

GENERAL TERMS AND CONDITIONS OF SALE

Last updated: 18 April 2025

1. Definitions

The following terms have the following meanings:

- 1.1. **Buyer** – a natural or legal person purchasing the Goods and/or Services from NanoAvionics under these General Conditions.
- 1.2. **Buyer Materials** – all documents, information, items, and materials in any form, whether owned by the Buyer or a third party, which are provided by the Buyer to the Seller in connection with the performance by the Seller of its performance of its obligations pursuant to these General Conditions.
- 1.3. **Confidential Information** – all confidential information (however recorded or preserved) disclosed by a Party (“**Disclosing Party**”) to the other Party (“**Receiving Party**”) whether before or after the effective date in connection with the Order, including but not limited to any information that would be regarded as confidential by a reasonable business person relating to: (i) the business, assets, affairs, customers, clients, suppliers, plans, intentions, or market opportunities of the Disclosing Party; and (ii) the Intellectual Property Rights, operations, processes, product information, know-how, designs, trade secrets or software of the Disclosing Party.
- 1.4. **Data Privacy Laws** – any law, rule, regulation or enactment of an applicable jurisdiction protecting the confidentiality, security and protection of personal data, electronic data privacy, cross-border data flow or data protection.
- 1.5. **Delivery Schedule** – the schedule which specifies the time for delivery, performance, partial performance of Goods and/or Services or completion, as applicable. The Delivery Schedule may be included in the Purchase Order or in any other document.
- 1.6. **General Conditions** – these General Terms and Conditions of Sale. Any modifications of or deviations from these General Conditions must be agreed upon In Writing between the Parties.
- 1.7. **Goods** – the deliverable items detailed in the Order.
- 1.8. **In Writing** – a document signed by Buyer and/or Seller and submitted to the other Party either by hand, courier service, letter, or pdf-attachment to an e-mail, served in a manner that ensures receipt of the document.
- 1.9. **Intellectual Property Rights** – patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up and trade dress, moral rights, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.
- 1.10. **Order** – these General Conditions, the Seller’s Business Offer, the Purchase Order, the SoW and all annexes attached hereto.

- 1.11. **Party** – either the Seller or the Buyer; **Parties** – both the Seller and the Buyer.
- 1.12. **Purchase Order** – the purchase order between the Buyer and the Seller for the purchase and sale of Goods and/or Services, to which these General Conditions are attached or are incorporated by reference.
- 1.13. **Seller or NanoAvionics** – Kongsberg NanoAvionics UAB, a private limited liability company duly organized and existing under the laws of the Republic of Lithuania, company code 303353414, registered at Mokslininku str. 2A, 08412 Vilnius, the Republic of Lithuania; or its Subsidiary (for purposes of these General Conditions, “**Subsidiary**” means any corporation of which more than fifty per cent (50%) of the outstanding voting securities is owned directly or indirectly by Kongsberg NanoAvionics UAB).
- 1.14. **Services** – the activities and obligations to be carried out by the Seller beyond the design and/or development and/or production and/or supply of the Goods, detailed in the Order.
- 1.15. **Statement of Work (SoW)** – the document that describes the nature of the work/project as understood and agreed by both Parties and which forms an integral part of the Order. Any work, services, or activities of the Seller that the Seller performs or furnishes that are outside of the scope of the description in the SoW shall be subject to the additional costs to the Buyer. In case any technical documents/requirements contradict each other, the SoW shall prevail in the event of any doubt. In the event of any doubt as to the assessment of the information provided in the SoW, the Buyer shall contact the Seller, who shall, without undue delay, provide clarifications and guidance on how the SoW is to be understood.

2. Scope of Application

- 2.1. These General Conditions shall govern the supply of Goods and/or Services purchased by the Buyer from NanoAvionics. The Buyer’s general terms and conditions, exceptions, qualifications and any other general terms and conditions in variation of these General Conditions shall not apply.

3. Conclusion of Contract

- 3.1. The binding contract between the Parties shall only be deemed concluded once the Buyer has placed the Purchase Order In Writing and it has been accepted in full by the Seller In Writing. Any quotation made by NanoAvionics is non-binding, unless clearly agreed otherwise.
- 3.2. Any amendment, change order, revision, or termination to an already-accepted Purchase Order shall be subject to acceptance by an authorized representative of the Seller.

