

1. Interpretation

For the purposes of these Terms and Conditions of Sale and Supply ("Conditions"):

"Buyer" means the person (individual or corporate entity) who places an order for purchase of Products and/or Services as identified in any such order or Proposal as the case may be.

"Conditions" means these terms and conditions of sale and supply as from time to time varied by the Supplier.

"Contract" means the agreement between the Supplier and the Buyer arising as a result of the Buyer's submission of an order for the Supplier's Products and Supplier's written acceptance and/or, in the case of Services, an agreement between such parties for the provision of Services by Supplier, as constituted by the Proposal. Such Contract shall be deemed to incorporate and be governed by these Conditions.

"Products" means goods supplied as agreed to be supplied by the Supplier to the Buyer under the terms agreed in the Contract including, where applicable, the licensing of any Software.

"Proposal" means a proposal document signed by the Supplier and the Buyer describing Services to be provided to or for the Buyer, subject to these Conditions.

"Services" means any services which the Supplier has agreed to provide to or for the Buyer under the Contract, as more fully described in the relevant Proposal.

"Supplier" means HBK FiberSensing S.A. or any of its affiliates as named in any quotation or Proposal.

2. Basis of Sale

THESE CONDITIONS SHALL TAKE PRECEDENCE OVER ANY TERMS AND CONDITIONS WHICH APPEAR IN THE BUYER'S ORDER OR IN ANY DOCUMENTS INCORPORATED BY REFERENCE IN THE BUYER'S ORDER. No term or condition of the Buyer's order additional to or different from these Conditions shall become part of the Contract unless explicitly agreed to in writing by the Supplier. Retention by the Buyer of any Products delivered by the Supplier, receipt by the Buyer of any Services performed by the Supplier or payment by the Buyer of any invoice rendered hereunder, shall be conclusively deemed acceptance of these Conditions. The Supplier's failure to object to any provision contained in any communication from the Buyer shall not be construed as a waiver of these Conditions nor as an acceptance of any such provision.

3. Quotations

Prices, specifications and delivery date referenced in the Supplier's quotations are for information only and shall not be binding on the Supplier until all technical requirements have been agreed and the Supplier has accepted in writing the Buyer's order or the Proposal is executed. Quotations expire if the Buyer does not place an order with the Supplier within 60 (sixty) days of the date of the quotation or if the parties do not sign the Proposal within such term.

4. Orders

By submitting an order to the Supplier, the Buyer agrees to be subject to these Conditions in their entirety. All orders must be bona fide commitments showing definite prices and quantities and mutually agreed shipping dates. No order, whether or not submitted in response to a quotation by the Supplier, shall be binding upon the Supplier until accepted in writing by the Supplier.

5. Prices and Taxes

The prices for Products shall be the price quoted by the Supplier to the Buyer, and the fee for Services shall be the fee agreed in the Proposal or, in either case, as otherwise agreed between the parties in writing and valid for the term specified in the relevant quotation or Proposal. Prices and fees do not include taxes, transport charges, insurance and export and/or import charges or duties including without limitation sales, value added tax, use or excise taxes, applicable to the Products sold and or Services supplied under the Contract, which taxes and other charges may, in the Supplier's discretion, be added by the Supplier to the sale price and or fees or billed separately and which taxes and other charges shall be paid by the Buyer unless the Buyer provides the Supplier with any necessary tax exemption certificate. Unless otherwise agreed in writing, the Buyer shall be liable to pay the Supplier's charges for transport, packaging, insurance and export and/or import clearance.

6. Shipment and Delivery

- 6.1 Deliveries are made FCA (Free Carrier) at the Supplier's facilities in Maia, Portugal, Incoterms 2010. Unless the Buyer provides specific written instructions otherwise with its order, the Supplier shall arrange freight of the goods via an independent forwarder. Freight of the goods shall be at the Buyer's risk and the Buyer shall pay to the Supplier the shipping costs

(based on the net order value). Any dates quoted by the Supplier for delivery of Products are approximate only and the Supplier shall not be liable for any delay in delivery of Products due to any cause not within Supplier's reasonable control or not avoidable by reasonable diligence.

- 6.2 The Supplier reserves the right to make delivery of Products by instalments and to tender a separate invoice in respect of each instalment. When delivery is to be by instalments or the Supplier exercises its right to deliver by instalments or if there is delay in the delivery of any one or more instalments for whatever reason the Buyer shall not be entitled to terminate the Contract as a whole.

