
GENERAL TERMS AND CONDITIONS OF VALAMIS PRODUCTS AND SERVICES

1 Scope of application and definitions

These general terms and conditions ("**General Terms**") of Valamis ("**Supplier**") shall apply to the delivery of the Valamis eLearning software (together with documentation, media, accessories and other written material related thereto, hereinafter the "**Product**"), as well as thereto related implementation and other services ("**Services**") provided by the Supplier or its affiliated company to the customer ("**Customer**"), as further specified in the agreement entered into between the Supplier and the Customer (including any schedules and appendices to such agreement, together with these General Terms, hereinafter the "**Agreement**"). These General Terms constitute a part of the Agreement.

2 General responsibilities of the Supplier

The Supplier undertakes to ensure that the Product and Services are consistent with the Agreement and comply with the agreed specifications and service levels. The Supplier undertakes to perform the tasks for which it is responsible in accordance with the Agreement, with due care and with the professional skills required for the tasks, using its own working methods.

The Supplier's tasks and responsibilities are exhaustively defined in the Agreement. The Supplier shall provide the Customer with training, support related to the deployment of the Product, or other Services only if and to the extent agreed upon in the Agreement.

3 General responsibilities of the Customer

The Customer undertakes to perform the tasks for which it is responsible in conformity with the Agreement and with due care.

The Customer shall be responsible for acquiring and maintaining at its cost the hardware, connections and software at the Customer's end to meet the operating environment requirements specified by the Supplier needed in order to use the Product and Services.

The Customer shall provide the Supplier with sufficient and correct information for Supplier to perform its obligations under the Agreement and shall also otherwise reasonably contribute to the delivery of the Product and Services. The Customer shall ensure that the information, materials, content and instructions provided by the Customer to the Supplier are up-to-date and do not infringe on third parties' intellectual property rights or other protected rights. It is the Customer's duty to ensure that the Product and the Services are suitable for the Customer's purpose and that they meet the Customer's requirements.

The Customer shall inform the Supplier in writing of the Customer's contact person and other necessary contact details, as well as any changes thereto, for the purpose of the Supplier's contact requests relating to the Product and Services. The contact person works as the point of contact on day-to-day matters relating to the Agreement.

4 Contents of the Product and service levels

The content and applicable service levels for the Product and Services are specified in the Agreement. If the content and service level of the Product and Service have not been specified in the Agreement, the Supplier's terms and conditions in force from time to time shall apply, and the applicable service level shall be the "basic" level offered by the Supplier.

The Supplier shall inform the Customer without delay of any matter that comes to the knowledge of the Supplier and that may prevent the delivery or use of the Product and Services in conformity with the Agreement.

5 Delivery and acceptance

The Supplier will comply with the agreed-upon delivery dates, or if no delivery dates have been agreed upon, the Supplier endeavors to start the delivery of the Product within a reasonable time from the date of execution of the Agreement. If the delivery is based on data or material to be provided by the Customer, the delivery time shall be calculated from the date when the Supplier has notified the Customer that it has received such data and material in accordance with the Agreement. If the deployment of the Product is delayed due to a reason attributable to the Customer, the agreed delivery time will be extended until the issue preventing the delivery has been repaired or removed.

The Parties will agree on acceptance testing procedure, if any, in the statement of work ("**SOW**").

In addition to what has been agreed in the SOW, the delivery shall be deemed accepted if the Customer starts using the Product, or a part thereof, as licensed under the Agreement or fails to notify the Supplier within the acceptance inspection period set forth in the SOW, or if no such period has been specified, within 14 days of delivery, of any errors or defects in the delivery.

At the request of the Supplier, the Customer shall provide the Supplier with a written acceptance certificate signed by a duly authorized representative of the Customer. The said certificate shall, however, not affect the Supplier's right to start invoicing for the Product as set out in Clause 9 below.

