

# TERMS AND CONDITIONS FOR PRODUCTS AND SERVICES

## 1. PREAMBLE AND DEFINITIONS

These Terms and Conditions shall apply when Canatu Finland Oy or any of its affiliates ("Canatu") provides any Products or Services to its customer. In the event of any conflict between these Terms and Conditions and the terms of an applicable order form, the terms of the order form shall prevail to the extent of such conflict. Any other conditions stipulated by the customer that are in contradiction or in addition to these Terms and Conditions shall only be valid if expressly acknowledged by Canatu in writing.

"Components" shall mean all materials to be used for the Products or Services such as, without limiting to, integrated circuits, flexible circuit board assemblies, inks and substrates.

"DOS" shall mean the days of supply meaning the calculated forward-looking number of calendar days during which Canatu's then current inventory of Components will be used in the manufacturing of the Products based on customer's demand presented e.g. in the quotation, forecast and/or orders. DOS shall be calculated by subtracting daily component demand from the inventory until the whole inventory is consumed.

"Long Term Services" shall mean Services that are separately agreed with Canatu and require ongoing capacity planning such as, without limiting to, manufacturing.

"Order Based Services" shall mean Product deliveries, including deliveries of standard or off-the-shelf Products, based on fixed amount and fixed delivery date or delivery schedule.

"Product(s)" shall mean any product or deliverable provided by Canatu to customer, including the outcome of Services provided in accordance with Specifications and any other mutually agreed requirements, as well as any standard or off-the-shelf products supplied by Canatu.

"Project" shall mean scheduled short term Services with milestones such as, but not limited to, prototyping or new product introduction (NPI).

"Servicing" shall mean all the services to be provided by Canatu to customer at Canatu premises, all in accordance with the pertinent documentation, Specifications provided by customer and agreed by Canatu. Services include but are not limited to Order Based Services, Long Term Services and Projects.

"Specifications" shall mean all the information, irrespective of the media containing the information, required for Servicing including but not limited to quality requirements and design.

"Intellectual Property" shall mean all patents, utility models, trade secrets, know-how, copyrights, design rights, trademarks and any other intellectual property rights, whether registered or unregistered, and all applications and rights to apply for any of the foregoing.

## 2. SPECIFICATIONS AND SERVICES

The Specifications applicable to each Product and Service shall be (a) identified and provided by customer and agreed to by Canatu, or (b) in the case of standard or off-the-shelf Products, Canatu's published product specifications. Canatu shall comply with and perform the Servicing in accordance with the applicable Specifications. Unless otherwise expressly agreed, customer shall be liable for functionality of the Specifications provided by customer.

## 3. PRODUCTS

Where Products are manufactured to customer-provided Specifications, customer shall specify the product structure in the Specifications. Customer shall be at all times responsible for the accuracy of the Specifications and for providing all updates thereof to Canatu, as well as for the legal compliance of the Specifications including but not limited to the Product's compliance with the relevant authority requirements, standards and environmental compliance thereof. Customer shall acquire any and all needed licenses and permissions for Product(s) as may be required by applicable laws and local authorities and/or standards.

Customer shall assist and support Canatu in order to receive any and all authority approvals which are necessary for the Servicing.

## 4. FORECASTS AND PURCHASING OF MATERIALS

Order Based Services: delivery dates quoted are based on lead times in effect of the date of quotation. Actual delivery date(s) will be agreed in acceptance of an order. Canatu reserves the right to ship plus or minus 5% of the quantity of products ordered.

Long Term Services: Customer undertakes to provide Canatu with fixed orders for four (4) months and additional twelve (12) months rolling forecasts for long-term capacity planning, component procurement and allocation. The fixed and flexible periods, flexibility levels as well as possible buffer and emergency reserve stock requirements for the Products are defined by Canatu based on Component lead times and capacity utilization. In case Canatu agrees to purchase the Components, Canatu may require a satisfactory collateral from customer e.g. in the form of letter of credit or bank guarantee. Should customer's actual orders deviate from the forecasts so that the DOS exceeds thirty (30) days, customer shall compensate and/or reimburse Canatu for the incurred costs of such deviation. The basis for the compensation payable for any deviation shall be calculated at an interest level of 0.6% of Component landed cost counted for each commencing week. In all events the customer shall be responsible to pay Canatu for all Components that are no longer needed or usable as the result of any revision of a forecast or order ("Obsolete Components").

Components which have been in Canatu's inventory for more than sixty (60) days or which have no visible demand for the coming sixty (60) days shall be deemed as Obsolete Components.

