

POLIMASTER EUROPE TERMS AND CONDITIONS OF SALE

(Last updated May 1, 2022)

PLEASE READ THE TERMS CAREFULLY BEFORE PLACING YOUR ORDER

NOTE: The following Terms and Conditions of Sale (the **"Terms and Conditions"**) are subject to change. All transactions for Products sold by UAB "Polimaster Europe" are subject to the latest revision of the Terms and Conditions of Sale published by UAB "Polimaster Europe" at its website <https://polimaster.com/eu/terms.php/>

1. INTERPRETATION

"Purchaser" shall mean a person or organization named as the buyer and any authorized person or organization that negotiates, contracts, or signs the contract on the buyer's behalf.

"Polimaster" shall mean the seller of the Product(s) - UAB "Polimaster Europe".

"Product(s)" shall mean the product(s), equipment and services of Polimaster described in the purchase order, specification and invoice related thereto.

"Proforma Invoice" shall mean a preliminary bill of sale sent to Purchasers by Polimaster in advance of a shipment or delivery of goods, serving as an offer of sale and providing a description of the Products, sale price quote, delivery terms, and other important information, including without limitation transportation charges.

"Effective Date" shall mean the date indicated in Polimaster proforma invoice when such Proforma Invoice is accepted and countersigned by an authorized representative of the Purchaser as duly executed confirmation of Purchaser's ultimate and explicit consent to buy the Product(s) on the terms indicated in Polimaster Proforma Invoice.

"Right to Refuse Orders" All orders are subject to Polimaster's management approval. The right is reserved to refuse orders at the prices filed if such course seems to be advisable and to the best interest of Polimaster.

2. PRODUCT PURCHASE ORDERS

Purchaser will provide Polimaster with a complete written purchase order serving as a request for quote and containing necessary information, such as the name, type and quantity of Product(s), requested delivery date and

delivery instructions, and if required by the nature of the transaction, with description of particular technical specifications required for manufacturing certain specific Product(s). Notwithstanding any terms or conditions which may be included in the purchase order form or other communication, Polimaster acceptance of any purchase order is conditional upon Purchaser's assent to, or if this writing is construed as the offer, acceptance hereof is expressly limited to these Terms and Conditions set forth herein. It is agreed that sales are made only on these Terms and Conditions and any terms or conditions other than those set forth herein are hereby objected to by Polimaster and shall not become a part of the agreement of sale unless expressly agreed to in writing by Polimaster. Polimaster's failure to object to any term or condition contained in Purchaser's purchase order or other communication shall not be deemed to be acceptance of such term or condition. All purchase orders may be subject to prior credit approval. Stenographic, typographic and clerical errors are subject to correction.

3. PROFORMA INVOICE, ACCEPTANCE OF PROFORMA INVOICE, GOVERNING PROVISIONS, AND CANCELLATIONS

No purchase order for Polimaster Product(s) shall be binding upon Polimaster until a respective Proforma Invoice that sets forth all the essential terms of sale (including without limitation sale price quote) offered by Polimaster is issued in writing, signed by an authorized representative of Polimaster and sent to Purchaser. Any sale of Products shall be subject to these Terms and Conditions. Polimaster sale offer indicated in Proforma Invoice is expressly conditioned on assent to such Terms and Conditions given by Purchaser. By signing Proforma Invoice Purchaser explicitly and expressly accepts the terms thereof and applicability of these Terms and Conditions to the Product(s) sale. In the absence of Purchaser's written assent to these Terms and Conditions, the assent to these Terms and Conditions shall be deemed given unless the Purchaser shall expressly notify Polimaster in writing to the contrary prior to any shipment or other performance of sale by Polimaster and, in any event, before the Effective Date. The Terms and Conditions set forth herein shall be deemed incorporated (as though set forth in full) into any agreement of sale entered into between Polimaster and Purchaser unless otherwise modified in writing. Neither purchase order received by Polimaster nor Proforma Invoices issued by Polimaster may be altered or modified by the Purchaser unless agreed to in writing by an authorized representative of Polimaster. No modified or other conditions will be recognized by Polimaster unless specifically agreed to in writing. Failure of Polimaster to object to altered or modified provisions or other communication from the Purchaser (including without limitation, penalty clauses of any kind) shall not be construed as a waiver of these Terms and Conditions or an acceptance of any such altered or modified provisions. No Proforma Invoice accepted by Purchaser may be

cancelled or terminated except upon payment of Polimaster's loss, damage or expense arising from such cancellation or termination.

