

A/S "Krāsaino Metālu Manufaktūra"
Reg. no. 43603070950
VAT no. LV43603070950
Legal address: Daugavgrīvas iela 116, Rīga, LV-1055
Licence Nr. RI16ME0002.

General Terms and Conditions of Sales and Services

IN FORCE AS FROM 1 AUGUST 2018

1. Scope of Application

1. Every sale of any goods and/or provision of any services (further: Contractual relationship) made by Krāsaino metālu manufaktūra (further: KMM) is exclusively governed by these General Terms and Conditions of Sales and Services (further: GT). Therefore, the sole fact of placing and accepting orders imply full and unreserved acceptance by the Buyer of those GT.
2. No special conditions shall prevail over these GT unless the KMM expressly and unconditionally approve so in writing. These GT take precedence over any terms and conditions of all documents particular to the Buyer.
3. The KMM shall not acknowledge conflicting terms and conditions of the Buyer which deviate from these GT.

2. Order and Confirmation

1. Any Contractual relationship shall not take place after the KMM has accepted Buyer's Order by the written Confirmation. In addition, the Parties may also conclude the Frame Contract.
2. All specifics of the Contractual relationship, including but not limited: goods, size, amounts, quality, price, payment, delivery terms shall be agreed in the Order's Confirmation and/or Frame Contract.

3. Price

1. The prices are fixed in the Order's Confirmation. Except where otherwise agreed the price includes delivery to the delivery address specified, packing and shipping costs. The price does not include insurance, taxes (including VAT), duties and the bank fees.
2. Additionally, the KMM and the Buyer may agree on the special discounts.

4. Invoice and Payment

1. An invoice shall be either enclosed with every delivery or separately sent, and shall include all required references.

2. Unless agreed otherwise by the KMM in writing, all payments shall be made in advance.
3. A payment shall be made in Euro and in the time period as provided in the invoice of the KMM.
4. Official holidays or non-business days at the place of business of either Party occurring during an invoicing period are not included in calculating the time period of payment.
5. A payment by wire transfer shall be deemed executed and a payment made only when the KMM has received a payment in its bank account.
6. The bank fees shall be covered by the Buyer in full.
7. In the event the Buyer does not pay all amounts at the due date:
 1. the KMM may suspend all current Orders and/or claim advance payment for any current or new Order from the Buyer;
 2. the Buyer shall bear interest rate of 6 (six) percent per annum;
 3. the KMM may claim any other remedy from the Buyer, including any claims for compensation of damages.
8. **Retention of Title**
 1. Title to the goods shall pass to the Buyer only upon full payment of the price.
 2. In the event of processing, blending or mixing materials not belonging to the KMM, the KMM shall acquire co-ownership to the new goods in the relationship of the invoiced value of the KMM's goods subject to retention of title to the value of the other materials used.
 3. When the KMM process, blends or mixes materials not belonging to the KMM, but the Buyer does not pay for the new goods, the KMM shall acquire full ownership of the goods.
9. **Packing, Delivery and Risk**
 1. The KMM shall pack the goods in the manner usual for such goods unless otherwise agreed by the Parties in writing.
 2. Unless agreed otherwise by the Parties, the goods are delivered and the risk passes in accordance with DAT [the Buyers place] ICC INCOTERMS® 2010.
10. **Inspection, Notice of Lack of Conformity and Liability**
 1. The KMM carries out an inspection of the goods before the delivery to the Buyer, only if agreed so in the Order's Confirmation.
 2. Immediately after receipt the Buyer shall inspect the goods as to apparent defects or non-conformity. If the

Buyer establishes defects or non-conformity of the goods already at the moment of unloading, the Buyer shall ensure that the relevant reservations are entered in the consignment note together with the grounds on which they are based.

