



EKJU Ltd

GENERAL TERMS AND CONDITIONS OF SALE

1. **Scope of application.** These General Terms and Conditions of Sale (the "Terms") apply to all agreements by which EKJU Ltd (the "Seller") sells its Products (the "Products") to any purchaser (the "Buyer"), irrespective of the way in which the sales agreement is concluded (the "Contract"), and cover the entire Product range of the Seller. Making a purchase or placing an order for the Products implies the complete and unreserved adherence to these Terms. Different or additional provisions, including the Buyer's general terms of business, shall apply only if it is directly and expressly agreed in writing by the Seller and the Buyer (the "Parties" or the "Party" respectively) in each individual case.
2. **Products**
 - 2.1. Products. The Products include garden furniture, fence elements and panels wooden fencing posts, garden edging (from bollards, poles, mini sleepers, log rolls), flower boxes, swings, playgrounds for children and all other products manufactured by or on behalf of the Seller and sold to the Buyers. The Products are either standard sale Products (the "Standard Products") or specifically manufactured for an individual Buyer, including custom made and special profile products, etc. (the "Custom Products").
 - 2.2. Product catalogue. The list of Standard Products produced and sold by the Seller is available on the website of the Seller and in the Product catalogue ("the Catalogue"), which is made available to the Buyer on request. The Seller is entitled to make changes to the range of Products at any time upon its sole discretion. Only the currently effective list of Products is valid and can be relied on for placing orders.
 - 2.3. Quality and completeness of set. The Seller warrants that the quality of the Products corresponds to the Seller's quality standards and that the completeness of the set of the Products corresponds to the Product specification currently in force. The Seller maintains the right to make changes to Product specifications, provided that these changes do not affect the lifetime of the Product.
3. **Ordering**
 - 3.1. Standard Products. The Buyer may order Standard Products only in written. The Buyer shall indicate the expected place of destination of the Products and the expected time of delivery.
 - 3.2. Custom Products. For the supply of Custom Products, the Buyer shall request a quotation from the Seller. Any quotation issued by the Seller is valid for the period of time indicated on quote. Acceptance of the quotation by the Buyer constitutes an order for the respective Custom Products.
 - 3.3. Confirmation of orders. The Contract for the sale of Products is concluded when the Seller confirms the order. The Seller shall confirm or refuse to confirm an order within five (5) calendar days. In the order confirmation the Seller specifies the terms of delivery of the Products. If the order confirmation contains modifications or additional terms compared to the order or quotation, the contract of sale is considered to be definitely concluded if, after receiving the order confirmation, the Buyer does not state within two (2) working days that it does not accept the modified or additional terms offered by the Seller.



3.4. Modification of orders. Confirmed orders can be modified by mutual agreement if the production and/or delivery process has not been started.

4. Prices and payment

- 4.1. Prices. Prices of Standard Products are based on the price list valid at the time of conclusion of the contract of sale. The validity period of the price list is displayed in the price list. Price lists are market specific and the prices may vary for different countries, territories or customer types. The price in the price list does not include Value added tax (VAT). VAT will be added to the price displayed in the price list if required by regulatory enactments. The Seller is entitled to change the prices at any time upon its sole discretion. In case the Buyer has previously been provided with a price list, the Seller undertakes to notify the Buyer at least one (1) month in advance of any changes in the prices, if such changes occur during the validity time of the price list. Otherwise, the price lists are sent on request. Prices of Custom Products are specified in the respective quotation issued by the Seller. Unless indicated otherwise in the price list or quotation, the prices include the costs of the Seller`s standard packaging. Freight and insurance of the Products for transit and other costs according to the applicable international commercial terms (Incoterms 2010) are included only if indicated in the quotation and/or contract.
- 4.2. Terms of payment. Payment for the Products shall be made either as prepayment, or if the Seller has granted a line of credit to the Buyer, within thirty (30) calendar days from issuing the respective invoice, unless the Seller has stated a different period of time on the order confirmation. Unless otherwise agreed, payments are to be made by bank transfer to the bank account indicated by the Seller. The Buyer shall cover the relevant bank charges. Payments are deemed to have been effected when the relevant sum is received on the Seller`s bank account.
- 4.3. Delayed payments. Upon failure of the Buyer to make a payment on time, the Seller is entitled to demand late payment interest in the amount of 0.1% of the delayed payment per each day of the delay. If the Buyer fails to make a timely prepayment and exceeds the due date by more than 7 days, the Seller is entitled to suspend or cancel the respective order and suspend further deliveries of Products to Buyer, until payment is received in full.
- 4.4. Unilateral deductions. The Buyer is neither allowed to make any unilateral deductions from the amounts on the invoice nor to set off against the claim of the Seller any of its own alleged claims, without the prior written consent of the Seller.
- 4.5. Prompt payment discount. The percentage or amount of discount shall be agreed separately per each customer and/or order. The term for payment shall start with the issue date of the invoice and the payment must be received before the due date for prompt payment indicated on the invoice.