4. QUOTATIONS AND PRICES

Polimaster written quotations indicated in Proforma Invoice are not firm unless expressly indicated, with a specific period of time during which the quotation will remain firm on the face thereof. Written quotations indicated in Proforma Invoice are conditioned upon acceptance by the Purchaser within thirty (30) days from date Proforma Invoice issued and shall be considered as offers by Polimaster to sell during such thirty (30) day period unless other period of validity is indicated in Proforma Invoice or sooner terminated by written notice of Polimaster. Other Polimaster publications maintained as sources of general information are not quotations or offers to sell. Polimaster reserves the right, without any increase in price, to modify the design and specifications of Product(s) manufactured by Polimaster, provided that the modification does not adversely affect the original performance specifications as specified by Polimaster or as requested by Purchaser. Purchaser shall not assign any interest in the contents of the sale terms offered in Proforma Invoice (including quotation) without the prior written consent of Polimaster.

5. PAYMENT TERMS

Cash in advance (prepayment) within five (5) calendar days from the Effective Date as set forth in Section 1 hereof are standard terms of payment for Product(s), which shall apply to all sales and Proforma Invoices. Any variations and modifications of such standard terms shall be clearly stated in respective Proforma Invoice of Polimaster. The date of payment shall be the date when the funds are actually received and credited to Polimaster's account. If payment due under this Section 5 hereof (or any other payment due by Purchaser for the Product) is not effected by Purchaser within five (5) calendar days after the Effective Date (or other date as may be indicated in writing in Proforma Invoice), or if the financial conditions of Purchaser at any time is such as to give Polimaster, in its fair judgment, reasonable grounds for insecurity concerning Purchaser's ability to perform its obligations under the purchase order, Polimaster has the right at its sole discretion by written notice to Purchaser: a) to cancel its obligations under such purchaser order, without judicial intervention or declaration of default of the Purchaser and without prejudice to any right or remedy which may have accrued or may accrue thereafter to Polimaster; b) to require full or partial payment in advance and suspend any further deliveries and Product(s) shipment to Purchaser until Purchaser duly fulfils its obligations under this Section 5 hereof, or (c) make shipments C.O.D. within the terms of delivery set forth in Section 6 hereof. Notwithstanding anything to the contrary herein, title to the Product(s)

shall pass from Polimaster to Purchaser upon the full and complete payment of the total price as indicated in accepted Proforma Invoice and respective final invoice. All bank commissions shall be borne by Purchaser.

6. DELIVERY

Product(s) shall be shipped by Polimaster on the dates specified in respective Proforma Invoice accepted by Purchaser. Polimaster shall be considered as a party duly performed its obligations to deliver the Product(s) at the moment of passing the Product(s) to the first carrier under term FCA, Vilnius, Incoterms 2010 (the "**Delivery Date**"), unless otherwise agreed by the parties in writing and indicated in Polimaster's Proforma Invoice. Early delivery is allowed. The Product(s) shall be packaged so as to prevent its damage or deterioration in transit to its destination. On the day of actual shipment of the Product(s) Polimaster shall send to the Purchaser either by telefax or e-mail a packing list, a copy of the transport document, and final invoice indicating the essential terms of sale and other relevant information. Regardless of the manner in arranging freight payment or payment of insurance or arrangement of import and export formalities/responsibilities, risk of loss or damage in transit shall pass to the Purchaser at the point Polimaster delivers the Product(s) into the custody of the first carrier. Unless otherwise advised in the form of a written notice, Polimaster may arrange the Product(s) delivery, insure to full value of the Products or declare full value thereof to the first carrier at the time of delivery, provided however that all such freight, customs and insurance costs shall be for the Purchaser's account. Polimaster reserves the right to make delivery in instalments, unless otherwise expressly agreed by the parties in writing and specified in Polimaster's Proforma Invoice. All such instalments when separately invoiced shall be paid for when due per respective Proforma Invoice, without regard to subsequent deliveries. Delay in delivery of any instalment shall not relieve the Purchaser of its obligations to accept remaining deliveries.

