

GENERAL TERMS & CONDITIONS

1. AREA OF APPLICABILITY

1.1. Product supply agreement is composed of Volume Distribution Agreement (hereinafter – **Distribution Agreement**) signed by UAB SOLI TEK CELLS (hereinafter – **SOLITEK**) and customer (hereinafter – **CUSTOMER or Distributor**), hereinafter together called “**Parties**”, and this General terms & conditions (further – **General terms & conditions**) which are announced at SOLITEK website <http://www.solitek.eu/en/> (further – **SOLITEK website**). Unless otherwise agreed in Distribution Agreement, the General terms & conditions shall be applied to all quotations and purchase contracts.

1.2. SOLITEK supplies Product to CUSTOMER who has signed the Distribution Agreement and the CUSTOMER correctly and timely accepts the Product and pays the invoices.

1.3. The term “**Product**” or “**Products**” in General terms & conditions and Distribution agreement shall mean the Products listed in Distribution agreement and specified at the order form confirmed by the CUSTOMER. Products list may be changed by SOLITEK at any time with prior notice to the CUSTOMER.

1.4. The General terms & conditions are valid in a whole scope, unless the Parties expressly agree on different conditions in the Distribution Agreement. In case of contradictions between the General terms & conditions and Distribution Agreement, the Distribution Agreement shall be applied. If any terms or conditions are not covered by the General Terms & conditions it could be covered by the Distribution Agreement and otherwise.

2. ORDERING, MANUFACTURING AND DELIVERY TERMS

2.1 All offers of SOLITEK shall be made without obligation. Documents supporting the offer such as illustrations, drawings or specifications of weights and measurements shall only give approximate indications. SOLITEK is not bound by obvious mistakes or typographical, printing or arithmetical errors.

2.2 CUSTOMER and SOLITEK fulfill and sign the Distribution Agreement, where CUSTOMER designates the authorised person (persons) who has the right to act on behalf of the CUSTOMER by submitting and confirming the orders by email.

2.3 CUSTOMER’S authorised person submits the order to the SOLITEK by email. SOLITEK determines the delivery times, price and other conditions. The order is considered to be confirmed when the CUSTOMER’s authorised person confirms by email that all conditions noted in the order form are correct.

2.4 SOLITEK shall start the production process after the order is confirmed, i.e. the order is confirmed by email, initial payment is made (if requested by SOLITEK), and the requested material (if needed) is correctly provided by the CUSTOMER.

2.5 SOLITEK hereby reserves any industrial property rights and copyrights pertaining to its cost estimates, drawings and other documents. Any transfer to third parties or reproduction requires the written consent of SOLITEK. This clause is not applicable for documentation (i.e. data sheets, brochures, user manuals etc.) announced at SOLITEK website.

2.6 Unless otherwise agreed in writing, the Product transportation method and conditions shall be exclusively determined by the SOLITEK. In a case of any additional requirements for transportation like special packaging, customs and freight charges, the CUSTOMER shall cover

additional expenses.

2.7 The risk of Product loss or damage is transferred to the CUSTOMER once the Product has been handed to a person or entity executing the delivery in the location which were indicated in the Order.

2.8 The term specified in the order confirmation applies exclusively as the delivery period. The start of the agreed delivery period assumes that all the documents required to implement the contract have been submitted and any agreed payments were made in timely manner.

2.9 If SOLITEK falls behind with delivery, the CUSTOMER shall set a reasonable period of grace. This does not justify a claim for compensation. If SOLITEK does not deliver within the term of grace, the CUSTOMER is entitled to submit a claim. The claim must be in writing or sent by email within two weeks of the end of the grace period.

2.10 SOLITEK may discontinue the delivery without notice if the CUSTOMER is in default of payment, or unfavourable financial circumstances of the CUSTOMER become apparent afterwards, such as the refusal to honour cheques or bills of exchange, or the presentation of a petition for composition or insolvency proceedings.

2.11 The CUSTOMER shall dispose of packaging and pallets at his own expense.

3.CANCELATION

3.1 SOLITEK shall have the right to refuse or cancel any order if there is a reasonable fear that the CUSTOMER will be unable to fulfil his duties completely or in time.

3.2 SOLITEK manufactures exclusively to order. Cancellation of orders for serial products by the CUSTOMER are therefore only valid if they have been confirmed by SOLITEK in writing. For orders cancelled up to one month before the confirmed delivery date, the CUSTOMER shall be charged 20% of the cancelled order value, for up to two weeks 30% and for up to 2 days 50%.

