written amendment.
- 1.5 In case of discrepancy between the documents relating to the Project, the documents shall prevail in the following order: 1) Project contract, 2) VTT's order confirmation, 3) offer, 4) VTT General Terms of Contract, 5) Project plan 6) Client's purchase order and 7) request for offer (hereinafter together Contract). In case a third party provides direct funding for the Project, the terms for funding shall prevail over the Contract. Client's general terms of purchase or other general terms and conditions do not bind VTT, unless VTT has expressly accepted such terms in writing.

2. PROJECT MANAGEMENT

- 2.1 Each Party shall appoint a contact person who is in charge of the Project. Change of the contact person shall be notified to the other Party.
- 2.2 In case the Project is directed by a governing group (or a similar management body), both Parties shall appoint an equal amount of representatives to the governing group.
- 2.3 The contact persons or the governing group shall supervise and direct the implementation of the Project within the limits of the Contract. Therefore, the contact persons or the governing group shall:
- specify the objectives set for the Project,
 - discuss and accept the specifications made to the Project plan,
 - supervise the progress of the Project and support the activities of the Project manager, and
 - confirm the Project as completed.
- 2.4 The contact persons or the governing group shall decide unanimously. Amendments to the Project plan affecting the price, amount of work, or the liabilities of the Parties require a written amendment.

3. PERFORMING THE PROJECT

- 3.1 VTT will carry out the tasks defined in the Contract using reasonable skill, care and diligence and professional standards. VTT will ensure that the personnel carrying out the Project has suitable competence.
- 3.2 VTT will carry out the Project within the agreed schedule. If no schedule has been agreed, the Project shall be carried out without undue delay.
- 3.3 VTT is entitled to use subcontractors to carry out the Project, except for parts identified as core tasks in the Contract, for which the Client's consent is required.
- 3.4 The Client shall deliver to VTT information, documents, devices, materials, samples and/or specimens necessary for the performance of the Project (hereinafter Client Materials). The Client shall be responsible for the delivery of Client Materials to VTT in accordance with the terms of delivery "DDP VTT (Incoterms 2010)". Client Materials shall be kept by VTT at maximum for three (3) months from the date the Foreground is delivered to the Client. The Client shall not be entitled to compensation if the appropriate performance of the Project has required measures resulting in destruction, deterioration, or decrease of Client Materials, or if the damage is caused by the Client not providing VTT with sufficient information for the safe performance of the Project (e.g. device instructions or features).
- 3.5 If the Project is carried out at premises for which the Client is responsible for, the Client shall be responsible for the health and safety at work for the employees of VTT and those of VTT's subcontractors.
- 3.6 If the scope or objectives of the Project is changed, work is suspended or delayed or damage is caused to VTT because of the Client or due to a cause the Client is responsible for, VTT shall have the right to suspend the performance of the Project and/or to prolong the agreed schedule of the Project, and VTT shall be entitled to compensation for the resulting expenses and damage.
- 3.7 The terms of delivery of the Foreground, materials or goods delivered by VTT shall be "EXW VTT (Incoterms 2010)".

4. PAYMENT AND PAYMENT TERMS

- 4.1 The Client shall pay the price of the Project and the compensation for the costs as agreed in the Contract. The currency used is euros.
- 4.2 Value Added Tax (VAT) and possible taxes and fees imposed by authorities outside of Finland shall be added to the agreed price.
- 4.3 If the Parties modify the objectives or schedule of the Project or jointly identify essential changes in the cost level during the term of the Contract, the price of the Project shall be adjusted accordingly.
- 4.4 VTT shall invoice the price in monthly instalments in accordance with the schedule of the Project.
- 4.5 VTT shall retain the ownership of the Foreground until the Client has fulfilled its obligation for payment in full.
- 4.6 Invoices shall be paid within 21 days of the date of the invoice. Interest on overdue payments shall be charged in accordance with the Finnish Interest Act (633/1982, as amended). Possible debt collection charges shall be

added to invoices. All remarks to invoices shall be made within eight (8) days of the date of the invoice.

