

General Terms of Sales and Delivery

In force with 2013

The following General Terms of Sale and Delivery, hereinafter referred to as GTSD, shall apply exclusively to the legal relations in-between DendroLight Latvia Ltd. (hereinafter DLL) and its partners and shall remain valid, even if individual provisions become invalid. Purposes of GTSD are to determine legal transactions between DLL and commercial enterprises and are in force unless it is stated otherwise in the order confirmation (hereinafter OC) or a written contract. If exceptional cases form the basis for legal transactions with consumers in the sense of the Customer Protection Act (KSchG), they shall apply to the extent that they do not object to the provisions of this Act. Any conditions provided by the Purchaser or customer, which deviate from our General Terms of Sale and Delivery, are not binding to us, even if DLL has not objected to them explicitly. In cases when quotations or order confirmations are submitted by fax or e-mail and the contracting partner of Dendrolight Latvia Ltd. fails to send a written notice of acceptance, the GTSD are regarded as agreed bindingly unless objected to in writing within three days.

I Purchase order

1. Offers issued by DLL can be changed, unless in the offer indicated otherwise.
2. Orders can be considered accepted only after OC is signed.
3. Execution of orders is effected solely in line with parameters which are written in OC.
4. Confirmed orders can only be cancelled with our written consent.

II Delivery

1. The price of goods is deemed to be the factory price (EXW Incoterms 2010), unless there are other terms and conditions stated in the OC.
2. DLL is obligated to deliver goods according to the OC (or contract) specification. According to agreed quantity, quality, product type and packaging.
3. The departure (or ready for pick up) date (week of the year) shall be determined in OC in writing.
4. The delivery period commences after the OC has been signed and financial conditions specified in the OC have been fulfilled.
5. If the planned delivery date is exceeded in line with other conditions, according with the following provisions, both DLL and Purchaser have rights to cancel the OC after one month grace period has elapsed.
6. The delivery period shall be extended - including the period of delay when unforeseeable impairments have occurred, which DLL has not been able to prevent in spite of due care and diligence under the relevant conditions. This applies irrespective of whether such impairments have appeared in our enterprise or in any of our sub-suppliers.
7. Even if binding delivery periods and dates have been agreed upon DLL shall not be responsible for any delays in the delivery that are due to force majeure or any events that make the delivery difficult or impossible - this also includes material procurement difficulties, plant interruptions, strikes, lock-outs, lack of personnel, lack of transportation options or transportation impairments, etc. impaired traffic routes and all government orders - as well as all other similar circumstances.
8. All faults, transportation damages, non-compliant goods, etc. accordingly have to be noted in transport documentation (CMR or other). Client has to inform DLL (by e-mail or phone) as soon as possible regarding all non-compliant goods even if appropriate marks have been made in the transport documentation. Visual evidence (photos or other) is considered vital to determine both type and amount of the non-compliant goods. Damage caused by transportations is to be compensated according to the CMR insurance regulations.
9. If non-compliant goods are to be evaluate the damaged or non-compliant goods must not be sold or transferred in any way. The evaluation process is to be carried out by both parties together. Written defecation act is to be signed where amount, type and cause of the damage is noted and agreed. Type and amount of compensation is to be agreed in consensus, separately.
10. Acceptance of goods. Goods delivered by DLL are considered as accepted after CMR (or other transportation documentation is signed). Any complaints from the Purchaser's side regarding transportation damage, non-compliance etc. (except production flaws that cannot be determined before processing) will not be taken in consideration after CMR has been signed.
11. DLL does not carry any legal or financial responsibility regarding damage or defects occurred due to miss-handling, improper storing carried out by the Purchaser. Storing and transportation manual will be provided by DLL on request.
12. DLL is not liable for damage which is caused in connection with the delivery, use and further processing of the goods purchased from us.
13. DLL does not take any legal or financial responsibility regarding the further added value to DLL products including non-compliant good repair or adjustment.
14. With respect to persons who are not consumers, any liability for property damage due to a defective product within the meaning of the Product Liability Act is excluded. Recourse within the meaning of section 14 of the Product Liability Act is excluded. Dendrolight Latvia Ltd. is liable under the contractual relationship only for intent and gross negligence; any other liability is precluded.
15. In the event of damage claims from our contracting partner, DLL is not obliged to pay damages for profits lost.

