

GENERAL PURCHASING CONDITIONS

1. GENERAL

1.1 This General Purchasing Conditions shall apply to the supply of products and/or provision of services by Vendor to Buyer, as indicated in the Purchase Order. This General Purchasing Conditions together with the Purchase Order will form the "Agreement" (or the "General Terms"), between the buyer entity indicated in the Purchase Order ("Buyer") and the vendor entity indicated in the same Purchase Order ("Vendor").

1.2 In the event that Buyer does not receive Vendor's confirmation within five (5) working days from dispatch of the Purchase Order, the Purchase Order shall be deemed to have been accepted by Vendor. Vendor may only reject the Purchase Order if Vendor can substantiate that the Purchase Order deviates from the terms and conditions of this Agreement.

1.3 Buyer makes no commitment whatsoever as to procuring a certain volume under this Agreement, unless otherwise expressly stated herein.

2. DELIVERY

2.1 Vendor agrees to deliver the products and/or services to Buyer in accordance with the Purchase Order (including any specification, as applicable) and on the agreed delivery date.

2.2 Vendor shall prepare and pack the products to prevent damage and deterioration. When doing so, Vendor must ensure that all packaging of Products is made in a manner to reduce environmental impact by e.g. optimizing material and transport efficiency, minimizing litter, using recycled materials and eliminating hazardous substance in any packing material. Charges for preparation for shipment (including packing and crating) are included in the price.

2.3 The Products shall not be delivered by instalments unless otherwise agreed in writing by Buyer.

3. ACCEPTANCE

3.1 Products shall be subject to count, inspection and acceptance by Ingka after actual receipt. Products of inferior or improper workmanship, or defective products, or products which do not strictly adhere to the samples accepted by Buyer, or the specification or Purchase Order, or which otherwise fail to comply with this Agreement may be rejected and returned to Vendor.

3.2 The decision whether or not products received conform to the Agreement shall be the sole and absolute decision of Buyer, whose decision must be reasonably made. In case Buyer rejects any non-conforming products, Buyer shall be entitled to: (a) return such products to Vendor and (i) receive replacement products, or (ii) claim a refund and cancel the Purchase Order, (b) cancel any subsequent Purchase Order for the relevant products and, at Buyer's sole discretion, remove the products from the available range under this Agreement; and (c) claim compensation for damages, costs and expenses.

3.3 When non-conforming product have been remedied by replacement, Vendor shall be liable for defects in the replacement product on the same terms and conditions as those applicable to the original product.

3.4 Acceptance by Buyer under this section shall not void the warranty provided by Vendor under section Specific Warranties.

4. DELAY

4.1 Vendor shall immediately notify Buyer in writing of any anticipated delay, stating the cause and remedial actions taken by Vendor to mitigate the delay. If the products and/or services are

not available on the delivery date, Vendor shall be in delay of delivery.

4.2 Vendor shall pay to Buyer liquidated damages in the amount of two (2%) per cent of the total price payable for the delayed products and/or Services, per each commenced working day of delay, up to a total maximum penalty of thirty percent (30%) of the total price payable for the delayed products and/or Services.

4.3 The liquidated damages payments in this section represents a genuine pre-estimate of Buyer's loss and does not impose a detriment on Vendor which is disproportionate to the legitimate interests of Buyer in remedying the delay to which the liquidated damages relate as specifically as possible and are without prejudice to Vendor's obligation to fulfil its obligations under this Agreement if it is reasonably able to do so.

4.4 Should delivery of ordered products and/or services be delayed more than thirty (30) days, Buyer shall be entitled to cancel, in whole or part, the Purchase Order and any other purchase order affected by the delay, and recover from the Vendor all costs and losses resulting to Buyer including the amount by which the price payable by Buyer to acquire those products and/or services from another Vendor exceeds the price payable under the Agreement, in addition to any paid out liquidated damages according to the above.

5. FEES, INVOICING AND PAYMENT

5.1 The Purchase Order shall set out all fees and prices applicable under this Agreement.

5.2 Unless otherwise indicated in the Purchase Order, Buyer shall make payment for any invoice within thirty (30) days from the date of receipt of such invoice, except for invoices which Buyer in good faith disputes in whole or in part. Where an invoice is disputed in part, Buyer shall make payment of the undisputed amount within thirty (30) days from the date of receipt of such invoice and withhold payment on the disputed amount, such dispute to be resolved in accordance with the Governing Law and Dispute Resolution sections.

5.3 Unless otherwise agreed in writing between the parties, Vendor is only entitled to submit its invoice to Buyer once every calendar month. To the extent possible with regards to mandatory tax and/or accounting legislation, Vendor shall restrict the number of invoices to one (1) per purchase order.