7. Risk and Passing of Title

Title to, and risk of loss and damage to, the Products shall pass to the Buyer on delivery in accordance with Section 6. Any claims for loss, damage or misdelivery shall be filed with the carrier and notified to Supplier within 5 (five) days of the date of delivery. Products shall be deemed finally inspected and accepted within 10 (ten) days after delivery unless notice of rejection is given to the Supplier within such period. Acceptance shall constitute acknowledgement of full performance by the Supplier of all obligations under the Contract except as stated in Section 11.

8. Services

- 8.1 The Supplier shall provide Services in accordance with these Conditions and the terms of the relevant Proposal.
- 8.2 The Buyer shall, upon the Supplier's reasonable request and otherwise as required, provide the Supplier with all necessary information and materials to enable the Supplier to provide Services in accordance with the terms of any relevant Contract. The Buyer will be responsible for the completeness and accuracy of all such information and materials provided, and will ensure that it is and remains entitled to provide the same to the Supplier for use in connection with provision of the Services.

9. Terms of Payment

- 9.1 Each shipment of Products shall be a separate transaction and the Buyer will be invoiced on delivery. The Supplier shall be entitled to invoice the Buyer, in respect of Services, monthly in advance. Terms of payment shall be net 30 (thirty) days from date of invoice.
- 9.2 All amounts due under a Contract shall be paid in full by the Buyer without deduction, withholding, set-off or counterclaim for any reason whatsoever, whether arising in contract, tort (including negligence), breach of statutory duty or otherwise, save as may be required by law.
- 9.3 The Supplier may, in its sole discretion, determine at any time that the Buyer's financial condition requires full or partial payment in advance or the provision of security for payment by the Buyer in a form satisfactory to the Supplier.
- 9.4 If the Buyer fails to make any payment when due then, without prejudice to any other rights and remedies available to the Supplier, the Supplier shall (at its option) be entitled: (i) to suspend or cancel further delivery of Products and/or the provision of Services or any part thereof under that Contract or any other Contract between them until payment is resumed; (ii) request payment of monetary adjustment according to index, applicable over the principal amount; (iii) to recover, in addition to the payment of principal and monetary adjustment, an amount corresponding to 2 (two) percent (2%) as a penalty, as well as interest for late payment at the rate of 1 (one) percent (1%) per month over the debt, until payment in full is made. Such interest shall be calculated proportionally; (iv) to declare the Contract terminated if it is more than 14 (fourteen) calendar days overdue; and (v) to claim losses and damages.

10. Products

- 10.1 The Supplier may modify specifications provided the modifications do not adversely affect the performance of the Products. In addition, the Supplier may furnish suitable substitutes for materials unobtainable due to prioritization necessities or regulations established by government authority, or non-availability of materials from its suppliers.
- 10.2 All descriptions, illustrations and any other information relating to the Products contained in the Supplier's catalogues, brochures, price lists, advertising material and any sales or other particulars or literature are made by way of general description, are approximate only and for the general guidance and information of the Buyer. They shall not constitute warranties or representations nor shall they constitute any Proposal, by the Supplier nor shall they form part of any Contract.

11. Warranties

- 11.1 The Supplier warrants that all Products shall be free from defects in material and workmanship under normal use for a period of 1 (one) year from delivery to the Buyer with the exception that the Supplier does not

warrant that operation of Software (defined in Section 13) will be uninterrupted or error free or that all program errors will be corrected. The Buyer shall be responsible for determining that the Product is suitable for the Buyer's use and that such use complies with any applicable law.

