

Purchase Conditions

1. Definitions

Capitalised terms in these Conditions shall have the following meanings:

Agreement means the Purchase Order and these Conditions

Business Day means a day, other than a Saturday, Sunday or public holiday in England, when banks in London are open for business.

Deliverables means all documents, products and materials developed by the Supplier or its agents, subcontractors and personnel as part of or in relation to the Goods and/or Services in any form, including without limitation computer programmes, data, reports and specifications (including drafts), and such further items as may be specified in the Agreement.

Goods and/or Services means the goods and/or services as described under the Purchase Order.

Good Industry Practice means the exercise of that degree of skill, diligence, care, safety and foresight and of such practices, procedures, standards, methods and acts, as applicable, as would be expected of a skilled, qualified and experienced member of the Supplier's business providing the Goods and/or Services which are similar in scope and character to the Goods and/or Services.

Performance means the Goods that are to be delivered and/or the Services (including Deliverables) that are to be provided.

Purchase Order means the purchase order issued by Vattenfall to the Supplier with these Conditions in relation to the Performance by the Supplier.

Supplier means the party that is issued the Purchase Order.

Vattenfall means VATTENFALL WIND POWER LTD, a company registered in England and Wales with company number 06205750 and whose registered office is at 5th Floor, 70 St Mary Axe, London EC31 8BE and any subsidiaries.

Warranty Period means twenty four (24) months from delivery of the Goods and/or Services.

VAT means value added tax chargeable in the UK.

2. Interpretation

A reference to legislation or a legislative provision is a reference to it as amended or re-enacted. A reference to legislation or a legislative provision includes all subordinate legislation made under that legislation or legislative provision.

Any phrase introduced by the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms. A reference to writing or written includes emails.

References to "Goods" shall be disregarded where goods are not being provided under the Agreement.

3. Commencement and term

This agreement shall commence on the date of the Purchase Order and shall continue, unless terminated earlier in accordance with its terms, until expiry of the Warranty Period, when it shall terminate automatically without notice.

4. Supplier's obligations

The Supplier shall ensure that at all times it has and maintains all the licences, permissions, authorisations, consents and permits that it needs to carry out its obligations under the Agreement.

The Supplier will comply with all applicable laws, statutes, regulations from time to time in force as well as Vattenfall's Code of Conduct for Suppliers and Partners.

Vattenfall may immediately terminate 00:00 by the Supplier.

5. Standard of Performance

The Supplier undertakes that:

- (a) all Goods and/or Services will correspond with their description in the Purchase Order;
- (b) all Goods will be of satisfactory quality (within the meaning of the Sale of Goods Act 1979, as amended) and fit for any purpose held out by the Supplier or made known to the Supplier by Vattenfall expressly or by implication, and in this respect Vattenfall relies on the Supplier's skill and judgement;
- (c) the Performance shall comply with any reasonable instructions from Vattenfall and be in accordance with Good Industry Practice and the Supplier acknowledges and accepts that Vattenfall has and shall be deemed to have relied upon the Supplier exercising Good Industry Practice in its Performance;
- (d) all Goods comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods; and
- (e) all Goods where they are manufactured products, be free from defects in design, material and workmanship and remain so for the Warranty Period.

6. Inspection

Where Performance includes the provision of Goods, Vattenfall has the right to inspect and test the Goods on and/or after delivery.

If following such inspection or testing Vattenfall considers that the Goods do not conform or are unlikely to comply with the Supplier's undertakings at condition 5 Standard of Performance, Vattenfall shall inform the Supplier and the Supplier shall

immediately take such remedial action as is necessary to ensure compliance.

Notwithstanding any such inspection or testing, the Supplier shall remain fully responsible for the Goods and any such inspection or testing shall not reduce or otherwise affect the Supplier's obligations under the Agreement, and Vattenfall shall have the right to conduct further inspections and tests after the Supplier has carried out its remedial actions.

7. Delivery

Where Performance includes the provision of Goods, the Supplier shall ensure that: (i) the Goods are properly packed and secured in such manner as to enable them to reach their destination in good condition; and (ii) each delivery of Goods is accompanied by a delivery note which shows the type and quantity of Goods, special storage instructions (if any) and, if being delivered by instalments, the outstanding balance of Goods remaining to be delivered.

Where Performance consists of the provision of Goods, the Supplier shall deliver the Goods at the agreed location in accordance with the International Chamber of Commerce Incoterms® 2020, Delivery Duty Paid conditions during Vattenfall's normal business hours, or as instructed by Vattenfall unless otherwise agreed between the parties in writing. .

