



CALIAN ADVANCED TECHNOLOGIES

TERMS AND CONDITIONS OF PRODUCT SALE

The sale of products and services (collectively the “Products”) by Calian Ltd.’s (“Calian”) Advanced Technologies business unit to you as the customer (“Purchaser”) are subject to the terms and conditions herein (“Agreement”). No added or other terms or conditions found in Purchaser’s purchase orders, documents, confirmations or communications is accepted without Calian’s express written and signed consent. Furthermore, Calian’s failure to object to conflicting or additional terms provided by a Purchaser shall not vary, negate or add to the terms of this Agreement.

1. PURCHASE ORDERS

Calian provides 30-day protection of prices included on all of its Product quotations issued to Purchaser (the “Quotes”). Upon written agreement between Purchaser and Calian, prices may be ensured for longer periods of time, at Calian’s sole discretion, without altering any other terms and conditions found herein. All purchase orders issued by Purchaser or other agreements between the parties, except for Quotes, are subject to written or electronic acceptance or execution by Calian. All accepted orders for purchase of Products (the “Purchase Orders”) are non-cancelable and non-returnable. Purchaser may not change, cancel or reschedule Purchase Orders without Calian’s prior written consent. If Purchaser requests to cancel a Purchase Order for Products that have not yet shipped and Calian, in its sole discretion, agrees to such cancellation, Calian reserves the right to charge a fifteen percent (15%) re-stocking fee on the price of such cancelled Products.

2. PRICING

Subject to Section 1 above, Product prices are subject to change at any time. Prices do not include taxes, freight, duties, and other charges or fees including special packaging, custom labeling of the Products, country specific permits, customs declarations and related matters (“Taxes and Fees”). In all cases, Purchaser is responsible for the determination of and payment for all such Taxes and Fees. Calian will provide Purchaser with assigned Commodity HS Export classification codes for the Products upon request.

3. DELIVERIES AND TITLE

All Product sales by Calian are quoted Ex Works Calian factory (Incoterms 2020). Title shall pass to Purchaser upon Calian receiving payment in full for the Product(s). With Purchaser approval in either electronic form or in writing, Calian may provide partial deliveries and Purchaser will accept delivery and pay for the Products delivered. Calian is not liable for any delays in delivery of Products. A delayed delivery of any part of a Purchase Order does not entitle Purchaser to cancel other deliveries without Calian's express written consent and subject to all terms of this Agreement. Calian reserves the right to allocate the sale of Products among its Purchasers with sole discretion.

Calian will provide Purchaser with informed status of the scheduled delivery proactively or upon Purchaser's request.

4. TERMS OF PAYMENT

On a per Purchase Order basis, Calian may grant Purchaser Net 30-day terms from the invoice date or as otherwise approved in writing by Calian. Payment of the total invoice amount, without any deduction, is due prior to shipment in all other cases. On any past due invoice, Calian has the right to charge interest on overdue amounts at 18% per annum. If this rate is deemed lawfully invalid, then the maximum rate under applicable laws will be charged to and paid for by Purchaser. Additionally, purchaser agrees that reasonable attorney fees and collection costs will be charged and paid for by Purchaser. Calian may change the terms of Purchaser's credit at any time, require financial data from Purchaser in order to evaluate creditworthiness, require a bank guarantee or other security, or indefinitely suspend outstanding Purchase Orders. If Purchaser fails to satisfy any payment due under this Agreement, Calian reserves the right to reschedule, cancel or delay any outstanding delivery. Any credit issued by Calian to Purchaser will expire if unused for twelve (12) months following the date of issuance of the credit, unless otherwise prohibited by applicable law or otherwise specifically agreed upon between Calian and Purchaser.

5. PRODUCT INFORMATION

Calian makes no representation as to the accuracy or completeness of the Product information it supplies to Purchaser, outside of the applicable published Product datasheet. All product information is subject to change without notice. Calian is not responsible for typographical or other errors or omissions in Product information. Calian recommends Purchaser validate any Product information before using or acting on such information. Calian will be pleased to assist Purchaser in such validation requests.