III Payment

1. Invoices issued by DLL are due and payable with in the agreed payment term which is indicated on the OC and invoice.
2. All charges and additional expenses are charged to the Purchaser (Bank charges, customs fees, etc.).
3. Payments are regarded as effected when the claim including charges and incidental expenses, in particular interest, discounting charges, bill and collection costs have been covered.

4. DLL keeps rights not to execute the order even if the advance payment has been made but prior commitments have not been redeemed.
5. If the payment is not made within the noted period DLL keeps the rights to charge penalty fees without any prior notice. Penalty fee - in amount of 0,5% of the due amount for the first 14 days - later in amount of 1% of the due amount, but not more than 15% of the overall order value.
6. The Purchaser has rights to retain payment for part of the goods that that are non-compliant. However the rest of the goods that have been delivered according to specification are to be paid according to the Invoice.
7. In case of delayed payment DLL keeps the rights to request immediate payment for all other orders made by the client. In addition, DLL is entitled to demand an advance payment or a security for an order to be executed. If the requested advance payments or securities are not provided within the period to be defined, DLL shall be entitled to cancel the OC without granting a grace period by safeguarding our claims. In addition, DLL entitled to cancel the contract without indicating any reasons when the contracting partner is late with payment.

IV Reservation of title

1. The goods remain property of DLL until the full payment implemented irrespective of where the goods are stored or processed further.
2. In the case of late payment, DLL is entitled to claim the goods back, thereby when DLL receives the goods back DLL has rights to revoke the OC or cancel the contract without any prior notice.
3. The Purchaser is entitled to resell the goods purchased. However, it shall indicate and transfer to the Purchaser the DLL's reservation of title.
4. In case compensation regarding non-compliance is to be claimed the Purchaser is obliged to provide DLL with all necessary information about the resale or processing of the goods.
5. The processing of goods or process the Purchaser obtains the ownership of all or part of the manufactured cases. In this case, the working or processing has been no consideration for the benefit of DLL.
6. The Purchaser is not entitled to pledge the delivered object or transfer it like security.
7. In the case of pledging or attachment by third parties, the Purchaser shall immediately inform DLL and cover all costs associated with legal procedures.
8. The above retention of title provisions are in force for as long as liability is not covered.
9. If, on the basis of retention of title product is withdrawn, then the Purchaser is obligated to cover all expenses to return the goods to DLL.

V Other contractual provisions

1. If individual provisions of these GTSD are or become invalid, the validity of the remaining provisions shall not be affected.
2. Changes to the contract or deviations from the GTSD must be made in writing in order to become effective. Therefore, any ancillary agreements made orally by phone or other deviations from the contract are only valid if confirmed by DLL in writing.

VI Applicable law

1. All contractual and commercial relationships with Dendrolight Latvia Ltd. shall be governed by Latvian law (According to the 1980 Rome Convention).
2. The Swiss Private International Law and Vienna Convention on the international sale of goods - sales contracts the rules apply are excluded.

VII Place of jurisdiction

1. All disputes arising out of any transactions concluded between the parties now or in the future shall be settled by the competent courts - Ventspils court regarding Purchaser's with their seat in an EU country, in Switzerland or in an EFTA state pursuant to article 26 of the Civil.
2. For all other contracting partners (not having their seat in the EU, EFTA or in Switzerland) the following arbitration clause shall apply. Regarding all disputes arising out of any transactions concluded between the parties now or in the future, both sides agree the contract dispute to the Latvian Chamber of Commerce Court of Arbitration, under Latvian law, and excluding the normal litigation route English is the language of the proceedings. The place of arbitration is -Riga.