

PRODUCT TERMS

1.10.2008

Scope of Application

These Terms and Conditions define the General and Product-specific Product Terms and features of Itella Corporation's (hereinafter 'Itella' or the Service Provider) warehousing services. In addition to the Product Terms and Conditions, the warehousing services product contract between the Customer and Itella, with appendices, and the contract between the Customer and Itella, shall apply.

The Terms and Conditions herein do not apply to any other services provided by Itella, defined according to separate product-specific contracts between the Customer and Itella and Itella's Terms and Conditions applicable to various products and services. The Terms and Conditions herein do not apply to the transport of goods.

The services are provided by Itella or its subcontractor, hereinafter referred to as the "Service Provider". Itella is responsible for any subcontracting service providers' operations as for its own.

Subject of Service

The service covers the management of services in accordance with the contract, encompassing the reception, storage and dispatching of goods, and the related auxiliary services. Customer-specific services and exceptions to these Terms and Conditions are specified in more detail in the service appendix enclosed with the product contract. Information in the service appendix is maintained and updated upon the initiative of the Customer or Itella.

The Service Provider will maintain the premises, equipment and staff necessary for the agreed provision of services. The Service Provider is liable for ensuring that service provision and the related premises and operations comply with statutory and official requirements.

Service Provider's Responsibility

The Service Provider is responsible for acting with due diligence in all operations.

The Service Provider's responsibility for storage shall begin when the Service Provider has taken possession of the Customer's goods for

warehousing, inspected the package and wrapping of the goods and countersigned the freight bill or other transport document for acceptance of the goods at the warehouse without expressing any reservations. The Service Provider's storage balance responsibility begins when the Service Provider has inspected the product-specific number of items in the accepted batch of goods, within the term specified below in "Incoming Goods".

The Service Provider's warehousing and storage balance responsibility shall end when the goods are handed over from the warehouse to the freight carrier against the freight carrier's countersignature on the freight bill, or when it can be otherwise proven that the goods have been handed over to the freight carrier.

The Service Provider is responsible for any damage to the goods during warehousing only if the damage can be established to have been caused by an outside impact, dent or other such event affecting the goods. The Service Provider is not responsible for any other damage to the goods if the goods' packaging and/or wrapping do not show any signs of damage due to an external cause, i.e. an outside impact, dent or other such event affecting the goods.

Under no circumstances is the Service Provider responsible for any so-called latent defects in the goods. The Service Provider will notify the Customer of any damage to, and loss or shrinkage of, the goods occurring during warehousing or detected in the goods, immediately upon the observation of said damage, loss or shrinkage.

The Service Provider's liability to compensate for damage to the goods during the Service Provider's warehousing responsibility is limited to the purchase value, excl. VAT on the goods, to a maximum of SDR 8.33 per kilo of gross weight of the goods covering the extent of the damage.

The Service Provider's liability to compensate for the part exceeding the Customer's liability for jointly established loss or shrinkage of goods while they are under the Service Provider's responsibility is limited to the purchase value excl. VAT of the goods, to a maximum of SDR 8.33 per kilo of gross weight of goods or covering the extent of the loss or shrinkage affecting them. The Customer's responsibility is

specified in Product Terms and Conditions under Goods Stock-Keeping and Inventories.

The Service Provider is not responsible for circumstances it could not have avoided or the consequences of which it could not have prevented (incl. fire, water damage, and damage caused by an outsider through a criminal act or otherwise). The Service Provider is not responsible for any action, mistakes or negligence by the Customer or a third party, nor the defective packaging of goods, incorrect or incomplete marking, special susceptibility to damage or environmental conditions.

The Service Provider will not take out insurance on the Customer's goods.

Customer's Liability

The Customer is responsible for taking out insurance on goods stored at the warehouse.

