



1. Contract Terms

These Standard Purchase Terms and Conditions ("Terms and Conditions") shall apply to any purchase or procurement of Products by the legal entity or individual procuring such Products ("Purchaser") from Lithionics Battery, LLC ("Lithionics"). To the extent that there is a conflict between these Terms and Conditions and a valid signed agreement between the Purchaser and Lithionics, the agreement shall prevail only to those terms that directly conflict with these Terms and Conditions. Any variation from these Terms and Conditions shall require the signed consent of an authorized Lithionics representative.

2. Prices

Unless otherwise stated in an applicable quotation or proposal, all prices are subject to change without notice. In the event of a net price change and unless otherwise agreed to in writing and signed by Lithionics, prices for orders scheduled for immediate release shall be those in effect at time of order entry. Prices for orders placed for future shipment without an agreed price and ship date will be billed at the pricing in effect as of the shipment date. All clerical errors are subject to correction.

3. Taxes

Except as may be otherwise provided in the relevant Purchase Order, the price excludes all present or future sales taxes, revenue or excise taxes, value-added taxes, import and export duties and any other taxes, surcharges or duties now existing or hereafter imposed by governmental authorities upon Products provided by Lithionics. The Purchaser shall be responsible for all such taxes, duties and charges resulting from these Terms and Conditions or any associated purchase. Lithionics is required to impose taxes on orders and shall invoice the Purchaser for such taxes and/or fees according to applicable law, statutes, or regulations, unless Lithionics furnishes the Purchaser at the time of order with a properly completed exemption certificate(s) acceptable to the authorities imposing the tax or fees. Any changes in foreign exchange rates, sales taxes, customs tariffs or other taxes shall be chargeable to the Purchaser.

4. Terms of payment

4.1 Payment Timing

50% payment of total invoice due on order. 50% due prior to shipment. No shipment without full payment. If at Purchaser's request, shipments are delayed beyond the scheduled date, payments for the Products completed to date will be invoiced to the Purchaser, as a percentage of the total Purchase Order price when Lithionics was originally prepared to ship.

Any variation to payment timing and terms shall require the signed consent of an authorized Lithionics representative.

4.2 Remedies

Failure to pay any applicable payment on its due date shall automatically cause all installment amounts to become payable and in addition to Lithionics' other lawful remedies, Lithionics reserves the right to suspend or cancel the PO. If Purchaser fails to pay Lithionics for the Products, Lithionics reserves the right to file in its sole discretion any liens, charges, security interests, or similar encumbrances against the applicable property, building, land, or Products and and Purchaser consents to such filings and registrations.

5. Storage Fees

Products held for the Purchaser shall be at the risk and expense of the Purchaser. Unless otherwise agreed by the Parties, Lithionics reserves the right to charge 1% of the total Purchase Order value per week that Lithionics stores Purchaser's ordered Products at Purchaser's request.

6. Cancellation

6.1 By Lithionics

Lithionics shall have the right to cancel any Purchase Order at any time for any material breach of these Terms and Conditions by the Purchaser, including material delays by Purchaser or its authorized representatives in releasing Products for manufacture or approval drawings and excessive changes to specifications or drawings.

6.2 By Purchaser

The products ordered by Purchaser cannot be cancelled or returned for any reason after shipment. Products cannot be rescheduled for shipment at a later date than originally requested or scheduled by Purchaser. Made to order Products are

non-cancellable 48 hours after Lithionics' confirmation and receipt of PO. Made to stock Products cancelled 90+ days prior to shipping are subject to a 25% cancellation fee. Made to stock Products cancelled 30 days or less prior to shipping are subject to a 50% cancellation fee.

7. Delivery and Shipment

Dates for delivery, schedule, or execution for Products set out on a Purchase Order are subject to confirmation by Lithionics and until such confirmation, may change solely based on Lithionics' circumstances. All confirmed dates are based on the prompt receipt by Lithionics of all required information and payments. Lithionics reserves the right to change the delivery date if it is not provided with payment or any required information. Purchaser will pay 10% of the Purchase Order value for any change in Delivery or Shipment date at the request of Purchaser if changed within 90 days of original shipment date. Large order quantities (over 50 units) cannot be rescheduled within 30 days of the shipment date. **DISCLAIMER:** The Purchaser acknowledges that epidemics/pandemics may trigger stoppage, hindrance or delays in Lithionics' (or its subcontractors) capacity to produce, deliver, install or service the products, irrespective of whether such stoppage, hindrance or delays are due to measures imposed by authorities or deliberately implemented by Lithionics (or its subcontractors) as preventive or curative measures to avoid harmful contamination exposure of Lithionics's (or its subcontractors') employees. The Purchaser therefore recognizes that such circumstances shall be considered as a cause for excusable delay not exposing Lithionics to contractual sanctions including without limitation, delay penalties, liquidated or other damages or termination for default.

