

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 SIA SOLVIKA, code: 40203369449 (hereinafter the Seller) and another party (hereinafter the Buyer) for products or services offered 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. By ordering / 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 prices are valid for single order, unless otherwise agreed in written. All price quotes are individual, subject to raw, packaging and transport availability at the moment of price calculation. All bank charges for payments shall be paid at the Buyer expense, unless clearly agreed otherwise.

2.2. The Seller reserves a right to change prices at any time before delivery, if unexpected and extraordinary cost increases occur before dispatching the products, in particular on basis of sudden and significant price increases for raw materials, transport and/or exchange rates. In such case, the Seller shall inform the Buyer about necessary price changes in written. If the Buyer does not accept new prices, he/she shall be entitled to extraordinary termination of the contract without any consequences.

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

2.4. Minimum order quantities for production: at least 10x pallets per product / packaging size. Minimum order quantity for delivery: 1x full truck load or 1x40HC container loaded full or up to weight limits, unless Parties agree otherwise in written.

2.5. Standard production time for all orders up to 10x trucks / containers: up to 4 weeks, subject to raw availability and weather conditions, unless Parties agree otherwise in written or the Seller informs the Buyer about longer production time needed. Production / delivery times shall be understood as an estimate only and not a final deadline. Delivery time: subject to carrier availability at the time of shipping.

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. After order confirmation, the Buyer has a right to cancel the order during it's production only, but not later than loading to trucks or containers. If the product has already been produced and ready for shipping, the Buyer shall pay a fine equal to 50% of the total order sum upon order cancelation. In case products have already been loaded for delivery and the Buyer request to terminate the contract during the delivery or does not agree to accept (import) products upon delivery, the Buyer shall pay a fine equal to 100% of the total order sum and refund the Seller all losses incurred (including but not limited to: production, packaging, delivery, return and/or documentation cost), if the fine does not cover all Seller losses.

2.8. 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 also pay 0.2% debt interest, calculated from the total debt sum for each day. The payment of debt interest or debt recovery cost shall not exempt the Buyer from any other obligations. Any additional cost concerning debt recovery, including but not limited to court procedures, bailiff and/or lawyer consultations, shall be at the account of the Buyer.

2.9. In case of Buyers inability to pay for longer than 30 days, the Seller shall have a right 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.

2.10. 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 individual fertilization programs. 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 in accordance to local laws). All import permits and 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 Latvia (EU). 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 and/or 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 European quality standards: EN12580, EN13037, EN13038, EN13040. 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 (seven)** 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 **30 (thirty)** 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 complete and written. If the Seller does not receive written complain from the Buyer within **30 (thirty)** days after delivery, it shall 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 using it.

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 invoice. 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.

4.9. 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.

4.10. 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.

4.11. 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 Riga exclusively under the law of the Republic of Latvia.

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 Latvia.

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 by notifying the Buyer in advance. An official version of these Terms and Conditions of Sale is available to download from our website: www.peatmoss.lv