The payment term of Canatu's invoice for Obsolete Components is fourteen (14) days from the date of invoice. In case customer fail to collect the Obsolete Components from Canatu within the time period specified by Canatu, Canatu may dispose of the Obsolete Components at its discretion and at customer's cost.

In case the demand of the Products based on customer's forecasts and/or orders decreases, customer shall compensate to Canatu the possible costs incurred due to idle plant and/or labor allocated for manufacturing the Products.

## 5. COMPONENT LIABILITY

Customer is fully liable for customer's appointed suppliers as well as for the Components purchased from such suppliers.

In the event the Components are independently chosen and purchased by Canatu from Canatu's preferred suppliers Canatu is responsible for managing such suppliers and confirming Components compliance with Bill Of Materials (BOM).

## 6. CANCELLATION AND RESCHEDULING

Order Based Services: Orders are non-cancellable. Customer shall notify Canatu in writing of any order adjustments, such as engineering changes, quantity modifications and changes in delivery dates. Canatu can adjust the delivery schedule and prices due such changes.

Long term Services: Orders under fixed period are non-cancellable. Should customer cancel a non-fixed period order, customer shall acquire from Canatu all Products and semi-finished Products (including but not limited to all such Products in Canatu's buffer stock, if applicable) and compensate all costs incurred by Canatu due to cancellation of a Product such as but not limiting to investments, liabilities towards supplies, tools and fixtures. In addition, the customer shall acquire from Canatu all Components that are in stock or on order for the Products, based on the customer's orders or forecasts and taking into account minimum order quantities and minimum packaging quantities, at the landed cost plus an applicable material mark-up of 15%. The payment term for Canatu's invoice for the above items is fourteen (14) days from the date of invoice.

## 7. CHANGE MANAGEMENT

Any changes to the Specifications shall be made in writing in accordance with Canatu's change management -process and are subject to an additional price. In case of changes in Specifications, customer's liabilities with respect to finished Products, semi-finished Products and/or Components shall be in accordance with sections 3 and 5 above.

## 8. TERMS OF DELIVERY, ORDERS AND DELIVERIES

The terms of delivery shall be Ex Works relevant Canatu manufacturing site, interpreted in accordance with Incoterms 2020. Partial delivery and performance shall be admissible to some reasonable extent.

In the event of delay the following will apply:

1. If the delivery is delayed owing to force majeure, or because of an act or omission of customer or any of its suppliers or manufacturers supplying Components to Canatu, the delivery time shall be extended taking into consideration all pertinent circumstances.
2. If Canatu is otherwise unable to deliver the Products in accordance with the agreed delivery times, then Canatu shall as soon as it becomes aware of the delay or a possible or potential delay, inform customer thereof and propose a new date for delivery.

## 9. EXPORT CONTROL

Customer undertakes to obtain any and all export licenses, permits or exemptions required for the export, re-export, transfer or import of the Products, including any authorizations required under Regulation (EU) 2021/821 (the EU Dual-Use Regulation). Customer represents and warrants that (i) neither customer nor its beneficial owners are listed on any restricted or denied party list maintained under EU, United States (including OFAC and BIS/EAR) or United Nations sanctions and export control regimes; and (ii) the Products will not be exported, re-exported, transferred or otherwise made available, directly or indirectly, to any sanctioned country, entity or person, including under Council Regulation (EU) No 833/2014 (concerning Russia) and Council Regulation (EC) No 765/2006 (concerning Belarus), each as amended, or for any end-use prohibited under applicable export control and sanctions laws, including any prohibited military, intelligence or dual-use end-use. Canatu will comply with all applicable export control and sanctions laws, including those of Finland, the European Union and the United States, and shall co-operate with customer by providing required documentation for export licenses or exemptions therefrom.

Customer shall inform Canatu in writing whether customer and/or the Products are subject to any export control or sanctions regulation, including dual-use controls under Regulation (EU) 2021/821, and shall promptly notify Canatu of any change in such status. Should customer fail to comply with this obligation, or should Canatu reasonably determine that performance may expose it to a risk of non-compliance with applicable export control or sanctions laws, Canatu shall be entitled to suspend or refuse performance without liability. Customer undertakes to indemnify and hold Canatu harmless from and against any and all losses, damages, costs and expenses (including legal fees) arising from customer's non-compliance or alleged non-compliance with applicable export control or sanctions laws.

## 10. PRICES AND TERMS OF PAYMENT

The term of payment for any and all Services shall be thirty (30) days from the date of Canatu's invoice, unless otherwise specified in the applicable order form, in which case the payment terms set forth in such order form shall prevail, including any requirement for advance payment. Unless otherwise agreed, Canatu shall invoice for each delivery separately. A payment shall not be deemed to have been made until the full amount has been received by Canatu.

