

# GENERAL TERMS AND CONDITIONS FOR THE SUPPLY OF PRODUCTS

OF

**HANZA Assembly Pärnu OÜ,**  
**HANZA Assembly Parola Oy AND**  
**HANZA Middle East Cables LLC**

## 1. DEFINITIONS AND INTERPRETATION

### 1.1. Definitions:

“**Business Day**” shall mean a day, other than a Saturday, Sunday or public holiday in HANZA's country of registration, when banks in HANZA's country of registration are open for business.

“**Business Hours**” shall mean the period from 9.00 am to 5.00 pm on any Business Day.

“**Customer**” shall mean the legal person who purchases the Products from HANZA.

“**Conditions**” shall mean the terms and conditions set out in this document as may be amended with the Specification and/or in accordance with clause 12.5.

“**Contract**” shall mean the contract between HANZA and the Customer for the sale and purchase of the Products in accordance with these Conditions.

“**Delivery Location**” has the meaning given to it in clause 4.2.

“**Force Majeure**” shall mean the circumstances which are beyond the control of a party and which, at the time the Contract was entered into or the noncontractual obligation arose, the party could not reasonably have been expected to take into account, avoid or overcome the impediment or the consequences thereof which the party could not reasonably have been expected to overcome, including but not limited to fires, floods, earth quakes, war (whether declared or not), embargo.

“**HANZA**” shall mean either:

**HANZA Assembly Pärnu OÜ** (registered in Estonia with company number 11310695); or

**HANZA Assembly Parola Oy** (registered in Finland with company number 2842255-5); or

**HANZA Middle East Cables LLC** (registered in United Arab Emirates with company CN-2365926),

as the case may be, depending on which abovementioned legal entity the Customer submitted the Purchase Order to.

“**Products**” shall mean the Products (or any part of them) set out in the Purchase Order.

“**Purchase Order**” shall mean the Customer's Purchase Order for the Products, confirmed by HANZA.

“**Specification**” shall mean any specification of the Products that is agreed in writing by the Customer and HANZA.

“**Warranty Period**” has the meaning given to it in clause 5.1.

### 1.2. Interpretation:

1.2.1. a reference to a party includes its representatives, successors and permitted assigns;

1.2.2. a reference to legislation or a legislative provision is a reference to it as amended or re-enacted and includes all subordinate legislation made under that legislation or legislative provision;

- 1.2.3. any words following the terms “including”, “include”, “in particular”, “for example” or any similar expression shall be interpreted as illustrative and shall not limit the sense of the words preceding those terms;
- 1.2.4. any reference to a term in the singular includes the plural and *vice versa*, such use shall be regarded as illustrative only and meaning of each term shall be interpreted in light of its context and the purpose of these Conditions.

## **2. BASIS OF CONTRACT**

- 2.1. These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by law, trade custom, practice or course of dealing.
- 2.2. The Purchase Order constitutes an offer by the Customer to purchase the Products in accordance with these Conditions. The Customer must ensure that the terms of the Purchase Order and any applicable Specification submitted by the Customer are complete and accurate.
- 2.3. The Customer shall submit the Specification to HANZA within the agreed timeframe. The Customer undertakes to inspect HANZA's assembly photos and to approve them or notify of any deficiencies and to provide final circuit diagrams and other necessary information within 14 calendar days of submission, unless otherwise agreed. HANZA shall not be liable in the event of a delay in the Customer providing such source information or other information required from the Customer for approval or for delivery.
- 2.4. A quotation for the Products given by HANZA, valid for a period of 30 calendar days from its date of issue, shall not constitute an offer. The Purchase Order shall only be deemed to be accepted when HANZA issues a written acceptance of the Purchase Order and a fixed offer of fulfilling such accepted Purchase Order (“**Quotation**”), at the date of acceptance of the Quotation and provided that HANZA has been provided all necessary source information as set out in the previous clause, by which the Contract shall be deemed concluded.

