

GENERAL TERMS AND CONDITIONS OF SALE



GENERAL PROVISIONS

1.1. These General Terms and Conditions of Sale (hereinafter the Terms) are integral part of any sales contract and agreement concluded by UAB SOLVIKA, code: 302871585 (hereinafter the Seller) and another party (hereinafter the Buyer) for products or services (including delivery) supplied by the Seller. Any other agreements, terms or conditions do not obligate the Seller unless the Buyer and the Seller (hereinafter Parties) clearly express such agreement in written form, confirmed by both Parties by signing. These Terms are also valid for all current and subsequent deliveries of our Products to the Buyer. By accepting our products or paying the price agreed by both Parties, the Buyer clearly indicates his consent to these Terms.

ESTABLISHMENT OF THE AGREEMENT

2.1. Any seller's offers are non-binding and subject to written confirmation by the Seller. All price offers are valid for single order only, unless otherwise agreed in written.

2.2. All prices and payment terms are individual, subject to peat moss, packaging and transport availability. All bank charges for payments shall be paid at the Buyer expense, unless clearly agreed otherwise.

2.3. Any orders for production shall be sent to the Seller by e-mail: export@peatmoss.lt.

2.4. Minimum order quantity: 1x full truck load or 1x40HC container loaded full or up to weight limits unless Parties agree otherwise in written.

2.4. Standard production time for any orders in size of 1-10x trucks or containers: 1-4 weeks, unless Parties agree otherwise in written or the Seller informs the Buyer in advance about different estimated production time. Production/delivery times shall be understood as an estimate only and not as a final deadline. All deliveries are subject to transport availability.

2.5. The Buyer has a right to cancel any order during it's production before delivery. In case the Buyer cancel the order, he/she shall pay a fine equal to 50% of the total agreed order sum.

2.6. The Seller undertakes to inform the Buyer about the departure of products from Seller warehouse by sending VAT Invoice to the Buyer by e-mail.

2.7. In case the Buyer do not agree to accept products upon delivery or terminate the contract during the delivery, the Buyer shall refund the Seller all losses incurred (inc. production, packaging, delivery and documentation cost).

2.8. The Seller transfers the title of ownership of Products to the Buyer upon receiving the full payment to the invoiced amount only.

2.9. All seller's invoices must be paid before the due date stated on the invoice issued by the Seller in the way and currency specified by the Seller. If the Buyer does not make full payments within the determined terms, he shall pay 0.2% debt interest, calculated from the total debt sum for each day. Any additional cost concerning debt recovery, including court procedures, bailiff and/or lawyer consultations, shall be at the account of the Buyer. The payment of debt interest or debt recovery cost shall not exempt the Buyer from any other obligations.

2.10. In case of Buyers inability to pay, the Seller shall be entitled to retrieve the goods belonging to him from the place where they are kept or to have them retrieved at the account of the Buyer. The Buyer shall irrevocably authorize the Seller to access space at or in use by the Buyer or to have them accessed for that purpose in that case.

2.11. The Seller reserve an exclusive right to change any contract prices at any time, if unexpected and extraordinary cost increases occur before dispatching the products, in particular on basis of price increase for raw materials, transport or exchange rates. In such case, the Seller informs the Buyer about such necessary price change needed. If the Buyer objects to the new prices, he shall be entitled to extraordinary termination of the contract.

2.12. The Buyer confirms that he/she is a professional grower or specialized retailer/distributor well versed in his/her area of business activity and therefore higher standards shall apply for his/her attention and precaution. The Buyer understands that any peat based products might not give an estimate or previous result as it depends on environmental impact, individual management and/or fertilization programs as well. Any Seller's consultations and recommendations for products, product's labels and descriptions are recommendations only and therefore the Seller is not responsible for final results.

IMPORT PERMITS AND IMPORT TAXES

3.1. The Buyer shall be responsible for all import procedures (including, but not limited to: any import licenses, import permits and/or import certification/analyses and/or other necessary permissions to be obtained from the authorities of the importing country). All import permits/procedures shall be at Buyer's risk and expense.

3.2. All import taxes (inc. import customs clearance, import taxes and/or any other additional local expenses and taxes) must be paid exclusively by the Buyer.