In the event of any delay in payment, customer shall pay overdue interest on the outstanding amount at a rate of sixteen per cent (16%) per annum. Overdue interest shall accrue for each day from the applicable due date until the date of actual receipt of payment by Canatu.

Any failure by customer to make payment of any amount due under these Terms and Conditions by the applicable due date shall constitute a material breach. Canatu shall provide customer with written notice of such payment default, and customer shall have fourteen (14) calendar days from receipt of such notice to cure the default by remitting the full outstanding amount, including any accrued overdue interest. If customer fails to cure the default within such period, Canatu shall be entitled, without prejudice to any other rights or remedies available to it under these Terms and Conditions or at law, to exercise its rights under section 16 (Non-Performance), including suspension or termination of Services.

The prices are subject to changes due to increase in Canatu's costs relating to manufacturing and/or material costs. Canatu shall submit a new price list promptly after such change in the costs has occurred. The new price list shall contain the effective date for the change in the prices. The change in the prices shall affect all the orders that are submitted after the effective date stated in the new price list. Furthermore, in the price reviews currency exchange rates deviating more than three percent (3%) from agreed or quoted price shall be one defining factor among others. Customer shall be responsible for any and all applicable taxes, duties or other charges, excluding corporate income tax, which are now or may hereafter be imposed, assessed or levied against customer or Canatu in connection with manufacturing for customer. If any applicable mandatory provisions of law require customer to withhold amounts from any payments to Canatu, such withholdings shall not affect actual payments agreed by the parties.

For the security of customer's payments, customer undertakes to provide Canatu with necessary bank guarantees and/or other collaterals upon request. Any and all bank guarantees and other collaterals must be pre-approved by Canatu.

## 11. RISK AND TITLE

Risk shall pass to customer upon delivery. Title to the Products shall pass to customer upon payment.

## 12. WARRANTY

Canatu warrants:

- a) That Products in volume manufacturing Services shall at the date of delivery:
    - (i) Be new and unused; and
    - (ii) Conform to the Specifications or, in the case of standard or off-the-shelf Products, to Canatu's published product specifications; and
    - (iii) That during the warranty period of six (6) months from the date of delivery the Products shall remain free from all defects arising from faulty or inferior workmanship.
  - b) That the Services in the Projects will be carried out in a professional manner and in accordance with the Specifications.
- The warranty set forth above shall not apply if:
- (i) Adjustment, repair or part replacement is required because of accident, unusual physical or electrical stress, abuse, misuse, neglect, improper installation or packaging, repair or alteration by someone other than Canatu; and/or
  - (ii) Any of the Products have been modified by customer, its customer or end-user, or where the serial numbers or warranty date decals, if applicable, have been removed or altered; and/or
  - (iii) The defect or damage is attributable to design of the Products or any part thereof.
  - iv) Use or sale of the Product for something it was not planned to be used.

The customer shall without undue delay and during the respective warranty period notify Canatu of any defect which appears in the Products manufactured by Canatu. The notice shall contain a full description of the defect. If the customer has not notified Canatu of a defect during the warranty period, it shall lose its right to have the defect remedied.

After receipt of defect notice, Canatu shall provide customer with a return material authorization.

Products not in conformity with Canatu's warranty shall be delivered to the Canatu's manufacturing location by customer and repaired by Canatu. Canatu shall be responsible and bear the costs for repair and delivery to the original delivery address. If repair is not possible, Products shall on Canatu's sole discretion be replaced, credited or refunded.

If the customer has given defect notice as mentioned above and no defect is found for which Canatu is liable pursuant to the above warranty, Canatu shall be entitled to compensation for the costs and expenses incurred as a result of the notice.

The warranties herein a) are exclusive and stated in lieu of all other warranties, whether express, statutory or implied, including but not limited to the warranties of merchantability and fitness for a particular purpose, all of which are hereby expressly disclaimed; and b) neither assume nor authorize any other party to assume for Canatu any other liabilities in connection with the manufacture or sale of Products or provision of Services.

## 13. INTELLECTUAL PROPERTY AND INDEMNIFICATION

Intellectual Property owned by a party will be and remain the property of that party, and neither party will receive right, title or interest in such Intellectual Property unless otherwise agreed.

Any Intellectual Property conceived, developed or created by Canatu, including in or in connection with the Products and the performance of the Services, shall vest in and remain the sole property of Canatu, unless otherwise expressly agreed in writing between the parties.

