

## **EVOPIPES GENERAL TERMS AND CONDITIONS FOR THE SALE**

### **1. General**

- 1.1.** These general terms and conditions for the sale of goods shall apply to all of Buyer's current and future purchases of Goods from and provision of Services by Seller to the exclusion of all other terms and conditions including any terms or conditions which the Buyer may seek to apply under any purchase Order, Order confirmation or a similar document.
- 1.2.** All Orders for Goods and Services shall be deemed as an offer by the Buyer to purchase Goods and/or Services pursuant to these general terms and conditions.
- 1.3.** Any variation and deviation from these general terms and conditions (including any special terms and conditions agreed upon between the parties, including without limitation as to discounts) shall be inapplicable unless agreed in writing by the Seller.
- 1.4.** The acceptance of delivery of Goods and Services shall be deemed to be conclusive evidence of the Buyer's acceptance of these general terms and conditions.
- 1.5.** The applicability of Buyer's sales conditions and / or general terms and conditions is expressly excluded, regardless of whether the Buyer refers to its terms and conditions in a request for a quotation or other communication addressed to the Seller.
- 1.6.** In these general terms and conditions, the following terms are defined as follows:
  - 1.6.1.** "**Seller**" – the limited liability company "Evopipes" (*in Latvian: sabiedrība ar ierobežotu atbildību "Evopipes"*), established under the laws of the Republic of Latvia with registration number 50003728871.
  - 1.6.2.** "**Buyer**" – a company, organisation, body or a person who buys Goods and/or Services from the Seller.
  - 1.6.3.** "**Goods**" – the articles to be supplied to the Buyer by the Seller.
  - 1.6.4.** "**Services**" – all activities performed by the Seller or arranged to be performed on the Buyer's instructions in addition to the sale of Goods.
  - 1.6.5.** "**Order confirmation**" – a Written confirmation of an Order which is sent by the Seller, in which it accepts the Order placed by the Buyer.
  - 1.6.6.** "**Order**" – a Written request by the Buyer to sell Goods and/or provide Services that shall include at least the following details of the ordered Goods and Services: specification and description of the Goods (i.e., name and code of the Goods) and Services, number of units of the Goods, contact and shipping addresses and the preferred term of delivery. The Buyer shall provide all available contact information about the receiver of the Goods, including company name, address, contact persons, telephone numbers and electronic mail addresses.
  - 1.6.7.** "**CMR**" – standardized document – a consignment note, required for cross-border transport of cargo by road.
  - 1.6.8.** "**Delivery note**" – standardized document – a consignment note, required for transport of cargo by road in the territory of Republic of Latvia.
  - 1.6.9.** "**In writing**" or "**Written**" – a mail, e-mail or a document handed over from the Seller to the Buyer or *vice versa* by means of a registered mail or e-mail.

### **2. Orders and Specifications**

- 2.1.** The Order shall be made electronically by sending an e-mail to [info@evopipes.lv](mailto:info@evopipes.lv) if Buyer is from Latvia and [orders@evopipes.lv](mailto:orders@evopipes.lv) if Buyer is not located in Latvia. The Order can also be sent to a specific contact person from the Seller's sales department provided that the e-mail contains the @evopipes.lv domain.

- 2.2. Any Order shall become binding upon the Seller only when accepted In writing with the Order confirmation by Seller. The Seller shall only be bound by verbal agreements after and insofar as they have been confirmed by the Seller In writing with an Order confirmation.
- 2.3. The Seller informs the Buyer In writing whether the Order is confirmed within 3 (three) business days after receiving the Order. If the Seller has not provided the Order confirmation within 3 (three) business days after receiving the Order, the Order shall not be considered as accepted and no Order confirmation shall be tacitly assumed.
- 2.4. The Buyer is entitled to cancel Order confirmation within 1 (one) working day after receiving it from the Seller.
- 2.5. The Seller is entitled to make any changes in the specification of the Goods and/or Services to conform to any applicable statutory provisions that do not materially affect the quality of Goods or the performance of Services.
- 2.6. The Buyer is not entitled to revoke or cancel any Order after such Order has been made, unless the Seller has agreed In writing to such cancellation and has received from the Buyer a Written undertaking to pay all costs, charges and expenses incurred in respect thereof.
- 2.7. All pictures and specifications of performance in the Seller`s catalogues, price lists and advertisements shall count as an approximate. The Seller does not guarantee the correctness of details regarding weight, dimensions, colour etc.

