

LITILIT UAB GENERAL TERMS AND CONDITIONS OF SALE

The following LITILIT UAB General Terms and Conditions of Sale (hereinafter *General Sales Conditions* or *GSC*) apply to all sales and deliveries of the Products and Services by LITILIT UAB or its affiliates (hereinafter *LITILIT* or *Seller*) to the Customer. Unless otherwise agreed by LITILIT in writing, the legal relations between LITILIT and the Customer shall be exclusively subject to the conditions set out in these GSC. Unless LITILIT has expressly accepted additional or different terms in writing, LITILIT rejects any terms or conditions of a Customer that are in addition to or in conflict with these GSC and Purchase Documents. Any such additional or conflicting terms shall be considered null and void. By ordering the Products and Services from the Seller, the Customer confirms that the Customer has read, understood and agrees with the GSC.

1. Definitions

1.1. *Customer* or *Buyer* shall mean the party to whom LITILIT has made an Offer for sale of its Products and/or Services by sending it a Quotation and/or Pro-forma invoice as referred to herein or with whom LITILIT has otherwise entered into an agreement wherein LITILIT is a supplier of Products and/or Services.

1.2. *Product(s)* shall mean hardware, software and all other goods and works that have been or will be supplied from LITILIT to the Customer according to the quantity, quality and any other specifications described in the particular Purchase document.

1.3. *Services* shall mean the services as provided by LITILIT or third parties engaged at the discretion of LITILIT, such as consulting, installation, maintenance and training or other Services as may be specified at the discretion of LITILIT.

1.4. *Quotation* or *Offer* shall mean an offer made by LITILIT to the Customer that has to be made in written form and signed (sent) by a person authorized to do so by virtue of applicable laws or a power of attorney issued to that effect by LITILIT UAB, including all and any annexes, drawings, specifications or any other descriptions of the Products or Services to be provided to the Customer by LITILIT.

1.5. **Purchase Documents** shall mean **LITILIT's quotations, order confirmation, invoices and** are always automatically governed by these GSC even if they are not explicitly referenced unless LITILIT agrees otherwise in writing.

2. Quotations and Orders

2.1. Unless otherwise mentioned in the Quotation, the Quotation shall be valid for a period of 45 (fourty five) calendar days. If an Acceptance of the Quotation or the Order by the Customer has not been received by LITILIT within this time limit, the Quotation shall not be deemed valid any more and LITILIT shall not be under any obligation to honor and perform it.

2.2. All offers of the Seller are nonbinding until the Customer places an order in writing. Contracts shall be deemed concluded only after the Seller has issued a written purchase order confirmation, effected delivery of the Products ordered.

2.3. The Seller shall be generally under no obligation to verify the correctness of the information provided by the Customer upon which the Seller's offer or order confirmation is based, and the Seller shall also not be obligated to investigate if the execution of the Customer's order based on such information infringes any third-party property rights.

2.4. The Seller reserves the right to process orders involving partial batches.

2.5. Prices quoted in the Seller's catalogues, brochures and price lists are subject to change and are not binding. Characteristics and properties of samples are only binding if expressly so agreed.

2.6. If any of the Purchase Documents (orders of Products or Services) are canceled for a reason for which the Customer is responsible, the Customer shall pay the penalty in the amount of 50 % of the net sales price of such canceled Purchase document as compensation, notwithstanding the possible assertion of claims for higher actual damages.

2.7. In case of any delinquent payment, the Customer shall, in addition to any other remedy of the Supplier, be obliged to pay 0.3 percent late payment interest for each day of delay on the amount not paid on time.

3. Prices

3.1. All prices for the Products and Services are stated ex works (Incoterms 2020) in addition to transport, insurance, packaging, dispatch, and in the case of export deliveries in addition to customs charges, fees, and other official duties. All prices, unless otherwise agreed in writing, are exclusive of value added tax which will be charged in addition at the official tax rate of the Republic of Lithuania. All bank charges related to

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the payment of any invoice issued by LITILIT are the responsibility of the Customer. The Customer agrees to ensure that the full invoiced amount is received by LITILIT.