6. LIMITED WARRANTY

Calian Products are warranted that they conform to the specifications provided in the Product datasheets, as applicable, and are warranted against defects in material and workmanship for a period of **one (1) year** from the date of invoice. During this warranty period Calian will, at its option, either repair or replace Products that prove to be defective.

For warranty service or repair, the Product must be returned to a service facility designated by Calian. Authorization from Calian to return Products must be obtained by Purchaser prior to shipment. Purchaser shall pay all shipping charges to Calian and Calian shall pay shipping charges to return the Product(s) to Purchaser. Purchaser shall pay any duties and taxes incurred in shipping products to or from Calian. Calian's estimated target turnaround time for repairs is twenty (20) business days, but this estimate can in no way be relied upon as a guarantee hereunder.

In the event there is no defect found in Products returned for repair during the warranty period, Purchaser will pay Calian its standard evaluation charge.

Any repairs or maintenance outside of the aforementioned warranty shall be provided by Calian and charged to Purchaser at Calian's standard rates in effect at that time. All shipping costs, fees, taxes or duties for out of warranty repairs will be the responsibility of Purchaser.

The foregoing warranty shall not apply to defects resulting from: improper or inadequate maintenance by Purchaser; Purchaser supplied interfacing and/or integration, unauthorized modification or misuse, operation outside of the environmental specifications for the Product, or improper site preparation or maintenance. Calian specifically disclaims the implied warranties of fitness for any particular purpose. Except as otherwise expressly stated in this Agreement, Calian hereby disclaims all conditions and warranties, whether express, implied, statutory or otherwise, including, without limitation, all implied conditions and warranties of quality, performance, merchantability and fitness for a particular purpose.

Purchaser's sole remedies for breach of Calian's warranty described in this section are, at Calian's discretion: (i) repair the Products; (ii) replace the Products at no cost to Purchaser; or (iii) refund Purchaser the purchase price of the Products.

7. LIMITATION OF LIABILITY

In no event shall Calian or its affiliates be liable for any indirect, special or consequential damages whatsoever (including, without limitation, damages for loss of business profits, business interruption, loss of business information, or any other pecuniary loss) arising out of this Agreement, even if Calian has been advised of the possibility of such damages, or for any claim by any other party.

In no event will Calian's liability under this Agreement exceed the amount paid by Purchaser for the Product(s) during the six (6) month period immediately prior to the date on which the event giving rise to the claim accrued.

8. PATENT AND COPYRIGHT INFRINGEMENT

Calian agrees to indemnify Purchaser against any claim (and reasonable out-of-pocket associated costs resulting therefrom) by a third party that Purchaser's use of the Product has infringed a patent or copyright, provided, however, that (i) Calian is promptly notified in writing of such claim, (ii) Calian shall have the sole control of the defence and/or settlement thereof, (iii) Purchaser furnishes to Calian on request all information available to Purchaser for such defence, and (iv) Purchaser will not admit any such claim and/or make any payments with respect to such claim without the prior written consent

of Calian. If any injunction or order is obtained against Purchaser's use of the Product, Calian, at its sole discretion and expense, may procure for Purchaser the right to continue using the Product; replace or modify the Product to make it substantially similar and functionally equivalent and non-infringing or resolve the infringement by accepting return of the product and refunding any monies paid for the Product.

The above patent and copyright matters shall not apply to infringement claims arising from: (1) modifications made by Purchaser, (2) the specifications supplied by Purchaser, or (3) Purchaser's combination of the Product with other products not supplied by Calian. In such cases, Purchaser will similarly indemnify Calian for infringement claims not under Calian's control and responsibility as provided above.

9. FORCE MAJEURE

Calian will not be liable for any failure or delay in performance under this Agreement, which might be due in whole or in part to causes beyond its reasonable control. Examples of such events of force majeure include but are not limited to, acts of nature, acts of terror, natural disasters, materials shortages, delays in delivery, pandemics, transportation disruptions, or inability to obtain materials through Calian's regular sources and suppliers.