6. GENERAL WARRANTIES

6.1 Each party represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its origin, (b) it has all necessary right, power, and authority to enter into this Agreement and to perform the acts required of it hereunder, (c) it owns or holds any intellectual property rights necessary for its performance under this Agreement, and (d) its performance under this Agreement will comply with all applicable laws and regulations.

7. SPECIFIC WARRANTIES

7.1 Vendor warrants that the products will at all times (a) perform in accordance with and conform to the Purchase Order or, if applicable, specification and, and (b) possess the characteristics that Vendor has referred to through samples and prototypes or in marketing; and (c) be fit for their intended purpose, as such purpose has been set out in the Purchase Order or, if applicable, specification.

7.2 Vendor further warrants the services shall be performed with reasonable care and skill and be free from errors in operation and performance, shall comply with the Purchase Order and, if applicable, specification, in in all respects, and shall provide the

functions and features and operate in the manner agreed to by the parties under this Agreement.

7.3 Buyer shall notify Vendor in writing of any defects that have appeared in the products and/or services, including a description of the defect. Products and/or services that deviate from the warranties in this section shall be considered defective.

7.4 Vendor shall promptly (and within the specific time frame, if any, set out in the Purchase Order or, if applicable, specification) remedy the defective products and/or services at its own risk and cost, by repair, replacement or re-performance (if re-performance is reasonably convenient to Buyer and provides an adequate remedy of the defect). Buyer shall further be entitled to compensation for damages, costs and expenses.

8. OWNERSHIP AND LICENSE RIGHTS

8.1 Except as expressly stated in the Agreement, the Agreement does not grant either party any rights, implied or otherwise, to the other party's content or intellectual property rights.

8.2 In case the parties agree in the Purchase Order or, if applicable, specification, that any intellectual property rights in and to the products and/or services shall remain vested in Vendor, Vendor hereby grants Buyer an unlimited, perpetual, irrevocable, worldwide, fully paid up, royalty free and sub-licensable right and license to use the products and/or services and allow third parties to use the products and/or services for their intended purpose, as implied by the Purchase Order or, if applicable, specification.

8.3 To the extent any license or access right is required for Buyer to use the product and/or service to their full potential as expected and ordered by Buyer under this Agreement, such license or access right is hereby granted to Buyer with the right to allow its employees, authorized consultants and affiliates to use and access the product and/or service in the manner described hereunder.

9. INFRINGEMENT

9.1 Vendor shall be solely responsible to the extent the product and/or services constitutes any infringement in any intellectual property right of any third party and undertakes to indemnify and hold harmless Buyer from and against any and all damages, costs and expenses (including reasonable attorneys' fees) incurred as a result of or in connection with any claim or proceeding brought by any third party against Buyer based on a claim that the products or the use thereof constitute an infringement of any third party intellectual property rights.

10. LIMITATION OF LIABILITY

10.1 Neither party shall be liable to the other for any special, indirect, consequential or incidental damages, even if it has been advised of the possibility of such damages.

10.2 A party's maximum aggregate liability under the Agreement for any damages resulting from or relating to the performance or non-performance under the Agreement shall be limited to the higher of two (2) times the aggregate amount paid and payable under the Agreement.

10.3 Notwithstanding anything contrary in this section (Limitation of Liability) or otherwise in this Agreement, no limitations of liability shall apply to third party claims for damages due to personal injury or death, a party's wilful misconduct or gross negligence, breach of sections Confidentiality, Infringement and Non Publicity.

11. CONFIDENTIALITY

11.1 Except for disclosure to subcontractors and affiliates on a need-to-know basis in order to provide the products and/or services or where required by any court or governmental

authority, neither party shall, during the term of the Agreement and thereafter, disclose to any third party any confidential information of the other party and shall not use such information other than for the agreed purpose. A party that discloses confidential information of the other party to its Subcontractors or affiliates shall remain liable for any breach of this section by such Subcontractor or affiliate.

12. NON PUBLICITY

12.1 Neither Vendor or its employees, nor any third party engaged by Vendor may use its relationship with, or assignment for Buyer or the existence of this Agreement for any marketing or financing purposes or as reference in any company presentations or press releases or in any way utilize (neither on the Internet nor in any other way communicate to the public) any trade name, trademark, service mark, logo or other distinctive brand feature of Buyer, Ingka Holding B.V. or Inter IKEA Systems B.V. (IKEA brand).

13. CODE OF CONDUCT

13.1 Vendor hereby acknowledges that it has read and understood the IWAY Appendix, available at www.ingka.com/suppliers, and that Vendor will adhere to the terms and conditions set forth therein.

13.2 Buyer and/or a third party auditing organization appointed by Buyer, is entitled to perform announced and unannounced audits and inspections at Vendor's and/or a Subcontractor's facilities. Vendor shall allow for confidential interviews with its employees and shall maintain and allow access to all IWAY related documentation and records as required. Vendor shall in good faith support IWAY audits to the extent required to confirm compliance with IWAY. Buyer is committed to avoiding or minimizing disruption of Vendor's production and/or operation during the audit process.

