

Approved by UAB SOLITEK CELLS director's order No. I-16-03-25-3

PRODUCTION SUPPLY AGREEMENT GENERAL TERMS & CONDITIONS

UAB Soli Tek Cells, Mokslininku str. 6A, Vilnius/Lithuania

1. AREA OF APPLICABILITY

1.1. Production supply agreement is composed of Production supply agreement Special Conditions Annex (further – Special Conditions Annex) or Volume Distribution Agreement (further – Distribution Agreement) signed by UAB SOLITEK CELLS (further – SOLITEK) and customer (further – CUSTOMER), further together called “Parties”, and this Production supply agreement General terms & conditions (further – General terms & conditions) which are announced at SOLITEK website <http://www.solitek.eu/en/>. Unless otherwise agreed in Special Conditions Annex or Distribution Agreement, the General terms & conditions shall be applied to all quotations and purchase contracts.

1.2. SOLITEK supplies Production for CUSTOMER who has signed the Special Conditions Annex to the General terms & conditions or Distribution Agreement. Whereas CUSTOMER correctly and timely accepts the Production and pays the invoices.

1.3. Production is considered to be all solar PV modules production, other complementary parts of solar PV power plant and other services, specified at the Order form confirmed by the CUSTOMER.

1.4. The General terms & conditions are valid in a whole scope, unless the Parties agree for different conditions in the Special Conditions Annex or Distribution Agreement. In case of contradictions between the General terms & conditions and Special Conditions Annex or Distribution Agreement, the Special Conditions Annex or Distribution Agreement shall be applied.

2. ORDERING, MANUFACTURING AND DELIVERY TERMS

2.1 All offers of SOLITEK shall be made without obligation. Documents supporting the offer such as illustrations, drawings or specifications of weights and measurements shall only give approximate indications. We are not bound by obvious mistakes or typographical, printing or arithmetical errors.

2.2 CUSTOMER and SOLITEK fulfil and sign the Special Conditions Annex or Distribution Agreement, where CUSTOMER designates the Authorised person (persons) who has the right to act on behalf of the CUSTOMER by submitting and confirming the orders by email.

2.3 CUSTOMER'S Authorised person submits the order to the SOLITEK by email. SOLITEK determines the delivery times, price and other conditions. The order is considered to be confirmed when the CUSTOMER'S Authorised person confirms by email that all conditions noted in the order form are correct and SOLITEK gives a written confirmation. Collateral agreements, reservations etc. to a contract require the written confirmation of SOLITEK to be valid.

2.4 SOLITEK shall start the production process after the order is confirmed, i.e. the order is confirmed by email, payment is made, and the requested material (if needed) is correctly provided by the CUSTOMER.

2.5 SOLITEK herewith reserves any industrial property rights and copyrights pertaining to its cost estimates, drawings and other documents. Any transfer to third parties or reproduction requires the written consent of SOLITEK.

2.6 Unless otherwise agreed in writing, the Production transportation method and conditions shall be exclusively determined by the SOLITEK by covering the transportation costs. In case of any additional requirements for transportation like special packaging, customs and freight charges, the CUSTOMER shall cover additional expenses.

2.7 The risk of Production loss or damage is transferred to the CUSTOMER once the Production has been handed to a person or entity executing the delivery.

2.8 The term specified in the order confirmation applies exclusively as the delivery period. The start of the agreed delivery period assumes that all the documents required to implement the contract have been submitted and any agreed payments made.

2.9 In case SOLITEK falls behind with delivery, the CUSTOMER shall set a reasonable period of grace. This does not justify a claim for compensation. If SOLITEK does not deliver within the term of grace, the CUSTOMER is entitled to withdraw to the exclusion of any further claims. The withdrawal must be in writing within a week of the elapse of the grace period.

2.10 SOLITEK may discontinue the delivery without notice if the CUSTOMER is in default of payment, or unfavourable financial circumstances of the CUSTOMER become apparent afterwards, such as for example the refusal to honour cheques or bills of exchange, or the presentation of a petition for composition or insolvency proceedings.

2.11 The CUSTOMER shall dispose of packaging and pallet(s) at his own expense.

3. CANCELLATION

3.1 SOLITEK shall have the right to refuse or cancel any order if there is a fear that the CUSTOMER will be unable to fulfil his duties completely or in time.

3.2 SoliTek manufactures exclusively to order. Cancellation of orders for publicly documented serial products by the CUSTOMER are therefore only valid if they have been confirmed by SOLITEK in writing. For orders cancelled up to one month before the confirmed delivery date, the CUSTOMER shall be charged 20% of the cancelled order value, for up to two weeks 30% and for up to 2 days 50%.

3.3 Cancellations are generally not possible for products manufactured specifically to CUSTOMER order. Cancellations shall be granted in exceptional cases if the CUSTOMER bears 90% of the price of the order. Cancellations of orders for special products (such

as BIPV modules) by the CUSTOMER are thus only valid if they have been confirmed by SOLITEK in writing.

