

GENERAL CONDITIONS OF PURCHASE**General Provisions**

These General Conditions of Purchase shall apply to all current and future agreements whereby a Seller sells goods or provides services to UAB Xirgo Global.

1. DEFINITIONS & INTERPRETATIONS:

- 1.1 "Buyer" means UAB XIRGO GLOBAL with headquarters at Chemijos st. 15, Kaunas LT-51332, Lithuania.
- 1.2 "Contract" means the concluded agreement that comes into existence upon the Seller accepting the Purchase Order.
- 1.3 "Contractual Price" means the price specified in the Purchase Order.
- 1.4 "General Conditions of Purchase" means this document.
- 1.5 "Goods" means the goods described in the Purchase Order.
- 1.6 "Purchase Orders" means Buyer's purchase order which sets out the details of the Goods and/or Services and to which this document is annexed.
- 1.7 "Seller" means the person from whom Buyer is purchasing the Goods and/or services.
- 1.8 "Services" means the services described in the Purchase Order.
- 1.9 "Writing" includes facsimile transmissions, e-mail and comparable means of communication. Any notice and/or other communication in writing required to be given by one party to the other shall be addressed to that other party at its registered office or principal place of business.
- 1.10 "Force majeure" means any cause or circumstance not within a party's reasonable control including but not restricted to strikes, war, civil disorder and natural disasters.
- 1.11 The headings in these General Conditions of Purchase are for convenience only and shall not affect their interpretation.
- 1.12 If any provision of these General Conditions of Purchase is held by any competent authority to be invalid or unenforceable in whole or in part, the validity of the other provisions of these General Conditions of Purchase and the remainder of the provision shall not be affected thereby.

2. PURCHASE ORDER:

- 2.1 Buyer will not be bound for acceptance of Goods supplied or Services rendered unless covered by an official Purchase Order which has been acknowledged by Seller within ten (10) working days of the date thereof.
- 2.2 By acceptance of the Purchase Order, Seller agrees to comply fully with the terms and conditions thereof and with these General Conditions of Purchase. Acceptance of the Purchase Order is strictly limited to the terms and conditions of the Purchase Orders and to these General Conditions of Purchase and none of Seller's terms and conditions shall apply. Acceptance by Buyer of any Goods and/or Services under the Purchase Orders shall not constitute acceptance of Seller's terms and conditions.
- 2.3 In the event of a conflict between the terms of the Purchase Order and these General Conditions of Purchase, the terms of the Purchase Order shall prevail.

3. ALTERATIONS:

- 3.1 Any alterations with regards to Buyer's Purchase Order, included but not limited to quantity, quality, description or specifications of the Goods and/or Services to be delivered or any alterations in the terms of the transaction must be mutually agreed between Buyer and Seller and shall be confirmed by Buyer in writing prior to delivery.
- 3.2 Buyer reserves the right to make changes in design and specification for any Goods and/or Services. The difference in price or time for performance resulting from such changes as reasonably determined by Buyer will be equitably adjusted and the Purchase Order will be amended accordingly.

4. QUALITY & CONFORMANCE/COMPLIANCE WITH LAWS:

- 4.1 All Goods and/or Services shall conform either to Buyer's description or mutually agreed upon specifications or if applicable, previously submitted Buyer-approved supplies and/or samples. In either case, Goods and Services shall be subject to Buyer's approval within a reasonable time after delivery, not to exceed sixty (60) days.
- 4.2 Goods supplied or Services rendered shall conform to quantity, quality and description in accordance with the provisions of the Purchase Order and possess all the properties necessary for normal usage of the Goods or Services as can normally be expected by the Buyer.
- 4.3 In performing the Contract, Seller shall comply with all applicable laws and regulations including but not limited to those pertaining to the supply, packaging, labelling and carriage of hazardous goods, health and safety, product safety, environmental protection, the sale and use of material, production, pricing of goods, the import and export of goods and taxation.
- 4.4 Seller shall not use, in the manufacture of or in the Goods, substances defined in Buyer's Environmental Requirements T-604597 (a copy of which is available on request) or defined by Article 1 of EC Directive No. 3039/94 of 15 December 1995 (Ozone depleting substances). Seller shall comply with all requirements set forth in European regulation (EC) 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). A violation of any or all of the above obligations entitles the Buyer to terminate the Contract and claim damages.