4. Manner of Performing the Order

- 4.1. The Seller shall supply the Goods and/or Services to the Buyer following the terms of the Order.
- 4.2. The Goods and/or Services shall be supplied:
- 4.2.1. in conformity with specifications and any other instructions, descriptions, requirements, drawings, samples, etc., provided in the Order and agreed by the Parties In Writing;
 - 4.2.2. in compliance with all applicable laws and regulations pertaining to the supply and delivery of Goods and/or Services.
- 4.3. The Buyer shall work in cooperation with the Seller, and shall timely provide all reasonably required support, communication, and complete, accurate, up-to-date information as well as all

other cooperative activities reasonably required by the Seller for the duly performance of the Order.

- 4.4. Provision of Services by the Seller and any related activities shall not be construed to create or imply any agency, partnership, joint venture, employment, rent of employees or any other similar relationships between the Parties. The Seller will not be eligible for any rights or benefits related to agency, joint venture, partnership, rent of employees and especially employment, or any other similar relationships under any laws of any jurisdiction. The Buyer accordingly will not make any deductions from payments made to the Seller for social contributions or income taxes, all of which will be the responsibility of the Seller and will not grant vacations or sick pay.
- 4.5. The Seller is obliged to provide particular Services and reach the result requested by the Buyer, however, is free to decide on how the result should be achieved and choose the most efficient ways or methods according to which the particular Services would be performed.

5. Delivery of Goods

- 5.1. Terms and conditions concerning the delivery and the passing of risk of the Goods that are not provided for by the Purchase Order or other annex to these General Conditions shall be understood in accordance with provisions of International Chamber of Commerce Incoterms 2020, Delivery-at-Place (DAP). The Seller bears the risk of loss and damage to the Goods until the Seller has put the Goods at the disposal of the Buyer at the agreed/named place of destination.
- 5.2. The Goods shall be delivered to the place and following other details agreed by the Parties in the Purchase Order or other annex to these General Conditions. The Seller shall, within three (3) business days before the date of shipment of Goods, inform the Buyer by email regarding the quantity and value of Goods to be delivered and the estimated delivery time.
- 5.3. The Goods shall be delivered within a period specified In Writing between the Parties, after the Seller receives the advance payment which shall be, unless otherwise agreed upon between the Parties, stipulated in Clause 6 (Payment Conditions) hereto.
- 5.4. The Goods must be packed in containers/packaging, suitable for long distance air, sea, or land freight transportation, change of climate, and well protected against moisture and shocks. The Seller shall mark each package accordingly. The Seller shall be liable for any damage of the Goods and expenses incurred on account of improper packing.
- 5.5. Partial shipment of Goods shall be allowed, unless otherwise agreed In Writing.

6. Payment Conditions

- 6.1. The Buyer is obliged to pay in advance eighty per cent (80%) of the overall amount. The advance payment must be paid within fifteen (15) calendar days after the effective date of the Purchase Order.
- 6.2. The Buyer shall pay the final payment within fifteen (15) calendar days after the delivery of the Goods/Services.
- 6.3. Time of payment by the Buyer is of the essence. If the Delivery Schedule cannot be attained because of the Buyer not fulfilling its obligations under the Order, the Seller may adjust the Delivery Schedule or terminate its further obligations with no duty to provide a refund to the Buyer.

- 6.4. All amounts payable hereunder are exclusive of VAT or any other applicable tax or duty payable upon such amounts which will be added, if appropriate, at the rate prevailing at the relevant tax point.

