General Terms and Conditions of Sale and Delivery

for TQ-Systems USA Inc.

1. Applicability; objection to Buyer terms; order of precedence

These Terms and Conditions of Sale and Delivery ("Terms") apply to all quotations, order acknowledgments, sales, deliveries, licenses, and related services provided by TQ-Systems USA Inc. ("Seller") to commercial buyers only.

Seller hereby objects to and rejects all additional, inconsistent, or different terms proposed by Buyer in any purchase order, request for quotation, supplier portal, website terms, click-through terms, EDI message, vendor registration, code of conduct, policy, or other document or communication, and none of such terms shall apply unless expressly accepted by Seller in a writing signed by an authorized officer of Seller.

Seller's acceptance of any order is expressly conditioned on Buyer's assent to these Terms. Seller's shipment of goods, commencement of performance, or issuance of an invoice does not constitute acceptance of any Buyer terms and shall not modify or supplement these Terms.

In the event of a conflict, the following order of precedence applies solely to the extent a higher-ranking document expressly overrides a specific provision of a lower-ranking document: (a) a transaction-specific agreement signed by both parties; (b) Seller's order acknowledgment or statement of work; and (c) these Terms.

No course of dealing, course of performance, usage of trade, supplier portal process, or failure by Seller to object shall amend, supplement, or waive these Terms.

For the avoidance of doubt, these Terms are primarily intended for the sale of tangible goods. Any software license, SaaS, hosted service, development service, engineering service, or other professional service may be subject to Seller's separate license, services, or statement-of-work terms, which shall control in the event of a conflict.

2. Quotations, orders, and specifications

Unless otherwise stated, quotations are non-binding, valid for one (1) month from issuance, and may be corrected, changed, or withdrawn before Seller's written acceptance. Drawings, samples, and quotation materials remain Seller property, shall be treated as confidential, and must be returned on request. Buyer is responsible for the accuracy and completeness of all specifications, forecasts, drawings, and other information supplied by Buyer, and Seller may rely on them without independent verification. Notwithstanding any prior acceptance of an Order by Seller, Seller shall have no obligation if Buyer is in breach of any of its obligations hereunder, or any other agreement between the Parties, at the time Seller's performance was due. Buyer shall bear all costs associated with the cancellation or modification of the Order.

3. Contract formation; cancellation and changes

A contract is formed only when Seller issues a written order acknowledgment or otherwise accepts Buyer's order in a writing, and any such acceptance is expressly conditioned on Buyer's assent to these Terms. Seller may accept or reject any order in whole or in part.

No oral agreement, statement, or representation shall bind Seller unless confirmed in a writing signed by an authorized officer of Seller.

Shipment, partial shipment, commencement of performance, or invoicing may evidence Seller's acceptance of Buyer's order solely on these Terms and shall not constitute acceptance of any additional or different terms proposed by Buyer.

If, notwithstanding the foregoing, a contract is deemed formed by conduct, the parties intend that the contract consist solely of these Terms, Seller's applicable quotation and order acknowledgment, and those non-variable provisions of applicable law that cannot be varied by agreement.

Orders are non-cancelable, non-reschedulable, and non-modifiable except with Seller's prior written consent. Buyer shall reimburse Seller for all losses, costs, liabilities, commitments, work in process, finished goods exposure, supplier charges, engineering effort, cancellation charges, restocking charges, and lost margin resulting from any cancellation, rescheduling, or modification requested by Buyer.

4. Prices, taxes, and payment

Unless otherwise agreed, prices are stated in U.S. dollars and exclude packaging, freight, insurance, sales tax, use tax, value-added tax, customs duties, tariffs, withholding tax, and similar charges, except taxes based on Seller's net income. If non-USD quotations are used, Seller may invoice based on the exchange rate in effect at order confirmation. Prices quoted in a currency other than Unites States Dollars are based on the official exchange rate on the date of the quote. Prices will be invoiced on the basis of the currency exchange rate in effect on the date of confirmation of any Order.

Buyer is obliged to pay one hundred percent (100%) of the purchase price within thirty (30 days) net from invoice date without setoff, deduction, recoupment, withholding, or counterclaim. If Buyer is required by law to withhold any tax from any payment to Seller, Buyer shall gross up the payment so that Seller receives the full amount invoiced.

Seller may without notice to Buyer increase the price of the Products by the amount of any new or increased tax or duty (excluding franchise, net income and excess profits taxes) which Seller may be required to pay on the manufacture, sale, transportation, delivery, export, import or use of the Products or the materials required for their manufacture or which affects the cost of such materials.