5. INSPECTION AND WARRANTY:

- 5.1 Unless otherwise specified, acceptance of Goods and/or Services received against the Purchase Order will take place at the "ship to" facility mentioned in the Purchase Order. Seller warrants that all Goods or Services supplied under the Purchase Order conform to the mutually agreed specification, drawings, samples or other descriptions furnished by Buyer.
- 5.2 Seller shall comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods.
- 5.3 Goods rejected shall be held at Seller's risk and are returnable at Seller's expense for credit at the full price and shall not count as having been delivered unless Seller agrees with Buyer to make the Goods fit for their intended purpose in which case the Seller shall be debited with the costs thereof.
- 5.4 If required Seller will make process control data, inspection and test reports covering the Goods and their parts available for review and subject to examination by Buyer or its authorised representative to verify conformance to such applicable specifications and drawings. However, a certificate of conformance must accompany individual shipments when so specified on applicable drawings, or on the Purchase Order.
- 5.5 Inspection may be performed at Buyer's option on a statistical sampling basis. The entire delivery may be rejected based on defects revealed by such sampling. At Buyer's option, the rejected Goods will be either returned to the Seller for replacement or credit or 100% screened by Buyer with the cost of screening paid by Seller.
- 5.6 The initial inspection performed by Buyer upon receipt of Goods is a conditional acceptance, and shall not waive the right of Buyer to return to Seller Goods which exhibit or develop defects due to latent causes during or after installation or testing of the end product.
- 5.7 For the purpose of auditing Seller's Quality Management System and/or processes Buyer has the right to access to all locations where the Goods are manufactured or Services are performed.
- 5.8 Unless a longer period is set forth on the face of the Purchase Order, Seller's warranty shall be effective for a period of two (2) years from the date of delivery to Buyer.
- 5.9 Seller shall inform buyer of any risk involved in the usage of the Goods. Seller must also inform Buyer of such risk even if the warranty period has expired, or if the risk is not covered by warranty.
- 5.10 The forgoing remedies are in addition to, and not in lieu of any remedies available to Buyer.

6. PACKING AND TRANSPORTATION:

- 6.1 Unless otherwise specified in the Purchase Order, terms of delivery are DAP (Incoterms in its last version) to the "ship to" facility referenced in the Purchase Order.
- 6.2 Seller shall ensure that the Goods are properly packed and secured in such manner as to enable them to reach their destination in good condition. No separate payment will be made for any packing materials, except otherwise stated in the Purchase Order or subsequently agreed in writing by Buyer.
- 6.3 Each delivery of the Goods and/or Services shall be accompanied by a delivery note which shows the date of the Purchase Order, the Purchase Order number, the type and quantity of the Goods and/or Services, special storage instructions (if any) and, if the Goods are being delivered by instalments, and the outstanding balance remaining to be delivered.
- 6.4 If the Seller requires the Buyer to return any packaging material of the Goods to the Seller, that fact should be clearly stated on the delivery note. Any such packaging material shall only be returned to the Seller at the cost and risk of Seller.

7. TRANSFER OF TITLE / PROPRIETARY INFORMATION / TOOLS:

- 7.1 Except in the case where Goods are collected by Buyer, the title and risk to the Goods shall pass upon acceptance by Buyer at Buyer's premises.
- 7.2 All information which Buyer makes available to Seller for the purpose of performing the Contract is confidential. Seller agrees not to disclose such information to any third party and/or use that information for purposes other than submitting a bid or performing a Contract unless otherwise agreed in writing by Buyer. Further, Seller shall ensure that its officers, employees and agents (including those officers, employees and agents who may terminate their relationship with Seller) shall abide by the same obligation as if their names were inserted in the place of "Seller".
- 7.3 If it becomes necessary for the Seller to disclose confidential information to the Buyer or if it becomes necessary for the Buyer to disclose confidential information other than that outlined in Section 7.2, the obligations related to such information shall be set forth in a separate non-disclosure agreement to be executed by the parties prior to the disclosure of such confidential information.
- 7.4 Drawings, samples, formulas and tools which Buyer makes available to Seller for submission of a bid or performance of a Contract, remain Buyer's property and may not be copied or used for purposes other than the Contract. They must be returned to Buyer upon request after refusal of bid or performance of the Contract.
- 7.5 To the extent relevant, in the event that Buyer's tooling is in Seller's custody or control, Seller bears the risk of loss, theft and damage. Seller agrees to keep Buyer's tooling free from all liens and encumbrances and insure the Buyer's tooling against loss or destruction. Seller must permanently mark all Buyer's tooling as "Property of Buyer". At all times Seller will: (a) use Buyer's tooling only for the performance of the Contract; (b) not deem Buyer's tooling to be personal; (c) not move Buyer's tooling from the address designated on the Purchase Order without the prior written approval from Buyer; and (d) Seller will not sell, transfer or otherwise dispose of Buyer's tooling without the prior written consent of Buyer. Buyer has the right to enter Seller's premises at all reasonable times to inspect such tooling and Seller's related records. If Buyer purchases any tooling from Seller, it must be built robustly and durably for its intended use.
- 7.6 Unless otherwise stated on the Purchase Order, Seller at its own expense must furnish, keep in good condition and replace when necessary, all equipment, dies, tools, gauges, jigs, fixtures, patterns, or other items necessary for the production of the Goods. Buyer reserves the right to take possession of and title to any production equipment that is special for the production of the Goods, unless the Goods are standard products of the Seller, of if substantial quantities of like Goods are being sold by Seller.
- 7.7 All inventions which Seller conceives or reduces to practice during the course of its performance under a Purchase Order or Contract shall be the exclusive property of Buyer if the work product qualifies as 'work-for-hire'. If the work product does not qualify as a 'work-for-hire', then in any event all rights in the work product, including but not limited to copyright, will be deemed automatically transferred to Buyer from its inception. Buyer shall have the exclusive worldwide right to use, edit, translate, publish, transfer or sell the work product prepared by Seller in any manner which Buyer deems fit.