10. USAGE OF PRODUCTS

Calian Products are not intended nor authorized for use in critical safety or within applications where a failure could result in loss of life, personal injury, or serious property damage. If Purchaser uses or resells the Products for use in any such applications, Purchaser acknowledges that such use, sale, or non-compliance is at Purchaser's sole risk and liability. Purchaser is responsible for complying with the Products stated specifications and limitations.

11. INTERNATIONAL TRADE COMPLIANCE

Certain technology and documentation sold by Calian are subject to export control laws and regulations of the United States, the European Union or other countries and jurisdictions ("Export Laws"). Purchaser is responsible for its own international trade compliance related to these certain technologies and documentations. Purchaser agrees to comply with Export Laws and any other applicable laws and regulations. Purchaser warrants it shall obtain any license, permit or authorization required to transfer, sell, export, re-export or import the Products and related technology and documentation within these export controls and regulations. Purchaser warrants they will not export, import or re-export the Products and related technology and documentation to any country or entity to which such export or re-export is prohibited. The Products may not be sold, leased or otherwise transferred to restricted countries, or used by a restricted end-user or an end-user engaged in activities related to weapons of mass destruction including, without limitation, restricted or sanctioned entities whose activities include designing, developing, producing or using nuclear weapons, materials, or facilities, missiles or supporting missile projects, or chemical or biological weapons.

Calian reserves the right to terminate a previously accepted Purchase Order if Purchaser becomes subject to Canadian, USA, or EU sanctions that prevent shipment of the Product to Purchaser. Calian agrees to fully refund any advance Purchaser payments for any Purchase Order cancelled by Calian under these circumstances.

12. CONFIDENTIALITY

Purchaser shall keep confidential and shall not disclose, reveal or transmit to anyone, nor permit to be disclosed, revealed or transmitted, nor use for itself or anyone else (except for the purpose of selling or renting the Products of Calian) any and all technical information provided or made available to Purchaser by Calian unless such technical or confidential information becomes available in the public domain (other than through unauthorized disclosure by Purchaser).

All technical and other information and materials supplied or provided by Calian to Purchaser, including but not limited to such items as specifications, drawings and price paid for Products shall be considered confidential information.

13. BANKRUPTCY/INSOLVENCY

Either Party may terminate this Agreement, effective immediately upon written notice to the other Party, if the other Party: (i) becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due; (ii) files or has filed against it a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law; (iii) makes or seeks to make a general assignment for the benefit of its creditors; or (iv) applies for or has appointed a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

14. GENERAL

This Agreement shall be governed, construed, and enforced in accordance with the laws of the Province of Ontario, Canada.

No amendment or modification of this Agreement will be valid or binding upon the parties unless such amendment or modification is accepted in writing by both parties.

Calian and Purchaser are independent contractors and agree that this Agreement does not establish a joint venture, agency relationship, or partnership.

If any provision hereof is declared invalid by a court of competent jurisdiction, such provision will be ineffective only to the extent of such invalidity, illegibility or unenforceability so that the remainder of that provision and all remaining provisions of this Agreement will be valid and enforceable to the fullest extent permitted by applicable law.

Neither party shall assign or transfer this Agreement without the prior written consent of the other party.

This Agreement, together with any and all Quotes, Purchase Orders, statements of work, letters of understanding or other agreements to which this Agreement is attached and is expressly incorporated into by Calian, sets forth the entire understanding of the parties and supersedes any and all prior agreements, arrangements or understandings related to the Products, and no representation, promise, inducement or statement of intention has been made by either party which is not embodied herein. Calian will not be bound by any terms or conditions printed or referenced on any Purchase Order, invoice, memorandum, or other written communication supplied by Purchaser unless Calian has expressly acknowledged the other terms and, thereafter, expressly and explicitly accepted such other terms in writing.

If there is an inconsistency or conflict between the terms in this Agreement and the terms in a Quote, the terms of the Quote shall prevail. In all other instances of a conflict of terms, unless otherwise expressly and explicitly stated and agreed in writing by Calian that the conflicting provisions of this Agreement are being overridden, the terms of this Agreement shall prevail.