Seller may require advance payment, progress payments, adequate assurance of performance, a letter of credit, or other security, and may suspend performance, if Buyer fails to make timely payment or if Seller reasonably determines that Buyer's financial condition or market circumstances materially impair Buyer's creditworthiness.

Any undisputed amount that remains unpaid after the Due Date shall be subject to a grace period of seven (7) calendar days. Beginning on the eighth (8th) calendar day following the Due Date, the unpaid principal amount shall accrue simple interest at a rate equal to the lesser of (a) twelve percent (12%) per annum or (b) the maximum rate permitted by applicable law, until paid in full. Interest shall be calculated daily on the outstanding principal amount on the basis of a 365-day year. Interest shall not be compounded, capitalized, or itself bear interest... Buyer shall reimburse Seller for reasonable out-of-pocket costs of collection, including reasonable attorneys' fees and expenses, to the extent permitted by law.

The accrual or payment of interest shall not extend the Due Date, cure or waive any payment default, or limit Seller's right to suspend or withhold further deliveries, require advance payment or other adequate assurance of performance, terminate or cancel any affected order or agreement to the extent permitted by applicable law, or exercise any other right or remedy available under these Terms, the applicable sales contract, or applicable law.

Buyer shall promptly notify Seller in writing of any good-faith dispute regarding an invoice and shall timely pay all undisputed amounts. If any amount disputed by Buyer is subsequently agreed by the parties or finally determined to have been due and payable, interest on such amount shall accrue from the date on which interest would have commenced under this Section had such amount not been disputed.

To the fullest extent permitted by applicable law, the contractual interest rate set forth in this Section shall continue to apply to unpaid amounts before and after the entry of any judgment until such amounts are paid in full.

Notwithstanding anything to the contrary, if any interest, charge, or other amount provided for in this Section exceeds the maximum amount permitted by applicable law, such interest, charge, or other amount shall automatically be reduced to the maximum lawful amount. To the extent that any amount imposed under this Section is characterized by a court of competent jurisdiction as a late charge rather than interest, such amount shall not exceed the maximum late charge permitted by applicable law."

If Buyer fails to observe these Terms or the terms of any other agreements between Seller and Buyer, or if Buyer becomes insolvent, all balances then due and owing to the Seller shall become due immediately, notwithstanding any agreed upon payment periods. Any Orders that have been confirmed by the Seller but not yet filled shall in such cases become cancelable at the sole discretion of Seller.

Buyer does not enjoy a right of set-off under any circumstances.

5. Delivery, shipment, title, risk, and security interest

Unless otherwise agreed in writing or stated in Seller´s Offer, domestic U.S. shipments are EXW Seller's shipping point and international

shipments are EXW Seller's facility (Incoterms 2020). Delivery dates are estimates only, time is not of the essence unless expressly agreed in a signed writing, and partial shipments and separate invoices are permitted.

Any agreed Delivery Period commences on the day on which any Order and acSellering documents, such as drawings, have been clarified by the Seller, but in any event no earlier than the written acceptance of any Order by the Seller. Sales which extend over a certain period of time, and where quantities have not been fixed in advance, shall be subject to separate agreements concerning the quantity and delivery period regarding each separate sales transaction and/or request for delivery made by a Buyer. Delivery Periods determine the date of dispatch ex works. All delivery dates are approximate; time shall not be of the essence.

Buyer will be billed for and shall pay all freight, transportation, shipping, insurance and handling charges, duties, and taxes, including any applicable VAT, sales, personal property, *ad valorem*, and other taxes, duties, levies or charges imposed by any governmental authority, irrespective of whether applicable law makes such items the responsibility of the buyer or seller, but excluding any taxes payable by Seller with respect to its net income.

Buyer, shall, subject to Seller's available facilities at the shipping point, determine the type of transportation and shall notify Seller thereof at the time Buyer places each Order. If Buyer shall fail to so notify Seller, Seller or its agent may select any commercial air, ship, motor or rail carrier or any combination thereof for the transportation of the Products. Seller will make deliveries of the Products in the quantities ordered as near as reasonably possible to Buyer's requested delivery dates.

Seller shall use its reasonable efforts to deliver the Products to Buyer by the agreed upon date. However, except in cases of Seller's willful misconduct or gross negligence, Seller shall not be liable to Buyer for delays in delivery or damage to Products while in transit, irrespective of whether Seller or Buyer determined the mode of transportation.