## **3. PRODUCTS**

- 3.1. The Products are described in HANZA's digital or printed catalogues, as may be modified by any applicable Specification approved by HANZA.
- 3.2. HANZA reserves the right to amend the Specification if required by any applicable law or regulatory requirement and shall notify the Customer in any such event.

## **4. DELIVERY**

- 4.1. HANZA shall ensure that the Products are packed in accordance with HANZA's customary practices and adequately protected for transport.
- 4.2. The Customer shall collect the Products from HANZA's premises at the address set out below (“**Delivery Location**”) within 3 (three) Business Days of HANZA notifying the Customer that the Products are ready:
  - 4.2.1. in case HANZA means **HANZA Assembly Pärnu OÜ**, at the sites on **Nurmetee** or **Pärlimõisa, Pärnu** ; or
  - 4.2.2. in case HANZA means **HANZA Assembly Parola Oy**, at the sites on **Paljassuontie** or **Ratatie, Parola** ; or
  - 4.2.3. in case HANZA means **HANZA Middle East Cables LLC**, at **ICAD 3, Business Park, Plot 29, Building 16, Abu Dhabi**.

- 4.3. Delivery is completed upon the Customer taking direct possession of the Products at the Delivery Location.
- 4.4. HANZA shall not be liable for any delay in delivery of the Products. HANZA shall notify the Customer in writing if the Products will or may not be delivered within the agreed delivery time and at the same time indicate when the delivery will be made.
- 4.5. The Customer shall within 7 calendar days examine the delivered Products or have the purchased Products examined and within the same time notify HANZA of any lack of conformity of the Products that the Customer becomes or should become aware of and provide a detailed description of the lack of conformity when giving notification thereof, otherwise such Products will be deemed accepted. The Customer may not rely on the lack of conformity of the Products if the Customer does not notify HANZA thereof on time or does not provide a sufficiently detailed description.
- 4.6. If HANZA fails to deliver the Products, its liability shall be limited to the costs and expenses incurred by the Customer in obtaining replacement products of similar description and quality in the cheapest market available, less the price of the Products. HANZA shall not be liable for any failure to deliver the Products that is caused by Force Majeure or the Customer's failure to provide HANZA with adequate delivery instructions or any other instructions that are relevant to the supply of the Products.
- 4.7. If the Customer fails to take delivery of the Products within 3 (three) Business Days of HANZA notifying the Customer that the Products are ready for delivery, then, except where such failure is caused by Force Majeure or HANZA's failure to comply with its obligations under the Contract in respect of the Products:
  - 4.7.1. delivery of the Products shall be deemed to have been completed on the 4<sup>th</sup> (fourth) Business Day after the day on which HANZA notified the Customer that the Products were ready; and
  - 4.7.2. HANZA shall store the Products until actual delivery takes place, and shall, without limiting its rights, be entitled to charge the Customer for all related costs and expenses (including insurance).
- 4.8. If 10 (ten) Business Days after the date on which HANZA notified the Customer that the Products were ready for delivery the Customer has not taken actual delivery of them, HANZA may terminate the Contract and resell or otherwise dispose of part or all of the Products and, without limiting its rights and after deducting reasonable costs and expenses related to storage (including insurance) and selling, account to the Customer for any excess over the price of the Products or charge the Customer for any shortfall below the price of the Products.
- 4.9. If HANZA delivers up to and including 5% (five percent) less than the quantity of Products Purchase Ordered the Customer may not reject them, but HANZA shall make a *pro rata* adjustment to the invoice for the Products.
- 4.10. HANZA may at its sole discretion deliver the Products in instalments, which it shall invoice and which the Customer shall pay for separately. The Customer shall not have the right to refuse to accept a partial delivery. Each instalment shall constitute a separate Contract. Any delay in delivery of or defect in an instalment shall not entitle the Customer to cancel any other instalment.

## 5. QUALITY

- 5.1. HANZA warrants that on delivery, and for a period of 12 (twelve) months from the date of delivery ("**Warranty Period**"), the Products shall conform in all material respects and workmanship with their description and/or the Specification and be fit for the purposes for which such Products would ordinarily be used.