3.2. The remuneration is due without any deduction upon delivery or acceptance. The Customer shall pay invoices within 30 (thirty) days as of submission of such invoices to the Customer, unless other term agreed by LITILIT in Purchase document or written agreement. All invoices issued for the delivered Product(s) should be paid before the delivery of the another Product(s) to the Customer unless agreed otherwise in writing.

4. Characteristics of the Products

4.1. The Customer agrees to indemnify the Seller against all liability arising from the Seller's performance of the Customer's order in accordance with the characteristics of the Products or Services provided by the Customer where such characteristics infringe any patent, trade mark, registered design or other intellectual property rights not owned by the Customer or the Seller.

4.2. The Seller reserves all copyrights and other intellectual property rights for the Products, drawings, characteristics, patterns, designs, calculations, services, samples, models and other documents that the Seller provides. They may neither be forwarded to third parties nor reproduced or used for other purposes without the Seller's written consent.

4.3. The Customer shall not disassemble or reverse engineer the Products. Taking due account of the provisions stipulated in paragraph 4.2 above, the Customer may use the drawings and characteristics supplied by the Seller only for the purposes of incorporating the Products into the products manufactured by the Customer, also for the purposes of maintaining, adjusting and repairing the Products. The Customer is not granted any license to use, copy or otherwise reproduce drawings or characteristics of the supplied Products in order to make spare parts for the Products or have them made.

5. Warranty

5.1. The Products shall be deemed free of defects if they conform to the specifications that have been expressly agreed in writing between the Parties. Any other express or implied warranty for objective or subjective requirements shall be excluded.

5.2. The Seller warrants to refund the price (depreciated by the Seller in accordance with the use term of the Product, provided the Customer returns the non - conforming Product at its cost), to repair or replace free of charge (at its own discretion choosing to repair or replace or refund the price) any of the Products found to be defective within 24 months from shipment (hereinafter the warranty period) as a result of faulty materials or workmanship. The extended warranty period can be agreed in writing between the Parties. For the purposes of this clause, the defective Product shall mean a material breach in Product, where Product does not work within the terms of the Product specification agreed in writing between the Parties. This warranty shall not apply in the event the Products have been modified or repaired by persons other than the Seller or its authorized technicians, and have been operated, stored or maintained in violation to the Seller's recommended conditions of use. In any case, the Customer shall bear the additional costs of defect rectification incurred due to the alteration and improper maintenance or use, faulty installation or operation of the Products. The Seller provide no guarantee for the marketability or suitability of the Products for a certain purpose of use, unless agreed otherwise in writing. The Customer shall be solely responsible to check whether the Products are suited for the intended purpose. The warranty is made only to our original Customer and is non-transferable to third parties. Products or their spare parts which are replaced or repaired under this warranty, are warranted only for the remaining unexpired portion of the original warranty period applicable to the specific Product. This paragraph 5.2 contains the exclusive remedies for any warranty breach. No other remedies, obligations, liabilities, rights, or claims, whether arising in tort, negligence, strict liability or otherwise, are available.

5.3. The defected Product shall be sent back to the Seller for the repair or replacement at the Customer's expense. If the defect is approved by the Seller, the Seller will bear the costs of returning the repaired or replaced Product to the Customer using the cheapest shipping method to the location initially agreed in the Purchase document of the defected Product. If the Customer requests to return the repaired or replaced

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Product to another place than initially agreed in the Purchase document of the defected Product, the Customer shall bear the costs of return transportation.

5.4. The Customer must always give the Seller the time and opportunity required in order to examine reported defects and other complaints; this particularly includes furnishing the Seller with the Product in question for testing purposes or, if it has been permanently installed or similarly affixed at a certain location, providing access to the Product, (its only Seller's discretion choosing to require to send the defected Product to the Seller or test/repair it on-site). The risk of loss of the Product shipped or delivered to the Seller's facility for repair or replacement will be borne by the Customer. If the Customer's request regarding the defect proves to be unjustified, the Customer shall reimburse all Seller's costs, including but not limiting the testing service, transportation.

5.5. On site warranty services will be available only under request of the Seller. For on-site repairs, the Customer will not be charged for the cost of labor and spare parts, only if the defect is legitimate. The Seller will provide an on-site Service engineer in a reasonable amount of time, provided that the Customer shall cover all transportation and subsistence costs of the Service engineer to the site and back as well as covering his subsistence costs on site for the whole period of stay. If warranty service is rendered at times other than normal working hours, then special rates may apply at the discretion of the Seller. The Seller won't bear any cost related to Customer's employee on site visit or any other Customer's costs related to defect.

