

HSH CHEMIE SIA
Registration number: 40203228384

General Terms of Sale
Version: 16 July 2020

1. Scope of application

- 1.1. These General Terms and Conditions of Sale (the Terms) are applicable to all our business relations with our business partners and customers (the Buyers) who are merchants within the meaning of the Commercial Law of the Republic of Latvia (the Commercial Law) and/or public legal entities.
- 1.2. Application of the Terms precludes the application of any other terms or conditions. The Buyer's conflicting, different or additional terms are not binding and can only be applied if we have given our written consent to their application and only to the extent that we have agreed to them in writing. Our General Terms and Conditions of Sale are valid and applicable even if we, without knowing the conflicting or different terms of the Buyer, make the delivery without reservation. These Terms shall be deemed accepted by the Buyer no later than at the time of delivery of the goods.
- 1.3. These Terms are applicable to all agreements and orders entered into with the Buyer. We are not obligated to refer to these Terms in each individual case.

2. Entering into the Agreement

- 2.1. Our offers are subject to change and are not binding. The same applies to situations where we have provided the Buyer with product catalogues, technical documentation, product samples or other product descriptions, unless we have explicitly stated otherwise.
- 2.2. An order for goods made by the Buyer shall be considered to be an offer to enter into an agreement and is binding on the Buyer. Unless otherwise specified in the Buyer's order, the Buyer's offer shall be valid for 14 days from its receipt. If the Buyer has received our written

confirmation of the Buyer's order within the aforementioned 14-day period or we have shipped the relevant goods, the parties shall be deemed to have entered into an agreement binding on both Parties.

3. Prices/Conditions of Payment

- 3.1. The prices (net) indicated by us are without value added tax and do not include the cost of packaging, unless we have explicitly agreed with the Buyer on other conditions. We do not accept the return of goods packaging and it is considered the property of the Buyer. An exception to the above is transport packaging. Returned transport packaging must be clean, free of foreign matter and sorted by type of packaging.
- 3.2. We reserve the right to make adjustments to our prices in the event of an unforeseen reduction or increase in costs following the conclusion of the agreement, in particular due to purchase costs, material costs and similar changes of costs. This includes, but is not limited to, the introduction and/or increase of public charges (such as customs duties or taxes), increased transport and/or insurance costs, high or low sea freight premiums, or similar. At the request of the Buyer, we shall provide the Buyer with documents confirming the respective costs.
- 3.3. Payment for the purchase must be made within 14 days from the date of receipt of the invoice and delivery of the goods, if no other payment terms are indicated in the bill of lading-invoice. When the above mentioned payment deadline is reached, the Buyer is overdue. In the event of late payment, the relevant legal provisions governing the consequences of late payment shall apply. In the case of merchants, our right of claim for default interest applicable in commercial transactions

shall remain valid, subject to the restrictions established by law.

- 3.4. The invoice and/or bill of lading-invoice for the ordered goods shall be prepared electronically and without a secure electronic signature, and will be sent to the e-mail address provided by the Buyer. The invoice or bill of lading-invoice shall be prepared in *.pdf format, including its number in the file name. The invoice shall end with the text: "This invoice shall be prepared electronically and be valid without a signature. Coordinated upon signing the goods purchase agreement". Invoice or bill of lading -- invoice prepared in accordance with these terms and conditions and sent electronically to the e-mail address specified by the Buyer shall be deemed received within one working day after its sending and shall be deemed valid and binding on the parties without a signature.
- 3.5. Once a month, we shall send the Buyer a document listing the goods delivered in the previous month and the bills of lading issued in connection with them. The Buyer shall be obliged to sign and return one original of this document to us in person.
- 3.6. The right of set-off and lien shall only be exercised by the Buyer if its counterclaim has been legally declared final and uncontested, has not been contested or has been expressly acknowledged by us. The Buyer can only exercise the right of retention if its counterclaim arises from the same contractual relationship.
- 3.7. If, after concluding the agreement, it becomes clear that our right to receive payment for the purchase is endangered due to the Buyer's insufficient solvency (for example, on the basis of an insolvency application), we have the right to refuse delivery or unilaterally withdraw from the contract, if necessary.

4. Deliveries

- 4.1. Unless otherwise provided in these Terms or the Agreement, the INCOTERMS International Trade

Terms in the version in force at the time of concluding the Agreement shall apply to the delivery of the goods.