5.2. Subject to clause 5.4, if:

- 5.2.1. during the Warranty Period, the Customer gives notice in writing to HANZA: (i) within 30 calendar days as of the delivery of the Products of defects that were or should have been discoverable upon normal examination; or (ii) within reasonable time if the defects were or should not have been discoverable upon normal examination, that some or all of the Products do not comply with the warranty set out in this section;
- 5.2.2. with the notice described in clause 5.2.1, the Customer provides a detailed description of the defect(s);
- 5.2.3. HANZA is given a reasonable opportunity of examining such Products; and
- 5.2.4. the Customer returns such Products packaged and adequately protected for transport to the Delivery Location at Customer's cost,

HANZA shall, at its sole discretion and to the extent that it agrees that such Products do not comply with the warranty set out in this section, repair or replace the defective Products, or refund the price of the defective Products in full. In case of a component failure, HANZA shall replace the faulty component, however it shall be the responsibility of the Customer to ensure removal of the defective component and to fit the replacement component.

5.3. The Customer shall give HANZA reasonable time to examine and correct the defects. If the Customer refuses to give such time, HANZA shall be released from the warranty set out in this section.

5.4. HANZA shall not be liable for the Products' failure to comply with the warranty set out in this section if:

- 5.4.1. the Customer makes any further use of such Products after giving notice in accordance with clause 5.2;
- 5.4.2. the defect arises because the Customer failed to follow HANZA's oral or written instructions as to the storage, commissioning, installation, use or maintenance of the Products or (if there are none) good trade practice regarding the same;
- 5.4.3. the defect arises as a result of HANZA following any drawing, design or specification supplied by or on behalf of the Customer;
- 5.4.4. the Customer alters, expands, modifies or repairs such Products without the prior written consent of HANZA;
- 5.4.5. the defect arises as a result of fair wear and tear, wilful damage, negligence, or abnormal storage or working conditions; or
- 5.4.6. the Products differ from their description and/or the Specification as a result of changes made to ensure they comply with applicable statutory or regulatory requirements;
- 5.4.7. the Customer does not notify HANZA thereof on time or if the Customer does not provide a sufficiently detailed description of the defect(s);
- 5.4.8. the serial number marking or labels or other identification markers of the Products have been removed or altered;
- 5.4.9. the defect concerns any third-party licensed technology contained in the Products.

5.5. Except as provided in this section, HANZA shall have no liability to the Customer in respect of the Products' failure to comply with the warranty set out in this section.

- 5.5.1. HANZA shall not be liable for any loss or destruction of information contained in the Product during any remedial action under the warranty, or for the return of such information.
- 5.5.2. If the Customer made a notice described in clause 5.2.1 but the respective Products are found to not be defective, HANZA shall have the right to claim reasonable costs and expenses incurred in relation to processing the unjustified notice.

- 5.5.3. The warranty set out in this section does not apply to any third-party licensed technology contained in the Products.
- 5.5.4. If the Customer grants more extensive warranties to its customers in relation to the Products, the Customer shall be liable for any such obligations, liabilities and costs (including reasonable attorneys/legal costs) that may be incurred thereby.
- 5.6. This section of the Conditions shall also apply to any repaired or replacement Products supplied by HANZA.