Delivery of Goods is completed on the completion of unloading of those Goods at the agreed location.

If Vattenfall rejects any Goods they are returnable at the Supplier's risk and expense. If the Supplier fails to collect rejected Goods within a reasonable period after notification of the rejection, Vattenfall may charge the Supplier storage costs and sell or dispose of the rejected Goods. Vattenfall will account to the Supplier for the proceeds of sale (if any) after deducting the purchase price paid for the Goods, storage costs and its reasonable costs and expenses in connection with the sale.

Where Performance consists of the provision of Services they shall be completed to the reasonable satisfaction of Vattenfall by the agreed delivery date.

8. Vattenfall remedies

If the Goods and/or Services are not delivered on the agreed delivery date, or do not comply with condition 5 Standard of Performance, then, without limiting any of its other rights or remedies, and whether or not it has accepted the Goods and/or Services, Vattenfall may exercise any one or more of the following remedies:

- (a) to terminate the Agreement;
- (b) to reject the Goods and/or Services (in whole or in part);

- (c) to require the Supplier to repair or replace the rejected Goods and/or Services, or to provide a full refund of the price of the rejected Goods and/or Services;
- (d) to refuse to accept any subsequent Performance which the Supplier attempts to make; and
- (e) to claim damages for any other costs, loss or expenses (including any special, consequential or indirect loss) incurred by Vattenfall which are in any way attributable to the Supplier's failure to carry out its obligations under the Agreement.

9. Title and risk

Transfer of title in relation to any Goods to be delivered pursuant to the Performance will occur upon delivery of such goods to the agreed delivery location is completed in accordance with condition 7. Risk of loss or damage to such goods shall remain with the Supplier until the later of (a) delivery of such Goods is completed and (b) where the Goods are to be assembled or installed by the Supplier, completion of such assembly or installation.

10. Price and payment

Vattenfall shall pay for the Supplier's Performance in accordance with this condition. The price:

- (a) excludes amounts in respect of VAT, which shall be payable to the Supplier at the prevailing rate, subject to the receipt of a valid VAT invoice; and
- (b) includes the costs of packaging, insurance and carriage of the Goods.

No extra charges shall be effective unless agreed in writing and signed by Vattenfall.

The Supplier may invoice Vattenfall for the price (as calculated in this clause 10 below) of its Performance plus VAT at the prevailing rate (if applicable) on or at any time after the completion of its Performance. The Supplier shall ensure that the invoice complies with Vattenfall's Standard Invoicing Requirements as applicable from time to time. A copy of this document is available from Vattenfall on request. In the event of any inconsistency between the terms of the Supplier's invoice and Vattenfall's Standard Invoicing Requirements, Vattenfall's Standard Invoicing Requirements will prevail.

Vattenfall shall pay correctly rendered invoices within 60 days of receipt of the invoice. Payment shall be made to the bank account nominated in writing by the Supplier.

If a party fails to make any undisputed payment due to the other under the Agreement by the due date for payment, then the defaulting party shall pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment. Interest under this clause will accrue each day at the Bank of England's base rate from time to time, but at 2% a year for any period when that base rate is below 0%.

Vattenfall may at any time, without limiting any of its other rights or remedies, set off any liability of the Supplier to Vattenfall against any liability of Vattenfall to the Supplier.

The price shall be the fixed price or at the rates and limits agreed (excluding VAT) stated in the Supplier's Purchase Order. The price will cover all the Supplier's costs and expenses (including any travel and subsistence) and shall be inclusive of all customs duties and other taxes, imposts, fines, levies and penalties for which the Supplier may be liable in pursuance of the Performance.

11. Indemnity

The Supplier shall indemnify Vattenfall against all liabilities, costs, expenses, damages and losses (including special, indirect and consequential losses) suffered or incurred by Vattenfall arising out or in connection with any claim made against Vattenfall:

- (a) for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with the supply or use of the Goods, Services and/or Deliverables;
- (b) by a third party for death, personal injury or damage to property to the extent arising as a result of breach of contract, negligence and/or wilful default; or
- (c) by a third party arising out of or in connection with the supply of the Goods and/or Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Agreement by the Supplier, its employees, agents or subcontractors.

This condition shall survive termination or expiry of the Agreement.