### 3. Prices

- 3.1. Unless otherwise agreed, all prices given by the Seller shall be based on FCA in accordance with the currently applicable Incoterms® and exclude value added tax and other applicable taxes and duties. Any additional related costs must be undertaken by the Buyer. *Inter alia* these costs include transport costs, customs duties, consulate fees, freight and insurance premiums.
- 3.2. The price of the Goods shall be the price specified in the Seller`s Order confirmation or, if none, on the Seller`s quotation or, if none, on the Seller`s currently applicable price list.
- 3.3. If the price is specified in the Seller`s quotation, the price is valid for 1 (one) month after the quotation is made.
- 3.4. If any change occurs in raw material prices, taxes, wages or foreign exchange fluctuation, the Seller is entitled to unilaterally amend the agreed price accordingly.
- 3.5. If the Seller provides transport services to the Buyer, the price that the Buyer shall pay for the received transport services shall be equal to the price that the Seller has paid to the transport company.

### 4. Terms of payment

- 4.1. The method, currency and timing of payments shall be specified in the Order confirmation and the invoice. If there is no other agreement, all payments shall be made by wire transfer in EUR (*euro*) to the Seller`s bank account. The Buyer shall bear all transaction charges.
- 4.2. Unless otherwise agreed, the Buyer shall pay the Seller full price of all Goods delivered by the Seller to bank account within 30 (thirty) days of the invoice date.
- 4.3. The Buyer shall acknowledge that the supply of Goods on credit (payment on open account) shall not take effect until the Seller has established In writing a credit limit for the Buyer. The parties shall agree on the amount of the credit limit. The credit limit is set on the basis of estimated turnover, an assessment of the Buyers creditworthiness carried out by the Seller based on the Buyer`s financial ratings. In the event the Buyer exceeds this credit limit, the Seller has the right to suspend deliveries of the products until the Buyer has made sufficient payment to bring its account to within the credit limit provided.

- 4.4. If the Buyer fails to make any payment by the due date or the Seller has reasonable grounds for believing that the Buyer will not make any payment without prejudice to any other right or remedy available to the Seller, the Seller is entitled to cancel or suspend any further deliveries to the Buyer.
- 4.5. The Seller is entitled to sell the Goods to the Buyer by instalments if the concerned parties have agreed in writing by indicating a credit limit for the Goods and the terms of using it. The Seller is immediately and unilaterally entitled to lower or cancel the assigned Buyer's credit limit (if any) taking into account decrease in the trade volume of the Goods sold to the Buyer, failure to comply with the payment terms, information on deterioration or instability of the Buyer's financial situation, market conditions and other factors.
- 4.6. If the Buyer is entitled to *Skonto* discount terms, the discount has to be deducted from payment. If the Buyer pays the amount in full, it loses rights to use the *Skonto* discount. The credit note for the discount will be sent when the payment is received. The Buyer is not entitled to use the *Skonto* discount if older invoices have a due date.
- 4.7. Any amount not paid in full by the due date of payment thereof shall be subject to a delay penalty with a daily interest rate of 0.5%. Reimbursement of the delay payment will not exempt the Buyer from coverage of the debt. In the event of a debt, first the delay payment has to be paid and then the amount of the debt.
- 4.8. The Seller might maintain an effective and comprehensive insurance policy to cover its own scope of activities and liabilities, including general third party liability and product liability. Thus, in case of the Buyer's failure to fulfil its payment obligations, the Seller is obliged and entitled to inform the insurance company, which might negatively affect the Buyer's credit reputation.
- 4.9. In the event that the Buyer fails to pay within the agreed period, the Seller will be entitled to transfer collection of the outstanding amount to a collection company.

## 5. Invoices

- 5.1. The invoices issued by the Seller are external supporting documents. The invoices shall be prepared in electronic form according to the regulatory requirements and shall be valid without a signature.
- 5.2. Existence of economic transactions shall be substantiated by delivery documents, such as a CMR or Delivery note, evidencing the fact of transfer and acceptance of the Goods and shall be signed by both parties.
- 5.3. The invoice shall be deemed as sent if it has been sent to the electronic mail address specified in Order confirmation. The invoice which has been sent *via* electronic mail shall be deemed notified on the second working day after sending thereof.
- 5.4. If the Buyer changes the electronic mail address, it shall immediately, but no later than within 7 (seven) days after the change, inform the Seller in writing of the new electronic mail address.