In cases of deliveries of Products manufactured to Buyer's specification ("Special Orders"), Seller reserves the right to rely on the technical specifications provided by Buyer.

Risk of loss passes in accordance with the applicable shipping term. Title to goods passes as provided by the applicable shipping term and applicable law; provided, however, that any retention or reservation by Seller of title or property in goods shipped or delivered to Buyer is intended solely as the reservation of a security interest.

To secure payment and performance of all obligations of Buyer to Seller, Buyer grants Seller a purchase-money security interest in the goods sold by Seller and a continuing security interest in all identifiable proceeds thereof. Buyer authorizes Seller to file financing statements, continuation statements, amendments, and other documents that Seller reasonably deems necessary or advisable to perfect, continue, protect, or enforce such security interest, and Buyer shall execute and deliver any further documents and take any further actions reasonably requested by Seller for that purpose. The law governing perfection, the effect of perfection or nonperfection, and priority of Seller's security interest shall be determined under applicable UCC choice-of-law rules.

6. Inspection, acceptance, and nonconforming goods

Buyer shall inspect all goods promptly upon receipt and before any use, installation, integration, modification, or resale. Visible shortages, transit damage, and other visible nonconformities must be reported to Seller in writing with reasonable detail within ten (10) days after delivery. Latent defects discoverable only by reasonable inspection and testing must be reported promptly after discovery and, if a warranty applies, within the applicable warranty period.

Buyer is deemed to have irrevocably accepted the goods upon the earliest of: (a) failure to give timely written notice of rejection; (b) use, installation, integration, modification, resale, or transfer of the goods; or (c) any act inconsistent with Seller's ownership. Buyer waives any right to revoke acceptance except to the extent prohibited by applicable law.

Returns require Seller's prior written return authorization and compliance with Seller's return procedures.

7. Limited warranty and exclusive remedies

Seller warrants that goods manufactured by Seller will be free from material defects in material and workmanship and will materially conform to Seller's published specifications or mutually agreed written specifications for twelve (12) months from shipment or six (6) months from start-up, whichever first occurs, but in no event more than eighteen (18) months from shipment. Services are warranted only to be performed in a professional and workmanlike manner, and any claim relating to services must be made in writing within thirty (30) days after completion of the applicable services.

This limited warranty does not apply to consumables, wear items, prototypes, beta units, used or refurbished goods, third-party products, or any defect or failure caused by improper storage, handling, installation, integration, maintenance, repair, misuse, abuse, accident, alteration, modification, incompatible use, ordinary wear and tear, or Buyer-provided designs, specifications, software, materials, or instructions.

As a condition to any warranty remedy, Buyer must provide timely written notice within the applicable warranty period, provide reasonable evidence of the claimed defect, and, if requested by Seller, return the affected goods to Seller or make them available for inspection. Seller has no obligation for field labor, removal, installation, reinstallation, travel, or transportation costs unless expressly agreed by Seller in writing.

Seller's sole obligation, and Buyer's exclusive remedy, for any breach of warranty or other nonconformity is, at Seller's option, repair, replacement, reperformance, credit, or refund of the purchase price allocable to the affected goods or services. Any repaired or replacement goods are warranted only for the longer of the remainder of the original warranty period or ninety (90) days after delivery.

This limited warranty is not a warranty of future performance.

8. Disclaimer of warranties; limitation of liability

EXCEPT FOR THE EXPRESS LIMITED WARRANTY SET FORTH IN SECTION 7, THE GOODS, SOFTWARE, FIRMWARE, SERVICES, AND OTHER DELIVERABLES ARE PROVIDED "AS IS" AND "WITH ALL FAULTS" TO THE MAXIMUM EXTENT PERMITTED BY LAW.

SELLER DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS, AND CONDITIONS, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT, AND ANY WARRANTY ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR TRADE PRACTICE. EXCEPT AS EXPRESSLY SET FORTH IN A WRITING SIGNED BY AN AUTHORIZED OFFICER OF SELLER THAT EXPRESSLY REFERENCES THIS SECTION, SELLER PROVIDES NO INTELLECTUAL PROPERTY INFRINGEMENT WARRANTY, DEFENSE, OR INDEMNITY.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, SELLER SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING LOST PROFITS, LOST REVENUE, LOSS OF USE, DOWNTIME, COST OF SUBSTITUTE GOODS OR SERVICES, RECALL COSTS, LOSS OF DATA, LOSS OF GOODWILL, OR REPUTATIONAL HARM, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY, OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, SELLER'S TOTAL AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO ANY CLAIM SHALL NOT EXCEED THE AMOUNT PAID TO SELLER FOR THE SPECIFIC GOODS OR SERVICES GIVING RISE TO THE CLAIM.