5.6. The Seller might provide an engineer for an on-site visit for consumables replacement, non-warranty services. In this case all travel and living expenses, as well as engineer travel/labor fee, spare parts, shall be covered by Customer. This applies even during the Product warranty validity period.

6. Delivery

6.1. Delivery of Products shall be following rules of Ex Works (EXW) (Incoterms 2020), which means Products will be made available for pick up at Supplier's facility indicated in the Purchase document. This is where the risk and title transfer to the Product is deemed to occur.

6.2. The delivery period commences to run only after all issues which are essential for the performance of the contract have been clarified with the Customer and after the Customer has performed all essential acts incumbent on him which are required for the performance of the contract by the Seller. In particular, the delivery period does not commence to run until the Seller has received all information from the Customer which is required to effect delivery, or until the Customer has furnished proof that, if required, he has effected prepayment or provided a security, as agreed in the contract. If the delivery period will be interrupted by subsequent changes requested by the Customer, the desired changes can be agreed only by cancelling the existing order due to Customer's fault and confirming new order by the Seller.

7. Liability

7.1. Seller's total liability to the Customer is limited to the compensation of direct damages due to the Seller's fault, which need to be proved by the Customer, and is limited to 100 000 EUR.

7.2. The Seller shall not be liable for any special, indirect or consequential loss which may arise, including the Customer's loss of profit, business revenue, goodwill, or anticipated savings.

7.3. The Seller shall only be liable for the typically occurring, foreseeable damage incurred by the Buyer for Seller's faulty breach of contractual duties.

7.4. The Seller shall not be liable for direct or indirect loss, including loss of use, revenue, savings, profit, interest, goodwill or opportunity, costs of capital, costs of replacement or substitute use or performance, loss of data, any claims arising from Customer's third-party contracts, or for any type of indirect, special, liquidated, punitive, exemplary, collateral, incidental or consequential damages, or for any other loss or cost of a similar type and trading loss which results from the infringement of any intellectual or industrial property right, license or any other right or claim of third parties.

7.5. If the Seller is held liable by a third party for a loss for which LITILIT is not liable under these GSC and Purchase Documents or otherwise, then the Customer shall indemnify the Seller against any such loss, damage, interest, and/or other costs whatsoever incurred by the Seller with regard thereto.

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8. Confidentiality

8.1. All the information provided by the Seller to the Customer for the purpose of performance under these GSC and Purchase Documents whether such information is tangible or intangible, made in writing or in machine readable form, or disclosed orally, visually or in writing shall be considered as confidential information, including the information specified in these GSC as Proprietary rights (hereinafter Confidential information) unless the Customer proves to the Seller that this information was already known to the Customer at the time when the offer was submitted or subsequently made available to the latter by an authorized third party not bound by secrecy, or that the information in question had been or subsequently was made available to the general public through no fault of the Customer and without giving rise to any kind of responsibility for it on the part of the latter.

The Customer shall not, either during or after the expiration of the contract with the Seller, whether directly or indirectly, use or communicate to third parties any confidential information of the Seller. Such confidential information shall only be made available to such employees or agents of the Customer who need it for the reasonable execution of their assignments within the scope hereof, and on the condition that they are subject to a secrecy obligation corresponding to the obligation of the Customer, either by law or by contract. Should any of the employees or agents of the Customer be in breach of its secrecy obligation, the Customer shall be fully responsible therefore to each other.

8.2. All Confidential Information delivered by the Seller to the Customer is and shall remain the property of the Seller. Nothing in this Agreement shall be construed to grant the Customer any right or license to any Confidential Information.

8.3. All confidential and use restrictions herein with respect to Confidential Information shall survive termination of the agreement/legal relation between the Parties and continue for an indefinite period after termination.