## 6. Delivery and Performance

- 6.1. Currently applicable Incoterms® delivery term, and the mode and destination of the delivery shall be specified by the Seller and the Buyer in the Order confirmation. If no delivery term is specified in the Order confirmation, the applicable delivery term shall be FCA.
- 6.2. The Seller shall inform the Buyer of any foreseeable delay in delivery as soon as practicable after the Seller becomes aware of such fact.
- 6.3. If a delivery is delayed solely due to the fault of the Seller, the Buyer may demand that Seller delivers the Goods within a reasonable time period after the delivery date, as agreed by the Buyer and the Seller.

**6.4.** The order will be considered fulfilled from the moment of delivery of the Goods to the final point, agreed upon by the parties in the Order confirmation and signing of the CMR or Delivery note.

## **7. Packaging**

**7.1.** Unless otherwise agreed In writing, the Seller shall cause the Goods to be packaged and marked in accordance with the Seller's customary methods.

**7.2.** Special packaging or marking arrangements are subject to a surcharge in accordance with the Seller's customary practice and fees.

## **8. Transfer of Title and Risk of Loss**

**8.1.** The risk of loss and damage to the Goods shall pass to the Buyer at the time of delivery.

**8.2.** Title and ownership of the Goods shall remain with the Seller, to the fullest extent permitted under applicable law, until the Buyer has paid the purchase price of the Goods in full.

**8.3.** If the Buyer fails to make the payment of the Goods to the Seller in time agreed in the Order confirmation and invoice, the Seller may at any time require the Buyer to deliver up the Goods to the Seller and if the Buyer fails to do so forthwith, enter upon any premises of the Buyer or any third party where the Goods are stored and repossess the Goods.

## **9. Transfer and inspection of Goods**

**9.1.** The acceptance and transfer of Goods is confirmed by a CMR or Delivery note.

**9.2.** Upon receipt, the Buyer shall inspect the supplied Goods at the moment of delivery and in the place of the delivery. In this context, the Buyer shall bear the risk in respect of a random inspection.

**9.3.** If the inspection reveals any unconformities, the Buyer shall inform the Seller In writing according to Section 10.

**9.4.** In the event if the Buyer wilfully refuses the supplied Goods and requests to retrieve already paid money, the Seller will collect 20% for covering the supply costs and incurred losses.

**9.5.** The Seller, under the necessity, has a right to learn about the balance of the outstanding Goods residual at the Buyer's. The Buyer, on their turn, must provide that information to the Seller within 3 (three) business days following the request of the Seller.

## **10. Notice of claims**

**10.1.** Any notice of a claim shall be made In writing.

**10.2.** Claims in relation to condition of the Goods or insufficient number of items (apparent defects) shall be effectuated immediately upon arrival of the Goods and notified In writing to the Seller not later than within 3 business days after the delivery. Any such claim shall be documented by a remark on the CMR or Delivery note otherwise the Seller shall refuse to accept notice of claims.

**10.3.** Claims in relation to Goods, where defects were not apparent (i.e., invisible defects), shall be effectuated In writing as soon as possible but not later than 8 (eight) days after such invisible defect has been discovered, and in any event not later than within 12 (twelve) months from the delivery.

**10.4.** Claims in relation to Goods' defects shall be submitted with photos, a Goods' label, batch number and any other information that would help to support the claim (including the description of installation process, if applicable).

- 10.5.** The Buyer is responsible for storing the Goods responsibly until any claim has been clarified between the parties.

## **11. Return**

- 11.1.** Return of any Goods which are in conformity with the Order confirmation shall only be accepted upon separate agreement with the Seller.
- 11.2.** In the event that return is accepted, the returned Goods shall be in the same condition as on delivery and in its original packaging where applicable.
- 11.3.** The Seller is entitled not to accept the returned Goods if the Goods are damaged, dirty or with a damaged packaging.
- 11.4.** Any Buyer's financial document regarding the return of Goods will be accepted by the Seller only after the actual return of Goods.
- 11.5.** In case of such return the Seller will refund to the Buyer 80% of the price, for which the Goods initially were sold to the Buyer.
- 11.6.** The Buyer shall be responsible for any freight costs and custom fees in connection with the return.
- 11.7.** The Seller shall not accept the return of any Goods later than 6 (six) months after the delivery.