3.3 Cancellations or orders are generally not possible for products manufactured specifically in accordance to CUSTOMER's individual specifications. Cancellations shall be granted in exceptional cases if the CUSTOMER compensates 90% of the price of the order. Cancellations of orders for special products (meaning Products which are not included to standard SOLITEK Products catalogue) by the CUSTOMER are thus only valid if they have been confirmed by SOLITEK in writing.

3.4 SOLITEK also reserves the right likewise to charge the CUSTOMER for costs associated with the cancellation.

4.PRICES, INVOICES AND TERMS OF PAYMENT

4.1 All prices are EX WORKS Mokslininku str. 6A, Vilnius, Lithuania (INCOTERMS 2020), excluding applicable statutory VAT (i.e. applicable VAT shall be added to indicated prices).

4.2 CUSTOMER undertakes to pay 100% of the agreed price in advance according to the invoice (or pro-forma invoice) issued by the SOLITEK before the production process is started, unless stated otherwise in a Distribution Agreement.

4.3 SOLITEK issues invoices on the day of the delivery. In case of deferred payment, the due date is calculated since issuing day of the invoice. The same rule is applied in case of partial Product delivery.

4.4 All bank transfer costs shall be paid by the CUSTOMER. The payment is considered to be made since the payment is deposited into SOLITEK's account.

4.5 In order to obtain a credit, CUSTOMER must fill out a credit application before any order

can be processed. The access to credit depends on CUSTOMER'S creditworthiness.

4.6 SOLITEK has a right to utilise the payments firstly for outstanding costs like interest, fines, other additional expenses against the oldest outstanding debt, and only afterwards for the Product costs.

4.7 If the CUSTOMER fails to pay in time, the SOLITEK shall have a right to refuse order performance and / or delivery of the Product and /or to cancel the existing periods allowed for payment as well as to demand payment immediately.

4.8 SOLITEK reserves the right to change the prices of the Products and / or terms of General terms & conditions, subject to 14 days notice in writing. The amended General terms & conditions are announced at SOLITEK website <http://www.solitek.eu/en/>. Such changes shall have an effect only for future orders and shall not amend orders which already have been confirmed by SOLITEK.

5. WARRANTY

5.1. SOLITEK Photovoltaic Module Limited Warranty Terms (hereinafter - **Warranty Terms**) regulate warranty terms and conditions. By placing an order the CUSTOMER acknowledges acceptance of all terms and conditions of Warranty Terms without any reservations. Warranty Terms are announced at SOLITEK website <http://www.solitek.eu/en/>.

5.2. In case of conflict on warranty between these General terms and conditions of sale and delivery and Warranty Terms, the Warranty Terms shall prevail. In case of conflict on any other matters - these General terms and conditions of sale and delivery shall prevail.

6. LIABILITY

6.1 SOLITEK is entitled to liability limitation in case of violation of certain obligations indicated in Limited Warranty Terms announced on SOLITEK website. SOLITEK is entitled to limit the warranty to measures of supplementary performance or rectification of a defect or waive the warranty in the event of breach of terms and conditions of Warranty Terms.

6.2 SOLITEK's liability shall be limited to the foreseeable damage typical for such contract and in any event shall not exceed the contract value. If liability is attributable to a specific batch (order) of Product, the value (price) of such Product order shall be considered contract value for the purposes of these General terms & conditions. The general statutory provisions, prescriptions of limitation and liability limitation under Lithuanian law shall apply to injury to life, body or health. Should SOLITEK be guilty of intent or gross negligence, liability under the general statutory provisions of Lithuanian laws shall likewise exist.

6.3 Insofar as the CUSTOMER, according to the provisions of product liability laws, has provided a replacement or compensation to a third party because of a defect of any product, it rests with the CUSTOMER in case of recourse against SOLITEK to submit evidence that such defect in the product was caused wholly or in part by a defect of the Product supplied by SOLITEK.

7. PRODUCT LIABILITY AND QUALITY

7.1 The CUSTOMER may only use the Products as designated and must ensure that these Products (also as base material or subproduct) are only ceded for their intended use to persons familiar with the Product dangers and risks and only placed on the market by such persons.

7.2 Special features of SOLITEK products shall only be deemed to be agreed if they have been

specifically assured in writing. SOLITEK is not legally liable for damages arising through defects in the construction of a product into which Product of SOLITEK have been incorporated or which have been caused through instructions of the manufacturer of this product.

7.3 Liability is excluded for Products, used for building-integrated elements if they serve as basic construction parts. This shall apply regardless of the damage to property comes from the CUSTOMER's area of accountability or not.

7.4 The CUSTOMER is further obliged when using Products supplied by SOLITEK as base material or subproducts for his own products also to fulfil his duty under product liability laws to issue instructions of safety in regard to the Products supplied by SOLITEK when placing such products on the market.