9. Proprietary rights

9.1. The sale of the Products/Services hereunder to the Customer shall in no way be deemed to confer upon the Customer any right, interest or license in any patents or patent applications, pending applications in each case whether or not registerable in any country or design copyrights, trademarks, service marks, know-how, trade secret, valuable research or other proprietary rights LITILIT may have covering the Products/Services. LITILIT retains for itself all proprietary rights in and to all designs, engineering, manufacturing details, and other data and materials pertaining to any Products/Services supplied by LITILIT and to all discoveries, inventions, patents and other proprietary rights arising out of the work done by LITILIT in connection with the Products/Services or with any and all Products developed by LITILIT as a result thereof, including the sole right to manufacture any and all such Products. The Customer warrants that it will not divulge, disclose, or in any way distribute or make use of such information, and that it will not manufacture or engage to have manufactured such Products.

9.2. All drawings and other technical documents regarding the Products/Services or their manufacture submitted by LITILIT to the Customer, shall remain the property of LITILIT. Drawings, technical documents or other technical information received by the Customer shall not, without the prior written consent of LITILIT, be used for any other purpose than that for which they were submitted. They may not without the prior consent of LITILIT be copied, reproduced, transmitted or otherwise communicated to any third persons or parties.

10. End-Use of the Products/Services and related policies

10.1. The Customer undertakes to inform the Seller immediately with or upon the placement of the order by sending an email to the following address of the Seller info@litolit.com in case the Customer is planning or is aware or in any other way has reasonable ground to believe that the Products/Services supplied to the Customer are or may be used for the following purposes: (i) in connection with the development, production, handling, operation, maintenance, storage, detection, identification or dissemination of chemical, biological or nuclear weapons or other nuclear explosive devices or the development, production, maintenance or storage of missiles capable of delivering such weapons; (ii) for a military end-use if the purchasing country or country of destination is subject to an arms embargo (for the purposes of this point, 'military end-use' means: incorporation into military items listed in the military list of member states of European Union; use of production, test or analytical equipment and components therefor, for the development, production or maintenance of military items listed in the military list of member states of European Union; or use of any unfinished products in a plant for the production of military items listed in the military list of member states of European Union); (iii) as parts or components of military items listed in the national military list that will be exported from the territory of

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a member states of European Union without authorization or in violation of an authorization prescribed by the national legislation of that member states of European Union (or otherwise as specified in consolidated and in force version of the Part 1 Article 4 of the Regulation (EU) 2021/821 of the European Parliament and of the Council of 20 May 2021 setting up a Union regime for the control of exports, brokering, technical assistance, transit and transfer of dual-use items). Otherwise, it is considered that the Customer certifies that the Products/Services will not be in any way used for the above-mentioned purposes. The Customer agrees that upon receipt of such notification the Seller has the right at its own discretion to decide on the continuity of the order i.e. to proceed with the order or to postpone delivery or cancel the order, and it will not be considered as a breach of the Terms. The Customer also agrees to provide to the Seller (upon its separate request) any additional information related to the circumstances of the End-Use of the Products which (i) is necessary for the risk assessment of compliance of the executed order with the requirements of the Regulation (EU) 2021/821 and (ii) which is specified in Annex 2 of the Commission Recommendation (EU) 2019/1318 of 30 July 2019 on internal compliance programmes for dual-use trade controls and Annex 3 of the Commission Recommendation (EU) 2021/1700 of 15 September 2021 on internal compliance programmes for controls of research involving dual-use items. The Customer acknowledges that it is aware that not providing such information or providing incomplete information, as well as providing information about the order that meets the risk criteria set out in Annex 2 of the Commission Recommendation (EU) 2019/1318 as well as in Annex 3 of the Commission Recommendation (EU) 2021/1700, may also invoke postponement of the delivery or canceling of the order executed by the Seller, including those that are shipped, and such situation will not be considered as a breach of the GSC as well. The Seller has the right at his discretion to require from the Customer to return all Products affected and pay to the Seller a penalty of 100% of the total contract value or the value of the Products affected, whichever is higher within reasonable time but not more than 90 days of notice from the Seller, and reimburse any other damages incurred by the Seller.