The Customer is liable for ensuring that the Service Provider does not suffer any damage and must ensure that the Service Provider does not become liable to pay compensation for the consequences thereof due, for instance, to

- 1) Any incorrect, ambiguous or incomplete information related to the goods;
- 2) Deficient packing, marking, declaration, etc. pertaining to the goods, should this be the responsibility of the Customer or a third party;
- 3) Deficient loading or stowage of goods by the Customer or a third party;
- 4) A feature of the product causing damage, which the Service Provider could not reasonably have identified.

If the stored goods are of such a quality that they are liable to cause danger or damage to persons, property or the environment, or there is imminent danger of depreciation in the value of the goods, the customer is obliged to remove the goods immediately upon being notified thereof. If necessary, the Service Provider has the right to remove goods which might cause said danger or damage from the warehouse or to take any other action deemed necessary in order to prevent said danger or damage. The Customer is liable to compensate the Service Provider in full for any costs incurred to the Service Provider due to the aforementioned measures, and any direct damage

caused by the goods to the Service Provider or a third party.

Incoming Goods

The Customer bears full responsibility for all of its purchasing operations. The Customer shall instruct the goods supplier to label delivered goods with product numbers and the number of items per box or pallet. The Customer will notify the Service Provider in advance of incoming shipments to the warehouse in the manner to be specified under customer-specific information. Changes in the delivery schedules have to be agreed upon well in advance and at the latest seven (7) days before the changes unless otherwise agreed upon in the contract.

The Customer's freight carrier is responsible for unloading the goods at the warehouse premises.

The Service Provider shall inspect incoming shipments to the warehouse, parcel by parcel, and add the incoming goods to the storage balance within 24 hours of the commencement of the Service Provider's warehousing responsibility, within the framework of the warehouse opening hours. Reception duties comprise the inspection of packaging and the wrapping of goods, and the inspection of the transport documents, the placement of individual parcels on pallets, warehouse accounting tasks and shelving. The Service Provider will countersign the freight bills and other transport documents as the Customer's representative and enter the required markings on them. The inspection will be conducted on warehousing unit level, i.e. units packed by the manufacturer will not be opened unless otherwise agreed.

The Service Provider is liable to enter the required provisions in the freight bills if damage to the packaging or wrapping of goods is detected. Parcels marked with a provision will be entered as unfit for sale, and the Customer notified of them. They will be moved aside to await the Customer's instructions on how to proceed with them and the related assignment.

The Service Provider shall retain the documents, freight bills, delivery notes and customer return documents arriving with incoming goods for six (6) months. This storage of documents is subject to a

place of storage charge. The Service Provider will retain information in its database for a period of one (1) year from the entry in the database of the information in question.

Storage of Goods

The Service Provider will store the goods in the warehouse on premises where they will not be damaged or their features altered during storage. However, the Service Provider is only liable to provide normal room conditions in the warehouse unless otherwise agreed.

The Customer must provide clear and sufficient instructions in good time on the handling and storage of goods. If any official regulations apply to the storage, handling or transport of goods, the Customer must inform the Service Provider thereof in advance in writing. The Service Provider is responsible for providing storage and handling services for such goods in compliance with said regulations or general safety requirements. Storage volumes, services and the cost of goods requiring special storage premises (e.g. acids, toxic substances, inflammable liquids) are subject to special agreement under the customer-specific information.

For the storage of goods, the Customer must supply the Service Provider with basic information on the goods well in advance. Basic information on goods comprises, at a minimum, the title code, name, sales unit and storage unit. Should the range change in any substantial way, the Service Provider shall be informed of such changes without delay in order to obtain its agreement on any further measures required and schedules applicable. If the Customer's title is removed from the range, the warehouse must be informed to allow the cancellation of the collection slot reservation or the removal of the entire title. When a title is removed, an inventory of it is made and the remaining balance disposed of in accordance with the Customer's instructions. The Customer is liable for costs incurred for assignments pertaining to the disposal of goods and the costs of the actual disposal.

Sending

The Service Provider will pack the goods sent as effectively as possible. The Customer must inform the Service Provider of any special packaging necessary

for the goods. The Service Provider will print out a dispatch note for the shipment alongside the required domestic transport documents. Export documents are subject to separate agreement. Standard documents will be produced in accordance with standard warehouse templates. Any customer-specific logos and other special needs are subject to agreement under customer-specific information.