7. Intended Use

- 7.1. The Buyer confirms that any Goods and Services purchased by the Buyer from the Seller under the Order will not be used for any purpose connected with military, including chemical, biological or nuclear weapons, or missiles capable of delivering such weapons; that they will only be used for civil end-uses; that they will not be re-exported or otherwise re-sold or re-transferred to a third party a) if it is known or suspected that they are intended or likely to be used for such purposes, and/or b) if required, without the consent of the Government of Lithuania; that the Goods and Services will not be re-exported or otherwise re-sold or re-transferred to a destination subject to United Nations, European Union or Organization for Security and Co-operation in Europe embargo where that act would be in breach of the terms of that embargo; and that the Goods and Services, or any replica of them, will not be used in any nuclear explosive activity or unsafeguarded nuclear fuel-cycle activity.
- 7.2. As far as technology is concerned, the Buyer confirms that they will treat the technology strictly confidential and neither pass the technology on to other companies nor shall make knowledge available to third parties. In case of Goods produced by the help of technology transferred by the Seller to the Buyer under the Order, the Buyer confirms that these Goods will only be delivered to a third party on condition that this third party accepts the commitments set out in this Clause 7 as binding for itself and on condition that this third company is known to be trustworthy and reliable in the observance of such commitments.
- 7.3. The Buyer undertakes to provide the Seller with an End Use Statement in a form provided by the Seller. The End Use Statement shall be approved by the competent authority of the Buyer's country (and the end user's country, if different from the Buyer). The content of the End Use Statement form may be amended at any time to comply with the applicable legislation and/or requirements of Lithuanian Export Control Authorities.
- 7.4. **No export to the Russian Federation and Republic of Belarus or for use in the Russian Federation and Republic of Belarus:**
- 7.4.1. The Buyer shall not sell, export or re-export, directly or indirectly, to the Russian Federation and Republic of Belarus or for use in the Russian Federation and Republic of Belarus any Goods supplied under or in connection with the Order that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014.
- 7.4.2. The Buyer shall undertake its best efforts to ensure that the purpose of Clause 7.4.1. is not frustrated by any third parties further down the commercial chain, including by possible resellers.
- 7.4.3. The Buyer shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of paragraph Clause 7.4.1.
- 7.4.4. Any violation of above Clauses 7.4.1. – 7.4.3. shall constitute a material breach of an essential element of the Order, and the Seller shall be entitled to seek appropriate remedies, including, but not limited to, termination of the Order for Buyer's default and a penalty of one hundred per cent (100%) of the Purchase Order price or price of the Goods exported, whichever is higher.

7.4.5. The Buyer shall immediately inform the Seller about any problems in applying paragraphs Clauses 7.4.1. – 7.4.3., including any relevant activities by third parties that could frustrate the purpose of Clause 7.4.1. The Buyer shall make available to the Seller information concerning compliance with the obligations under Clauses 7.4.1. – 7.4.3. within two (2) weeks of the simple request of such information.

8. Transfer of Title

8.1. The Goods shall remain the property of the Seller until paid for in full. The retention of title shall not affect the passing of risk under Clause 5.1. hereto.

9. Warranty

9.1. Warranty relating to the Goods:

9.1.1. The Seller warrants that for a period of twelve (12) months from the date of delivery, the Goods shall be of the quality required by the Order and free from defects in design, workmanship, or materials, brand new and unused. The Seller guarantees that the Goods are made of the materials set forth in the Order and conforms in all respects with the specification and performance stipulated in the Order.

9.1.2. For the Goods that are used in space or in launches, the warranty period shall expire within the twelve-month period stated above or upon launch, whichever comes first.

9.1.3. Within the warranty period, in case of defect, the Buyer shall submit a written notice giving full particulars of the defect. After receiving the written notification from the Buyer, the Seller shall submit the written recovery plan within fifteen (15) business days to repair or replace the defective item or part thereof. The decision as to whether the defective item should be repaired or replaced shall be at the disposition of the Seller, after consultation with the Buyer.

9.1.4. After receiving the written recovery plan from the Seller, the Buyer shall return the defective item for inspection to determine the validity of the warranty claim.

9.1.5. The warranty shall cover the costs of repair or replacement and re-testing (if available) of the item which have been found defective. Transportation and insurance costs for the defective item shall be borne by the Seller.

9.1.6. The Seller shall be under no liability in respect of any defect in the Goods arising from fair wear and tear, or any wilful damage, negligence, subjection to abnormal working conditions, failure to follow the Seller's written instructions, misuse or alteration or repair of the Goods without the Seller's approval, or any other act or omission on the part of the Buyer.

9.1.7. The warranty shall not apply to any of the Goods or part of the Goods, in case the Buyer:

- does not properly store, install, use or maintain the Goods;
- uses or modifies the Goods, other than pursuant to any instruction issued or approved by the Seller, or subjects to testing not approved In Writing by the Seller;
- subjects the Goods to misuse or detrimental exposure of any kind;

In the events mentioned above, the Goods shall be repaired or replaced by Seller at the Buyer's expense.