- 4.2. Deliveries are made in accordance with the INCOTERMS terms specified in the delivery document. Upon the respective request from the Buyer, the goods may be delivered to another delivery address, but in this case delivery of the goods shall take place at the expense of the Buyer and the Buyer shall bear the risks associated with the delivery of the goods. In this case, we have the right to determine the method of delivery of goods (especially the carrier, delivery route and packaging). If the Parties have agreed on the delivery of the goods to another address, the delivery terms and dates shall apply to the delivery of the goods to the forwarder, carrier or third party responsible for the delivery of the goods. Delivery of goods shall not be insured, but the Buyer has the right to provide the insurance of goods at its own expense.
- 4.3. If the delivery of goods in portions does not cause additional costs to the Buyer and such delivery does not interfere with the use of the goods for the intended purposes, we have the right to deliver the goods in portions. In this case, we shall inform the Buyer in a timely manner about the delivery of the goods in portions.

5. Delivery times; delay of delivery; failure to deliver

- 5.1. If our order confirmation does not set a specific delivery date, or the specified delivery date/deadline is not clearly stated as binding, any delivery date or deadline specified in the order confirmation shall be considered to be approximate .
- 5.2. The delivery period may be extended or moved for a period during which obligations cannot be fulfilled due to force majeure or other unforeseeable circumstances beyond our control, such as strikes, production interruptions or restrictions, natural disasters or delayed deliveries of raw materials due to the supplier's fault. We shall immediately inform the Buyer in writing about the occurrence of such circumstances, at the

same time informing the Buyer about the approximate duration of such circumstances. If such circumstances persist for more than three months, both parties have the right to unilaterally withdraw from the Agreement. In this case, the Parties shall return the payments received from the other Party, as well as the goods, unless the Parties agree otherwise.

5.3. Subject to the provisions of Clause 7.2, we shall not be liable for the late delivery or non-delivery of goods at all if the delivery of goods is delayed or not delivered on the basis of our obligation to comply with the requirements of the European Parliament and Council Regulation pertaining to Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH).

6. Liability for Defects in Goods

6.1. The Buyer is obliged to inspect the delivered goods in accordance with the provisions of the Commercial Law. If the Buyer finds any defects during the inspection of the delivered goods or within 3 days after delivery, the Buyer shall immediately inform us in writing.

6.2. The requirement to inspect the delivered goods set in Clause 6.1 of the Terms also includes an obligation to verify that we have not delivered more or less goods than ordered, as well as the obligation to verify that we have not delivered the wrong (other) goods.

6.3. The intended uses of the delivered goods identified under REACH do not imply an agreement on certain characteristics of the supplied goods or an agreement on a specific use of the goods.

6.4. If the Buyer informs us in good time about a defect in the delivered goods, we have the right, at our sole discretion, to either remedy the defect identified by the Buyer or deliver the same product without defects only, and we have the right to eliminate defects at least twice. If a defect is indeed identified, we shall bear the costs of remedying the defect. If we have not been able to remedy the defect within a reasonable time or our attempt to remedy the defect is not acceptable to

the Buyer, the Buyer is entitled to request, at its discretion, either a reduction in the purchase price or unilaterally terminate the Agreement. The Buyer only has the right to demand compensation and/or the reimbursement of expenses in accordance with Section 7 of these Terms.

6.5. The general limitation period for claiming defects in the quality of goods and defects is one year from the date of delivery of the goods, unless the manufacturer has specified a shorter limitation period for the warranty. The statutory provisions governing the right of third parties to request the return of goods, our liability in the event of abuse, and the supplier's right of recourse against goods delivered to the final consumer, shall not be limited by the limitation period set out in the previous clause. The above restrictions regarding the limitation period shall not apply to the Buyer's right to claim damages, for which, in accordance with Clause 7.2 of these Terms, our liability is not limited. For other claims of the Buyer arising from the commercial transaction, the limitation period of claims specified in the Commercial Law shall apply, unless another limitation period is specified in other laws and regulations.

6.6. The limitation periods referred to in the preceding clause shall apply to both contractual and non-contractual claims by the Buyer for damages based on defects found in the goods supplied, unless the applicable laws and regulations provide for a shorter limitation period for bringing claims.