Shipment delivery methods and response times for sending will be specified in the customer-specific information attached to the product contract.

The Customer is responsible for any carriers it uses, and the Customer must provide the Service Provider with the necessary information or instructions on measures agreed with the carrier that affect warehousing services. The Customer's freight carrier is responsible for loading the goods.

Packaging Material

The Service Provider's packaging material will be invoiced according to actual use volume. There will be no charge for recyclable (used) materials, and transport units will be handled as packaging material. As regards packaging material, the Service Provider will observe environmental aspects and utilise recyclable materials as extensively as possible.

The Service Provider will process cardboard material in unloaded incoming goods free of charge, and the Service Provider will invoice the Customer for the disposal of other packaging material of incoming goods.

The Customer is responsible for any official reporting related to packaging material.

Service Quality

The Service Provider will evaluate the quality of its operations and report the results in accordance with the service appendix. The Service Provider will prepare monthly reports to the Customer on service quality.

A person appointed by the Customer will act as the contact person for the Service Provider as regards daily complaints. The Customer's contact person must submit any complaints to the Service Provider within seven (7) days of the incident, in writing. Said

complaint must include information necessary for analysing the error (the Customer's order number, delivery date, recipient and information on the error).

Upon the Customer filing a complaint on warehousing operations, the Service Provider must prepare a report for the Customer within 24 hours. The Service Provider will undertake corrective measures as soon as possible. The Service Provider will allocate the complaint to the day on which the error occurred.

Returns

Customer returns will be directed to the address specified under customer-specific information.

If the return is sent to the Service Provider's warehouse, the Customer will provide advance notification of a returning shipment, whenever possible, alongside instructions for processing the return. The Customer will instruct the recipient of the shipment to use the contract number of the Customer's freight carrier for returns. Returned shipments must include the Customer's details, the returning party's details, information on the goods returned and the reason for the return.

The Service Provider will charge the Customer for any extra handling costs caused by unclear returns.

If the return is due to an error by the Service Provider, the Customer will contact the warehouse, which will place an order for return transport at the Service Provider's expense. The replacement delivery will be sent at the Service Provider's expense, using the freight carrier specified by the Service Provider.

Warehouse Accounting and Inventories

Itella shall, in its storage guidance system, maintain information on the product-specific amounts of the goods to be stored in the storage. The customer undertakes regularly in its own system to match the product-specific amounts with those of Itella by a separate updating rhythm agreed upon between the Customer and Itella. The matching refers to a comparison of the amounts of goods in the system of the Customer to the amounts in the system of Itella.

This aims at ensuring that if, for some reason or another, there are differences between the systems,

they shall be checked and the necessary correction measures made.

The checking rhythm shall be agreed on before the start of production. The measures relating to the checking of the amounts are described in the operative manual or in the service appendix.

If the amounts have not been checked or if the Customer does not verifiably otherwise prove, the amounts in the Itella storage guidance system shall be considered valid and they shall be used as the basis for calculating the amounts and the differences in inventories.

The Service provider is responsible for stock accounting based on the warehousing system, using arrival and dispatch transactions.

If any discrepancies occur during the pick-up, the goods in question will be inventoried. In such cases the Service Provider is responsible for inventories and corrections to the warehouse balance, at its own cost. The Service Provider can perform inventories upon its own initiative and at its own cost at any time, provided that they do not disrupt the Customer's operations.

If the Customer requires an inventory, the inventory will be performed within the normal warehouse working hours at a suitable time taking the reliability of the inventory into consideration. For such inventories, the Service Provider will charge a fee in accordance with the product contract. The Customer must inform the Service Provider of such inspections and inventories in advance and they must be performed so as to cause the minimum impediment to the Service Provider's operations.