5. Delivery

- 5.1. Delivery terms. Unless otherwise indicated in the price list, quotation or order confirmation, or separately agreed by the Parties in writing or in a form which can be reproduced in writing, delivery of the Products is FCA (Incoterms 2010). Delivery of Products shall be deemed to have taken place when the Products are available to the Buyer at its indicated place of delivery. Risk of loss or damage to the Products shall pass to Buyer at the time of delivery, as set out in this clause.
- 5.2. Packaging. Unless otherwise agreed by the Parties, the Product will be delivered in Seller`s standard packaging, i.e., flat packed, where possible, safely strapped on pallets, minimal height



of the pallets: 90mm, type of pallets: two-way. Other packaging (cardboard boxes, wrapped in plastic or other) is not included.

- 5.3. Term of delivery. The standard period for delivery of the Products are indicated in the price list or the quotation. The term of delivery for a specific order is specified by the Seller in the order confirmation. The term of delivery starts from the day when the Seller confirms the Buyer's order but not before the Seller receives prepayment if that has been required. For Custom Products the term of delivery shall not begin before all technical issues relevant for manufacturing the Products or for processing the order have been resolved between the Parties. These issues shall be deemed to have been resolved after the Buyer has approved the drawing of the Custom Product. The term of delivery is extended by an appropriate period of time if the Buyer's subsequent changes to the relevant information or documentation cause a delay in manufacturing the Products.
- 5.4. Time and place of delivery. The Seller shall inform the Buyer of the exact time and place of delivery of the Products by giving reasonable advance notice. If the buyer changes the time and/or place of delivery and it creates additional costs for the Seller, the Buyer shall be obliged to cover these costs. The Buyer is obliged to inform the Seller of any special conditions in the delivery area that may affect the delivery time. If the Buyer has not fulfilled this obligation, the delivery delay will be deemed to have occurred as a result of *Force majeure*.
- 5.5. Liability. The Parties agree that minor delays in delivery time are permissible, provided, however, that Seller shall use commercially reasonable efforts to deliver Products within a reasonable time consistent with the order and the given notice. Seller may alter details of Product delivery given in the notice. Products may be delivered by Seller in advance of the quoted delivery time upon giving reasonable notice to Buyer. In no circumstances shall Seller be liable to compensate Buyer in damages or otherwise for non-delivery, early delivery or late delivery of the Products or for any loss or damage (including loss of profits, opportunity or other loss consequential or otherwise) arising therefrom or for failure to deliver the Products promptly or at all.
- 5.6. Failure to take delivery. The Buyer must take delivery of the Products at the time and place determined in accordance with these Terms. In case the Buyer refuses to take delivery of the Products or delays taking delivery, the Seller is entitled to demand a contractual penalty in the amount of 0.1% of the price of the respective Products per day. The Buyer must also compensate any costs and damages that the Seller incurs due to the Buyer's failure to take delivery, including the costs of storing the Products.
6. **Retention of title.** Until the Seller receives the full purchase price, the Seller retains the legal property of the Products. During this time, the Buyer may resell the Products only as an agent of the Seller and only in the ordinary course of business to a bona fide purchaser. Until ownership of the Goods has passed to Buyer, Buyer shall at its own cost procure that the Products are stored in most appropriate storage conditions specified in these Terms.