5. CONFIDENTIALITY AND PERSONAL DATA

- 5.1 "Confidential Information" shall mean all information including but not limited to any knowledge, know-how, trade secrets, technological or commercial information, device and software, including source code, whether or not subject to or capable of protection by intellectual property rights, which one Party (hereinafter Receiving Party) has received in the context of the Project directly or indirectly from the other Party (hereinafter Disclosing Party) in whatever form including but not limited to in writing, orally, electronically or by observation.
- 5.2 The Receiving Party shall keep Confidential Information in strict confidence and not disclose it to any third parties without the consent of the Disclosing Party. The Receiving Party shall have the right to use Confidential Information solely for the purposes of performing its tasks relating to the Project and exercising its rights and obligations under the Contract.
- 5.3 Information disclosed shall not be regarded as Confidential Information to the extent that the Receiving Party can prove that the information:
- a) is or becomes public or otherwise generally available to the public without violation of the Contract; or
 - b) is already known to the Receiving Party at the time of disclosure; or
 - c) is lawfully obtained by the Receiving Party from a third party without any confidentiality obligations; or
 - d) is developed by the Receiving Party without any use of Confidential Information.
- If the Receiving Party is required, pursuant to an administrative or a judicial action or subpoena, to disclose the Confidential Information, the Receiving Party shall have the right to make such disclosure, provided that the Receiving Party notifies the Disclosing Party prior to any such disclosure, to the extent the Receiving Party is lawfully allowed to do so, and that the Receiving Party gives the Disclosing Party the opportunity to seek any legal remedy the Disclosing Party considers necessary to protect its Confidential Information.
- 5.4 The Receiving party shall not reverse engineer, disassemble, decompose, analyse for the purposes of finding out the composition or functionality or for translating into other form any prototypes, software, materials or objects which embody or consist of Confidential Information, unless this is necessary for the performance of the Project.
- 5.5 The confidentiality obligations hereunder shall be in force during the term of the Project and for a period of five (5) years after the end of the Project.
- 5.6 Notwithstanding the confidentiality obligations stated above, VTT has a right to disclose Confidential Information to its subcontractors, provided that they have a legitimate need to know and that they are bound by similar confidentiality obligations as those contained herein.
- 5.7 VTT has a right to mention the Project and the name of the Client as a reference.
- 5.8 The Parties agree not to disclose to each other personal data (EU general data protection regulation 2016/679) without entering into a separate written agreement for such purpose, except for necessary personal data of persons participating in the implementation of the Project or in the conclusion of the Contract.

6. INTELLECTUAL PROPERTY RIGHTS, OWNERSHIP AND USER RIGHTS

- 6.1 All rights to information, ideas, methods, solutions, devices, substances and other material, irrespective of whether or not subject to or capable of protection by intellectual property rights, owned by one Party and supplied by said Party to the other Party that are generated outside the Project (hereinafter Background), belong to the owning Party.
- 6.2 The Parties may use the other Party's Background only for the purposes of performance of the Project. If Background of VTT is needed for the exploitation of the Foreground, the conditions for user rights to the Background shall be subject to a separate written agreement.
- 6.3 Information, ideas, methods, solutions, devices, substances and other material, including but not limited to produced reports, irrespective of whether or not subject to or capable of protection by intellectual property rights, which are generated in the Project (hereinafter Foreground) shall be the property of the Client.
- 6.4 Notwithstanding section 6.3 above, VTT shall retain the ownership of the Foreground in case
- a) it is so agreed in the Contract, or
 - b) it is defined in the Contract that the Project concerns *core technology* of VTT, or
 - c) the Foreground consists of software, database, layout-design of an integrated circuit and/or a biotechnical finding (including but not limited to gene sequence, target molecule or micro organism).
- In these cases, the Client shall be granted a separately defined non-exclusive user right to such Foreground in the application area of the Project.
- 6.5 Research methods and tools as well as any variations and improvements of VTT's Background that are generated in the context of performing the Project shall be the property of VTT.
- 6.6 The devices and instruments acquired by VTT for the performance of the Project shall be the property of VTT.

6.7 VTT shall be entitled to use general expertise and experience originating from the Project also in its work and activities outside the scope of the Project.

7. RIGHT TO EMPLOYEE INVENTION

- 7.1 The Client shall have the right for ownership to inventions that are part of the Foreground that under the Contract becomes the property of the Client.
- 7.2 An inventor that is an employee of VTT shall notify VTT of the employee invention according to the Finnish Act on the Right in Employee Inventions (656/1967). After VTT has received said notification from the inventor, VTT shall notify the Client of the invention without undue delay.
- 7.3 The Client shall receive the ownership of such invention unless the Client notifies VTT in writing within two (2) months from receiving VTT's notification that it waives its rights to the invention. In such cases all rights to the invention shall belong to VTT.
- 7.4 The Parties shall see to it that premature publication of inventions is prevented.
- 7.5 The inventor shall always be credited with having generated the invention. The inventor shall be entitled to a fair compensation for the invention. All costs related to patenting and the compensation to the inventor shall be paid by the Party that under the Contract is or becomes the owner of the invention. The amount of the fair compensation to the inventor shall be determined in accordance with the Finnish Act on the Right in Employee Inventions and in accordance with the inventor compensation scheme of the Party who is or becomes the owner of the invention under the Contract. In case the Client does not have a compensation scheme, VTT's compensation scheme shall be applied.

8. PUBLICATION OF FOREGROUND

- 8.1 The Client is entitled, at its discretion, to publish the final customer report included in the Foreground, in its entirety. Partial publication of the customer report is subject to prior written consent of VTT.
- 8.2 In the publication of the Foreground, VTT shall be mentioned in an appropriate manner.
- 8.3 All use of VTT's name and logotype for advertising and other sales promotion purposes is subject to prior written consent of VTT.
- 8.4 VTT shall have the right to disclose information of the Foreground to a third party or the public for the purpose of verifying or rectifying claims or statements presented by the Client regarding the Project, but only to the extent needed to verify or rectify such claims or statements.