## **6. TRANSFER OF OWNERSHIP AND RISK**

- 6.1. The risk of accidental loss or damage of the Products shall pass to the Customer on completion of delivery.
- 6.2. Title of ownership to the Products shall not pass to the Customer until HANZA receives payment in full for the Products and any other Products that HANZA has supplied to the Customer in respect of which payment has become due, in which case title to the Products shall pass at the time of payment of all such sums.
- 6.3. Until title of ownership to the Products has passed to the Customer, the Customer shall:
  - 6.3.1. store the Products separately from all other Products held by the Customer so that they remain readily identifiable as HANZA's property;
  - 6.3.2. not remove, deface or obscure any identifying mark or packaging on or relating to the Products;
  - 6.3.3. maintain the Products in satisfactory condition and keep them insured against all risks for their full price from the date of delivery;
  - 6.3.4. notify HANZA immediately if it becomes subject to any of the events listed in clause 9.1.2 to clause 9.1.4; and
  - 6.3.5. give HANZA such information as HANZA may reasonably require from time to time relating to:
    - 6.3.5.1. the Products; and
    - 6.3.5.2. the Customer's ongoing financial position.
- 6.4. The Customer may not resell or use the Products (including know-how, information or other intellectual property rights of HANZA) in the ordinary course of its business before HANZA has received full payment for the Products and the title of ownership has passed to the Customer. Until such time, HANZA may at any time require the Customer to deliver all Products in its possession and control and if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Products are stored, to recover them. The Customer shall procure entry to any such third party's premises if requested to do so by HANZA.

## **7. PRICE AND PAYMENT**

- 7.1. The price of the Products shall be the price set out in the Quotation, or, if no price is quoted, the price set out in HANZA's published price list in force as at the date of delivery.
- 7.2. HANZA may, by giving written notice to the Customer at any time before delivery, increase the price of the Products to reflect any increase in the cost of the Products that is due to:
  - 7.2.1. any factor beyond HANZA's control (including foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs);
  - 7.2.2. any request by the Customer to change the delivery date(s), quantities or types of Products ordered, or the Specification; or

- 7.2.3. any delay caused by any instructions of the Customer or failure of the Customer to give or delay by the Customer in giving HANZA adequate or accurate information or instructions;
  - 7.2.4. circumstances set out in clause 7.6 below.
- 7.3. The price of the Products:
- 7.3.1. shall be expressed in EUR, unless another currency has been mutually agreed upon in writing;
  - 7.3.2. excludes amounts in respect of value added tax (“VAT”), which the Customer shall additionally be liable to pay to HANZA at the prevailing rate, subject to the receipt of a valid VAT invoice; and
  - 7.3.3. unless stated otherwise, excludes the costs and charges of packaging, insurance and transport of the Products, which shall be invoiced to the Customer.
- 7.4. HANZA may invoice the Customer for the Products on or at any time after the completion of delivery, however HANZA reserves the right to require a partial or full pre-payment from the Customer before commencing processing the Purchase Order.
- 7.5. The Customer shall pay each invoice submitted by HANZA:
- 7.5.1. in EUR, unless another currency has been mutually agreed upon in writing;
  - 7.5.2. within 14 (fourteen) calendar days of the date of the invoice, if the Quotation does not set out otherwise; and
  - 7.5.3. in full and in cleared funds to a bank account of HANZA indicated on the invoice, and
- time for payment shall be of the essence of the Contract.
- 7.6. In case the price is agreed in other currency than EUR and the change in the exchange rate is more than +/- 5% (five percent), HANZA reserves the right to correct the price of the Products. Change in such exchange shall be determined between the date of delivery and the date of the Purchase Order.
- 7.7. If the Customer fails to make a payment due under the Contract by the due date, then without limiting HANZA's remedies under section 9, the Customer shall pay interest on the overdue sum from the due date until payment of the overdue sum. Interest shall accrue at the rate provided by the law governing the Contract.
- 7.8. During the validity of the Contract, HANZA shall have the right to check the Customer's publicly available credit information. If any deficiency or payment defaults are discovered during such process or during the validity of the Contract, HANZA shall have the right to unilaterally change the payment terms of the Contract or to require the Customer to arrange a security or guarantee or prepayment on the terms approved by HANZA in order to secure the Customer's fulfilment of the Contract.
- 7.9. All amounts due under the Contract shall be paid by the Customer in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax if and as required by the applicable law).
- 8. LIMITATION OF LIABILITY**
- 8.1. The limits and exclusions in this section 8 reflect the insurance cover HANZA has been able to arrange. The Customer is responsible for making its own arrangements for the insurance of any excess liability.