THE LIMITATIONS, EXCLUSIONS, AND DISCLAIMERS IN THESE TERMS APPLY EVEN IF ANY LIMITED OR EXCLUSIVE REMEDY FAILS OF ITS ESSENTIAL PURPOSE AND FORM AN ESSENTIAL BASIS OF THE BARGAIN BETWEEN THE PARTIES.

Nothing in these Terms excludes liability to the extent such liability cannot lawfully be excluded or limited.

9. Intellectual property, software, tools, confidentiality, and compliance

Seller retains and shall retain all right, title, and interest in and to all intellectual property, know-how, inventions, discoveries, developments, software, firmware, source code, object code, documentation, draw-

ings, models, tooling, manufacturing processes, test methods, concepts, data, and other materials used or developed by Seller in connection with the goods, services, or other performance, whether or not specifically created for Buyer, unless otherwise expressly agreed in a transaction-specific writing signed by both parties.

Any software or firmware provided with, embedded in, or for use with the goods is licensed, not sold. Unless Seller's separate license terms apply, Seller grants Buyer a limited, non-exclusive, non-transferable, non-sublicensable license to use such software or firmware solely as necessary for Buyer's internal use of the goods for their ordinary intended purpose. Buyer shall not, and shall not permit any third party to, copy, modify, reverse engineer, decompile, disassemble, or otherwise attempt to derive source code from any software or firmware, except to the extent such restriction is prohibited by applicable law and then only after prior written notice to Seller.

Except as expressly stated in a writing signed by an authorized officer of Seller that expressly references this Section, Seller provides no intellectual property infringement defense, indemnity, or hold harmless obligation.

If goods are made to Buyer's designs, specifications, software, materials, instructions, or other requirements, or if any claim arises from compliance with Buyer's requirements, Buyer's combination of the goods with other items not supplied by Seller, or modifications not made by Seller, Buyer shall defend, indemnify, and hold harmless Seller and its affiliates, officers, directors, employees, and agents from and against any and all claims, demands, actions, damages, liabilities, costs, and expenses (including reasonable attorneys' fees) arising therefrom.

Non-public commercial, technical, and financial information exchanged between the parties shall be treated as confidential and used only for the parties' business relationship, subject to customary exceptions for information that is or becomes public without breach, was already lawfully known, is independently developed without use of confidential information, or is lawfully received from a third party without restriction.

Buyer shall comply with all applicable export control, sanctions, anti-boycott, and re-export laws and regulations and shall provide end-use, end-user, and destination information reasonably requested by Seller.

10. Force majeure, notices, governing law, and miscellaneous

Seller is not liable for failure or delay caused by events beyond its reasonable control, including natural disasters, war, terrorism, civil unrest, labor disputes, pandemics, cyber incidents, utility failures, transportation disruptions, supplier insolvency, shortages, or governmental acts. During such events, Seller may suspend performance and allocate available production among customers in a commercially reasonable manner. Notices must be in writing and may be delivered personally, by recognized overnight courier, or by email with transmission confirmation.

These Terms, and any dispute arising out of or relating to these Terms, the goods, the services, or any transaction between the parties, are governed by the laws of the Commonwealth of Virginia, U.S.A., without regard to conflict-of-laws principles. The United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply.

Each party irrevocably submits to the exclusive jurisdiction of the state courts of the Commonwealth of Virginia located in Norfolk, Virginia, and the federal courts located in or serving Norfolk, Virginia, for any action or proceeding arising out of or relating to these Terms or any transaction between the parties, and each party waives any objection based on lack of personal jurisdiction, improper venue, or forum non conveniens.

If Seller retains counsel or incurs collection agency costs to collect any amount due or to enforce Buyer's payment obligations under these Terms or any transaction between the parties, Buyer shall reimburse Seller for Seller's reasonable out-of-pocket attorneys' fees, court costs, and collection expenses to the extent permitted by applicable law.

Any action by Buyer arising out of or relating to these Terms, the goods, the services, or any transaction between the parties must be commenced no later than one (1) year after the cause of action accrues.