## **12. Warranties and Liability**

- 12.1.** Subject to the conditions set out below, the Seller warrants that the Goods will correspond with their specification at the time of delivery and will be free of any hidden defects in material and workmanship for a period of 24 (twenty-four) months from delivery. The Seller makes no express or implied warranty extending beyond the Seller's Goods specifications.
- 12.2.** This warranty is given by the Seller subject to the following conditions:
- 12.2.1.** the Seller shall be under no liability in respect of any defect arising from any drawing, design or specification supplied by the Buyer;
- 12.2.2.** the Seller shall be under no liability in respect of any defect arising from fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow the Seller's instructions (whether oral or In writing), misuse, alteration or repair of the Goods without the Seller's approval.
- 12.3.** The warranty is forfeited every time the Goods are assembled or applied incorrectly, have not received sufficient maintenance or are damaged as a consequence of improper storage or incorrect processing by the Buyer. The Buyer's responsibility is to take all the necessary care in handling, storing and processing.
- 12.4.** The Seller shall at their option, upon a written request of the Buyer, either provide a replacement of the Goods free of any charge until the original point of sales, or effect repairs to any defect resulting from improper quality and/or defective design, workmanship or material.
- 12.5.** If installation work is required, the parties will agree on the costs In writing. Otherwise, the Seller reserves the right to refuse to pay for the installation work if, in the Seller's opinion, it exceeds the standard market price for this type of service.
- 12.6.** The Seller shall bear direct costs linked to all replaced Goods and parts thereof and the parts supplied in replacement under the warranty, including dues, customs, import and export charges, and direct and indirect taxes imposed on the repaired, replaced or removed Goods.
- 12.7.** The liability of the Seller is limited to the reparation or replacement of the faulty Goods or parts thereof and instalment work (if agreed upon), and does not comprise any other compensation for indirect losses, for example, loss of profit, landscape architecture creation etc.

- 12.8.** The Goods replaced under the warranty will be submitted to the same guarantee for a period of six months starting from the date of replacement.
- 12.9.** Any defective part(s) shall be removed from the premises of the Buyer by the Seller and shall become the property of the Seller.
- 12.10.** If the parties disagree on the cause of defects, an expertise should be performed. The expenses for services provided by the expert will fall on the guilty party.
- 12.11.** This warranty will only cover Goods and components which have been manufactured by the Seller. This warranty is not a consumer or final users warranty and does not extend to anyone other than the Buyer who directly purchased the Goods from the Seller.

### **13. Intellectual Property**

- 13.1.** Nothing in this agreement and the delivery of the Goods shall operate in any way so as to assign, license, transfer or otherwise dispose of any intellectual property rights owned by the Seller.

### **14. Confidentiality**

- 14.1.** Each Party shall keep in confidence all commercial, technical, financial and other confidential information (including without limitation technical and commercial terms) of the other party during the term of any agreement and for a period of two (2) years thereafter. Each party shall not disclose such information to any third party or use such information for any other purpose than the performance of its obligations pursuant to this agreement. Additional terms contained in any applicable confidentiality or non-disclosure agreement entered into between the Seller and the Buyer shall also be applied to the exchange of information under the agreement.

### **15. Force majeure**

- 15.1.** Notwithstanding anything else contained in this agreement, neither party shall be liable for non-performance of its obligations under any agreement if such non-performance is caused by any event beyond the reasonable control of the party including, among other causes fire, embargo, icing of sea, flooding or other natural disaster, strike, lock-out or other labour dispute, shortage of raw material, disruption in the energy supply or supply failures by the Seller's suppliers.
- 15.2.** The party invoking Force Majeure shall inform the other party In writing of the Force Majeure and the expected duration of the Force Majeure and shall use its best endeavours to mitigate the adverse effects of the Force Majeure, overcome the effects of the Force Majeure and to resume performance of its obligations under the agreement.

### **16. Applicable law and competent court**

- 16.1.** The agreement between the Buyer and the Seller shall be considered as a contract made in the Republic of Latvia and according to the laws of the Republic of Latvia.
- 16.2.** The Buyer and the Seller irrevocably agree that the courts of the Republic of Latvia shall have exclusive jurisdiction over any claim or matter arising under or in connection with this agreement, and that accordingly any proceedings in respect of any such claim or matter shall be brought before the courts of the Republic of Latvia.