9.1.8. The Seller's sole obligation and liability shall be limited to the repair or replacement of the defective item, and the transportation and insurance costs.

9.2. Warranty relating to the Services:

- 9.2.1. The Seller warrants and represents that it has the requisite qualifications, knowledge, and experience to render the services of engineering design, engineering consulting services, design reviews, any other related engineering services or coordination of such projects, trainings, which shall be requested by the Buyer and accepted by the Seller.
- 9.2.2. The Seller shall provide all Services expeditiously, in compliance with high quality standards. When performing a particular task, Seller shall always act in the best interests of the Buyer.

9.3. Except for the express warranties in Clause 9 above, THE SELLER DISCLAIMS ANY AND ALL OTHER WARRANTIES AS TO ANY MATTER WHATSOEVER WITH RESPECT TO THE GOODS, MATERIALS OR SERVICES FURNISHED BY THE SELLER UNDER OR IN CONNECTION WITH THESE GENERAL CONDITIONS, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, TITLE AND FITNESS FOR A PARTICULAR PURPOSE.

10. Non-conforming Goods and/or Services

- 10.1. The Buyer shall examine the Goods or cause them to be examined, within a period of seven (7) calendar days from the date on which the Goods were actually handed over to the Buyer. The Buyer shall notify the Seller of any lack of conformity of the Goods/Services In Writing (which may include email), specifying the nature of the lack of conformity, within seven (7) calendar days after the Buyer has discovered or ought to have discovered the lack of conformity. In any event, the Buyer loses the right to rely on a lack of conformity if the Buyer fails to notify the Seller thereof at the latest within a period of fourteen (14) calendar days from the date on which the Goods/Services were actually handed over/supplied to the Buyer.
- 10.2. Where the Buyer has given due notice of non-conformity to the Seller, the Seller at its own discretion, but in consultation with the Buyer, without any additional expense to the Buyer, shall repair, replace, or re-perform the non-conforming Goods/Services.

In all cases, the Parties shall consult in good faith to discuss the best and reasonable remedial action which could take place in case of non-conforming Goods/Services.

- 10.3. The Seller's sole obligation and liability shall be limited to the repair, replacement, or re-performance the non-conforming Goods/Services, and the transportation and insurance costs.
- 10.4. Repaired, replaced, or re-performed parts of the Goods and/or Services shall be subject to the same warranty obligations as for the original Goods and/or Services, starting from the date of successful repair, replacement, or re-performance of the Goods and/or Services.

11. Non-performance of the Buyer's obligations

- 11.1. If the Buyer fails to pay the price at the agreed time or fails to comply with other material obligations under the Order (including but not limited to Buyer's failure to deliver or deliver timely to the Seller Buyer Materials that hinders the Seller's ability to fulfil its obligations under the Order), the Seller shall fix to the Buyer an additional period of thirty (30) calendar days for performance of its obligations ("**Grace Period for Buyer**"). In case of delayed payment, the Seller may charge interest from the first day of delayed payment in accordance with applicable legislation.
- 11.2. If the Buyer fails to perform its obligations at the expiration of the Grace Period for Buyer, the Seller shall have the right to:

- 11.2.1. impose liquidated damages as set under Clause 11.3. and adjust the Goods/Services delivery schedule outlined in the Order to the extent the Seller deems necessary and issue an invoice to the Buyer for the additional work and costs of the Seller related to the modification of the project schedule that the Buyer shall pay for, and/or
- 11.2.2. terminate the Order in accordance with Clause 12.5.3 hereto.
- 11.3. If the Buyer fails to fulfil its obligations upon the expiry of the Grace Period for Seller, the Seller shall have the right to impose liquidated damages, amounting to five tenths per cent (0.5%) for every seven (7) days of the delay. However, the total payment for liquidated damages imposed on the Buyer shall not exceed five per cent (5%) of the total Order price ("**LD Cap for Buyer**").
- 11.4. In any case, if the Buyer does not fulfil its obligations once the LD Cap for Buyer is reached, the Seller shall have the right to terminate the Order following Clause 12.5.3 hereto.
- 11.5. For the avoidance of doubt, Buyer's non-performance caused by Force Majeure event is not considered as Buyer's non-performance event under the Order.