6.7. If one of our suppliers is responsible for the defect of the goods, the Buyer is obliged to first take all its claims against the respective supplier, except for in cases when the Buyer is unable to do so due to objective reasons. In order to ensure that the Buyer is able to fulfil the above obligation, in such cases we shall transfer the Buyer our right of claim against the supplier in connection with the defects of the goods to the Buyer to the extent necessary, and the Buyer shall accept the transfer of our right of claim. The Buyer is also obliged to exercise the right of claim against our supplier in court. The Buyer is only entitled to bring an action against us if the Buyer is unable to exercise its right of claim against our supplier and only to the extent that our

- supplier is liable. The Buyer shall submit its claims against us in accordance with these Terms.
- 6.8. The manufacturer's quality guarantee for the product shall be valid until the package is opened and used in full at one time. Storage and use of the product residues, open packages shall be the responsibility of the Buyer.
- 7. Liability**
- 7.1. Claims for damages against us shall only exist in accordance with the provisions of Section 7 of the Terms; all other claims are excluded.
- 7.2. In accordance with applicable laws and regulations, we shall only be liable and at fault if the person's life or health has been harmed or personal injury has been caused as a result of misconduct or gross negligence. In accordance with the applicable laws and regulations, we shall also be liable if we have abusively concealed defects in the goods or guaranteed the quality of certain goods delivered. The above also applies to the Buyer's claims for product defects in accordance with applicable laws and regulations.
- 7.3. Our liability for damages shall be limited to events set in Clauses 7.1 and 7.2, except for situations when we have committed a material breach of the Agreement and/or these Terms. However, in this case, our liability shall be limited to the damages that are foreseeable and typical of the particular legal relations. A material breach is one that, if committed, would not result in the proper performance of the obligations, on the compliance of which the other party relies and can rely.
- 7.4. To the extent that we provide technical information or advice that does not fall within the range of services, regarding the provision of which we have agreed in the relevant agreement, this is done to the exclusion of any of our liability.
- 7.5. The foregoing exceptions and limitations to our liability shall apply to the same extent to our Company's executive bodies, legal representatives, employees and all substitutes for the foregoing entities.
- 8. Termination/Notice of Termination**
- 8.1. If we have committed a breach and it is not related to a defect in the goods, the Buyer may only unilaterally withdraw from the Agreement or terminate it, if we have committed the breach due to our fault or negligence. The Parties do not have the right to terminate the Agreement unilaterally without a good reason.
- 9. Retention of Title**
- 9.1. We retain the title of the goods delivered by us until all payments arising from the business relations have been made by the Buyer in full.
- 9.2. If the Buyer violates the terms of the Agreement, especially with regard to payment terms, we have the right to demand the return of the delivered goods. If we have requested the return of the delivered goods, it shall be considered that we have unilaterally terminated the Agreement with the Buyer. After the return of the requested goods, we have the right to sell the returned goods. Revenues generated from the sale of goods shall be credited to cover the Buyer's liabilities, less the costs of the sale of goods.
- 9.3. The Buyer shall be entitled to resell the goods in the course of its business, but any claims by the Buyer against its buyers or third parties as a result of the resale of the goods shall be deemed to have been transferred to us to the extent of our claim against the Buyer, regardless of whether the goods have been resold without treatment or after treatment. The Buyer shall reserve the right to recover payments regardless of the transfer of the claim to us. Our right to demand performance shall remain, but we shall not demand performance while the Buyer is fulfilling its payment obligations to us, not delaying payment deadlines, and no application for the initiation of the Buyer's insolvency proceedings and/or declaring the Buyer's insolvency proceedings has taken place. If the above is established, we may request that the Buyer informs us about the claims transferred by the Buyer and its debtors, provides all the information necessary for the exercising of the right of claim, transfers related documents, as well as notifies debtors of the transfer of the rights of claim to us.

- 9.4. The processing and/or transformation of our goods shall always be performed by the Buyer. If the Buyer processes or transforms our goods using goods or materials not owned by us, we shall acquire joint ownership of the goods resulting from the processing or transformation in proportion to the value of our goods to the value of the other goods or materials used in processing or transformation at the time of processing. Goods resulting from processing operations shall be subject to the same rules as the goods we supply.
- 9.5. If, as a result of processing, our goods are inseparably mixed with the goods or materials not owned by us, we shall acquire joint ownership of the goods resulting from processing or transformation in proportion to the value of our goods to other goods or materials used in processing or transformation. If, as a result of the processing of the goods by the Buyer, they are confused in such a way that the goods of the Buyer are considered to be the main component of the goods obtained by processing, it shall be considered that the Buyer grants us proportional joint property rights to the goods obtained as a result of processing or transformation. The joint ownership rights acquired as a result of the above processing or conversion, shall be retained by the Buyer on our behalf.
- 9.6. The Buyer is obliged to ensure that the goods to which we have full ownership or joint ownership have been insured against the usual risks and prove the existence of such insurance at our request. The Buyer is obliged to ensure our right to insurance indemnity in the amount of our claim.
- 9.7. If the value of the collateral transferred to us exceeds the amount of our claim by more than 25%, we shall release or return the relevant part of the collateral at the request of the Buyer. In this case, we have the right to choose the collateral to be retained.