3.3 SOLITEK also reserves the right likewise to charge the CUSTOMER for costs associated with the cancellation.

4. PRICES, INVOICES AND TERMS OF PAYMENT

4.1 All prices are EX WORKS Mokslininku str. 6A, Vilnius/Lithuania, plus applicable statutory VAT.

4.2 CUSTOMER obligates to pay 100% of sum according to the invoice issued by the SOLITEK before the production process is started, unless stated otherwise in a Special Conditions Annex to the General terms & conditions or Distribution Agreement.

4.3 SOLITEK issues invoices on the day of the delivery. In case of deferred payment, the due date is calculated since the invoice issuing day. The same rule is applied in case of partial Production delivery.

4.4 All bank transfer costs shall be paid by the CUSTOMER. The payment is considered to be made since the payment is deposited into SOLITEK account.

4.5 In order to obtain a credit, CUSTOMER must fill out a credit application before any order can be processed. The access to credit depends on CUSTOMER'S creditworthiness.

4.6 SOLITEK has a right to utilise the payments firstly for outstanding costs like interest, fines, other additional expenses against the oldest outstanding debt, and only afterwards for the Production costs.

4.7 In case CUSTOMER fails to pay in time, the SOLITEK shall have a right to refuse Order performance and / or delivery of the Production and to cancel the existing periods allowed for payment as well as to demand payment immediately.

4.8 All expenses incurred by SOLITEK due to payment delay (including the interests, fines, costs of legal advisers and debt collectors, legal services, etc.) shall have to be paid by CUSTOMER.

4.9 SOLITEK reserves the right to change the prices of the Products, subject to 30 days notice in writing.

5. WARRANTY

5.1 SOLITEK Photovoltaic Module Limited Warranty Terms regulate warranty terms and conditions.

5.2 In case of conflict on warranty between these General terms and conditions of sale and delivery and SOLITEK Limited Warranty Terms, the latter shall prevail. In case of conflict on any other matters - these General terms and conditions of sale and delivery shall prevail.

6. LIABILITY

6.1 SOLITEK is entitled to liability limitation in case of contempt of certain obligations as well as within the scope of SOLITEK Limited Warranty Terms. Considering the legal situation SOLITEK may permissibly limit the warranty to measures of supplementary performance or rectification of a defect in the event of breach of terms and conditions.

6.2 Insofar as there is negligent breach of a substantial contractual obligation, SOLITEK liability shall be limited to the foreseeable damage typical for the contract. The general statutory provisions, prescriptions of limitation and liability limitation under Lithuanian law shall apply to injury to life, body or health. Should SOLITEK be guilty of intent or gross negligence, liability under the general statutory provisions of Lithuanian laws shall likewise exist.

6.3 Insofar as the CUSTOMER according to the provisions of product liability laws has provided a replacement to a third party because of a defect of a processing product, it rests with the CUSTOMER in case of recourse to submit evidence that the defect in the processing product was caused wholly or in part through a defect in the goods supplied by SOLITEK.

7. PRODUCT LIABILITY AND QUALITY

7.1 The CUSTOMER may only use the goods manufactured, imported or put on the market by SOLITEK as designated and must ensure that these goods (also as base material or subproduct) are only ceded for their intended use to persons familiar with the product dangers and risks and only placed on the market by such persons.

7.2 Special features of SOLITEK products shall only be deemed to be agreed if they have been specifically assured in writing. SOLITEK is not legally liable for damages arising through defects in the construction of a product into which goods of SOLITEK have been incorporated or which have been caused through instructions of the manufacturer of this product.

7.3 Liability for building-integrated photovoltaic elements solely covers their properties as solar-laminated safety glass. Liability is excluded for building-integrated elements serving as basic construction parts. This shall apply irrespectively of whether or not the damage to property comes from the CUSTOMER's area of accountability.

7.4 The CUSTOMER is further obliged when using goods supplied by SOLITEK as base material or subproducts for his own products also to fulfil his product liability laws duty to warn in regard to the goods supplied by SOLITEK when placing such products on the market.

7.5 The CUSTOMER is obliged to continue to monitor products he has put on the market after their introduction for harmful properties or dangerous consequences of use and to track the development of science and technology in respect of such products and to notify SOLITEK immediately of defects detected in goods it has supplied by virtue of these observations.

7.6 In order to indemnify SOLITEK, the CUSTOMER is liable for all liabilities, losses, damages, costs and outlays accruing to SOLITEK from the CUSTOMER's failure to comply with the above obligations.

7.7 CUSTOMER shall examine the Production for defects and completeness immediately upon receipt. If the SOLITEK does not receive any claims in written form within 5 (five) working days since the Production delivery date, it is considered that Production has no defects. Defects of a part of a shipment (order) do not give a right to reject the complete shipment.

7.8 In case of later discovery of Production defects which could not have been noticed upon receipt, but no later than within 14 days after delivery to the CUSTOMER, the SOLITEK shall evaluate the

CUSTOMER'S evidence on defects and, in case of acknowledgement of SOLITEK's fault, shall replace the defected Production with appropriate Production by agreeing the delivery time with the CUSTOMER.