Stock shrinkage will be established jointly by performing an inventory on the stored goods once per year at a minimum, unless otherwise agreed. Any resulting inventory discrepancies shall be verified on the basis of the balances revealed by the physical place of storage and the warehousing system balance. The balance discrepancy report will be sent to the Customer. Item-specifically, any + and – differences will be taken into account in balance discrepancies. Sums of goods will be totalled at purchase price. The Customer shall not be liable for compensating the Service Provider if the total comes to +. The inventory protocol will be reviewed and approved together with the Customer. The

Customer's deductible share for warehouse shrinkage is 0,8per cent of the warehouse stock value at the time of the inventory. In the stock shrinkage, the purchase prices of the Customer without value-added tax shall be used.

IT Systems

The IT system solution provided by the Service Provider to the Customer is specified in the service appendix attached to the Product Contract. Any costs of customising the IT system upon the request of the Customer are subject to a separate agreement. Any changes to the Service Provider's IT system influencing, or possibly influencing, the operations referred to in the product contract must be reported well in advance.

If changes are made in the IT system of the Customer resulting in changes in the IT system of the Service Provider or in the service complying with the contract or these product terms, the Service Provider has the right to check the service fees in accordance with the costs incurred by the changes in question.

ProWeb Lite

ProWeb Lite is an Internet-based service, enabling customers to verify the real time stock levels of their goods. This service also facilitates the entry of new delivery orders, the management of incoming purchase orders and the maintenance of basic information. Use of the system requires a workstation with an Internet connection.

Order forms must be completed and returned to Itella's contact person to facilitate the introduction of the system. Order forms will specify system users at the introduction stage. More users can be added later through the HelpDesk.

The costs of using ProWeb Lite comprise the setup fee and monthly usage fees. The setup fee covers setting up the environment, the required user IDs and an introduction to using the system. The monthly fee comprises rights of use to the system and HelpDesk support for assistance in use-related issues.

Service Prices and Invoicing

The service pricing principles are set forth in the price appendix to the product contract. The services are subject to monthly invoicing per calendar month and

invoices will itemise the costs incurred per event type, in compliance with the price appendix.

The Service Provider is entitled to special compensation for work required in addition to the services agreed in the product contract or its appendices. Unless otherwise agreed, the compensation will be based on the same principles as work included in the service agreed (e.g. the agreed hourly charge).

The Service Provider holds a right of lien to all the goods of the Customer in the warehouse in order to secure his receivables according to the contract and other receivables that he may have from the Customer. If a matured receivable of the Service Provider is not paid, the Service Provider has the right, in a secure manner, to sell so much of the goods that the total receivables of the Service Provider are covered in addition to any costs arisen.

Exceptions / Disturbances

The Service Provider is liable to inform the Customer as soon as possible of any disturbances occurring in its operations.

Should any prolonged disturbances occur in the Service Provider's daily operations, due to operations under the Customer's responsibility, the Service Provider has the right to negotiate over charging the Customer for any extra costs due to said disturbances.

Moving of Stock

Should the Service Provider so wish, and having negotiated with the Customer, the Service Provider may transfer the stock from its current location to a new one e.g. if the lease on the warehouse ends. Having negotiated with the Customer, the Service Provider may transfer the stock from the current location to another for some other reason, provided that the move does not cause any substantial damage to the Customer's operations.

A removal plan in writing must be provided on the moving of goods and their placement, taking account of the Customer's functional aspects and operational warehousing requirements.

The Customer is responsible for the transfer of goods and removal costs caused by the Customer. Should the Customer remove the goods from the Service Provider's warehouse in whole or in part prior to the termination of the agreement, the Service Provider reserves the right to charge the Customer for each remaining day of the contract period, at a rate corresponding to the Customer's average daily performance-based charge prior to the removal of the goods. The Service Provider does not have the right to charge for such compensation if the Customer has terminated the agreement as a result of a material breach of contract by the Service Provider or on any other grounds for termination stated in the agreement.

Amendments to Product Terms and Conditions

The Service Provider is entitled to revise these Product Terms and Conditions, and will inform the Customer well in advance of any such revisions.