6 Intellectual property rights and right to use the Product

Copyright and other intellectual property rights as well as the title in and to the Product, documentation and other materials or results delivered to the Customer or generated during the performance of Services, and all modifications, alterations, enhancements, and changes thereof (jointly "**Deliverables**"), shall as between the parties at all times belong to the Supplier irrespective of whether or not such material has been created in co-operation of the parties.

Unless otherwise expressly agreed in the Agreement, the Agreement shall have no effect on either party's intellectual property rights or any other rights existing before the execution of the Agreement, nor alter either party's rights to the material furnished by one party to the other party for the Agreement. The Supplier shall have the right to use the material furnished or created by the Customer for the purposes of performing its duties under the Agreement. Furthermore, the Supplier shall have the right to use the data generated in connection with the use of the Product and performance of the Services for its internal product development and similar purposes.

The Supplier hereby grants the Customer a non-exclusive and non-transferable license to (i) use the Product and Deliverables in accordance with and during the term of the Agreement in the Customer's internal business, and (ii) use any Customer-specific data (including learning results) that are created through the agreed use of the Product and Deliverables, also after the expiry of the Agreement, in the Customer's internal business. Unless otherwise agreed, Customer's license to use the Product and Deliverables commences on the date set out in the Agreement. Materials created solely by the Customer independently by using the Product that do not incorporate any material or intellectual property rights of the Supplier shall as between the parties belong to the Customer.

The Customer shall ensure and be liable for that any persons to whom the Customer grants an access to the Product by virtue of the Agreement use the Product only in accordance with the Agreement and the manuals and instructions related to it. The Customer may not sell, pass or otherwise assign its right to use the Product or Deliverables to a third party, except for the sole purpose of the Customer providing its own training services to its end users (including its own end customers) within the agreed number of end users specified in the Agreement.

If the Customer uses the Product or Deliverables for any purpose than those stated in the Agreement, the Supplier may immediately terminate the Agreement and may claim reasonable compensation and damages for such use exceeding the right to use granted in the Agreement.

7 Third Party Products

All third party products, standard software and other materials ("**Third Party Products**") that are included in the delivery or accessed via the Product shall be subject to the applicable license or other terms and conditions of the third parties in question. The Supplier shall not be liable for Third Party Products or their implications on the Product or the Services, or their APIs or other features. The Supplier's liability in relation to Third Party Products is limited to building the integration(s) agreed in the Agreement between the Third Party Product(s) and the Supplier's Product, and maintaining the API interface(s) of the Supplier's own Product towards the Third Party Product(s). If an error in the Product or Services is attributable to Third Party Product(s) or data communication networks under the Customer's responsibility, the Supplier is not liable for the error.

8 Suspension of the Product

Unless otherwise agreed in the Agreement, the terms and conditions of this section 8 shall apply. The Supplier shall have the right to suspend delivery of the Product for a reasonable duration on working days (Monday to Friday) as further specified in the service level agreement, and on Saturdays, Sundays and official holidays if this is necessary in order to perform installation, change or maintenance work in respect of the Product and such installation, change or maintenance work cannot be performed at a reasonable cost without suspension of the Product. If the Supplier suspends delivery of the Product for a reason specified in this section 8, the Supplier shall (a) inform the Customer of the suspension of the Product and the duration of the suspension in good time in advance; and (b) strive to minimise any inconvenience resulting from the suspension.

Furthermore, the Supplier shall have the right to suspend delivery of the Product due to installation, change or maintenance work of general communications network or due to a severe data security risk related to the Product or if required by law or regulation by authorities or due to a force majeure event. If the supplier suspends delivery of the Product for a reason specified in this paragraph, the Supplier shall inform the Customer of the suspension and the duration of the suspension in good time in advance or, if this is not reasonably possible, without delay after the Supplier has become aware of such matter.