- 8.2. References to liability in this section 8 include every kind of liability arising under or in connection with the Contract including liability in contract, tort (including negligence) or otherwise.
- 8.3. Nothing in the Contract limits any liability for:
- 8.3.1. death or personal injury caused by negligence;
  - 8.3.2. intent or gross negligence;
  - 8.3.3. fraud or fraudulent misrepresentation;
  - 8.3.4. any liability that cannot legally be limited with the Contract according to the law governing the Contract;
  - 8.3.5. the Customer's payment obligations under the Contract.
- 8.4. Subject to clause 8.3, HANZA's total liability to the Customer shall not exceed the price of the Products or part thereof which gives rise to the Customer's respective claim.
- 8.5. Subject to clause 8.3, the following types of loss are wholly excluded:
- 8.5.1. loss of profits (including loss of anticipated savings);
  - 8.5.2. loss of sales or business;
  - 8.5.3. loss of agreements or contracts;
  - 8.5.4. loss of use or corruption of software, data or information;
  - 8.5.5. loss of or damage to goodwill; and
  - 8.5.6. indirect or consequential loss.
- 8.6. This section 8 shall survive termination of the Contract.

## **9. TERMINATION**

- 9.1. Without limiting its other rights or remedies, HANZA may terminate the Contract with immediate effect by giving written notice to the Customer if:
- 9.1.1. the Customer commits a material breach of any term of the Contract and (if such a breach is remediable) fails to remedy that breach within 30 (thirty) calendar days of it being notified to do so;
  - 9.1.2. the Customer takes any step or action in connection with its entering administration, provisional liquidation or any composition or arrangement with its creditors (other than in relation to a solvent restructuring), obtaining a moratorium, being wound up (whether voluntarily or by order of the court, unless for the purpose of a solvent restructuring), having a receiver appointed to any of its assets or ceasing to carry on business or if the step or action is taken in another jurisdiction, in connection with any analogous procedure in the relevant jurisdiction;
  - 9.1.3. the Customer suspends, threatens to suspend, ceases or threatens to cease to carry on all or a substantial part of its business; or
  - 9.1.4. the Customer's financial position deteriorates so far as to reasonably justify the opinion that its ability to give effect to the terms of the Contract is in jeopardy.
- 9.2. Without limiting its other rights or remedies, HANZA may suspend supply of the Products under the Contract or any other contract between the Customer and HANZA if the Customer becomes subject to any of the events listed in clause 9.1.2 to clause 9.1.4, or HANZA reasonably believes that the Customer is about to become subject to any of them, or if the Customer fails to pay any amount due under this Contract on the due date for payment.
- 9.3. Without limiting its other rights or remedies, HANZA may terminate the Contract with immediate effect by giving written notice to the Customer if the Customer fails to pay any amount due under the Contract on the due date for payment.

- 9.4. On termination of the Contract for any reason, the Customer shall immediately pay to HANZA all of HANZA's unpaid invoices and interest and, in respect of Products supplied but for which no invoice has been submitted, HANZA shall submit an invoice, which the Customer shall pay immediately on receipt.
- 9.5. Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination.
- 9.6. Any provision of the Contract that expressly or by implication is intended to come into or continue in force on or after termination of the Contract shall remain in full force and effect.

## 10. FORCE MAJEURE

- 10.1. Neither party shall be liable for any delay or failure in the performance of its obligations for so long as and to the extent that such delay or failure results from Force Majeure.
- 10.2. If the period of delay or non-performance continues for at least 90 (ninety) calendar days, the party not affected may terminate the Contract by giving not less than 120 (one-hundred-and-twenty) calendar days of written notice to the affected party.

