

General Terms and Conditions for the Sale of Products and Services of KSI Technologies USA Corp.

1. General provisions

- 1.1. These terms and conditions of sale (these "Terms") are the only terms that govern the sale of the goods ("Products") and services ("Services") by KSI Technologies USA Corp. or its affiliates ("KSI" or "our") to the customer named on the Order Confirmation (as defined below) ("Customer"). Collectively Customer and KSI are referred to as the "Parties" and individually as "Party".
- 1.2. The accompanying Order Confirmation and these Terms (collectively, this "Agreement") comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. This Agreement supersedes any of Customer's general terms and conditions of purchase regardless of whether or when Customer has submitted its purchase order or such terms. KSI expressly rejects Customer's general terms and conditions of purchase, and fulfillment of Customer's order does not constitute acceptance of any of Customer's terms and conditions or serve to modify or amend these Terms.
- 1.3. Notwithstanding anything herein to the contrary, if a written contract signed by both Parties is in existence covering the sale of the Products and Services covered hereby, the terms and conditions of said contract shall prevail to the extent they are inconsistent with these Terms.

2. Offer, conclusion of the contract and quotation documents

- 2.1. Our quotes and offers are non-binding and subject to change. KSI may, from time to time change the Services or make technical changes or changes of shape, color, or weight of the Products without the consent of Customer provided that such changes do not materially affect the nature or scope of the Services or Products, or the fees or any performance dates set forth in the Order Confirmation.
- 2.2. By placing an order with KSI, Customer agrees to purchase the ordered Products. KSI has the right to accept or reject Customer's offer. The order becomes binding upon KSI when KSI has accepted Customer's order. KSI's acceptance of Customer's order will occur upon the earliest of the following: (i) the issuance of an invoice for the Products or Services, (ii) the commencement of performance by KSI, (iii) the delivery of the Products or Services, or (iv) written confirmation of Customer's purchase order (the "Order Confirmation").
- 2.3. KSI will confirm receipt of orders transmitted electronically. The confirmation of receipt shall not represent KSI's binding acceptance of the order by itself.
- 2.4. If Customer orders the Products via electronic channels, the contract text will be stored by us and be sent, including this Agreement, by email to Customer on request.
- 2.5. Any verbal agreements shall be invalid, unless they are expressly accepted in writing by KSI before the conclusion of a contract or in the Order Confirmation.
- 2.6. Customer warrants that no proprietary rights of third parties have been violated by the production, insofar as KSI has delivered Products according to drawings, models or other documents provided by Customer. If third parties bring claims against KSI by invoking existing rights, KSI shall be entitled without any penalty and without being obligated to review the merit of these claims, to discontinue any further activity relating to such Products. Customer agrees to indemnify, defend, and hold harmless KSI, its affiliates, officers, directors, employees, and agents from and against any and all claims, suits, actions, damages, liabilities, costs, and expenses (including attorneys' fees) arising out of or relating to any third-party claim that the Customer's designs or specifications, or any modifications thereof, infringe, misappropriate, or violate any intellectual property rights (including patents, copyrights, trademarks, or trade secrets) of a third party.

3. Prices and Payment Terms

- 3.1. Customer shall purchase the Products and Services from KSI at the prices (the "Prices") set forth in the Order Confirmation. All Prices are net prices and are exclusive of all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any governmental authority on any amounts payable by Customer. Customer shall be responsible for all such charges, costs, and taxes; provided, that, Customer shall not be responsible for any taxes imposed on, or with respect to, KSI's income, revenues, gross receipts, personnel, or real or personal property or other assets.
- 3.2. KSI reserves the right to adjust our prices accordingly if cost reductions or increases occur in a substantial amount (> 5% of the calculated cost item) after the signing of the Agreement, in particular due to wage agreements or purchase price and

increases in the price(s) of material(s). KSI shall prove these costs to Customer on request by means of suitable documents.

- 3.3. Unless otherwise agreed to by the Parties in writing, Customer shall pay all invoiced amounts due to KSI within 30 days from the date of KSI's invoice. If Customer has not paid the price in full within the appropriate time period, Customer will be in default without further warning or notice from KSI.
- 3.4. Payment will be deemed made on time (i) if made within the time frame according to Section 3.3 of these Terms and (ii) if it was remitted in the form required by KSI, including cash, cheque, letter of credit, wire transfer, or other form of electronic transfer, and as soon as KSI can deposit the amounts in case of cash payment or payments by bills of exchange or cheque.
- 3.5. Customer shall pay interest on all late payments at the lesser of the rate of 5% per month or the highest rate permissible under applicable law. Customer shall reimburse KSI for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees. In addition to all other remedies available under this Agreement or at law (which KSI does not waive by the exercise of any rights hereunder), KSI shall be entitled to suspend the delivery of any Products if Customer fails to pay any amounts when due hereunder and such failure continues for 60 days following written notice thereof. If Customer is in default of payment, or if its bills of exchange are insufficient or if it becomes insolvent or subject to proceedings under applicable bankruptcy legislation or ceases to carry on business, any amounts which that Customer owes to KSI or which Customer will owe at a later date shall also become due immediately.
- 3.6. Customer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with KSI, whether relating to KSI's breach, bankruptcy, or otherwise.
- 3.7. In the event of a deterioration of Customer's credit rating occurring after the confirmation and in the event of a default of payment of Customer for other deliveries, KSI shall have the right to demand advance payments or the provision of appropriate collateral.