12. Non-performance of the Seller's obligations

- 12.1. If the Seller fails to deliver the Goods/Services at the agreed time or fails to comply with other material obligations under the Order, the Buyer shall fix to the Seller an additional period of thirty (30) calendar days for performance of delivery or other obligations ("**Grace Period for Seller**").
- 12.2. If the Seller fails to fix deficiencies within the Grace Period for Seller, other than due to a Force Majeure event or the Buyer not fulfilling its obligations under the Order, the Buyer shall have the right to claim liquidated damages equal to five tenths per cent (0.5%) of the price of those delayed Goods/Services for every seven (7) days of the delay, provided the Buyer notifies the Seller In Writing. Liquidated damages will run from the date of notification. The total amount of liquidated damages for the Seller's delay shall not exceed five per cent (5%) of the price of the delayed Goods/Services ("**LD Cap for Seller**"). Such liquidated damages for Seller's delay shall be the only damages due from the Seller for such a delay up to the LD Cap for Seller
- 12.3. The Seller shall not be obligated to pay liquidated damages set under Clause 12.2. if its obligations are fully satisfied within Grace Period for Seller.
- 12.4. If the Seller does not fulfil its obligations within the Grace Period for Seller and once the LD Cap for Seller is reached, the Buyer shall have the right to terminate the Order in accordance with Clause 13 hereto.
- 12.5. For the avoidance of doubt, the following events are not considered as Seller's non-performance events under the Order:
 - 12.5.1. adjustments of Goods/Services delivery schedule due to circumstances attributable to the Buyer;
 - 12.5.2. non-performance caused by the circumstances attributable to the Buyer;
 - 12.5.3. non-performance caused by Force Majeure events.

13. Termination

- 13.1. There is a material breach of these General Conditions where a Party fails to perform any of its material obligations under these General Conditions (including, but not limited to, the events stipulated in Clauses 11 and 12 of these General Conditions).

- 13.2. In case of a material breach by a Party, the aggrieved Party shall have a right to unilaterally terminate this Agreement by providing the other Party a written notice ten (10) calendar days before the effective date of termination.

14. Consequences of termination

- 14.1. If the Order is terminated because of a material breach of the Buyer, the Seller shall have the right to keep the already paid part of the price and the Buyer shall, within fifteen (15) calendar days from the issue of invoice, pay to the Seller a fair and reasonable price for all services undertaken but not invoiced as well as all direct and reasonable costs engaged by the Seller for the purpose of the Order.
- 14.2. In the event of Order termination due to the Buyer's material breach resulting from non-compliance with the obligations set forth in Clause 7.4., the consequences outlined in Clause 7.4.4. shall apply in addition to the termination consequences specified in Clause 14.1. of these General Conditions.
- 14.3. If the Order is terminated because of a material breach of the Seller, the Seller shall within thirty (30) calendar days return the already paid part of the Order price to the Buyer.
- 14.4. The clauses relating to confidentiality, Intellectual Property Rights, limitations and exclusions of liability and settlement of disputes shall survive termination or expiry of the Order for any reason.

15. Indemnification

- 15.1. Except to the extent paid in settlement from any applicable insurance policies, and to the extent permitted by Applicable Law (as defined in Clause 25.1. hereto), each Party ("**Indemnifying Party**") agrees to indemnify and hold harmless the other Party, and its respective affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from or arise out of any negligent or wrongful act or omission of the Indemnifying Party, its respective affiliates, officers, agents, employees, and permitted successors and assigns under or in the connection with these General Conditions.