7.5 The CUSTOMER, if possible, is obliged to continue to monitor Products he has put on the market after their introduction for harmful properties or dangerous consequences of use and to track the development of science and technology in respect of such Products and to notify SOLITEK immediately of defects detected in Products it has supplied by virtue of these observations.

7.6 In order to indemnify SOLITEK, the CUSTOMER is liable for all liabilities, losses, damages, costs and outlays accruing to SOLITEK from the CUSTOMER's failure to comply with the abovementioned obligations.

7.7 CUSTOMER shall examine the Product or packaging for defects and completeness immediately upon receipt. If the SOLITEK does not receive any claims in written form within 5 (five) working days since the Product delivery date, it is considered that Product has no defects. Defects of a part of a shipment (order) do not give a right to reject the complete shipment.

7.8 In case of later discovery of Product defects which could not have been noticed upon receipt, the SOLITEK shall evaluate the CUSTOMER'S evidence on defects and, in case of acknowledgement of SOLITEK's fault, shall replace the defected Product with appropriate Product by agreeing the delivery time with the CUSTOMER.

7.9 Any faulty Product return shall be executed at CUSTOMER'S expense. If the return of Product is reasonable, SOLITEK shall cover the most economical transportation costs. If the return is impossible for reasons related to CUSTOMER, the CUSTOMER shall lose the right to claim for faulty Product. If Parties agree, faulty Product could be not returned but utilised by the CUSTOMER.

8. CREDITOR'S DEFAULT OF ACCEPTANCE

8.1 In the event of default of acceptance and (or) refusal to accept of longer than 14 days, SOLITEK is entitled, in addition to all other remedies (such as withdrawal and sale on the open market at the CUSTOMER's expense), to place the Product covered by the contract in storage at the CUSTOMER's expense and risk and charge for them as duly handed over and accepted. In this event, the purchase price is due immediately.

8.2 If the CUSTOMER is in default with the payment of amounts due according to the contract, SOLITEK is entitled upon expiry of a period of 14 days after a communication on this matter to the CUSTOMER to hold all further deliveries until the amount in question has been received by SOLITEK. SOLITEK is further entitled in the event of a default of payment by the CUSTOMER according to the contract, after granting an appropriate period of grace, to withdraw from the contract and demand the payment of all outstanding amounts, including not yet due or deferred invoice amounts. In these cases, agreed price reductions (particularly discounts) are terminated,

and SOLITEK is entitled to claim the full invoice amount. No liabilities or obligations of SOLITEK (in a particular liability to pay compensation to the CUSTOMER) may arise in such instances of creditor's default of acceptance.

9. PARTIES LIABILITY

9.1. If SOLITEK is late to supply the order due to SOLITEK's fault, the CUSTOMER shall have a right to require a discount equal to 0.02 % (zero point zero two percent) of later order value for each day of delay. Total discount cannot exceed 10 % of late order value.

9.2. CUSTOMER agrees that any delay in paying invoices on time is subject to 0.2% (two tenths of a percent) interest on the unpaid amount for each day of delay.

9.3. In case of unexpected events or circumstances beyond the SOLITEK's reasonable control, including strikes, raw material delivery delays, riots, etc., Product delivery time will be respectively extended. Parties shall not be responsible for non-fulfilment or improper fulfilment of General terms & conditions caused by Force Majeure conditions, as approved with Resolution No. 840 as of 15 July 1996 by the Government of the Republic of Lithuania.

9.4. Parties confirm that interest and penalty rates in chapters 3.2, 3.3, 9.1 and 9.2 of General terms & conditions are acceptable and determined in accordance with principles of fairness and justice, and are assimilated to predefined minimal losses of value which is economically based and meets the interests of the Parties.

10. APPLICABLE LAW AND JURISDICTION

10.1 Lithuanian law is applicable both to the Special terms or Distribution Agreement and to these General Terms and Conditions.

10.2 SOLITEK and CUSTOMER agree that all disputes arising out of these General terms & conditions shall be solved by negotiations. If no joint agreement is made within 30 days, the disputes shall be referred to competent courts of the Republic of Lithuania in Vilnius, and shall be treated according to the laws of the Republic of Lithuania.

11. FINAL PROVISIONS

11.1 Should individual provisions of this contract be void or become void, the validity of the remaining provisions of the contract remains unaffected. The contracting parties shall as fast as possible replace the void provision with a provision which approximates as closely as possible its economic purpose.

11.2 Any changes or supplements of General terms & conditions shall have to be made in writing and signed by the SOLITEK and CUSTOMER representatives.

11.3 The Product supply agreement in full scope (General terms & conditions and Distribution Agreement) shall enter into force since the moment CUSTOMER and SOLITEK sign the Distribution Agreement and shall be valid until complete fulfilment of obligations of both Parties.