4. Force Majeure and Termination

- 4.1. KSI shall not be liable or responsible to Customer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of KSI including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion, or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lockouts, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage, provided that, if the event in question continues for a continuous period in excess 30 days, Customer shall be entitled to give notice in writing to KSI to terminate this Agreement. Any Products or Services that were completed or delivered prior to the force majeure event will be paid by Customer for on a pro-rata basis and any payments made in advance for undelivered Products or unperformed Services will be refunded to Customer.
- 4.2. In addition to any remedies that may be provided under these Terms, KSI may terminate this Agreement with immediate effect upon written notice to Customer, if Customer: (i) fails to pay any amount when due under this Agreement and such failure continues for X days after Customer's receipt of written notice of nonpayment; (ii) has not otherwise performed or complied with any of these Terms, in whole or in part; or (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.

5. Delivery of Products and Performance of Services

- 5.1. The Products will be delivered within a reasonable time after the receipt of Customer's purchase order. Delivery dates given by KSI are estimates only and are subject to shipping variations and requirements.
- 5.2. Unless otherwise agreed in writing by the parties, KSI shall deliver the Products to 1711 University Commercial Pl, Charlotte NC 28213, United States of America (the "Delivery Point") using KSI's standard methods for packaging and shipping such Products. Customer shall be responsible for all loading costs and provide equipment and labor reasonably suited for receipt of the Products at the Delivery

Point and will unload and release all transportation equipment promptly, so KSI incurs no demurrage or other expense.

- 5.3. KSI may, in its sole discretion, without liability or penalty, make partial shipments of Products to Customer. Each shipment will constitute a separate sale, and Customer shall pay for the units shipped whether such shipment is in whole or partial fulfillment of Customer's purchase order.
- 5.4. If for any reason Customer fails to accept delivery of any of the Products on the date fixed pursuant to KSI's notice that the Products have been delivered at the Delivery Point, or if KSI is unable to deliver the Products at the Delivery Point on such date because Customer has not provided appropriate instructions, documents, licenses or authorizations: (i) risk of loss to the Products shall pass to Customer; (ii) the Products shall be deemed to have been delivered; and (iii) KSI, at its option, may store the Products until Customer picks them up, whereupon Customer shall be liable for all related costs and expenses (including, without limitation, storage, and insurance).
- 5.5. The quantity of any installment of Products as recorded by KSI on dispatch from KSI's place of business is conclusive evidence of the quantity received by Customer on delivery unless Customer can provide conclusive evidence proving the contrary. KSI shall not be liable for any non-delivery of Products (even if caused by KSI's negligence) unless Customer gives written notice to KSI of the non-delivery within 5 days of the date when the Products would in the ordinary course of events have been received. Any liability of KSI for non-delivery of the Products shall be limited to replacing the Products within a reasonable time or adjusting the invoice respecting such Products to reflect the actual quantity delivered. Customer acknowledges and agrees that the remedies set forth in Section 5.5 are Customer's exclusive remedies for the delivery of non-delivery of Products.
- 5.6. KSI shall use reasonable efforts to meet any performance dates to render the Services specified in the Order Confirmation, and any such dates shall be estimates only.
- 5.7. With respect to the Services, Customer shall (i) cooperate with KSI in all matters relating to the Services and provide such access to Customer's premises, and such office accommodation and other facilities as may reasonably be requested by KSI, for the purposes of performing the Services; (ii) respond promptly to any KSI request to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for KSI to perform Services in accordance with the requirements of this Agreement; (iii) provide such customer materials or information as KSI may reasonably request and Customer considers reasonably necessary to carry out the Services in a timely manner and ensure that such customer materials or information are complete and accurate in all material respects; and (iv) obtain and maintain all necessary licenses and consents and comply with all applicable laws in relation to the Services before the date on which the Services are to start.
- 5.8. If KSI's performance of its obligations under this Agreement is prevented or delayed by any act or omission of Customer or its agents, subcontractors, consultants, or employees, KSI shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges, or losses sustained or incurred by Customer, in each case, to the extent arising directly or indirectly from such prevention or delay.