8. INDEMNITY OBLIGATIONS:

- 8.1 Seller agrees to indemnify and save harmless Buyer from all liabilities, costs, expenses, damages and losses, including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expense arising from the ordinary purchase, sale or use of Goods and/or Services as a result of or in connection with:
 - 8.1.1 any claim made against Buyer for actual or alleged infringement of a third party's intellectual rights, including but not limited to any patent, model, trademark, tradename or copyright arising out of, or in connection with the manufacture, supply or use of the Goods, or receipt, use or supply of the Services, to the extent that the claim is attributable to the acts or omissions of the Seller, its employees, agents or subcontractors;
 - 8.1.2 any claim made against the Buyer by a third party for, death, personal injury or damage to property arising out of, or in connection with defects in the Goods, to the extent that the defects in the Goods are attributable to the acts or omissions of the Seller, its employees, agents or subcontractors; and
 - 8.1.3 any claim made against the Buyer by a third party arising out of or in connection with the supply of the Goods or the Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Seller, its employees agents or subcontractors.
- 8.2 This clause 8 applies not only for the Goods or Services delivered, but also if the Goods are built into another device or finished good and an inferiority of the finished goods can be directly traced to the Goods or Services supplied by Seller.
- 8.3 This clause 8 shall survive termination.

9. DELIVERIES:

- 9.1 Seller will promptly inform Buyer in writing on delay or anticipated delay of delivery, stating reasons, circumstances causing the delay and a recovery plan.
- 9.2 Seller will deliver the Goods and or render the Services on the date and time specified on the Purchase Order to the "ship to" facility mentioned on the Purchase Order. Time is of the essence for Seller's performance of all its obligations under any Contract. Failure to meet the delivery date referred to in the Purchase Order shall be considered breach of Contract.
- 9.3 Seller agrees to pay Buyer any penalties or damages imposed upon or incurred by Buyer caused by failure of Seller to deliver Goods and/or render Services on such delivery dates.
- 9.4 Partial deliveries shall only be made with a prior written agreement of Buyer.

10. CONTRACTUAL PRICE AND PAYMENT:

- 10.1 Contractual prices stated on the Purchase Order shall be binding for Buyer and Seller.
- 10.2 Payment terms shall be 60 calendar days from date of invoice, unless otherwise stated on the Purchase Order or agreed to in writing between Buyer and Seller.
- 10.3 Seller's invoice shall, at a minimum, contain the following details:
Buyer's Purchase Order number, Buyer's product code, quantity delivered, invoice number, date of invoice, invoice address, Seller's bank details and Seller's VAT number, for European-based Sellers only.