10. Protection of Trade Secrets

- 10.1. To protect our interests in trade secrets and confidential information, including all information regarding the cooperation of the

parties, the content of the concluded agreements and Terms, consultants and business strategy, product and service specifications, prices, invoices, bills of lading, consignment notes, intermediary names, and any other related information that is not in the public domain ("Trade Secret"), the Buyer shall not use or directly or indirectly disclose (unless required by the terms and nature of the Agreement) any of our Trade Secrets to others.

11. Data Processing

- 11.1. Within the framework of the cooperation, the personal data of the Buyer's representatives - natural persons ("Data Subject") may be processed. The processing of personal data shall be carried out in accordance with the requirements of the General Data Protection Regulation ("GDPR") and other applicable laws and regulations.
- 11.2. The processing of personal data of data subjects shall be carried out in order to ensure the full performance of contractual obligations and compliance with contractual obligations (Article 6 (1) (b) of the GDPR) in order to fulfil our legal obligations in the field of accounting and financial reporting (Article 6 (1) (c) of the GDPR), and improving our legitimate interests, including, but not limited to, product quality, compiling statistics, informing counterparties of any changes, financial and business accounting and analytics, ensuring efficient operation, payment administration, including the administration of untimely payments, customer identification, etc.) for the purposes of compliance (Article 6 (1) (f) of the GDPR), while respecting the rights of the Data Subject. The processing of personal data shall only be carried out to the extent and for the period required, in accordance with the requirements of the GDPR.
- 11.3. Within the framework of cooperation, personal data such as the name, surname, contact information (telephone number, e-mail address) of the Buyer's representative, as well as other data may be processed, if there is a legal basis for processing such data. In any case, the Data Subject may contact us with requests in

accordance with the GDPR.

11.4. The processed personal data may be transferred to other companies related to HSH Chemie SIA within the group. Such processing of personal data shall be performed in order to ensure the fulfilment of contractual obligations, as well as the observance of our legitimate interests.

11.5. Taking into account the nature, scope, context and objectives of the processing of personal data, as well as the likelihood and severity of the risk to the Data Subject's rights and fundamental freedoms, the Parties shall implement appropriate (effective and secure) technical and organisational measures to ensure the proportionate processing of personal data, the level of protection, by providing for measures to ensure that personal data can only be accessed for the purposes of the authorised person referred to above, as well as by ensuring the ongoing confidentiality, integrity, availability and durability of data processing systems and services.

11.6. As soon as the Buyer becomes aware of an incident affecting the processing of personal data, it shall immediately, but no later than within 24 hours, inform us in writing. The Parties shall cooperate with a view to performing a thorough investigation and take appropriate actions in the event of an incident. The term "incident" means a complaint or request regarding the exercising of the Data Subject's rights under the GDPR; an investigation or confiscation of personal data by public officials or an indication that such an investigation or confiscation is unavoidable; unauthorised or accidental access, processing, deletion, loss or any other unlawful processing of personal data, breach of security or confidentiality.

11.7. The Buyer shall confirm and guarantee that it has the necessary legal basis for the transfer of personal data to us, as well as confirms and guarantees that any personal data received from the Buyer and/or its representative, which will be transferred to us within the framework of cooperation, is accurate and up-to-date. If necessary, the Buyer undertakes to inform us in a timely manner about changes in the personal data

provided to us. We are not obliged to check whether the Buyer and/or its representative has a legal basis for the transfer of personal data to us and we do not bear any responsibility against the data subject if the Buyer or its representative has undertaken unauthorised processing of the data subject's personal data and/or unlawfully transferred personal data to us.

11.8. The Parties shall ensure the confidentiality of personal data obtained in the process of data processing on the basis of a contractual relationship. The requirement of data confidentiality shall also remain in force after the termination of the Agreement for an indefinite period of time.

12. Place of Performance/Place of Dispute Resolution/Applicable Law

12.1. The place of performance of all obligations arising from the Agreement concluded between the Parties, including the Buyer's payment obligations, shall be the Republic of Latvia.

12.2. All disputes arising from the Agreement concluded between the parties, including all tort law claims, shall be reviewed in the courts of the Republic of Latvia in accordance with the laws and regulations in force in the Republic of Latvia, but we reserve the right to initiate a claim against the Buyer in the court of its location.

12.3. All obligations of the parties are regulated by the laws and regulations of the Republic of Latvia; application of the United Nations Convention on Contracts for the International Sale of Goods is excluded.