6. Quantity

- 6.1. If KSI delivers to Customer a quantity of Products of up to 5% more or less than the quantity set forth in the Order Confirmation, Customer shall not be entitled to object to or reject the Products or any portion of them by reason of the surplus or shortfall and shall pay for such Products the price set forth in the Order Confirmation adjusted pro rata.

7. Shipping Terms.

- 7.1. KSI shall make delivery in accordance with the terms on the face of the Order Confirmation or, if not specified on the Sales Confirmation, EXW the Delivery Point Incoterms 2020.

8. Title and Risk of Loss.

- 8.1. Title and risk of loss passes to Customer upon delivery of the Products at the Delivery Point. As collateral security for the payment of the purchase price of the Products, Customer hereby grants to KSI a lien on and security interest in and to all of the right, title, and interest of Customer in, to, and under the Products, wherever located, and whether now existing or hereafter arising or acquired from time to

time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the North Carolina Uniform Commercial Code.

9. Inspection

- 9.1. Customer shall inspect the Products within 5 days of receipt ("**Inspection Period**"). Customer will be deemed to have accepted the Products unless it notifies KSI in writing of any Nonconforming Products (as defined below) during the Inspection Period and furnishes such written evidence or other documentation as reasonably required by KSI. "**Nonconforming Products**" means only the following: (i) a Product shipped is different than identified in the Order Confirmation; or (ii) a Product's label or packaging incorrectly identifies its contents.
- 9.2. If Customer timely notifies KSI of any Nonconforming Products, Customer shall, in its sole discretion, (i) replace such Nonconforming Products with conforming Products, or (ii) credit or refund the Price for such Nonconforming Products, together with any reasonable third-party shipping and handling expenses actually incurred and paid by Customer in connection therewith. Customer shall ship, at its expense and risk of loss, the Nonconforming Products to KSI's facility indicated in writing. If KSI exercises its option to replace Nonconforming Products, Customer shall, after receiving KSI's shipment of Nonconforming Products, ship to Customer, at Customer's expense and risk of loss, the replaced Products to the Delivery Point.
- 9.3. Customer acknowledges and agrees that the remedies set forth in Section 9.2 are Customer's exclusive remedies for Nonconforming Products. Except as provided under Section 9.2, all sales of Products to Customer are made on a one-way basis and Customer has no right to return Products purchased under this Agreement to KSI.

10. Limited Warranty

- 10.1. KSI warrants to Customer that for a period of 12 months from the date of delivery of the Products (the "**Warranty Period**"), the Products will materially conform to the specifications set forth in the Order Confirmation, if any, and be free from material defects in material and workmanship.
- 10.2. KSI warrants to Customer that it shall perform the Services using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and shall devote adequate resources to meet its obligations under this Agreement.
- 10.3. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN SECTION 10.1 AND SECTION 10.2, KSI MAKES NO EXPRESS OR IMPLIED WARRANTY WHATSOEVER WITH RESPECT TO THE PRODUCTS, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; (ii) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (iii) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE. CUSTOMER ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY KSI, OR ANY OTHER INDIVIDUAL OR ENTITY ON KSI'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN SECTION 10.1 AND SECTION 10.2 OF THIS AGREEMENT.
- 10.4. Products manufactured by a third party ("**Third Party Product**") may constitute, contain, be contained in, incorporated into, attached to, or packaged together with, the Products. Third Party Products are not covered by the warranty in Section 10.1. For the avoidance of doubt, KSI MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY THIRD PARTY PRODUCT, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; (ii) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (iii) WARRANTY OF TITLE; OR (iv) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.
- 10.5. KSI shall not be liable for a breach of the warranties set forth in Section 10.1 or Section 10.2 unless: (i) Customer gives written notice of the defective Products or Services, as the case may be, reasonably described, to KSI within three (3) business days of the time when Customer discovers or ought to have discovered the defect; (ii) if applicable, KSI is given a reasonable opportunity after receiving the notice of breach of the warranty set forth in Section 10.1 to examine such Products and Customer (if requested to do so by KSI) returns such Products to KSI's place of business at KSI's cost for the examination to take place there; and (iii) KSI reasonably verifies Customer's claim that the Products or Services are defective.