The Supplier shall have the right to prevent the Customer's access to the Product without first consulting the Customer, if the Supplier justifiably suspects that the Customer burdens or uses the Product in a manner that jeopardises the delivery of the Product to other users. The Supplier shall without undue delay inform the Customer of the reasons for such prevention. If the Customer demonstrates that it has used the Product in conformity with the Agreement, the Supplier shall be responsible for compensating the Customer any possible failure that results from such prevention to meet the agreed service level in accordance with the Agreement.

9 Prices and terms of payment

Unless otherwise agreed, the Supplier shall invoice for the Product immediately after entering into the Agreement for the first year of the Agreement, and for the Services as set forth in the SOW. Unless otherwise agreed, for any subsequent years after the first year, the Product fees will be invoiced once per year in advance before the commencement of the respective year.

The terms of payment shall be thirty (30) days net from the date of an invoice. Interest on delayed payments accrues by the Finnish Interest Act (632/1982, as amended). In addition, the Supplier may charge the Customer additional fees for any work performed outside the Supplier's working hours or work not belonging to the Agreement's scope. Such additional fees may include, without limitation, overtime compensation, daily allowance, and other expenses. The said additional fees shall be based on the prices agreed in the Agreement or, unless no such prices have been agreed upon in the Agreement, on the Supplier's price list applicable at that time.

In the event the price of the Product or Service has not been specified in the Agreement, the Supplier's price list effective at the time of the order shall apply. The Supplier may change its service prices upon sixty (60)

days prior written notice to the Customer. The change of prices shall not apply to invoices falling due before the effective date of the change. In the event the Customer does not accept the change, the Customer shall be entitled to terminate the Agreement to end on the effective date of the price change upon thirty days (30) days prior written notice to the Supplier. In the event of termination, the Supplier shall be entitled to receive payment for any work performed and use of Products before such termination.

Unless otherwise agreed in writing, the prices specified in the Agreement shall include all public charges determined by the authorities and effective on the date of signing the Agreement, except value-added tax. Value-added tax shall be added to the prices per the then-current regulations. Should the amount of public charges determined by the authorities, or their collection basis, change due to changes in regulations or taxation practices, the products and services' prices shall be revised correspondingly.

If any payment by the Customer is delayed by more than thirty (30) days from the due date despite a written reminder, the Supplier shall be entitled to suspend its performance without any liability until the Customer has paid all amounts due to the Supplier.

10 Updates, Replacement of Products and alterations

From time to time and at the Supplier's sole option, the Supplier may extend, enhance or otherwise modify the Product at any time ("**Updates**"), but the Supplier is not obligated to provide Customer with any Updates. The Supplier will make reasonable efforts to inform the Customer of material Updates in advance or if that is not possible, without delay after the Update has been made. The Customer acknowledges that the Supplier has no express or implied obligation to announce or make available any Updates in the future.

Upon approval of the Customer, which shall not be unreasonably withheld, the Supplier shall be entitled to replace the Product with another product or its new, improved model or version ("**Replacement**"). The Replacement shall meet the requirements concerning the capacity, performance, and other features outlined in the Agreement for the original Product.

The Supplier shall be, without the Customer's approval, entitled make changes, amendments, or other enhancements to the Product prior to the delivery thereof, provided that the Product continues to meet the requirements set forth in the Agreement.

In the event the Supplier decides to discontinue the Product, the Supplier shall inform the Customer without delay and shall have the right to terminate the Agreement subject to 3 months' written notice. In the event the Customer has paid the fees for the Product in advance, the Supplier will refund the proportion of the Product fee corresponding to the time after the effective date of the termination.

11 Processing of personal data

If the Supplier processes personal data on behalf of the Customer, the data protection addendum attached to the Agreement shall apply, unless otherwise agreed in writing.