7.9 Any faulty Production return shall be executed at CUSTOMER'S expense. If the return of Production is reasonable, SOLITEK shall cover the most economical transportation costs. If the return is impossible for reasons related to CUSTOMER, the CUSTOMER shall lose the right to claim for faulty Production.

8. RESERVATION OF PROPRIETARY RIGHTS

8.1 The delivered goods remain the property of SOLITEK until the settlement of all open claims from the business relationship – also until the cheques have been cleared.

8.2 If the CUSTOMER is a reseller, the sale of our goods within the framework of orderly trading on his own behalf is permitted. The buyer already surrenders the claim receivable from the further sale to SOLITEK. SOLITEK accepts the assignment. When goods are sold after processing or in combination with other goods not belonging to SOLITEK, assignment of the receivables applies to the amount of our invoice value of the SOLITEK goods. The buyer is authorised to collect the assigned receivables only as long as he duly fulfils his payment obligations to SOLITEK. The CUSTOMER shall reserve ownership of the Products until such time as the purchasers have paid the purchase price in full.

8.3 The hypothecation or use as collateral of the goods of SOLITEK by the CUSTOMER is not permitted. CUSTOMER is obliged to inform SOLITEK immediately of the access of third parties to the goods. The CUSTOMER is not permitted to arrange assignment prohibitions.

9. CREDITOR'S DEFAULT OF ACCEPTANCE

9.1 In the event of default of acceptance/refusal to accept of longer than 14 days, SOLITEK is entitled, in addition to all other rights owing to it (such as withdrawal and sale on the open market at the CUSTOMER's expense), to place the goods covered by the contract in storage at the CUSTOMER's expense and risk and charge for them as duly handed over and accepted. In this event, the purchase price is due immediately.

9.2 If the CUSTOMER is in default with the payment of amounts due according to the contract, SOLITEK is entitled upon expiry of a period of 14 days after a communication on this matter to the CUSTOMER to hold all further deliveries until the amount in question has been received by SOLITEK. SOLITEK is further entitled in the event of a default of payment by the CUSTOMER according to the contract, after granting an appropriate period of grace, to withdraw from the contract and demand the payment of all outstanding, including not yet due or deferred invoice amounts. In these cases, agreed price reductions (particularly discounts) are inoperative, and SOLITEK is entitled to claim the full invoice amount. No liabilities or obligations of SOLITEK to the CUSTOMER may arise out of the instanced options for handling creditor's default of acceptance, in particular liability to pay compensation.

10. PARTIES RESPONSIBILITY

10.1 In case SOLITEK is late to supply the Production due to SOLITEK fault, the CUSTOMER shall have a right to require for a discount equal to 0.2% (two tenths of a percent) of Production value for each day of delay. Total discount cannot exceed 15% of Production value.

10.2 CUSTOMER agrees that any delay in paying invoices on time is subject to 0.2% (twotenths of a percent) interest on the unpaid amount for each day of delay.

10.3 In case of unexpected events or circumstances beyond the SOLITEK reasonable control, including strikes, raw material delivery delays, riots, etc., Production delivery time will be respectively expanded. Parties shall not be responsible for non-fulfilment or improper fulfilment of General terms & conditions inducted by Force Majeure conditions, approved by Lithuanian Government act No. 840.

10.4 Parties confirm that interest and penalty rates in chapters 3.2, 3.3, 10.1 and 10.2 of General terms & conditions are acceptable and determined in accordance with principles of fairness and justice, and are assimilated to predefined minimal losses of value which is economically based and meets the interests of the Parties.

11. DATA HANDLING

11.1 Personal data of the CUSTOMER obtained within the framework of the business connection shall be stored by SOLITEK in accordance with the provisions of the Lithuanian laws.

12. APPLICABLE LAW AND JURISDICTION

12.1 Lithuanian law is applicable both to the Special terms or Distribution Agreement and to these General Terms and Conditions.

12.2 SOLITEK and CUSTOMER agree that all disputes arising out of these General terms & conditions shall be solved by negotiations. If no joint agreement is made within 30 days, the disputes shall be referred to the courts of the Republic of Lithuania in Vilnius, and shall be treated according to the laws of the Republic of Lithuania.

13. FINAL PROVISIONS

13.1 Should individual provisions of this contract be void or become void, the validity of the remaining provisions of the contract remains unaffected. The contracting parties shall as fast as possible replace the void provision with a provision which approximates as closely as possible its economic purpose.

13.2 Any changes or supplements of General terms & conditions shall have to be made in writing and signed by the SOLITEK and CUSTOMER representatives.

13.3 The Production supply agreement in full scope (General terms & conditions and Special Conditions Annex or Distribution Agreement) shall enter into force since the moment CUSTOMER and SOLITEK sign the Special Conditions Annex or Distribution Agreement and shall be valid until complete fulfilment of obligations of both Parties.

These General Terms and Conditions are effective as of 1st April 2016 and invalidate all previous ones.