13.3 Vendor further undertakes to comply with the Ingka Group Business Ethics Appendix, available at www.ingka.com/suppliers.

14. AUDITS

14.1 Vendor shall permit and Buyer shall be entitled, at its own expense, to inspect and monitor relevant aspects of the business of Vendor and of the subcontractors, in order to verify the due and proper fulfillment of the requirements set forth in this Agreement. This audit provision applies to all areas of the business of Vendor relevant to this Agreement, except for those areas subject to separate audit terms agreed by the parties in respect of specific areas (e.g. information security, data privacy, IWAY).

14.2 Such inspections may be performed by Buyer and/or a third party appointed by Buyer upon reasonable advance notice to Vendor. For the purpose of the performance of such inspections, Vendor shall provide access to its premises and facilities and full co-operation to Buyer in carrying out such inspection. If deviation from the Agreement is discovered during such inspection and Buyer decides to investigate Vendor further, Buyer shall have the right to conduct such investigation at Vendor's expense.

15. DATA PRIVACY

15.1 If Vendor, when performing its obligations under this Agreement, will process personal data (as defined in the applicable law) on behalf of an Buyer, the parties agree that a data processor agreement shall apply between the parties in order to fulfill the legal requirement of a written agreement between a data controller and a data processor. The data processor agreement shall set out *inter alia* the instructions for Vendor regarding the processing of personal data, the duration and purpose of the processing, the types of personal data and categories of data subjects being processed and the obligations and rights of the data controller.

16. INSURANCE

16.1 Vendor shall secure that its business operations are at all times during the term of the Agreement covered by appropriate insurance from a reputable insurer, shall ensure that such insurance covers its liability under the Agreement and shall upon request provide satisfactory evidence to such effect.

17. FORCE MAJEURE

17.1 Either party can terminate this Agreement or the affected Purchase Order with immediate effect by giving written notice, if the delivery is delayed for more than one month by reason of force majeure.

18. SUBCONTRACTORS

18.1 Vendor shall be entitled to appoint subcontractors for the performance of its obligations under the Agreement provided that Vendor notifies Buyer in writing hereof. Vendor shall ensure that the provisions of the Agreement are fully complied with and Vendor shall be liable for the acts and omissions of such third party to the same extent as Vendor is liable for its own actions and omissions under the Agreement.

19. MISCELLANEOUS

19.1 This Agreement contains the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings and negotiations between the parties with respect to the subject matter hereof. No modification, amendment, alteration or waiver of any provision thereof will be binding upon the parties unless made in writing and signed by duly authorized representatives of both parties.

19.2 The waiver by either party of a breach or a default of any provision of the Agreement by the other party shall not be construed to be a waiver of any succeeding breach of the same or any other provision, nor shall any delay or omission on the part of either party to exercise or avail itself of any right, power or privilege that it has, or may have hereunder, operate as a waiver of any right, power or privilege by such party.

19.3 Subject to the exception provided herein, neither party may assign this Agreement without the prior written consent of the other party, such consent not to be unreasonably withheld.

19.4 Should any of the contractual provisions set out herein be or become invalid, the validity of this Agreement as a whole shall remain unaffected. The invalid provision shall be replaced by a provision which corresponds, as far as possible, to what the parties would have agreed, had they been aware of the invalidity of the provision.

19.5 Any person who is not a party to this Agreement shall not have any rights to enforce any of its provisions.

20. TERMINATION

20.1 Buyer shall have the right to terminate the Agreement in whole or in part by giving thirty (30) days' written notice.

20.2 Each party shall be entitled to terminate this Agreement with immediate effect by serving notice in writing if: (a) the other party has materially breached this Agreement and has not fully remedied such breach (if capable of remedy in the reasonable opinion of the non-breaching party) within thirty (30) days from the breaching party's receipt of notice of said breach, or (b) there is a change of control of the other party, or (c) the other party becomes the subject of proceedings under any bankruptcy or insolvency law, enters into composition with its creditors, applies for financial reorganization, enters into liquidation, appoints an administrator, receiver, passes a resolution for winding up, suspends payments to its creditors or is, or can reasonably be deemed to be, insolvent.

20.3 A breach by Vendor of the IWAY Appendix shall always be considered as a material breach and entitle Buyer to immediate termination of the Agreement.

21. GOVERNING LAW AND DISPUTE RESOLUTION

21.1 This Agreement shall in all respects be governed by and construed in accordance with the substantive laws of the place of registered office of Buyer as set forth in the Purchase Order.

21.2 Any dispute, controversy or claim arising out of or in connection with this Agreement or the breach, termination or invalidity thereof, shall be referred to the exclusive jurisdiction of the courts of the place of the registered office of Buyer as set forth in the Purchase Order.