## 11. NOTICES

- 11.1. Any notice given to a party under or in connection with the Contract shall be in writing and shall be:
- 11.1.1. delivered by hand or by pre-paid first-class post or other next working day delivery service at its registered office; or
  - 11.1.2. sent by e-mail to the following e-mail addresses (or an e-mail address substituted in writing by the party to be served):
    - 11.1.2.1. in case HANZA means **HANZA Assembly Pärnu OÜ**, at **hapu.ordersparnu@hanza.com**; or
    - 11.1.2.2. in case HANZA means **HANZA Assembly Parola**, at **hapa.sales@hanza.com**; or
    - 11.1.2.3. in case HANZA means **HANZA Middle East Cables LLC**, at **haad.sales@hanza.com**, and
    - 11.1.2.4. Customer: the Customer's e-mail address publicly listed as the contact e-mail address or any e-mail address via which the parties have been in contact.
- 11.2. Any notice shall be deemed to have been received:
- 11.2.1. if delivered by hand, at the time the notice is left at the proper address; or
  - 11.2.2. if sent by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; or
  - 11.2.3. if sent by e-mail, at the time of transmission, or, if this time falls outside normal business in the place of receipt, when normal business hours resume.
- 11.3. This section does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

## 12. FINAL PROVISIONS

- 12.1. All intellectual property rights (including trademarks) related to the Products that are the property of HANZA shall remain the property of HANZA. Copyright and title to all drawings, technical

documents and other documentation related to the Products, which have been delivered by HANZA to the Customer in whichever format shall remain to HANZA.

- 12.2. HANZA has the right to at any time assign, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights and obligations under the Contract. The Customer shall not assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any of its rights and obligations under the Contract.
- 12.3. Each party undertakes that it shall not at any time disclose to any person any confidential information concerning the business, assets, affairs, Customers, clients or suppliers of the other party, except as permitted by this clause. Neither party may use the other party's confidential information for any purpose other than to exercise its rights and perform its obligations under or in connection with the Contract. Each party may disclose the other party's confidential information:
  - 12.3.1. to its employees, officers, representatives, contractors, subcontractors or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with the Contract. Each party shall ensure that its employees, officers, representatives, contractors, subcontractors or advisers to whom it discloses the other party's confidential information comply with this clause; and
  - 12.3.2. as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.
- 12.4. The Contract constitutes the entire agreement between the parties. Each party acknowledges that in entering into the Contract it does not rely on any statement, representation, assurance or warranty that is not set out in the Contract.
- 12.5. No variation of the Contract shall be effective unless it is in writing and signed by the parties (or their authorised representatives).
- 12.6. A waiver of any right or remedy is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy. A delay or failure to exercise, or the single or partial exercise of, any right or remedy does not waive that or any other right or remedy, nor does it prevent or restrict the further exercise of that or any other right or remedy.
- 12.7. If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of the Contract. If any provision or part-provision of the Contract is deemed deleted under this clause, the parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the intended commercial result of the original provision.
- 12.8. The Contract and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of the country in which HANZA is registered in, as the case may be.
- 12.9. Any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Contract or its subject matter or formation shall be submitted to arbitration by single arbitrator, conducted in accordance with the arbitration rules of:
  - 12.9.1. in case HANZA is **HANZA Assembly Pärnu OÜ**, with the Court of Arbitration of the Estonian Chamber of Commerce and Industry and take place in Tallinn, Estonia, in the Estonian language; or
  - 12.9.2. in case HANZA is **HANZA Assembly Parola Oy**, with the Central Chamber of Commerce of Finland and take place in Tampere, Finland, in the Finnish language; or
  - 12.9.3. in case HANZA is **HANZA Middle East Cables LLC**, with Central Chamber of Commerce of Finland and take place in Tampere, Finland, in the Finnish language,

taking into account that HANZA shall be entitled to at its sole discretion to have recourse to the general courts of the country in which HANZA is registered in having jurisdiction on claims arising out of matured debts in case the value of the dispute or HANZA's demand is not more than 50 000 (fifty thousand) EUR. This arbitration clause does not prevent HANZA from requesting interim or conservatory measures from the competent general court of the country in which HANZA is registered in.