7. QUALITY OF THE PRODUCT(S), ACCEPTANCE PROCEDURE

Within five (5) days after the Product(s) receipt, the Purchaser or its authorized representative shall complete the Product(s) acceptance procedure. Quality of the Product(s) should be in compliance with the requirements specified in operating manual shipped with the Product(s). The Product(s) shall be considered acceptable if their quality corresponds with the requirements specified in such operating manual. If during performance of acceptance procedure the Purchaser or its authorized representative claims that all the Product(s) or part of them are not in compliance with the aforementioned requirements of this Section 7, it shall immediately send Polimaster written notification that declares and explains

non-conformity of the Product(s). No Product may be returned without first obtaining Polimaster written Return Material Authorization (the "**RMA**") with a respective RMA number. The request for RMA must be filed with Polimaster and shall include the purchase order number, approximate date shipped and any and all other identifying numbers (such as Proforma Invoice number, date of invoice, etc.), type and quantity of Product(s), the part numbers and the reasons for the return. If return authorization is granted, Product(s) shall be returned in a clean, well packaged condition. Non-conforming Product(s) shall be repaired or replaced by Polimaster at its sole discretion at no cost to the Purchaser within thirty (30) business days after Polimaster receives non-conforming Product(s), unless otherwise agreed by the Parties in writing. If within 5-day period indicated in this Section 7 the Purchaser or its authorized representative fails to perform and complete the Product(s) acceptance procedure and/or does not return Polimaster any written notifications which state claims in respect of the Product(s) non-conformity, the Product(s) shall be deemed unconditionally accepted by the Purchaser.

8. WARRANTY

The warranty period for the delivered Product(s) shall be two (2) years, unless otherwise agreed by the parties in writing and indicated in respective Proforma Invoice, and shall begin on the day of the Product(s) delivery date as set forth in Section 6 hereof. If, during the applicable warranty period, the Product(s) furnished to the Purchaser fail, whether due to Polimaster's negligent acts or omissions, or otherwise, to conform to requirements specified in Section 7 hereof, Polimaster shall either replace or repair, at its option, defective Product(s) and shall furnish instructions for the disposition of such defective Product(s). Any transportation charges involved in such disposition shall be for Polimaster's account. Purchaser's exclusive and sole remedy on account or in respect of the furnishing of defective Product(s), whether due to Polimaster's negligent acts or omissions, or otherwise, shall be to secure replacement or repair thereof as aforesaid. Polimaster in no event shall not be liable for the cost of any labour expended on any non-conforming or defective Product(s) or for any special, direct, indirect or consequential damages to anyone by reason of the fact that such Product(s) shall have been non-conforming or defective. The warranty shall not apply (a) to Product(s) not manufactured by Polimaster, (b) to Product(s), which has been repaired or altered by others than Polimaster, (c) to Product(s), which has been subject to negligence, accident or damage by circumstances beyond Polimaster control, (d) to Product(s) subject to improper operation, maintenance, storage or to other than normal use or service. Other restrictions and limitation may apply to warranty provisions as may be set forth in operating manuals for respective Product(s).

For further information on how to get Warranty Service, please contact Polimaster Customer Service. If the Affected Product is being returned to Polimaster for Warranty Service, it is necessary to obtain a return authorization from Polimaster prior to shipment. NO PRODUCTS SHALL BE RETURNED TO POLIMASTER UNTIL YOU RECEIVE RETURN AUTHORIZATION AND SHIPPING INSTRUCTIONS FROM POLIMASTER.

9. LIABILITIES

Unless otherwise agreed by the parties in writing, each party shall be liable for breach of any obligations or default committed by such party and compensate the other party the loss sustained by the other party because of such breach or default. In case of faulty failure to deliver the Product(s) for more than ten (10) business days from the agreed delivery date, Polimaster shall pay a penalty at the 0.05% rate of the cost of non-delivered Product(s) for each day of delay but not more than 10% of the cost of non-delivered Product(s). The total cumulative liability of Polimaster under agreement of sale (including but not limited to the loss and penalty) shall not exceed the price of the Product(s) or part of the Product(s) on which such liability is based. In the event that partial payment is agreed by the parties, if the full amount of the payment as indicated in invoice is not effected within ten (10) calendar days after the Delivery Date, Polimaster, at its option, may be relieved from its obligation under the respective agreement of sale and, in addition to any other relief available under applicable law and these Terms and Conditions, shall be entitled to a penalty payment by the Purchaser equal to the greater of (i) the rate of 0.05% of the full amount of the payment due for each day of such delay in payment, (ii) the maximum amount allowed pursuant under the law, but not more than 10% of the Product(s) price due. In no event will Polimaster be liable for any indirect, special, incidental, or consequential damages under any form or theory of action whatsoever, including, without limitation, lost profits, overhead, damages for loss of goodwill, work stoppage, computer failure or malfunction, or any and all other commercial damages or losses, even if advised of the possibility thereof. Nothing herein shall be construed as limiting Purchaser's liability for infringement of intellectual property rights of Polimaster. The Purchaser will indemnify, defend, and hold Polimaster harmless from and against any and all claims, demands, liabilities, losses, damages, judgments, or settlements, including all reasonable attorney's fees, and expenses related thereto, directly or indirectly resulting from the Purchaser's actual or alleged breach of its warranties, covenants or other obligations. Polimaster shall promptly notify the Purchaser of any such suit or claim and furnish the Purchaser with a copy of each communication, notice, or other action relating to the claim.