- 10.6. KSI shall not be liable for a breach of the warranty set forth in Section 10.1 or Section 10.2 if: (i) Customer makes any further use of such Products after giving such notice; (ii) the defect arises because Customer failed to follow KSI's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Products; (iii) Customer alters or repairs such Products without the prior written consent of KSI; or (iv) the defect arises from deterioration due to normal wear, corrosion, abuse, damage, accident, improper storage, or operation.
- 10.7. Subject to Section 10.5 and Section 10.6 above, with respect to any such Products during the Warranty Period, KSI shall, in its sole discretion, either: (i) repair or replace such Products (or the defective part) or (ii) credit or refund the price of such Products at the pro rata contract rate provided that, if KSI so requests, Customer shall, at KSI's expense, return such Products to KSI.
- 10.8. Subject to Section 10.5 and Section 10.6 above, with respect to any Services during the Warranty Period, KSI shall, in its sole discretion, (i) repair or re-perform the applicable Services or (ii) credit or refund the price of such Services at the pro rata contract rate.
- 10.9. THE REMEDIES SET FORTH IN SECTION 10.7 AND SECTION 10.8 SHALL BE THE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND KSI'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTIES SET FORTH IN SECTION 10.1 AND SECTION 10.2, RESPECTIVELY.

11. Limitation of Liability

- 11.1. IN NO EVENT SHALL KSI OR ANY OF ITS REPRESENTATIVES BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE, WHETHER KSI WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT, OR OTHERWISE) UPON WHICH THE CLAIM IS BASED.
- 11.2. KSI'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, SHALL NOT EXCEED THE TOTAL OF THE AMOUNTS PAID TO KSI FOR THE PRODUCTS AND SERVICES SOLD HEREUNDER WHICH GAVE RISE TO THE CLAIM.
- 11.3. The limitation of liability set forth in Section 11.2 shall not apply to (i) liability resulting from KSI's gross negligence or willful misconduct and (ii) death or bodily injury resulting from KSI's acts or omissions.

12. Intellectual Property and Confidential Information

- 12.1. KSI reserves all intellectual property rights, including copyrights on illustrations, drawings, price lists, calculations and other documents relating to the Products. These documents may only be disclosed to third parties by Customer with our prior explicit written agreement.
- 12.2. All non-public, confidential or proprietary information of KSI, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts, or rebates, disclosed by KSI to Customer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated, or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by KSI in writing. Upon KSI's request, Customer shall promptly return all documents and other materials received from KSI. KSI shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Customer at the time of disclosure as demonstrated written evidence; or (c) rightfully obtained by Customer on a non-confidential basis from a third party.

13. Waiver

- 13.1. No waiver by KSI of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by KSI. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement by KSI operates or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder by KSI precludes any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege by KSI.

14. Compliance with Law

- 14.1. Customer shall at all times comply with all laws applicable to this Agreement, Customer's performance of its obligations hereunder, and Customer's use of the Products. Without limiting the generality of the foregoing, Customer shall (i) at its own expense, maintain all certifications, credentials, licenses, and permits necessary to conduct its business relating to the purchase or use of the Products, and (ii) not engage in any activity or transaction involving the Products, by way of shipment, use, or otherwise, that violates any law.
- 14.2. Customer shall comply with U.S. Foreign Corrupt Practices Act and any other local anti-corruption regulations in their respective jurisdictions. Customer shall comply with all export and import laws of all countries involved in the sale of the Products under this Agreement or any resale of the Products by Customer. Customer assumes all responsibility for shipments of Products requiring any government import clearance. KSI may terminate this Agreement if any governmental authority imposes antidumping or countervailing duties or any other penalties on Products.
- 14.3. Personal data, which arise in connection with the contractual relationship, will be stored for the purpose of data processing in observation of all applicable data protection and privacy laws.

15. Governing Law and Jurisdiction

- 15.1. This Agreement is governed by, and construed in accordance with the laws of the State of North Carolina without giving effect to any conflict of laws provisions thereof that would result in the application of the laws of a different jurisdiction. All legal proceedings shall be instituted in the state or federal courts of the State of North Carolina. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts.
- 15.2. The Parties agree that the United Nations Convention on Contracts for the International Sale of Products (CISG) does not apply to this Agreement.

16. Miscellaneous

- 16.1. Changes or amendments of contracts concluded with KSI require the written form for validity. This also applies to the waiver of the requirement of the written form.
- 16.2. All notices shall be in writing and addressed to the Parties at the addresses set forth on the face of the Order Confirmation or to such other address for either Party as that Party may designate by written notice. All notices must be delivered by nationally recognized overnight courier, or certified or registered mail (in each case, return receipt requested).
- 16.3. If any term or provision of this Agreement is determined to be invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.
- 16.4. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Compliance with Laws, Intellectual Property and Confidential Information, Governing Law and Jurisdiction, and Miscellaneous.
- 16.5. The relationship between the Parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the Parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.