7. Inspection and notification

- 7.1. Inspection. After delivery of the Products, the Buyer must inspect the Products or have them inspected immediately upon receipt. The inspection must include checking the quantity and quality of the Products and whether they correspond to the accompanying documents. The Buyer shall also check the Products for any external damages, including those to the packaging.



- 7.2. Notification of non-conformity. In case the nomenclature, quantities or quality of the delivered Products do not correspond to the order confirmation, or the Products or their packaging have been damaged, the Buyer must inform the Seller immediately. The Buyer must describe the non-conformity and provide photos or other evidence. The exact requirements are described in the document Warranty Conditions and Complaints Procedure of EKJU Ltd. In the event that Buyer establishes to Seller's reasonable satisfaction that Products are not in accordance with the Contract, or are defective, Buyer's sole remedy shall be limited to the return of the Products, and Buyer shall be credited accordingly, unless agreed otherwise by the Parties.
- 7.3. Consequences of failure to inspect and notify. The Buyer loses the right to rely on any problems with the quantity or quality of the Products if the Buyer has failed to perform a timely inspection and the non-conformity would have been noticeable on a reasonable inspection or if the Buyer does not notify the Seller of the non-conformity immediately.
8. **Storage**. The Buyer is responsible for ensuring that after delivery the Products are stored and resold only from premises most appropriate for their storage, display and sale, i.e., outdoors, under a roof in a cool and dry place, protected from direct sunlight and other weather conditions (rain, snow, etc.). Air circulation around Products is necessary to avoid moisture and mould.
9. **Settling of complaints**
- 8.1. Complaints by the Buyer. All complaints by the Buyer concerning the quality of the Products shall be settled according to the Seller's standard procedure, which is available on the Seller's website (Warranty Conditions and Complaints Procedure of EKJU Ltd.).
- 8.2. Complaints by sub-purchasers. Any complaints concerning the Products, which the Buyer receives from persons to whom the Buyer has resold the Products, will be dealt with and settled by the Buyer. Seller shall be under no direct liability to any sub-purchaser of the Products from Buyer. If the complaint concerns a manufacturing defect for which the Seller could be liable, the Buyer shall inform the Seller of the complaint immediately. Such complaints will be settled pursuant to an individual agreement of the Parties in accordance with the Seller's standard complaints procedure. Seller will not give Buyer credit for the return of any Products which have been altered, tampered with, disfigured in any way, which have been stored in improperly, or if other warranty provisions have been violated. Changes in Products due to the natural properties of the wood (listed in Seller's website) shall not be considered as a manufacturing defect. The Seller will not reimburse any additional costs of the Buyer or sub-purchaser (including costs of carriage), unless otherwise agreed by the Parties. The Seller shall not bear any other costs or losses incurred in connection with the return of the Item. If the warranty complaint is justified, the procedure in which the Buyer remedies the defect may be determined by agreement between the Parties.
9. **Warranty**. The Seller provides warranty for the Products according to its regular warranty conditions, which are available on the Seller's website (Warranty Conditions and Complaints Procedure of EKJU Ltd.). Warranty conditions may vary depending on the type of Product.
10. **Confidentiality**. The Parties shall not disclose without the other Party's prior written consent any information which is received from the other Party in connection with the sale and supply



of Products, unless otherwise required by law or judicial order, or if the receiving Party can prove that such information has been known to it prior to receipt. In particular, the product information, prices and other terms and conditions of individual orders shall remain confidential. Disclosure of information by a Party to its auditors, professional advisors or bankers is not considered to constitute breach of confidentiality.