16. Liability. Limitation of Liability

- 16.1. Each Party's liability for and any and all claims, losses, liabilities, costs and expenses under or in connection with the Order, however arising, under any theory of liability, whether in contract, tort (including, without limitation, negligence), strict liability, indemnity, breach of warranty or other theory, shall be limited to a) for the Seller: the amounts actually received by the Seller from the Buyer with respect to the particular Goods/Services; b) for the Buyer: amounts paid by the Buyer to the Seller with respect to the particular Goods/Services. The maximum aggregate amount of liability of the Seller under the Order shall not in any event exceed one hundred per cent (100%) of the Purchase Order price received by the Seller.
- 16.2. THE SELLER SHALL NOT BE LIABLE FOR ANY LOST PROFITS OR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUE, LOSS OR DAMAGE TO GOODWILL, LOSS OF USE, BUSINESS INTERRUPTION, OR COST OF COVER, HOWEVER ARISING, UNDER ANY THEORY OF LIABILITY, WHETHER IN CONTRACT, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE), STRICT LIABILITY, INDEMNITY, BREACH OF WARRANTY OR OTHER THEORY, OR OTHERWISE, EVEN IF THE SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

- 16.3. The foregoing limitations and exclusions in this Clause 16 shall not apply where prohibited by Applicable Law, nor to the Buyer's liability under Clause 18.3., nor shall they apply to a Party's liability for breach or violation of its confidentiality obligations set forth or referred to in these General Conditions, or a Party's gross negligence or wilful misconduct.
- 16.4. The Buyer agrees to indemnify and hold harmless the Seller, and its respective affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind, which result from or arise out of any inaccuracy in or failure to provide, or failure to provide timely information, as defined under the Order.
- 16.5. The Buyer acknowledges and agrees that timely compliance with the timelines set for the Buyer under the Order, if any, is essential to ensure the success of the project. Accordingly, the Buyer agrees to accomplish its respective obligations in accordance with the agreed timelines. The Buyer acknowledges and agrees that any delay by the Buyer in the performance of his obligations under the Order may substantially delay the entire project, without any liability to the Seller.

17. Force Majeure

- 17.1. Force Majeure means war, emergency, accident, act of God, epidemic, pandemic, quarantine restrictions, fire, earthquake, flood, high wind, storm or other natural disaster, civil unrest, transport difficulties, industrial strike, unavoidable collision with space debris, space weather, radiation, solar flares and micrometeoroid impacts, static discharges, nuclear, chemical or biological contamination, sonic boom, damage caused by an anti-satellite device which is not controlled by either Party, governmental or supranational (e.g. United Nations) restrictions, sanctions, embargo, or breaking off of diplomatic relations, launch failure, and launch delay due to a prior launch failure which has caused a delay to the whole launch manifest of more than three (3) months, any law or any action taken by a government or public authority, including without limitation imposing an export or import restriction, quota or prohibition, or suspending or revoking of, or declining to grant, a necessary licence or consent, if any information that is required from a third party to comply with a regulatory or other obligation under Applicable Law is not obtainable by any means within the control of either Party or other impediment which the affected party proves was beyond its reasonable control and that it could not reasonably be expected to have taken the impediment into account at the time of the conclusion of the Order or to have avoided or overcome it or its consequences.
- 17.2. A Party affected by Force Majeure shall not be deemed to be in breach of these General Conditions, or otherwise be liable to the other, by reason of any delay in performance, or the non-performance, of any of its obligations under these General Conditions to the extent that the delay or non-performance is due to any Force Majeure of which it has notified the other Party in accordance with Clause 17.3. The time for performance of that obligation shall be extended accordingly, subject to Clause 17.4.
- 17.3. If any Force Majeure occurs in relation to either Party which affects or is likely to affect the performance of any of its obligations under these General Conditions, it shall notify the other Party within a reasonable time as to the nature and extent of the circumstances in question and their effect on its ability to perform.
- 17.4. If the performance by either Party of any of its obligations under these General Conditions is prevented or delayed by Force Majeure for a continuous period in excess of three (3) months, the Parties shall negotiate in good faith, and use their best endeavours to agree upon such amendments to the Order or alternative arrangements as may be fair and reasonable with a view to alleviating its effects, but if they do not agree upon such amendments or arrangements within

a further period of thirty (30) calendar days, the other Party shall be entitled to terminate the Order by giving written notice to the Party affected by the Force Majeure.