8. Risk of loss

Unless otherwise specifically agreed by the Parties, the Products are delivered FOB Lithionics' Facility and the risk of loss or damage shall pass to the Purchaser upon collection of the Products by the first carrier at Lithionics' premises, plants or warehouses. Delivery of Products by Lithionics will be deemed to be made to the Purchaser upon obtaining a signed receipt from the carrier showing receipt of the Products in good order. Title passes on full payment.

Purchaser assumes full responsibility and liability for any product that: (a) has been shipped to Purchaser; (b) is being held in inventory for Purchaser and at Purchaser's request; (c) has been ordered from and manufactured by Lithionics' supply chain and is awaiting shipment at the request of Purchaser; (d) is a work-in-process or is pre-built by Lithionics and is awaiting shipment at the request of Purchaser.

9. Substitutions

Lithionics may furnish suitable substitutes for Products unobtainable because of priorities or regulations established by governmental authority or non-availability of materials from suppliers, provided such substitutions do not adversely affect the technical soundness of the Products. Lithionics assumes no liability for deviation from published dimensions and descriptive information not essential to proper performance of the Products.

10. Shortage or Errors

Claims for shortages or errors must be submitted to Lithionics within 10 days after Products are received by Purchaser, and failure to give such notice shall constitute unqualified acceptance and a waiver of all such claims by the Purchaser.

11. Installments

Lithionics reserves the right to make shipments in installments, unless otherwise expressly stipulated in a specific Purchase Order; and all such installments when separately invoiced shall be paid for when due per invoice without regard to subsequent shipments. Delay in shipment of any installment shall not relieve Purchaser of its obligation to accept remaining shipments.

12. Force Majeure

Lithionics will be excused from and not be liable for any non-performance of a Purchase Order if such delay or non-performance is due to any cause beyond the reasonable control of Lithionics, or which Lithionics could not reasonably foresee or reasonably provide against, and which prevents Lithionics from carrying out the terms of the Purchase Order. This includes but is not limited to the following: epidemic, pandemic, public health emergency, war, revolution, insurrection or hostilities (whether declared or not), riot, economic upheaval, civil commotion or uprising, flood, earthquake, tempest, hurricane, lightning or other natural disaster; fire or explosion; strike, lockout, or other industrial disturbance whether at Lithionics or one of its suppliers; sabotage, accident, cyber attack, embargo, car shortage, wrecks or delays in transportation, non-delivery of materials or order or action of government authority. Any delay resulting from such cause shall extend the date of delivery accordingly. Lithionics reserves the right to cancel a Purchase Order, if in its opinion such circumstances threaten or cause extended delay in the performance thereof.

13. Standard Warranty

All Products are subject to Lithionics' Limited Warranties provided with the Product. If Seller breaches any warranty set forth therein, Purchaser's sole and exclusive remedy for breach of its Limited Warranty is repair or replacement with a Product of equal value, in Lithionics' sole discretion.

LITHIONICS EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ANY OTHER IMPLIED WARRANTIES.

14. Intellectual Property

Lithionics is the sole owner of any and all intellectual property encompassed in the Products. Nothing in these Terms and Conditions constitutes a transfer or conveyance of any right, title or interest in such intellectual property, including without limitation any software or firmware contained therein, except the limited right to use the Product. Lithionics shall defend any suit or proceeding brought against Purchaser so far as based on a claim that such Products constitute an infringement of any copyright, trademark or patent in the United States or Canada. This obligation shall be effective only if Purchaser shall have made all payments then due hereunder and if Lithionics is notified promptly in writing and given authority, information, and assistance at for the defense of the same. In the event the use of such Products by Purchaser is enjoined in such a suit, Lithionics shall, at its expense, and at its sole option, either (a) procure for the Purchaser the right to continue using such Products (b) modify such Products to render them non-infringing, or (c) replace such Products with non-infringing Products. Lithionics will not be responsible for any compromise or settlement made without its written consent. The foregoing states the entire liability of Lithionics for patent, trademark or copyright infringement, and in no event shall Lithionics be liable if any infringement charge is based on the use of Lithionics Products for a purpose other than that for which it was sold by Lithionics. As to any Products furnished by Lithionics to Purchaser and manufactured or provided in accordance with designs proposed by Purchaser, the Purchaser shall indemnify Lithionics against any award made against Lithionics for patent, trademark, or copyright infringements.

15. Software

Any software or computer information, in whatever form, that is provided with Products manufactured by Lithionics (collectively, the "Software"), is licensed to Purchaser solely pursuant to standard licenses of Lithionics or its supplier of such Software and for Purchasers use of such Product only. Purchaser shall not reverse engineer, decompile, disassemble or apply any process, technique, or procedure or make any attempt to ascertain or derive the source code of any Product and Software.