- 11.2 The Supplier warrants that it shall perform the Services substantially in accordance with the Proposal and with reasonable skill and care.
- 11.3 Provided that the Buyer notifies the Supplier in writing of any claimed defect in the Product immediately upon discovery and any such Product is returned at the Buyer's risk to the Supplier and transportation charges prepaid within 1 (one) year from date of delivery, the Supplier may, upon examination, determine to its satisfaction and after a reasonable period to inspect such Products, that such Product is defective in material or workmanship. In this situation the Supplier shall, at its option, repair or replace the Products, shipment to the Buyer prepaid by the Buyer.
- 11.4 The Supplier shall have a reasonable time to make such repairs or to replace such Product. Any repair or replacement of Products shall not extend the period of warranty. This warranty is limited to a period of 1 (one) year, without regard to whether any claimed defects were discoverable or latent on delivery.
- 11.5 Services which do not conform with the warranty under Section 11.2 and which are notified to the Supplier within 10 (ten) days of the Buyer becoming aware of the situation, and in any event no later than 2 (two) months after the date on which the Services were performed, shall, if the Supplier agrees they were non-conforming, be re-performed as soon as reasonably practicable after the Supplier's receipt of notice of the non-conforming Services. If the Supplier fails to rectify any deficient performance of the Services, the Buyer's sole remedy shall be reimbursement of that portion of the fees attributable to the Services concerned.
- 11.6 The Supplier shall not be liable for the breach of the warranty in respect of Products supplied if: (i) the Buyer makes further use of such Products after giving the notice required in Section 11.3; (ii) the defect or failure arises from the Buyer's own fault; (iii) the defect arises from any drawing, design or specification supplied by the Buyer or from other materials or other property supplied by the Buyer or from any parts or items that have not been completely manufactured by the Supplier; (iv) the defect arises other than out of manufacture including without limitation, circumstances of accident, misuse, unforeseeable use, neglect, alteration, improper installation, improper adjustment, improper repair, or improper testing; (v) the defect arises out of the use of the Products in conjunction with products or materials not reasonably contemplated by the Supplier; (vi) the failure or defect results from the Buyer's unauthorised addition to or modification of, or failure to comply with the Supplier's written instructions relating to, the Products or Services; and (vii) the failure or defect arises out of any breach by the Buyer of its obligations to provide information to the Supplier under these Conditions.
- 11.7 If the Buyer fails to pay when due any portion of any payment due from the Buyer to the Supplier under a Contract or other related instrument, all warranties and remedies granted under this section may, at the Supplier's option, be terminated.
- 11.8 The foregoing warranties are exclusive and in lieu of all other warranties, terms and conditions, express or implied by statute, common law or otherwise, to the extent permitted by law, including without limitation warranties regarding quality or adequacy for a particular purpose. The Supplier's sole and exclusive liability, and the Buyer's sole and exclusive remedy, for breach of the warranties in this Section 11 shall be as set forth in subsection 11.3 and 11.5 hereof.

12. Liability

- 12.1 Nothing in these Conditions shall exclude or limit the Supplier's liability for (i) wilful misconduct or (ii) death or personal injury caused by its negligence.
- 12.2 The Supplier's maximum liability to the Buyer for direct losses or damages caused to the physical property of the Buyer in respect of any event or series of connected events, in any event shall exceed 400.000,00€ (four hundred thousand euros). For the avoidance of doubt, neither damage to nor loss or corruption of data shall constitute loss of or damage to physical property.
- 12.3 Subject to Section 12.1 and 12.2, in relation to Products, the Supplier's maximum aggregate liability under or in connection with the supply, non-supply, contemplated supply or purported supply of Products under any Contract or Proposal, whether arising in contract, tort (including negligence) or otherwise, shall in no event exceed 125 % of the total amount payable by the Buyer in respect of Products under such Contract.
- 12.4 Subject to Section 12.1 and 12.2, in relation to Services, the Supplier's maximum aggregate liability under or in connection with the supply, non-supply, contemplated supply or purported supply of Services under any

Contract or Proposal, whether arising in contract, tort (including negligence) or otherwise, shall in no event exceed 125% of the total amount payable by the Buyer in respect of Services under that Contract or Proposal. On the other hand and in respect of Services continuing beyond 1 (one) year, the liability shall in no event exceed in any year 125% of the total amount payable by the Buyer in respect of Services rendered in the year in which the cause for liability originates.

- 12.5 Subject to Section 12.1, the Supplier shall be under no liability to the Buyer for any indirect, contingent, incidental or consequential loss or damage of any kind, including but not limited to loss of profit or loss of revenue, whether or not such loss or damage was foreseeable or in the contemplation of the parties and whether arising in tort (including negligence), contract or otherwise. All the limitations and disclaimers contained in this Section 12 shall apply to claims of Buyer or of any third party asserted by Buyer against Supplier for indemnity or contribution.
- 12.6 The Buyer acknowledges and accepts that the price paid by the Buyer for the Products and/or Services takes into account the risks involved in the transaction. For this reason, the Buyer expressly acknowledges and agrees with the limitation of liability provided for in the sections above.
- 12.7 Any claim arising out of or in connection with a Contract must be initiated against the Supplier within 3 (three) years of (i) delivery of the Products, or (ii) provision of the Services (as applicable) that gave rise to the claim, and the Supplier shall have no liability to the Buyer under or in connection with any claim initiated after such term.

