

GENERAL TERMS AND CONDITIONS FOR THE SUPPLY OF PROCESSES, PRODUCTS AND SERVICE

Covering the Legal entities:

The CALJAN GROUP of companies is a group of affiliated, commonly - owned companies including but not limited to: Caljan A/S (DK 30205618), Caljan GmbH (DE HRB 10918), Caljan Limited (UK 03223165), Caljan SARL (FRA 849 333 653), Caljan Inc. (US: 84-1274727 (tax ID), Caljan LSEZ SIA (LV 52103036881). Herein after referred to as "Caljan".

1. PLACING OF THE ORDER

An Order for the Supply of Mechanical, Electrical and Electronic Products ("Goods") and / or service is placed by Caljan by the issue of a Purchase Order or contract (Hereafter "Purchase order"). A Purchase Order becomes binding on both Parties When Accepted by the Seller. Any term deviating from the Agreement, hereunder these General Terms, shall only apply if it has been accepted in writing by Caljan before delivery of the Goods.

2. PRICES AND PAYMENT

- (1) The price for the Goods will be listed in the Purchase Order.
- (2) Terms of payment shall be current month plus 60 days after receipt of correct and adequately prepared invoice. Invoice shall be issued in accordance with the Purchase Order and the Agreement to become due for payment. Caljan's payment of an invoice shall not be considered acceptance of the delivery of Goods, and Caljan shall, regardless of payment, maintain the right to claim remedies for breach.
- (3) In case of delayed payment, interest may be charged with the Danish Central Bank's official discount rate.
- (4) The Seller shall not be entitled to receive payment until the Seller has observed all his contractual obligations, including contractual delivery, relevant documentation, remedying of any defects, and issuing of correct invoice, always in accordance with the Agreement.

3. DELIVERY AND DELAY

- (1) Place of delivery and passing of title and risk shall be DAP at the adress on the purchase order (as per Incoterms 2020) unless the Goods are to be installed, in which case Delivery and passing of Risk shall pass upon Caljan's acceptance of the installation, unless otherwise specified in the Purchase Order.
- (2) The Seller shall be in charge of packing the Goods and shall be responsible for the adequacy and appropriateness of the packing, so that the supply can be transported undamaged to the agreed place of delivery. If Goods are to be carried by Ship transport, the Seller shall ensure that the Goods are packed seaworthy.
- (3) In case the Goods are supplied in a non-contractual state, defective or not supplied in correct quantities, the Seller shall cure any such deficiencies in the Goods in accordance with this Agreement. Goods are not delivered until such deficiencies have been cured to the satisfaction of Caljan.
- (4) The time of delivery will be stated in the Purchase Order. Time is of the essence and any delay shall be considered material. In case of delay, including delay caused by force majeure, the Seller shall be obliged to give written notice of the delay, and the Seller shall be obliged to cover any loss or additional cost caused by the delay (except in case of force majeure), if Caljan, at its sole discretion, decides to accept the delay.
- (5) If Caljan decides to accept the delay, the Seller undertakes to pay, without documentation for a loss, a penalty in the form of a cash reduction of the purchase price of 2½ % of the total purchase price for each 7-day period or fractions thereof of delay, however, no more than 15 % of the total purchase price. The cash reduction shall be deducted in connection with payment of the invoice for the Goods and shall not require special notice to the Seller.

4. DEFECTS

(1) The Seller warrants and guarantees that the Goods are in every respect clear and free from any pledge, lien, or encumbrance and in full compliance with any instructions, specifications or drawings as agreed with Caljan or specified by Caljan and of good, merchantable quality and manufactured in accordance with industry standards, government rules and regulations and good workmanship. If this is not the case the Goods are considered Defective.

(2) If Seller changes the design, content, structure, raw materials, color, composition, treatment or manufacturing process of the Goods, and this results in different characteristics of the Goods, such changes shall be agreed to by Caljan prior to delivery. If such agreement from Caljan is not obtained prior to delivery, Caljan may in its sole discretion, and irrespective of the apparent insignificance of the changes, declare the Goods to be Defective.

(3) If the Goods are Defective or fully or partly not in accordance with the Agreement or Caljan's instructions, specifications or drawings, the Seller shall replace the Goods by new Goods (re-delivery) or remedy the defects within an agreed reasonable period without costs for Caljan. Caljan shall only be obliged to accept the Seller's re-delivery or remedying if this can be done either before the time of delivery or within an agreed reasonable period. Any remedying or re-delivery shall be at the Seller's risk and expense and shall be carried out at the place where the Goods are located unless the Seller finds it appropriate to remedy the defect elsewhere and the Goods can be moved without inconvenience for Caljan.

(4) If defects are not remedied by the Seller in accordance with the above, Caljan shall in its sole discretion be entitled to remedy the defects at the Seller's expense and risk, to cancel the Purchase Order and claim damages according to applicable law. Caljan may decide to accept the defective Goods in exchange of a reduction of the purchase amount.

(5) If re-delivery is made with delay, or if remedying has not been completed by the date of delivery, Caljan shall be able to claim a penalty in accordance with Clause 3.5 above without special notice.

(6) Caljan does not necessarily carry out full quality control of the Goods upon delivery, and Caljan shall therefore at any time be entitled to enforce defects, to the extent that notice to this effect has been issued by Caljan no later than three weeks after Caljan has discovered the defect. Notice can be issued per email, letter or orally.