16. LIMITATION OF LIABILITY

NOTWITHSTANDING ANY PROVISION OF THESE TERMS AND CONDITIONS OR ANY OTHER DOCUMENT TO THE CONTRARY, IN NO EVENT SHALL LITHIONICS, ITS OFFICERS, DIRECTORS, AFFILIATES OR EMPLOYEES BE LIABLE FOR ANY FORM OF INDIRECT, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF USE, LOSS OF PRODUCTION, LOSS OF PRODUCT, LOSS OF REVENUE OR PROFITS, OR LOSS OF DATA OR BUSINESS INFORMATION, WHETHER SUCH DAMAGES ARISE IN CONTRACT OR TORT, IRRESPECTIVE OF FAULT, NEGLIGENCE OR STRICT LIABILITY OR WHETHER LITHIONICS HAS BEEN ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING ANY OTHER PROVISION OF THESE TERMS AND CONDITIONS OR ANY OTHER DOCUMENT TO THE CONTRARY, AND TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE MAXIMUM LIABILITY OF LITHIONICS FOR DAMAGES HEREUNDER SHALL NOT EXCEED THE AMOUNTS ACTUALLY PAID BY PURCHASER TO LITHIONICS FOR THE PRODUCT GIVING RISE TO A CLAIM.

17. Indemnification

Purchaser agrees to indemnify, defend, and hold harmless Lithionics from and against any and all claims, lawsuits, demands, actions, or other proceedings brought against it by any third party due to, arising out of, or related to (a) Purchaser's use of Products or Software in a manner not permitted by these Terms and Conditions, (b) Purchaser's violation of these Terms and Conditions or any applicable agreement, and (c) Purchaser's violation of any law, regulation, or third party rights. Purchaser shall pay any and all costs, damages, and expenses, including, without limitation, reasonable attorneys' fees and costs awarded against or otherwise incurred by Lithionics in connection with or arising from any such claim, lawsuit, action, demand, or other proceeding. Lithionics, at its expense, may assume the exclusive defense and control of any matter subject to indemnification by Purchaser, in which event Purchaser agrees to cooperate with Lithionics in asserting any available defenses.

18. Insurance

Lithionics shall maintain reasonable insurance coverage in such amounts as Lithionics deems appropriate in accordance with industry practice. Certificate of insurance evidencing this may be provided on request.

19. Import and Export

The Products provided by Lithionics under these Terms and Conditions contain or may contain components and/or technologies from the United States of America ("US"), the European Union ("EU") and/or other nations. Purchaser acknowledges and agrees that the Products, assignment and/or usage of the Products, Software, information, other deliverables and/or the embedded technologies under these Terms and Conditions shall fully comply with related applicable US, EU and other national and international export control laws and/or regulations.

Unless applicable export license/s has been obtained from the relevant authority and Lithionics has approved, the Products shall not (i) be exported and/or re-exported to any destination and party (may include but not limited to an individual, group and/or legal entity) restricted by the applicable export control laws and/or regulations; or (ii) be used for those purposes and fields restricted by the applicable export control laws and/or regulations.

If any necessary or advisable licenses, authorizations or approvals are not obtained, whether arising from inaction by any relevant government authority or otherwise, or if any such licenses, authorizations or approvals are denied or revoked, or if the applicable export control laws and/or regulations would prohibit Lithionics from fulfilling any order, or would in Lithionics' sole judgment, otherwise expose Lithionics to a risk of liability under the applicable export control laws

and/or regulations if it fulfilled the order, Lithionics shall be excused from all obligations under such order and/or these Terms and Conditions.

20. Patterns, Designs and Tools

Notice will be given if special patterns, designs or tools are required to complete any Purchase Order. Charges for such patterns, designs or tools do not convey title thereto or the right to remove them from Lithionics' plant. If patterns, designs or tools are not used for a period of two years, Lithionics shall have the right to scrap them without notice.

21. Nature of Relationship

Purchaser agrees that Lithionics is an independent contractor and nothing in these Terms and Conditions creates between Lithionics and Purchaser a relationship of partners, joint venturers, or agents of each other, and no Party may so represent itself any of these manners.

22. Amendments

No amendment, supplement, modification, waiver or termination of the Purchase Order or these Terms and Conditions is binding unless executed in writing by both Parties.

23. Applicable Laws

All matters arising out of or relating to the execution, construction, interpretation or breach thereof, are to be governed by the laws of the state of Florida, USA without regard to the conflict of law provisions thereof. The Parties agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to these Terms and Conditions.