12 Warranties

THE PRODUCT IS PROVIDED TO THE CUSTOMER ON AN "AS IS" BASIS. THE SUPPLIER DOES NOT WARRANT THAT THE PRODUCT AND THE FUNCTIONS CONTAINED IN THE PRODUCT WILL MEET THE REQUIREMENTS OF THE CUSTOMER OR OPERATE UNINTERRUPTED OR ERROR- OR BUG-FREE OR IN ALL COMBINATIONS SELECTED FOR USE BY THE CUSTOMER.

EXCEPT AS EXPRESSLY STATED IN THE AGREEMENT OR REQUIRED BY MANDATORY PROVISIONS OF LAW, THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE. THE SUPPLIER AND ITS DISTRIBUTORS EXPRESSLY DISCLAIM ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND SATISFACTORY QUALITY.

13 Confidentiality

Each party shall keep in confidence all material and information received from the other party and marked as confidential or which should be understood to be confidential. A party shall have the right to use such material and information only for the purposes outlined in the Agreement. The confidentiality obligation shall, however, not be applied to material and information that: (a) is generally available or otherwise public; (b) the receiving party or its affiliated company has received from a third party without any obligation of confidentiality; (c) was in the possession of the receiving party or its affiliated company before receipt of the same from the other party without any obligation of confidentiality related to it; (d) the receiving party or its affiliated company has developed independently without using material or information received from the other party; or (e) a party or its affiliated company must disclose according to law, decree, or other order issued by the competent authorities or judicial order.

Each party shall cease using confidential material and information received from the other party promptly upon termination of the Agreement or when that party no longer needs the material or information in question for the purpose stated in the Agreement and, unless the parties separately agree on the destruction of such material, return the material in question (including all copies thereof). Each party shall, however, be entitled to retain the copies required by law or regulations.

The rights and obligations according to this clause 13 shall remain in force after the termination of the Agreement.

14 Force majeure

Except for the payment obligations, neither party shall be liable to the other for loss, damage, or delay in work caused by an impediment beyond its control, which that party could not have taken into account at the time of the conclusion of the Agreement, and whose consequence it could not have reasonably avoided or overcome, including but not limited to war, riot, the act or order of any competent civil or military authority, strikes, unauthorized work stoppage or by fire or flood ("**Force Majeure Event**"). Strike, lock-out, boycott, and other industrial action shall constitute a Force Majeure Event also when the party concerned is the target or a party to such an action.

A Force Majeure Event suffered by a party's subcontractor shall also discharge such a party from liability if subcontracting from other source cannot be made without unreasonable costs or a significant delay.

Either party shall inform the other party of a Force Majeure Event in writing without delay. The party shall correspondingly inform the other party of the cancellation of the Force Majeure Event.

15 Infringements of intellectual property rights

The Supplier shall at its own expense defend and indemnify the Customer against claims and actions that the Product, or the result of the Services, infringes any of the intellectual property rights of a third party in the agreed country of use, provided that the Customer notifies the Supplier promptly in writing of such claims, and permits the Supplier to defend or settle the claims, and gives the Supplier all necessary information and assistance available and all necessary authorizations.

If in the justified opinion of the Supplier, the Product or the result of the Services infringes the intellectual property rights of a third party, or if such infringement has been confirmed in a trial, the Supplier shall at its own expense either: (a) obtain the right to use of the Product or the result of the Services, for the Customer, or (b) replace the Product, or the result of the Services, or (c) modify the Product, or the result of the Services, in order to eliminate the infringement. If none of those mentioned above alternatives is available to the Supplier on reasonable terms, the Customer shall, at the request of the Supplier, stop using the Product, or the result of the Services, return it, and the Supplier shall credit the price paid by the Customer for the Product, or the result of the Services, less the proportion of the price corresponding to the actual time of use.

The Supplier shall, however, not be liable to Customer if the claim: (a) is asserted by the Customer or its affiliated company; (b) results from an alteration of the Product, or the result of the Services, or compliance with the Customer's instructions or information or material provided by the Customer; (c) results solely from the use of the Product, or the result of the Services, in combination with any product not supplied by the Supplier, or (d) could have been avoided by the use of a released and newest version of the Product.