Customer shall furnish Canatu with the necessary Intellectual Property and needed third party licenses relating to the Services. By customer furnishing of customer's Intellectual Property to Canatu, Canatu shall be deemed to have been granted a world-wide, non-exclusive, non-transferable, non-assignable, royalty-free license to use such Intellectual Property that is necessary for the sole purpose of enabling Canatu to perform the Services.

Customer agrees to indemnify and to hold Canatu harmless from any and all claims, suits, actions or demands asserted against that party or its customers, and against all liabilities and costs (including legal expenses) incurred by Canatu in connection therewith arising directly or indirectly from any claim by third parties of infringement

of any Intellectual Property right which may be attributable to e.g. but not limited to the design, Specifications and/or quality requirements. Should an Intellectual Property claim arise, the customer shall take all appropriate and necessary measures to defend Canatu against such claim. For the sake of clarity, Canatu shall not be responsible for any interruptions and/or delays and/or seizures in Servicing resulting from any claim or action referred to above.

## 14. PRODUCT LIABILITY

Customer shall be liable for all damages to property and/or injury to persons caused by the Product. Customer shall assume the defence of such case and indemnify Canatu against any and all claims, damages, losses and reasonable costs as Canatu may have been ordered to pay to a third party by any competent court or by settlement out of court.

In case customer wishes to settle the case, Canatu must be kept informed of developments of possible settlement negotiations and any settlement affecting adversely on Canatu shall be null and void unless Canatu has approved such settlement in writing before its execution.

The Parties shall inform each other promptly if either of them becomes aware of any claim, suit, action or demand asserted against either or both of them based on product liability.

Canatu may choose to reasonably assist the other Party in the defence against such claim, suit, action or demand.

## 15. FORCE MAJEURE

Either party shall be excused from the performance or punctual performance of any of its obligations and such obligations shall be extended by a period reasonable under the circumstances if the performance thereof is prevented or delayed by industrial disputes or any cause beyond the affected party's reasonable control which, without in any way limiting the generality of the foregoing, shall include acts of God, riots, wars, accident, embargo or requisition (acts of government), shortage of Components including non-availability of an export license for the Product or any part thereof of, visa and permits for either party's personnel, or delays in the performance of its sub-contractors caused by any such circumstances as referred to in this section 15. In case of force majeure, the affected party shall promptly notify the other party in writing and furnish all relevant information thereto.

## 16. NON-PERFORMANCE

Canatu shall be entitled to suspend or terminate the performance of the Services under these terms and conditions in case customer has not performed its obligations and/or it appears from the circumstances that customer will not perform its obligations immediately.

In the event Canatu terminates or suspends the Services under these conditions, Canatu may require that the customer pay for, or provide assurances for the payment of, all Components and Services previously acquired or to be acquired, or Investments made by Canatu before Canatu performs any additional Services.

## 17. CONFIDENTIALITY AND SECURITY

All information disclosed by one party to the other in connection with the business relationship between the parties, whether in written, electronic, oral or visual form, shall be deemed to be confidential ("**Confidential Information**") if it is (a) designated as confidential or proprietary at the time of disclosure; (b) by its nature obviously confidential or proprietary; or (c) disclosed orally and confirmed as confidential in writing within thirty (30) days. Confidential Information includes, without limitation, technical data, trade secrets, know-how, financial and business information, customer and supplier information, and pricing and product information.

The receiving party shall (a) keep all Confidential Information strictly confidential, applying at least the same degree of care it uses for its own confidential information (but no less than reasonable care); (b) not disclose any Confidential Information to any third party; and (c) not use or copy any Confidential Information except for the purpose for which it was disclosed.

Notwithstanding the foregoing, Confidential Information may be disclosed to employees, directors, officers, advisors and contractors ("**Representatives**") of the receiving party or of any entity that directly or indirectly controls, is controlled by, or is under common control with the receiving party (an "**Affiliate**"), provided that such persons have a need to know for the purpose for which the information was disclosed and are bound by confidentiality obligations no less restrictive than this section 17. The receiving party shall be responsible for any breach of this section 17 by its Representatives and Affiliates.

This commitment shall impose no obligation upon either party with respect to any portion of such information that:

1. Was known to the receiving party prior to its receipt from the other party;
2. Is now or through no act or failure on the part of the receiving party becomes generally known;
3. Is supplied to receiving party by a third party, which the receiving party in good faith believes to be free to make such a disclosure, and without restriction on disclosure;
4. Is independently developed by the receiving party without use of any confidential information provided by the disclosing party.
5. Is required to be disclosed by applicable law, regulation, court order, governmental authority, or the rules or regulations of any stock exchange or securities market on which the securities of the receiving party or any of its Affiliates are listed or traded, provided that the receiving party shall (to the extent legally permitted and not prohibited by such rules) give the disclosing party prompt written notice of such requirement prior to any disclosure, shall cooperate with the disclosing party's efforts to seek a protective order or other appropriate remedy, and shall disclose only such portion of the Confidential Information as is legally required to be disclosed.