Third Party Products. We do not support or make any warranties about products manufactured or supplied by third parties that you purchased through any of our sales channels. When you buy a third party product, we will let you know that this purchase is governed by the third-party's own contract terms. You must look directly to the relevant third-party manufacturer for product support, warranties, and to make warranty claims. Polimaster agrees, however, to assign to you any warranty rights we may have from the original manufacturer or third party supplier, to the extent the original manufacturer or third party supplier allows.

10. FORCE MAJEURE

The parties are released from their responsibilities for partial or complete non-execution of their liabilities under the agreement of sale and these Terms and Conditions should this non-execution caused by force majeure circumstances that can neither be foreseen nor avoided including but not limited to: declared war, civil disturbances, epidemic, blockades, embargo, earthquakes and any other natural disasters, as well as governmental decisions that may be obligatory even if for one party and that occurred after these Terms and Conditions has been concluded and if these circumstances had a direct damaging effect on execution of their Terms and Conditions. The notification issued by the Chamber of Commerce of the party in which territory it occurred is required for confirmation of occurrence and duration of force major circumstances. The party, which is unable to fulfil its obligations under the force major circumstances shall notify in written the other party of when the situation has occurred, how long it is expected to last and to what extent it affects the execution of their Terms and Conditions. If the force majeure circumstances exist during three successive months, the parties without indemnity of possible losses can terminate these Terms and Conditions.

11. DISPUTE SETTLEMENT, GOVERNING LAW

In the event of a dispute between the parties arising out of or in connection with their agreement of sale and these Terms and Conditions, the parties shall use their best efforts to resolve the dispute on an amicable basis. Once a dispute has arisen, the parties shall notify each other in writing of their positions on the dispute and any solution which they consider possible. If either party deems it useful, the parties shall meet and try and settle the dispute. A party shall respond to a request for amicable settlement within ten (10) business days of such a request. The maximum period for reaching such a settlement shall be thirty (60) business days from the commencement of the procedure. If an amicable settlement cannot be reached, either party hereto may request, by written notice, that the dispute be resolved by Vilnius Court of Commercial Arbitration in Vilnius, Lithuania in accordance with the Commercial Arbitration Rules of Vilnius

Court of Commercial Arbitration. Any award rendered by the arbitrator shall be final and binding on the parties and any judgment on such arbitration award may be enforced in any court of competent jurisdiction. Nothing in this Section 11 shall prevent a party from seeking or obtaining equitable relief from a court of competent jurisdiction, whether before, during or after arbitration proceedings. The prevailing party in any legal action, including arbitration, brought by one party against the other and arising out of these terms and conditions shall be entitled, along with any other rights and remedies it may have, to reimbursement for its expenses, including court costs and reasonable attorney's fees. These Terms and Conditions shall be governed by and construed and enforced in accordance with the laws of the Republic of Lithuania, without reference to conflicts of law rules and principles. To the extent permitted by law, the provisions of these Terms and Conditions shall supersede any provisions of applicable national laws in any competent jurisdiction.

12. PRODUCTS FOR EXPORT

Purchaser is responsible to designate the true, ultimate destination of the Products to Polimaster in your purchase order. Unless otherwise expressly stated in the Purchaser's purchase order, Polimaster presumes that all Products are destined for ultimate delivery in the European Union countries. In the event you purchase the Products for export without notifying Polimaster, Polimaster shall not be liable for deficiencies in packing, marking, labeling, documentations, or warranty which may result from attempts to export the Products. The Products which are destined for ultimate delivery outside the European Union countries must be purchased by placing a purchase order accompanied by a completed End User Certificate, which can be obtained from Polimaster Customer Service. The Purchaser shall indemnify and hold Polimaster, its affiliates and their employees, directors, and officers harmless for any claims and damages resulting from your failure to act in compliance with the above ordering procedure and your omission to notify Polimaster about purchasing the Products for export.