18. Intellectual Property Rights

- 18.1. The Seller and its licensors shall retain ownership of all Intellectual Property Rights in all materials used or developed in the performance of the Order, excluding the Buyer Materials. No rights are granted by the Seller to the Buyer in respect of any such Intellectual Property Rights of the Seller or its licensors.
- 18.2. Notwithstanding Clause 18.1., if the Seller is dissolved or otherwise ceases to operate, subject to having paid all sums due to the Seller under the Purchase Order, the Buyer is hereby granted a fully paid-up, perpetual, non-exclusive, royalty-free licence to use the Seller's Intellectual Property Rights to the extent necessary to perform the Order.
- 18.3. The Buyer:
- 18.3.1. warrants that the receipt and use of the Buyer Materials in the performance of these General Conditions by the Seller, its subcontractors and component providers shall not infringe any Intellectual Property Rights of any third party; and
- 18.3.2. shall indemnify the Seller in full against all liabilities, costs, expenses, damages and losses (including legal costs and all other professional costs and expenses) suffered or incurred by the Seller arising out of or in connection with any claim brought against the Seller, its subcontractors or component providers for actual or alleged infringement of a third party's Intellectual Property Rights arising out of, or in connection with, the receipt or use in the performance of these General Conditions of the Buyer Materials.

19. Confidentiality

- 19.1. The Parties agree to keep all data or information relating to the Parties or to these General Conditions as confidential following the terms and conditions of Non-Disclosure Agreement signed between the Parties in the beginning of communications.
- 19.2. In case a separate Non-Disclosure Agreement has not been concluded between the Parties, the confidentiality obligations set under this Clause shall apply to the Parties. During the term of the Order and five (5) years after the expiration or termination of the Order, each Party, as a Receiving Party, agrees to use the Confidential Information of the Disclosing Party solely for the purposes of the performance of its obligations and exercise and enforcement of its rights under these General Conditions. The Receiving Party shall refrain from disclosing any Confidential Information of the Disclosing Party to any third party, except to the Receiving Party's own employees, consultants and agents who are involved in performing the Order, have a need to know, are bound by written confidentiality obligations with terms no less restrictive than those herein, or to clients or other third parties, to the extent necessary to perform its obligations or exercise its rights under these General Conditions, and subject to written restrictions on disclosure and use, which the Receiving Party agrees to enforce for the benefit of the Disclosing Party. The Receiving Party shall protect the Disclosing Party's Confidential Information from unauthorized use, access, copying or disclosure in the same manner as the Receiving Party protects its own confidential or proprietary information of a similar nature and with no less than reasonable care. The duties and obligations described in this Clause shall not apply to any information that: (i) is rightfully known by the Receiving Party prior to disclosure by the Disclosing Party; (ii) is rightfully obtained by the Receiving Party from a third party that is not, to the best knowledge of the Receiving Party, bound by or subject to any confidentiality obligation to the Disclosing Party; (iii) is, or becomes, generally known to the public through no fault of the

Receiving Party; or (iv) is disclosed by the Receiving Party with the prior express approval of the Disclosing Party. The Receiving Party shall have the right to disclose the Confidential Information of the Disclosing Party to the extent that such disclosure is required by law or by the order of a court or similar judicial or administrative body, provided that where legally permitted, the Receiving Party notifies the Disclosing Party of such required disclosure promptly and In Writing and cooperates with the Disclosing Party, at the Disclosing Party's reasonable request and expense, in any lawful action to contest or limit the scope of such required disclosure.

20. Entire agreement

20.1. The Order constitutes the entire agreement between the Parties and supersedes and replaces any prior written or verbal agreement, understanding, or the like. Changes, modifications, amendments, or extensions to the agreement shall only be valid if made In Writing and signed by duly authorized representatives of both Parties.

21. Annexes

21.1. The annexes to these General Conditions (such as the Seller's Business Offer, the Purchase Order, the SoW, etc.) constitute an integral part of these General Conditions.

22. Conflict

22.1. In the event of a contradiction or conflict between the provisions of General Conditions, the Seller's Business Offer, the Purchase Order and other annexes, the order of precedence between the documents shall be as follows, unless otherwise detailed in the Purchase Order:

- 22.1.1. the Purchase Order;
- 22.1.2. the Business Offer;
- 22.1.3. these General Conditions;
- 22.1.4. the remaining annexes.

22.2. In the event of any discrepancies or conflict between the SoW and other technical documents, the SoW shall prevail.