10.2. By placing the Order, the Customer certifies that it, its subsidiaries, shareholders, beneficiaries, other related persons and its clients/end-users (i) are not subject to International Sanctions (including those imposed by the UN Security Council, EU, Lithuania, US including OFAC, or UK or other competent institution) (further-International sanctions); (ii) comply with International sanctions; (iii) are not Prohibited Party meaning any natural person, legal entity or unincorporated legal arrangement that:

1) is designated on any International Sanctions List or is subject to International Sanctions (whether the International Sanctions are imposed on an individual or on the basis that the person is a member of a group of individuals), or

(2) is directly or indirectly owned or controlled by a person referred to in (1);

(3) is established under the laws of, or is located in, any country or territory to which International Sanctions are applied;

(4) provides services and/or supplies goods that are prohibited by International Sanctions;

(5) acts on behalf of, at the direction of, or for the benefit of a person referred to in (1) and/or (2) and/or, to the extent relevant, in accordance with (3) and/or (4). In each case, only to the extent specified by the International sanctions, the ability to enter into transactions or have business relationships or otherwise exercise any rights with respect to such person or perform any duties or obligations to such person is restricted or prohibited;

(iv) are not performing business, financial relationships with Prohibiting Party.

The Customer undertakes to inform the Seller immediately by sending an email to the following address of the Seller info@litolit.com in case the Customer's certification regarding International sanctions or Prohibited Party in paragraph 10.2 above has become or may reasonably become invalid. The Customer agrees that upon receipt of such notification the Seller has the right at its own discretion to decide on the continuity of the order i.e. to proceed with the order or to postpone delivery or cancel the order or terminate the contract, and it will not be considered as a breach of the Terms. In case of contract termination, the Seller has the right at his discretion to require from the Customer to return all Products affected and pay to the Seller a

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penalty of 100% of the total contract value or the value of the Products affected, whichever is higher within reasonable time but not more than 90 days of notice from the Seller, and reimburse any other damages incurred by the Seller.

10.3. The Customer shall not sell, export, re-export, transfer, or otherwise make available, directly or indirectly, to any jurisdiction, entity, or individual subject to International sanctions, any Products supplied under or in connection with these GSC. The Customer shall undertake its best efforts to ensure that this obligation is not frustrated by any third parties further down the commercial chain, including resellers, agents, or affiliates. The Customer shall establish and maintain an adequate monitoring mechanism to detect conduct by third parties that could frustrate this obligation. Any violation of these obligations shall constitute a material breach of this Agreement. The Seller shall be entitled to seek appropriate remedies, including but not limited to termination of the contract with the Customer and a penalty of 100% of the total contract value or the value of the Products affected, whichever is higher. The Customer shall promptly inform the Seller of any issues in applying these obligations, including any relevant activities by third parties. Upon request, the Customer shall provide information demonstrating compliance within two weeks.

10.4. The Customer acknowledges that the Products and certain related technical information are subject to export controls under applicable law. In the exercise of its rights, and the performance of its obligations under the contract with the Seller, the Customer shall comply strictly with all such export control laws and regulations applicable to the Products and any related technical information. Without limiting the generality of the foregoing, the Customer will not, and will not permit its employees, representatives or customers to: a) export, re-export, divert or transfer the Products or any related technical information, or any direct product thereof, to any destination, company, or person restricted or prohibited by applicable export controls or b) disclose the Products or any related technical information to any national of any country when such disclosure is restricted or prohibited by applicable export controls.

10.5. The Customer shall indemnify the Seller for all costs, losses or debts incurred by it as a result of any complaint, claim, inspection, case, proceeding, investigation or other action relating to any actual or alleged violation of International Sanctions or certifications under paragraph 10.1-10.4 by the Customer or its related persons in connection with the Product, whether directly or indirectly by a supervisory or law enforcement authority or a third party. The Customer's obligations under this Paragraph 10 shall survive the termination or expiration of the contract with the Seller.

11. Law, Jurisdiction

11.1. These GSC and any agreements, rights and obligations between the Seller and the Customer shall be governed by and construed in accordance with the law of the Republic of Lithuania.

11.2. All disputes and disagreements between the Customer and LITILIT shall be resolved by the Parties through mutual negotiations. Should negotiations fail, the dispute shall be finally resolved by the competent court of the Republic of Lithuania (the venue of litigation shall be Vilnius).

12. Miscellaneous

12.1. The transfer of rights and duties of the Customer resulting from the contract concluded with the Seller requires the written consent of the Seller in order to be effective.