12. Insurance

During the term of the Agreement and for the duration of the Warranty Period the Supplier shall maintain the following insurance policies with reputable insurance companies on customary and usual terms and conditions prevailing for the time being in the UK insurance market:

- (a) public liability insurance for not less than £5,000,000
- (b) product liability insurance where Goods are provided for not less than £5, 000,000 and
- (c) professional indemnity insurance where Services are provided for not less than £5,000,000
- (d) employer's liability insurance for not less than £5,000,000

unless otherwise lesser amounts as agreed between the parties in writing.

13. Limitation of liability

Except as otherwise stated in the Agreement, neither party shall be liable to the other for any special, consequential or indirect loss.

The Supplier's total liability to Vattenfall for any claim or series of claims in aggregate arising under or in connection with the Agreement, whether arising in contract, tort or restitution, or for breach of statutory duty or misrepresentation, or otherwise shall not exceed the greater of £100,000 or 10 times the agreed price.

Vattenfall's total liability to the Supplier for any claim or series of claims in aggregate arising under or in connection with the Agreement, whether arising in contract, tort or restitution, or for breach of statutory duty or misrepresentation, or otherwise shall not exceed the agreed price.

Nothing in the Agreement limits the Supplier's liability in respect of:

- (a) personal injury or death; or
- (b) fraud or fraudulent misrepresentation; or
- (c) costs, losses, liabilities and/or expenses which Supplier has recovered from any insurer or would have recovered had it complied with condition 12; or
- (d) claims against Vattenfall or a group company by third parties due to a breach of that third party's intellectual property rights.

14. Termination

Without affecting any other right or remedy available to it, Vattenfall may terminate the Agreement at any time by giving not less than ten (10) Business Days' written notice to the Supplier.

Without affecting any other right or remedy available to it, either party may terminate the Agreement with immediate effect by giving written notice to the other party if:

- (a) the other party commits a material breach of any term of the Agreement (other than non-payment in breach of clause 10) which breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of twenty (20) Business Days after being notified in writing to do so;
- (b) the other party repeatedly breaches any of the terms of the Agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of the Agreement;
- (c) if the other party submits an application for bankruptcy, is declared bankrupt or insolvent or appoints an administrator, an administrative receiver, a receiver or suffers any equivalent event or makes any equivalent appointment.

In the event of Vattenfall failing to pay properly rendered invoices in accordance with clause 10, the Supplier will be entitled to terminate the Agreement where Vattenfall fails remedy its breach within a period of sixty (60) Business Days after being notified in writing to do so.

On termination, the Supplier shall cease all work on the Services and/or Goods and deliver to Vattenfall all Deliverables prepared, regardless of their state of completion. If requested, the Supplier shall provide all assistance reasonably required by Vattenfall to facilitate the smooth transition of the Services to Vattenfall or any replacement consultant appointed by it to complete the Services. On termination, the Supplier shall cease delivery of Goods. Where Goods have been delivered and accepted prior to termination, Vattenfall shall be under no obligation to return the Goods to the Supplier.

Subject to the paragraph below, the Supplier's entitlement to payment by Vattenfall on early termination shall be limited to the value of the Services and/or Goods actually and properly performed (which shall be no greater than the agreed price referred to in clause 10) and subject to any deduction which Vattenfall is entitled to make as a consequence of any breach by the Supplier or failure to perform the terms of the Agreement.

In the event of termination due to default, breach and/or negligence by or on behalf of the Supplier, no further payment shall be made to the Supplier until the cost of completion of the Services and/or Goods and other costs and damages incurred by Vattenfall has been determined and settled.

Termination of the Agreement shall not affect any of the parties' rights and remedies that have accrued as at termination, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination.

Any provision of the Agreement that expressly or by implication is intended to come into or continue in force on or after termination shall remain in full force and effect.

15. Intellectual property rights

The Supplier warrants that the Performance will not infringe any intellectual property rights or any other rights of third parties.

All the intellectual rights and/or industrial property rights that are created as a result of the Performance will be the property of Vattenfall. The Supplier grants to Vattenfall a fully paid-up, nonexclusive, royalty free licence to any and all intellectual property rights in the Goods and/or Services and any Deliverables.

16. Anti-Bribery and Corruption

The parties shall:

- (a) comply with all applicable laws, regulations, codes and guidance relating to anti-bribery and anti-corruption, including but not limited to the Bribery Act 2010 and Part

3 of the Criminal Finances Act 2017 ("Anti-Corruption Requirements"); and

- (b) have and shall maintain in place throughout the term of the Agreement, and enforce where appropriate, its own policies and procedures to comply with the AntiCorruption Requirements, including but not limited to adequate procedures under the Bribery Act 2010 and reasonable procedures under Part 3 of the Criminal Finances Act 2017.