The Purchaser also acknowledges that each Product and any related software and technology, including technical information we supply you, including those contained in Product documents (collectively "**Items**"), is subject to the Lithuanian and European Union export control laws and regulations, which may restrict or require licenses for the export of Items from Lithuania and their re-export from other countries. The Purchaser and its end users must comply with the applicable export control laws, regulations, laws, treaties, and agreements relating to the export, re-export, and import of any Item. The Purchaser and/or its end users must not, directly or indirectly, without first obtaining the required license to do

so from the appropriate government agency, (a) export, re-export, distribute or supply any Item to any restricted or embargoed country or to a person or entity whose privilege to participate in exports has been denied or restricted by the Lithuanian and European Union government; (b) any person or entity who is involved in improper development or use of nuclear weapons or of chemicals/biological weapons, or missiles, or in terrorist activities. Upon request of Polimaster, the Purchaser shall provide information on the end user and end use of any Item you export or plan to export. The Purchaser will cooperate fully with us in any official or unofficial audit or inspection related to applicable export or import control laws or regulations, and will indemnify and hold Polimaster and its employees, officers, directors, and/or agents harmless from, or in connection with, Purchaser or Purchaser's consultants', officers, agents' or employees' violation of this Section 12.

The Purchaser assure that: no Goods, Documentation, Confidential Information or any portion thereof, is in any way delivered, exported or re-exported to any individual located in any country or region to which the United States or European Union has embargoed goods or similarly restricted export of products (the "Restricted Nations"); and/or to any individual, group or organization on the United States Department of Treasury's Office of Foreign Assets Control's List of Specially Designated Nationals or the United States Department of Commerce's Bureau of Export Administration's List of Denied Persons, or any restricted export of products (the "Restricted Nations"); and/or to any individual, group or organization included by the Council of the European Union in the sanctions lists of persons and (or) organizations.

The Purchaser represents and confirm that the Goods will not be used in any way, or have the possibility of being used, in violation of the United States and European Union sanctions imposed due to Russian aggression against the nation of Ukraine; especially in regard to the expanded definition of Military End-Use and End-User, as defined by the current export import regulations of the United States of America and European Union.

13. ANTI-CORRUPTION COMPLIANCE

The Purchaser and, to the Purchaser's knowledge, each employee and agent of the Purchaser, have complied with and are in compliance with, and none of them has taken any action that has violated or would reasonably be expected to result in a failure to comply with or a violation of the OECD Convention on Combating Bribery of Foreign Public Officials in International Transactions, dated 21 November 1977 and adopted by the Lithuanian Seimas on 20 April 2017, the Prevention of Corruption Law of the Republic of Lithuania No. IX-904 dated 28 May 2002, as amended, the rules and

regulations thereunder, and any other laws that prohibit commercial bribery, domestic and foreign corruption or money laundering, and the standards established by the Financial Action Task Force on Money Laundering.

14. HAZARDOUS MATERIALS

The Purchaser acknowledges that the materials transmitted by Polimaster may be, or become, considered as hazardous materials under various laws and regulations. The Purchaser agrees to familiarize itself (without reliance on Polimaster except as to the accuracy of specific safety information actually furnished by Polimaster) with any hazard of such materials and their applications and the containers in which such materials are shipped. Purchaser agrees to inform and train its end users, employees and representatives as to such hazards. Purchaser agrees to hold Polimaster harmless against any claims by it, its end users, employees and representatives based on allegations relating to any such hazards, except where such claims are based on failure to meet written specifications or the inaccuracy of specific safety information actually furnished by Polimaster.

15. MISCELLANEOUS

If these Terms and Conditions or any provision thereof is, or the transactions contemplated hereby are, found by a court of competent jurisdiction to be invalid, void, unenforceable for any reason or inconsistent or contrary to any valid applicable laws or official orders, rules and regulations, in whole or in part, the inconsistent or contrary provision of these Terms and Conditions shall be null and void and such laws, orders, rules and regulations shall control and, as so modified, these Terms and Conditions shall continue in full force and effect and the remaining provisions of these Terms and Conditions shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by the applicable law. These Terms and Conditions, together with the relevant purchase order, specification, Proforma Invoice accepted by Purchaser and final invoice, constitutes the entire agreement and understanding between the parties with respect to its subject matters and supersedes all prior agreements, understandings and representations, written or oral, to the extent they relate in any way to the subject matter of their agreement of sale.

16. CONFIDENTIALITY Purchaser agree to keep confidential any non-public technical information, commercial information (including prices, without limitation) or instructions (including without limitation any specifications, code, algorithms, calibration instructions, protocols) received from us as a result of discussions, negotiations and other communications between us in relation to our Products or services.