5. DOCUMENTATION

(1) Any drawings, technical documents, and other documents regarding the supply of Goods ("Documentation") shall in any respect belong to Caljan, regardless of whether such documentation has been prepared fully or in part by the Seller. The Seller shall not use Documentation unless in relation to the supply of Goods, and the Seller must not copy or reproduce the Documentation or disclose it to a third party unless with the prior consent from Caljan. If the cooperation between the parties terminates, regardless of the reason, Caljan shall be entitled to use any documentation prepared by the Seller.

(2) Unless specified otherwise in the Purchase Order, the Seller shall as an integrated part of the supply of Goods provide Caljan with specified and/or required certificates or documentation, installation and operating manuals, safety and maintenance instructions and other information and drawings ensuring that Caljan is fully able to use, process, mount, incorporate, maintain and repair the Goods.

(3) Special tools and special moulds which may have been made only for supply of Goods to Caljan and which have been paid for fully or in part by Caljan, shall only be used to execute orders for Caljan.

(4) In case of termination of the cooperation between the Parties, the Seller is obliged on demand to return any documentation, special tools, special moulds and other material related to the Goods. The Seller shall not, regardless of the circumstances, be entitled to exercise a right of retention, levy a lien on such or in any similar way prevent immediate handing over to Caljan of such objects.

6. INTELLECTUAL PROPERTY

(1) Seller warrants that he has cleared any and all right, title and interest in the Goods and Seller shall, at his sole risk and expense defend, indemnify and hold harmless Caljan from and against, any claim, suit or proceeding brought against Caljan or any member of the Caljan corporation, claiming that the use, manufacture or sale of the Goods or any part thereof by Caljan in its business interest, constitutes infringement of any patent, copyright, trademark, design right, right to proprietary information or any other intellectual or intangible right (“Intellectual Property Right”) of a third party.

(2) To the extent that any Intellectual Property Right incorporated in the Goods belongs to the Seller, Caljan has a perpetual, royalty free but non-exclusive right to use the Goods within Caljan’s business interest. Caljan may transfer and assign such right along with Caljan’s business interest.

(3) Where any potential Intellectual Property Right in any country in the world results from developments, ideas, information, input, data, equipment, processes, substances, specifications, methods or similar, done by or originating from Caljan such rights shall vest with Caljan.

7. SUBCONTRACTORS

(1) In relation to the supply of Goods, the Seller shall only use Subcontractors approved by Caljan and Seller must ensure that any Subcontractor is subjected to duty of confidentiality and right to audit/inspect as outlined below in clause 8.

(2) The Seller shall not replace an approved subcontractor without Caljan’s prior consent, which shall not be unreasonably withheld.

8. INSPECTION & QUALITY REQUIREMENTS

(1) Caljan shall at any time be entitled to inspect or audit the documentation relating to the Goods or the manufacturing and packing of the Goods at the Seller’s plant or at the Seller’s approved Subcontractors’ plant. The right will be exercised upon reasonable notice at reasonable times and Caljan may authorize a representative to conduct the inspection or audit. Caljan is entitled to take copies of any records inspected in the course of that audit or inspection. Seller shall co-operate fully and furnish Caljan all necessary assistance in the conduct of the auditor inspection. Caljan shall only be entitled to audit those records directly relating to the supply of Goods.

(2) Caljan shall be entitled to carry out any review, examination or request any information relevant to ensure and confirm that the supply of Goods is on time and that delivery will be free of defects and in contractual condition.

(3) Caljan shall at any time be entitled to take any measures required under applicable law to ensure Caljan’s right of ownership if title to the Goods shall pass to Caljan prior to delivery.

9. LIABILITY AND INSURANCE

(1) The Seller shall be liable for any claim for damages or breach of contract in accordance with applicable law.

(2) The Seller has been encouraged to take out appropriate insurance cover for the supply of Goods, including transport insurance, liability insurance and product liability insurance.

10. FORCE MAJEURE

(1) Failure in performance under this Agreement by either Party shall not be deemed a breach of this Agreement if such failure arises from any cause in the nature of Force Majeure.

(2) Force Majeure includes;

(a) Riot, war, invasion, act of foreign enemies, hostilities (whether war be declared or not),

(b) acts of terrorism, civil war, rebellion, revolution, insurrection of military or usurped power.

(c) Ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or radioactive, toxic, explosive, or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

(d) Earthquake, flood, fire, explosion, Pandemic, Acts of God and/or other natural physical disaster; but excluding weather conditions as such, regardless of severity, for which operational contingency plans exist.

(e) Strikes at a national or regional level or industrial disputes at a national or regional level, or strikes or industrial disputes by labour not employed by the affected party its Contractors or its suppliers and which affect a substantial or essential portion of the duties of a Party.

(f) Maritime or aviation disasters.

(g) Changes to any general Statute, Ordinance, Decree, or other Law or any regulation or the introduction of any such Statute, Ordinance, Decree, Law, or regulation.

(3) Any Party desiring to invoke the protection of Force Majeure shall promptly notify the other Party of such desire and shall use reasonable efforts to resume performance of its obligations.

11. GOVERNING LAW & DISPUTES

- (1) The **Agreement** shall be subject to and interpreted in accordance with the law applicable to the place of the registered office of **CALJAN**
- (2) The courts sitting in the jurisdiction of the registered office of **CALJAN** shall have exclusive jurisdiction over all proceedings and controversies arising in connection with mentioned above, even in the event of joinder or multiple defendant(s).