13. Software

The Supplier shall at all times have and retain title and full ownership of all software, firmware, programming routines, and documentation relating to such software supplied by the Supplier for use with the Products, and of all copies made by the Buyer (collectively "Software") and grants the Buyer a non-exclusive and non-transferable licence to use such Software solely for use with the Products.

14. Intellectual Property Rights

- 14.1 Notwithstanding delivery of and the passing of title in any Products and subject to section 13 and 14.3, nothing in these Conditions or any Contract shall have the effect of granting or transferring to, or vesting in, the Buyer any intellectual property rights in or to any Products and/or Services, not being the result of such Services or Products considered work-for-hire.
- 14.2 The Buyer acknowledges and agrees that all property, copyright and other intellectual property rights in any work or tangible deliverable item arising from or created, produced or developed by the Supplier under or in the course of provision of any Services (the "Works"), wherever in the world, including without limitations all rights and interests in and to the Services and all documents, data, drawings, specifications, articles, sketches, drawings, reports, inventions, improvements, modifications, discoveries, tools, scripts and other items relating thereto shall immediately upon creation or performance vest in and shall be and remain the sole and exclusive property of the Supplier and the Buyer shall acquire no right, title or interest in or to except as expressly stated in these Conditions.
- 14.3 The Supplier grants to the Buyer a non-exclusive, non-transferable licence to use such of the Works as are necessary, and to the extent necessary, for the Buyer to obtain and use the intended benefit of the Services.
- 14.4 If any claim is made against the Buyer that the Products or Services infringe the patent, copyright or other rights subsisting in Portugal of any third party, the Supplier shall indemnify the Buyer against direct losses, damages, costs and expenses awarded against or incurred by the Buyer in connection with the claim or paid or agreed to be paid, by the Buyer in settlement of the claim provided that: (i) the Supplier is given full control of any proceedings or negotiations in connection with any such claim; (ii) the Buyer shall give the Supplier all reasonable assistance for the purposes of any such proceedings or negotiations; (iii) except pursuant to a final court decision, the Buyer shall not pay or accept any such claim, or make a settlement in any such proceedings without the consent of the Supplier; (iv) the Buyer shall do nothing which would or might jeopardise any insurance policy or cover which the Buyer may have in relation to such infringement and shall use its best endeavours to recover any sums due thereunder and this indemnity shall not apply to the extent that the Buyer recovers any sums under any such policy or cover; (v) the Supplier shall be entitled to the benefit of, and the Buyer shall accordingly account to the Supplier for, all damages and costs (if any) awarded in favour of the Buyer according to a final court decision which are payable by, or agreed with the consent of the Buyer (which consent shall not be unreasonably withheld) to be paid by, any other party in respect of any such claim; and (vi) without prejudice of any other obligation of the Buyer provided by law, the Supplier shall be entitled to require the Buyer to take the necessary steps, as the Supplier may reasonably require, to mitigate or reduce any such loss, damages, costs or expenses for which the Supplier is liable to indemnify the Buyer under this section 14.4, which steps may include (at the

Supplier's option) accepting from the Supplier non-infringing, modified or replacement Products or Services.

- 14.5 The Supplier shall have no obligation or liability under Section 14.4 insofar as the infringement arises from: (i) any additions or modifications made to the Products and/or Services in question, otherwise than by the Supplier or with its prior written consent; (ii) any information provided by the Buyer to the Supplier including without limitation any specification; (iii) performance by the Supplier of any work required to any Products, or performance of any Services, in compliance with the Buyer's requirements or specifications; (iv) a combination with or an addition to equipment not manufactured or developed by the Supplier; or (v) the use of Products beyond that scope established by the Supplier or approved in writing by the Supplier.
- 14.6 Without prejudice to Section 12.1, this Section 14 determines the entire liability of the Supplier and the exclusive remedy of the Buyer with respect to any alleged infringement of intellectual property rights belonging to a third party arising out of or in connection with the performance of any Contract. The liability as provided under this Section 14 shall be subject to the limits of liability in Sections 12.2, 12.3, 12.4 and 12.5.

15. Force Majeure

Notwithstanding any contradictory provision set under these Conditions, the Supplier shall not be liable to the Buyer for any loss or damage which may be suffered by the Buyer as a direct or indirect result of the non-supply of Products or Services, delay or rendered uneconomic by reason of circumstances or events beyond the Supplier's reasonable control. If due to such circumstances or events the Supplier has insufficient stocks to meet all its commitments the Supplier may allocate available stocks between its customers at its sole discretion.