23. Notices and Correspondence

23.1. Any notice under these General Conditions shall be In Writing and may be served in a manner that ensures receipt of the notice. Any postal notices must be sent by registered post; any notice alleging breach or relating to termination must be sent by registered post of by tracked reputable courier (e.g. DHL, UPS or FedEx). For the purposes of this Clause, notification details are the following, unless other details have been duly notified in accordance with this Clause:

For the Seller: Augustinas Lubys, Kongsberg NanoAvionics UAB, Mokslininku str. 2A, LT-08412, Vilnius, Lithuania, augustinas@nanoavionics.com and info@nanoavionics.com.

For the Buyer: as specified in the Purchase Order, unless otherwise clearly specified by the Buyer.

23.2. Any communication related to these General Conditions affecting its terms and conditions (including contracted scope of work in the Purchase Order and/or SoW) shall only bind the Seller if signed by the Seller's authorized representative(s).

23.3. The Buyer's engineering and technical personnel may from time-to-time render assistance, give technical advice, discuss, or effect exchange of information with the Seller's personnel concerning the Order. Such actions shall in no way be construed as a change in the Parties' rights or obligations under these General Conditions. The Parties expressly agree that the main channel of daily project communication will be emails ("**Channel**").

24. Effect of invalid or unenforceable provisions

24.1. If any provision of these General Conditions is held by any court or other competent authority to be invalid or unenforceable in whole or in part, these General Conditions shall continue to be valid as to its other provisions and the remainder of the affected provision, unless it can be concluded from the circumstances that, in the absence of the provision found to be null and void, the Parties would not have concluded this agreement. The Parties shall use all reasonable efforts to replace all provisions found to be null and void by provisions that are valid under the Applicable Law and come closest to their original intention.

25. Applicable Law and Dispute Resolution

25.1. These General Conditions is governed by and shall be construed following the laws of the Republic of Lithuania ("**Applicable Law**") without reference to its rules and principles on the conflict of laws. For the sake of clarity, the United Nations Convention on Contracts for the International Sale of Goods does not apply.

25.2. The Parties undertake to use their best efforts to resolve any disagreements or disputes arising out of or relating to these General Conditions through amicable negotiations.

25.3. All disputes between the Parties in connection with these General Conditions, which the Parties could not resolve within thirty (30) days from the date of a written notice of the dispute from one Party to the other Party, shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce. One (1) arbitrator shall be appointed in accordance with the said rules. The arbitration proceeding shall be conducted in the English language in Vilnius, the Republic of Lithuania. The arbitration award shall be final and binding among the Parties, their successors and assignees, which shall comply in good faith with such decision.

25.4. The Parties undertake to keep confidential all awards in their arbitration, together with all materials in the proceedings created for the purpose of the arbitration and all other documents produced by another Party in the proceedings not otherwise in the public domain – save and to the extent that disclosure may be required of a Party by legal duty, to protect or pursue a legal right or to enforce or challenge an award in bona fide legal proceedings before a state court or other judicial authority.

25.5. The Parties agree that these provisions do not preclude either Party from seeking urgent interim relief in the courts, including but not limited to an injunction to prevent breach, or further breach, of the terms of these General Conditions in any applicable jurisdiction.

26. Assignment and Subcontracting

26.1. The Seller may subcontract its obligations under these General Conditions to its Subsidiaries. Subcontracting does not relieve the Seller of any responsibility for performance.

26.2. Neither Party shall transfer, assign, pledge or novate its rights or obligations under these General Conditions without the prior written consent of the other Party not unreasonably withheld, except that either Party may assign the Order without consent in connection with a merger, reorganization, consolidation, or sale of all or substantially all of the assets to which the

Order pertain, provided that the assigning Party provides prompt written notice to the other Party prior to any such permitted assignment, unless it is publicly announced.

27. Data Protection

27.1. The Parties shall comply with Data Privacy Laws. The Seller will not be a data processor for the Buyer. The Parties are independent data controllers.

28. General

28.1. These General Conditions have been concluded in English. They may be translated into any other language for practical purposes, but the English version shall prevail in the event of any doubt.

28.2. Neither Party will issue any press releases or public announcements, including but not limited to posts in website, social media profiles, articles in press, TV shows, podcasts and so on, regarding the Order (except as may be required by applicable law or regulation), the property described in the Order or use the other Party's name and (or) logo without the other Party's prior written consent. Each Party retains all rights in its goodwill.