3.3. All our products shall meet quality and quantity standards and/or requirements of the Republic of Lithuania only. In case products are being exported, the Buyer shall be responsible for any difference in

quality and quantity standards and/or requirements of the importing country. The Buyer shall inform the Seller in case any of such differences exist before placing the order for production.

3.4. In case the client order additional stickers/labels to be placed on each bag or pallet, the Buyer shall prepare these stickers/labels in accordance to import requirement of the importing country and stay responsible for the information included in these stickers/labels.

COMPLAINS AND DISPUTES

4.1. Any products might be frozen during December, January, February and March, subject to weather conditions. Any complains for that shall be excluded.

4.2. In accordance that peat moss products and substrates are mainly produced from natural raw materials, the natural peat moss raw might sometimes include saprophytic fungal spores present naturally in nature. They are not detrimental to plants, however under certain conditions (e.g. high humidity and warm temperatures) these fungi can form a mycelium on the substrate surface, which normally shall disappear after couple of days. The Seller expressly rules out it's liability for these naturally occurring fungal growths.

4.3. The structure of the peat moss raw and/or other organic raw materials used in substrates production, it's weight, moisture, pH may be subject to natural variations. Any deviation of products from sales samples or previous deliveries shall therefore not constitute a defect of quality.

4.4. All our products quality and quantity is controlled in accordance to EN12580, EN13037, EN13038, EN13040 quality standards. The product volume (EN12580) is determined at the moment of filling (+/- 5%, before compression).

4.5. The buyer is obliged to check at the moment of delivery whether the delivery meets the agreement: a) if the ordered products have been delivered and b) if the delivered products quantity meets the agreement (number of packages delivered). If the Seller does not receive written notice from the Buyer within 7 days after delivery that the delivered products does not meet the agreement, it shall then be considered proven between the Parties that the delivery meets the agreement.

4.6. Any other possible complains to the delivered products must be notified immediately, but in any case not later than 14 days after delivery. Any claims concerning quality or quantity must be given to the Seller in details (including order number, truck/container number, detailed claim information, photo and/or video evidence of exact order and testing results confirming the claim). Complaints may only be taken into account if they are placed in written. If the Seller does not receive written notice from the Buyer within 14 days after delivery that the delivered products does not meet quality and quantity agreements, it shall then be considered proven between the Parties that the delivery meets quality and quantity agreements.

4.7. The client is obligated to check the pH and EC of the product before planting/using.

4.8. The filling of complain shall not exempt the Buyer from any obligation to fully pay the invoiced amount (product price) to the Seller within determined terms in accordance to VAT and proforma invoices.

4.9. Any compensation arising from complains or disputes shall be made independently from any other payments between Parties, unless clearly agreed otherwise by signing additional agreement on payment offsetting.

4.10. Any claims for compensation against the Seller are limited to the amount of the defected products value paid to the Seller. Any other claims for compensation (Buyers' direct / indirect damage, transportation to any other place than the place of Delivery or financial lost) are excluded and shall not be compensated.

4.11. All products supplied by the Supplier are individual products, custom made for exact client and exact order, therefore product return to the Seller is not available, unless Parties clearly agree otherwise in written.

4.12. All disputes originating from these Terms and Conditions of Sale shall be tried to settle by negotiations. If the agreement has not been reached within 30 days, the dispute shall be settled in the District Court of Vilnius or Vilnius Regional Court exclusively under the law of the Republic of Lithuania.

JURISDICTION AND FINAL PROVISIONS

5.1. Any sale agreement and/or contract between Parties shall be concluded and must be executed under the Civil law of the Republic of Lithuania. The United Nations Convention on Contracts for the International Sale of Goods shall not be applicable.

5.2. Incoterms 2010 shall apply for all deliveries made by the Seller (including deliveries by truck, sea containers, vessels, bulk carriers, etc).

5.3. In case of any condition of this agreement become legally ineffective, the effectiveness of other conditions must be carried without prejudice. Any ineffective conditions shall be replaced with effective and feasible conditions in accordance to the legal basis that comes closest to the economic intentions of the contracting Parties.

5.3. The Seller reserves the right to change these Terms and Conditions of Sale at any time by notifying the Buyer fifteen days prior to the modification is valid and effective. An official version of these Terms and Conditions of Sale is available to download from our website: www.peatmoss.lt.