- 10.4 Buyer may set off against any sums due to the Seller whether under this Contract or otherwise any lawful set-off or counterclaim to which buyer and/or its affiliated companies may at any time be entitled.
- 11. NON-PERFORMANCE:**
In case of non-performance by Seller of any of its obligations other than by reason of force majeure, Buyer may terminate, by notice in writing to Seller, in whole or in part, the Contract between Buyer and Seller based upon the Purchase Order at any time and without intervention of any judicial authority, without prejudice to Buyer's right to demand specific performance of the Contract and/or claim damages from Seller.
- 12. FORCE MAJEURE:**
12.1 In case of non-performance due to Force majeure, Buyer may, by written notice to Seller, dissolve in whole or in part the agreement between Buyer and Seller based upon any Purchase Order at any time and without intervention of any judicial authority.
12.2 The Seller shall use all reasonable endeavours to mitigate the effect of a Force majeure event on the performance of its obligations.
- 13. TERMINATION:**
13.1 If Seller ceases to conduct its operations in the normal course of business or if any proceedings under the bankruptcy or insolvency laws are brought by or against Seller, Buyer may without intervention of any judicial authority terminate any Contract between Buyer and Seller based upon the Goods delivered or Services rendered previously in accordance with the Purchase Order. Such notice shall indicate the extent and effective date of such termination.
13.2 Buyer may without intervention of any judicial authority immediately dissolve the Contract in the event Seller offers a gift or makes a promise in whatever form to Buyer or one of his subordinates.
- 14. PROVISION OF SPARE PARTS:**
Seller agrees to provide spare parts for the Goods for a period of at least ten (10) years after the last delivery of the Goods.
- 15. TRADENAMES AND TRADEMARKS:**
Any reference to the name of Buyer or to any of Buyer's trade names or trademarks shall not be made unless Buyer has granted prior written approval.
- 16. APPLICABLE LAW:**
16.1 The Purchase Order shall be governed by the laws of Lithuania.
16.2 The United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.
16.3 In order to facilitate the exchange of information in accordance with this agreement and in conformity with the laws and regulations of the United States and the European Union relating to the exportation of technical data, Seller and Buyer agree to comply fully with all relevant laws and regulations of the United States and the European Union.
- 17. JURISDICTION:**
The competent Court at Kaunas in Lithuania shall have exclusive jurisdiction to hear all disputes arising in connection with the terms and conditions of the Purchase Order and in connection with these General Conditions of Purchase.
- 18. EXPORT CONTROL COMPLIANCE:**
Both Seller and Buyer agree to obtain any necessary export license or other documentation prior to the exportation or re-exportation of any product, technical data, software or software source code covered under the Contract or any direct product of such technical data, software or software source. Accordingly, neither Seller nor Buyer shall sell, export, re-export, transfer, divert or otherwise dispose of any such product, technical data, software or software source code directly or indirectly to any person, firm, entity, country or countries prohibited by U.S. or applicable non-U.S. laws. The responsible party shall secure, at its own expense, such licenses and export and import documents as are necessary for each respective party to fulfil its obligations under this Contract.
- 19. COMPLIANCE WITH ANTI-CORRUPTION LAWS:**
Seller represents, warrants and undertakes to comply with any anticorruption law or similar legislation, codes, rules, policies and regulation applicable to the Buyer and/or to the performance of Seller's obligations to provide Goods and/or Services in relation to any Purchase Order ("Anti-Corruption Laws") and not take any action or permit, authorise or tolerate any action in violation of the Anti-Corruption Laws.
- 20. COMPLIANCE WITH DATA PROTECTION LAWS:**
From time to time Buyer may transfer data acquired from Seller for the purpose of carrying out the performance of this Contract with any member of its group (which means subsidiaries, ultimate holding company and its subsidiaries worldwide). The data collected may be transferred to, and stored at, a destination outside the European Economic Area ("EEA"). It may also be processed by staff operating outside the EEA who work for Buyer. By Seller submitting data, Seller agrees to this transfer, storing or processing. Buyer will take reasonable steps necessary to ensure that Seller's data is treated securely and in accordance with the practices contained in Regulation (EU) 2016/679.
- 21. CORPORATE SOCIAL RESPONSIBILITY:**
Seller shall acknowledge and adhere to Buyer's Supplier Code of Conduct, and all referenced policies and procedures as presented on Buyer's Website at and as appropriate, in Buyer's Global Supplier Quality Manual (QMS-1004255). The provisions of the Supplier Code of Conduct are in addition to, and not in lieu of, the provisions of any legal agreement or contract between a Supplier and Buyer or any of its affiliates. We expect Suppliers to hold their supply chain, including subcontractors and third party labor agencies, to the same standards contained in the Supplier Code of Conduct. The Supplier Code of Conduct does not create any third-party beneficiary rights or benefits for Suppliers, subcontractors, their respective employees or any other party. Buyer's Suppliers are advised that they may be subject to survey and audit by third parties on behalf of Buyer to verify compliance with the following provisions. Non-compliance or misrepresentation of compliance by a Supplier may result in sanctions, including, but not limited to, termination of their agreements with Buyer for default.