THIS CLAUSE 15 STATES THE ENTIRE LIABILITY OF THE SUPPLIER AND THE CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES FOR AN INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHT BY THE PRODUCT, OR THE RESULT OF THE SERVICES.

16 Term; Automatic renewal; Termination of the Agreement

Unless otherwise agreed between the Parties, this Agreement shall be valid for the initial term set forth in the Agreement ("**Initial Term**"). After the Initial Term, the Agreement will automatically renew and will continue in force 12 months at a time (each such period a "**Renewal Term**"), unless either party terminates the Agreement in writing at least 30 days before the end of the Initial Term or the then ongoing Renewal Term. Unless otherwise agreed by the parties, the price payable for the Product during each Renewal Term will be the then applicable list price of the Product.

If the Agreement's fulfillment is delayed for more than four (4) months due to a Force Majeure Event, either party shall have the right to terminate this Agreement by written notice to the other party without either party having the right to claim damages for such termination.

A party shall have the right to terminate the Agreement upon written notice to the other party if such other party is declared bankrupt, is put into liquidation, or it otherwise ceases with its payments, or if the other party commits a substantial breach of the terms and conditions of the Agreement and does not remedy such breach within thirty (30) days from receipt of the written notice of the breach.

17 Marketing

Valamis may use Customer's name and logo in its marketing, websites, and promotional materials to identify Customer as a customer of Valamis.

18 Damages and limitation of liability

The Supplier shall be liable under the Agreement solely for direct damages caused by the Supplier's negligence or other breaches of the Agreement, and proven by the Customer, not, however, exceeding fifteen percent (15 %) of the price of the Product, Service, or part thereof, which is the subject-matter of the claim.

IN NO EVENT WILL EITHER PARTY BE LIABLE FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGE OR EXPENSES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS AND LOST SAVINGS, OR FOR THE LOSS OF, DAMAGE TO, OR ALTERATION OF DATA OR DATA FILES OF THE OTHER PARTY DUE TO ANY CAUSE AND THE RESULTING DAMAGES AND EXPENSES INCURRED, SUCH AS EXPENSES BASED ON THE RE-CREATION OF DATA FILES, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

THE LIMITATION OF LIABILITY SHALL NOT APPLY TO DAMAGES CAUSED BY WILFUL CONDUCT OR GROSS NEGLIGENCE. THE LIMITATION OF LIABILITY SHALL ALSO NOT APPLY TO DAMAGES CAUSED BY THE TRANSFER, COPYING, OR USE OF PRODUCT CONTRARY TO LAW OR THE TERMS OF THE AGREEMENT, OR DAMAGES CAUSED BY A BREACH OF EXPORT RESTRICTIONS RELATING TO THE PRODUCTS OR TECHNICAL INFORMATION.

19 Governing law; settlement of disputes

This Agreement shall be governed by and construed in accordance with the laws of Finland without giving effect to any choice of law principles or provisions thereof. Any dispute, controversy or claim arising out of or relating to the Agreement, or the breach, termination or validity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce. The arbitral tribunal shall be comprised of a sole arbitrator. The seat of the arbitration shall be Helsinki, Finland. The language of the arbitration shall be English.

20 Assignment of the Agreement

Neither party shall have the right to assign the Agreement without the other party's prior written consent. However, the Supplier may assign the Agreement to its affiliated company or to a third party to whom the business subject to the Agreement is transferred. The Supplier may further assign its receivables under the Agreement to a third party.

21 Amendment of the Agreement

Any changes or additions to the Agreement shall be agreed in writing by the parties in order to be valid. Changes to the Product and Services shall be governed by clause 10.

22 Offer and validity of the Agreement

The Agreement shall be valid when duly authorized representatives of both parties have signed the Agreement or when the Supplier accepts the Customer's offer in writing.