16. Confidential Information

Each party undertakes to keep confidential, not use for its own purposes nor without the prior written consent of the other party, disclose to any third party any information of a confidential nature belonging or relating to the other party which may become known to it unless such information is or becomes public knowledge (other than by breach of this Section) or is required to be disclosed by order of a competent authority.

17. Cancellation, Rescheduling and Termination

- 17.1 Orders for Products accepted by the Supplier may be cancelled or rescheduled by the Buyer only with the written consent of the Supplier (which consent the Supplier may withhold for any reason) and the Buyer shall indemnify the Supplier against the cost of all labour and materials used in connection with the cancelled order or altered as well as against all loss, damage cost, charges and expenses suffered or incurred by the Supplier as a result of that cancellation or alteration.
- 17.2 Contracts for Services shall commence on the commencement date identified in the relevant Proposal and, notwithstanding the possibility of earlier termination in accordance with Section 17.3 or 17.4, shall continue in force for the initial term as prescribed in such Proposal and thereafter for any renewal period (if any) set out in the Proposal and thereafter for indefinite term unless or until terminated by either party in accordance with Section 17.3 or 17.4.
- 17.3 Without prejudice to Section 17.4, either party may terminate a Contract for Services by giving a 90 (ninety) days written notice to the other party.
- 17.4 Either party may terminate a Contract for Services immediately at any time by written notice to the other party if the other party commits a breach of the Contract for Services which is incapable of remedy or which it fails to remedy within 30 (thirty) days of receiving written notice requiring it to be remedied.
- 17.5 Upon termination or expiry of any Contract for Services, each party shall, except to the extent permitted or required to exercise or perform its continuing rights or obligations hereunder, return to the other party all property of the other party which at that time is in its possession, custody or control and shall not retain any copies of the same.
- 17.6 Termination of any Contract in accordance with these Conditions shall not affect the accrued rights or liabilities of the parties at the date of termination.

18. Insolvency of the Buyer

If: (i) the Buyer becomes insolvent, undergoes a judicial or extrajudicial reorganization proceeding, files bankruptcy, takes or suffers any similar action in consequence of debt or an order or resolution is made for its dissolution or liquidation; or (ii) the Buyer ceases, or threatens to cease its business, then the Supplier, to the extent permitted by law and without prejudice to any other right or remedy available, may terminate for cause any Contract and/or withhold any further supply of Products and/or Services without any liability to the Supplier and, if any Products and/or

Services have been supplied but not paid for, the price or fees shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.

19. General

- 19.1 These Conditions and any Contract, quote or Proposal shall be governed by the laws of Portugal. The parties hereby elect the Courts of Oporto, to settle any claims or disputes arising out of or in connection with these Conditions or any Contract or quote or Proposal.
- 19.2 Failure by the Supplier to exercise or enforce any rights hereunder shall not be deemed to be a waiver of any such right, nor operate so as to bear the exercise or enforcement thereof, which may be exercised fully at any time.
- 19.3 If any provision or part of a provision of these Conditions is or is held by any court of competent jurisdiction to be unenforceable or invalid, such unenforceability or invalidity shall not affect the enforceability of any other provision.
- 19.4 The Buyer may not assign, transfer or otherwise dispose of all or any of its rights or delegate any of its obligations thereunder, in whole or in part, without the prior written consent of the Supplier.
- 19.5 These Conditions and the respective Contracts constitute the entire agreement and understanding between the parties with respect to its subject matter and supersedes any prior agreement, understanding or arrangement between the parties, whether oral or in writing. No representation, undertaking or promise shall be taken to have been given or implied from anything said or written in negotiations between the parties prior to the date of any Contract except as expressly stated in that Contract. The Buyer shall not have any right or remedy in respect of any untrue statement made by the Supplier upon which the Buyer relied in entering into a Contract (unless such untrue statement was made fraudulently or regarding a fundamental matter including a matter fundamental to the Supplier's ability to perform its obligations under the Contract) and the Buyer's only remedy shall be for breach of contract as provided for in these Conditions. Misrepresentations as to fundamental matters shall be subject to the terms of Section 12.
- 19.6 Modifications to any Contract must be in writing and signed by the authorised representatives of the parties.
- 19.7 All notices given under these Conditions shall be sent to the address of the other party set forth in the Proposal or to another address as such party may designate from time to time by notification. Notice shall be regarded as properly given if sent in writing and shall be deemed to have been served on delivery if sent by hand, and on confirmation of transmission, if sent by facsimile.