The obligations of confidentiality under this section 17 shall survive termination or completion of any order or engagement for a period of five (5) years, or, in the case of Confidential Information that the disclosing party has identified as a trade secret at or promptly following the time of disclosure, for as long as such information remains

protected as a trade secret under applicable law, whichever is longer. Upon termination or completion of the relevant order or engagement, or at any time upon the disclosing party's written request, the receiving party shall promptly return or destroy all Confidential Information (including copies, extracts and summaries) and, if requested, certify such destruction in writing. The receiving party may retain one archival copy solely to the extent required by applicable law or for verifying compliance with this section 17.

## 18. LIMITATION OF LIABILITY

Canatu shall not be liable for any special, indirect, incidental, punitive or consequential damages or any other such exemplary damages, whether or not the possibility of such damages could have been reasonably foreseen.

Canatu's total aggregate liability with respect to any damage caused shall not exceed the amount corresponding ten per cent (10%) of the amount invoiced from customer for the respective Product or Service within the previous six (6) calendar months.

The limitation of liability stated herein shall be exclusive and final and stated in lieu of all other, whether express, statutory or implied liabilities in connection with the manufacture or sale of Products, and/or provision of Services.

## 19. TERM AND TERMINATION

These Terms and Conditions shall apply to each order for Products and each engagement for Services accepted by Canatu and shall remain in effect with respect to such order or engagement until all obligations of the parties thereunder have been fulfilled. Canatu may terminate any outstanding order or engagement with immediate effect by written notice to customer in the event of a material breach by customer of these Terms and Conditions that remains uncured for fourteen (14) calendar days following written notice thereof. Termination of any individual order or engagement shall not affect the application of these Terms and Conditions to any other order or engagement, nor shall it relieve either party of any rights or obligations accrued prior to the effective date of termination. The provisions of sections 10 (Prices and Terms of Payment), 11 (Risk and Title), 12 (Warranty), 13 (Intellectual Property and Indemnification), 14 (Product Liability), 17 (Confidentiality and Security), 18 (Limitation of Liability), 23 (Governing Law) and 24 (Dispute Resolution) shall survive termination or completion of any order or engagement.

## 20. DATA PROTECTION

To the extent that any personal data is processed in connection with these Terms and Conditions, each party shall comply with applicable data protection laws, including Regulation (EU) 2016/679 (the "GDPR"). Where the nature or scope of such processing so requires, the parties shall enter into appropriate data processing arrangements in accordance with the GDPR.

## 21. ASSIGNMENT

Customer may not assign, transfer or otherwise dispose of any of its rights or obligations arising under any order for Products or engagement for Services governed by these Terms and Conditions without the prior written consent of Canatu. Canatu may freely assign or transfer its rights and obligations under any such order or engagement, in whole or in part, including to any of its affiliates or to a successor in connection with a merger, reorganisation or sale of all or substantially all of its assets. Any purported assignment by customer in breach of this provision shall be null and void.

## 22. AMENDMENT OF TERMS

Canatu reserves the right to amend these Terms and Conditions from time to time by publishing the amended Terms and Conditions on its website not less than sixty (60) days prior to their effective date. Canatu shall use reasonable efforts to notify customers of any such amendment, including by electronic communication. The amended Terms and Conditions shall not apply to any order for Products or engagement for Services accepted by Canatu prior to the effective date of the amendment; any such order or engagement shall continue to be governed by the Terms and Conditions in effect at the time of its acceptance until all obligations of the parties thereunder have been fulfilled. By placing an order for Products or an engagement for Services on or after the effective date of the amended Terms and Conditions, customer shall be deemed to have accepted such amended Terms and Conditions in their entirety.

## 23. GOVERNING LAW

These Terms and Conditions and Services provided hereunder shall be governed by and construed in accordance with the laws of Finland without regard, however, to its choice of law provisions.

## 24. DISPUTE RESOLUTION

All disputes, differences or questions between the parties with respect to any matter arising out of or related to these Terms and Conditions, including the supply of Products and provision of Services hereunder, shall be finally settled under the Arbitration Rules of the Finland Chamber of Commerce, in Helsinki, Finland by three (3) arbitrators. The Proceedings shall be conducted in the English language.