For the purpose of this condition 16, the meaning of adequate procedures shall be determined in accordance with section 7(2) of the Bribery Act 2010 (and any guidance issued under section 9 of that Act).

17. Confidentiality

Each party undertakes that it shall not at any time during the Agreement, and for a period of three (3) years after termination or expiry of the Agreement disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other party or of any member of the group to which the other party belongs, except as permitted by sub-paragraph (b) below. For the purposes of this clause, "group" means, in relation to a party, that party, any subsidiary or holding company from time to time of that party, and any subsidiary from time to time of a holding company of that party. Each party may disclose the other party's confidential information:

- (a) to its employees, officers (including employees and officers of any member of the group to which the relevant party belongs), representatives, contractors, subcontractors or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with the Agreement. Each party shall ensure that its employees, officers, representatives, contractors, sub-contractors or advisers to whom it discloses the other party's confidential information comply with this sub-paragraph (b); and
- (b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

No party shall use any other party's confidential information for any purpose other than to perform its obligations under the Agreement.

18. Exclusion of the Supplier's conditions

The Supplier shall carry out and complete the Performance in accordance with the Agreement. Any general conditions of the Supplier will not become part of the Agreement, even if Vattenfall does not explicitly reject them. In no event shall acceptance of the Performance and payment of any invoice constitute acceptance of the Supplier's general conditions. The Supplier's general conditions are only valid to the extent that Vattenfall

expressly in writing agrees to be bound by such general conditions to the exclusion of these Conditions.

19. General

Delay: Notwithstanding any remedies available to the Vattenfall, if the Supplier expects Performance to be delayed, they will report this immediately to Vattenfall in writing, stating the reasons for such delay.

Force majeure. Neither party shall be in breach of the Agreement nor liable for delay in performing, or failure to perform, any of its obligations under the Agreement if such delay or failure result from events, circumstances or causes beyond its reasonable control and which an experienced and competent supplier providing Goods and/or Services of a similar nature would have judged to have such a small chance of occurring that it would have been unreasonable for them to have anticipated such event, circumstances or cause. If the period of delay or non-performance continues for 12 weeks, the party not affected may terminate the Agreement by giving 7 days' written notice to the affected party.

Subcontracting. The Supplier may not subcontract any or all of its rights or obligations under the Agreement without the prior written consent of Vattenfall. If Vattenfall consents to any subcontracting by the Supplier, the Supplier shall remain responsible for all acts and omissions of its subcontractors as if they were its own.

Entire agreement. The Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

Variation. No variation of the Agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

Waiver. No failure or delay by a party to exercise any right or remedy provided under the Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

Severance. If any provision or part-provision of the Agreement and/or these Conditions is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Agreement.

Notices

- (a) Any notice or other communication given to a party under or in connection with the Agreement shall be in writing (which may include email), addressed to that party at its registered office or such other address as that party may have specified to the other party in writing in accordance with this condition, and shall be delivered by hand, or sent by pre-paid first class post, other next working day delivery service or email.
- (b) A notice or other communication shall be deemed to have been received: if delivered by hand, when left at the address referred to in sub-paragraph (a) immediately above; if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Business Day after posting; or, if sent by email, at 9.00 am one Business Day after transmission, provided always that an e-mail which receives an out of office reply shall be deemed not to have been received. The Supplier's email address for notices shall be the email address which received the Purchase Order from Vattenfall unless otherwise specified.
- (c) The provisions of this condition shall not apply to the service of any proceedings or other documents in any legal action.

Third party rights. Save for as set out below, no one other than a party to the Agreement shall have any right to enforce any of its terms.

Vattenfall may serve notice(s) on the Supplier identifying one or more (1) affiliate; (2) contractor; (3) consultant or (4) other third party that, from the date of such relevant notice, are granted equivalent rights to Vattenfall under the Agreement (Vattenfall may in such notice at its discretion state that the rights granted to such persons include some but not all of the rights granted to Vattenfall under the Agreement)). The Supplier acknowledges that, from the date of such relevant notice, the aforementioned equivalent rights shall (notwithstanding any termination or expiry of the Agreement) vest in the relevant person(s) who shall be entitled to directly enforce such rights against the Supplier. No right of the Supplier or Vattenfall to amend, vary, terminate the Agreement or waive or settle any matter under or in connection with the Agreement shall require the consent of any third party.

20. Governing law and jurisdiction

The Agreement, and any dispute or claim (including noncontractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by, and construed in accordance with the law of England and Wales.

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out

of or in connection with the Agreement or its subject matter or
formation.