11. Intellectual property and product information

- 11.1. IP rights of the Seller. All of the Seller's intellectual property, including copyrights, trademarks, patents, trade names, trade secrets, know-how, technical documents, product and production specifications and other manufacturing information, or rights or licenses relating to any of the foregoing used in connection with the Products shall remain the sole and exclusive property of the Seller. The Buyer may not copy or imitate the Products or do or omit to do, or permit any third party to do or omit to do, anything which may damage such intellectual property rights in any way.
- 11.2. Results of creative work. Unless otherwise expressly agreed by the Parties in individual cases, all marketing materials, drawings, projects, architectural designs and other results of creative work, documents, data and records, which are created by the Seller for or at the request of the Buyer (the "Results"), remain the exclusive property of the Seller and the Seller is entitled to use such Results for business, production and marketing purposes.
- 11.3. Photos and other recordings. The Seller is entitled to take photos and make other recordings of the Products before, during and after they have been installed, or to ask the Buyer to provide such photos and other recordings and use them for marketing purposes.
- 11.4. Use of Product information. The Buyer is not allowed to publicly use any photos, plans, manuals and other Product information provided by the Seller without the prior written approval of the Seller, unless such use is reasonably necessary for the authorized resale of the Products.
- 11.5. Advertising materials. Any materials the Buyer has received from the Seller for advertising purposes may only be used to promote the sale of the Products of the Seller.

12. Force majeure

- 12.1. A Party is released from liability for failure to perform or correctly perform the obligations arising from the Contract if such failure was caused by circumstances which are beyond the control of the Party and which the Party was unable to affect or avoid (e.g. such as flood, fire, earthquake or other natural disaster, war, terrorist attack or strike) and which render the performance or correct performance of the Contract impossible. A strike of the employees of the Party or failures of subcontractors or business partners of the Party shall not constitute a *force majeure* circumstance for the purpose of the Contract.
- 12.2. The Party whose activity in the performance of the obligations under the Contract is prevented by a *force majeure* circumstance shall immediately notify the other Party thereof. The *force majeure* circumstance shall not release a Party from the obligation to take all possible measures to prevent and/or minimize damage caused to the other Party as a result of the failure of the first Party to perform or correctly perform the Contract.

13. **Settlement of disputes and jurisdiction**. The Parties shall make every effort to settle all disputes arising from or in connection with the Contract amicably through negotiations. In the event that negotiations fail, any dispute, controversy or claim arising out of or in connection with the



Contract, including the breach, termination or invalidity of the Contract, shall be settled in the courts of Latvia.

14. Applicable law. The Contract shall be governed by and construed in accordance with the laws of Latvia. The application of the United Nations Convention on Contracts for the International Sale of Goods of 1980 (CISG) is excluded.

15. General provisions

- 15.1. The Parties may not transfer their rights or obligations arising from the Contract to any third party without the prior written approval of the other Party.
- 15.2. Seller shall in no circumstances be liable for any loss of actual or anticipated profit, loss of business, loss of contracts, loss of revenues, loss of anticipated savings, depletion of goodwill, or for any special, indirect or consequential damage of any nature whatsoever, howsoever arising to the Buyer.
- 15.3. The Buyer agrees not to do anything which could either directly or indirectly harm the Seller, its Products or reputation.
- 15.4. Each party shall process personal data relating to each party's representatives in accordance with their respective privacy policies and applicable Data Protection Laws.
- 15.5. Any notice, application or other communication to be given or made under the Contract to the other Party shall be in writing or in a form which can be reproduced in writing (such as fax or e-mail). Such notice, application or other communication shall be deemed to have been duly given or made when it is delivered by courier against signature, by registered mail or fax or e-mail to the other Party.
- 15.6. In case the Buyer is a consumer, these Terms do not prejudice the application of any provisions of the applicable law which cannot be derogated from by agreement.
- 15.7. If any individual provision of these Terms is entirely or partially invalid or ineffective, the remaining provisions or the remaining parts of such provisions shall not be affected thereby. The Parties shall replace any invalid or ineffective provision with an effective provision which comes closest to the economic purpose of the ineffective provision.
- 15.8. In the case of any discrepancies between documents, the latest written agreement shall prevail.
- 15.9. The Seller shall not be bound by any accidental inaccuracy, howsoever caused, in any document it issued, including obvious clerical errors in the price list.
- 15.10. These terms and conditions of sale enter into force on 01.05.2019.