9. LIABILITY AND LIMITATIONS OF LIABILITY

- 9.1 VTT will be liable for carrying out the Project in accordance with the Contract. VTT will be liable for the work of its subcontractor as it is for its own work.
- 9.2 The liability of VTT shall in all cases be limited to the price of the Project excluding VAT. VTT shall not be liable for indirect damage or consequential losses. The limitations of liability do not apply to damage caused intentionally or with gross negligence.
- 9.3 The Parties expressly affirm that they are aware of the technical and other risks relating to research and development work and knowingly accept these uncertainties, and the fact that the results and the goals of the research may not necessarily be achieved, as inherent in the nature of research and development work.
- 9.4 When granting rights to the Background and/or the Foreground, the Parties undertake to use reasonable endeavours to ensure the accuracy thereof. No warranty, condition or representation of any kind is made, given or to be implied for performance of the Project, Confidential Information, the Background, third party materials, the Foreground, devices, materials or goods, and the recipient shall in all cases be entirely liable for their use. The Client shall be liable for damage and claims related to product liability.
- 9.5 In case the Client notices a defect in the Foreground or the Project, the Client has to invoke the defect in writing without undue delay from noticing the defect but at the latest within 21 days from the delivery of the Foreground or the performance of the defective part of the Project. In such cases VTT has a primary right to correct or re-perform the defective part.
- 9.6 VTT's liability under this Contract and the Client's right to present claims hereunder shall cease at the latest one (1) year from the termination of the Contract and, with regard to confidentiality, as of the expiration of the confidentiality obligation.

10. FORCE MAJEURE AND EXPORT AND IMPORT CONTROL

- 10.1 "Force Majeure" shall mean an event that prevents, or makes unduly difficult, the performance of the Project in accordance with the Contract. Such events shall include war, rebellion, natural catastrophe, general interruption in energy distribution, fire, an essential limit imposed by the state budget or the Government of Finland to the activity of VTT, strike, embargo, or some other equally significant and unusual event independent of the Parties. The delay of a subcontractor caused by the abovementioned events is also considered Force Majeure. In case VTT cannot perform its contractual obligation hereunder due to Force Majeure, VTT shall be free from the obligation. VTT has also the right to prolong the agreed schedule of the Project in case the delay is caused by Force Majeure.
- 10.2 Each Party shall be responsible with regard to its own actions for complying with applicable export control laws and international sanctions regulations. If the fulfilment of VTT's obligations under the Contract requires an authorization due to applicable export control laws or international sanctions regulations and such authorization is not granted or VTT's performance is otherwise prohibited or delayed due to said laws or

regulations, VTT shall be free from its contractual obligations with this regard. VTT has also the right to prolong the agreed schedule of the Project in case the delay is due to complying with such laws or regulations.

11. TERM AND TERMINATION OF THE CONTRACT

- 11.1 The Contract enters into force after both Parties have signed it, the Client has accepted VTT's offer or VTT has made an order confirmation based on the Client's order. The Contract shall be in force until the Project has ended and the related payment obligations have been fulfilled. Such contractual clauses that due to their nature or express phrasing are meant to remain in effect after the termination of the Contract (e.g. confidentiality, dispute resolution and ownership) shall remain in effect despite the termination of the Contract.
- 11.2 In case of a material breach of the terms of the Contract by one Party, the other Party shall have the right to suspend the performance of the Project and, unless the Party in breach has rectified the breach within 30 days after receiving a notice, to terminate the Contract with immediate effect.
- 11.3 A Party shall have the right to terminate the Contract if the other Party is obviously insolvent or is filed for bankruptcy, liquidation or any other arrangement for the benefit of its creditors. The other Party shall be notified of filing for such liquidation arrangement without undue delay.
- 11.4 Each Party has the right to terminate the Contract in case the performance of the Contract becomes impossible or is delayed essentially or over six (6) months due to reasons stated in section 10. In such a case, the termination shall have immediate effect as of the receipt of the termination notice.
- 11.5 Notice of termination shall be made in writing.
- 11.6 In case of early termination, the Client shall compensate VTT for the part of the Project that has been performed before the termination becomes effective in accordance with the agreed grounds for compensation.

12. DISPUTE RESOLUTION

- 12.1 Any disputes, controversy or claim arising out of or relating to the Contract, which cannot be solved amicably shall be submitted as follows:
 - In case the Client is established in the EFTA or EU states, to the District Court of Helsinki, Finland (court of first instance),
 - in case the Client is established outside the EFTA and EU states, to arbitration procedure and the dispute shall be finally settled in accordance with the Arbitration Rules of the Finland Chamber of Commerce by one or more arbitrators appointed in accordance with said rules. The language of arbitration shall be English and the place of arbitration shall be Espoo, Finland.

Nothing in the Contract shall limit the Parties' right to seek temporary injunctive relief or to enforce an arbitration award in any applicable competent court of law.
- 12.2 The Contract shall be governed by the laws of Finland, excluding its choice of law provisions.