3. The Buyer loses the right to claim that lack of conformity exists if it does not give a notice specifying the nature of non-conformity, identifying charge number and, if possible, number of package to the KMM in writing immediately after the Buyer has discovered or ought to have discovered it, but at the latest 10 calendar days of delivery.
4. In case of hidden defects, i.e., defects that cannot be identify by reasonable inspection, the Buyer loses the right to rely on a lack of conformity of the goods if the Buyer does not give the KMM a notice thereof at the latest within a period of one year from the date on which the goods were actually handed over to the Buyer. The KMM is not liable if the goods with the hidden defects (for example, pores etc.) are integrated into new products by the Buyer, without prior inspection of the delivered goods by the Buyer and without a written notice thereof to the KMM.
5. A notice of lack of conformity shall be accompanied by the photos of non-conforming goods.
6. Upon request of the KMM, the Buyer is obliged to perform supplementary inspection of the goods and/or provide additional information regarding the non-conforming goods. In case the Buyer does not perform supplementary inspection and/or does not provided additional information, the KMM is not taking any liability as to non-conformity.
7. If a notice of lack of conformity has been falsely made, the Buyer shall be obligated to the KMM to reimburse the expenses incurred by the KMM for examining the goods and reviewing a notice of lack of conformity.
8. Any liability is limited to the value of the particular delivered non-conforming charge.
9. The Parties may agree separately that the KMM remedies the lack of conformity by repair, unless it is unreasonable having regard to all the circumstances.

11. Other Liability

12. The KMM shall be liable under the statutory provisions for any personal injury for which the KMM is responsible provided

that the KMM's product liability insurance does not compensate for such damages.

1. If the Buyer orders specific goods protected by the patent(s), the Buyer shall be liable to establish all relevant circumstance and perform all necessary activities regarding such patent(s), including, but not limited, to register, to conclude license agreements, pay for the use of patent(s). The KMM liability in this regard is excluded.

13. Force Majeure

1. The parties shall not be liable for non-performance of all or part of its obligations where such non-performance results from the occurrence of a case of force majeure. Force majeure is an event which is not within the Parties' reasonable control and could not be reasonably prevented, avoided or removed by the Parties and which causes the Parties to be delayed, in whole or in part, or unable, using commercially reasonable efforts, to partially or wholly perform its obligation; such as, but not limited to: war, terrorism, riot, strike, lock-out, abruption of electrics, acts of governmental authorities, Act of God, fire, natural disasters, exceptional weather conditions etc.
2. The exemption due to force majeure has effect for the period during which force majeure exists.
3. The Party who fails to perform shall give a notice to the other Party of force majeure and its effect on his ability to perform. If the notice is not received within a reasonable time after the party who fails to perform knew or ought to have known of force majeure, he is liable for damages resulting from such non-receipt.

14. Confidentiality

1. The Parties shall undertake to treat as a trade secret all commercial or technical details not commonly known that it becomes aware of as a result of mutual contractual relationship.

15. Natural Persons Data Protection

1. The processing of the natural personal data is made in aspect of negotiations, implementation and performance of any contractual relationships and tax settlements.
2. The KMM shall process natural persons data in lawful manner if the Buyer has given consent to the processing of his/her personal data for one or more specific purposes, if processing is necessary for the performance

of contractual relationships to which the Buyer is party or in order to take steps at the request of the Buyer prior to entering into contractual relationships and if processing is necessary for compliance with a legal obligation.

3. The KMM shall have the right to give the personal data to further processing entities (acting on our behalf), such as courier, transport and/or debt collection companies.
4. Refusal of providing the relevant personal data by the Buyer results in the inability to conclude any contractual relationships and to continue cooperation.
5. The KMM shall process the natural person's personal data during the validity of the contractual relationships concluded with the Buyer, unless there is necessity of longer processing.

16. Applicable Law and Dispute Settlement

1. The contractual relationship between the Parties shall be governed by the law of the Republic of Latvia.
2. In case of any and all disputes arising out of or in connection with the mutual contractual relationship, Order's Confirmation, Frame contract and/or these GT, initially, the Parties shall attempt to settle any dispute amicably. If the Parties have not reached an agreement, any and all disputes shall be settled in the court of the Republic of Latvia.

17. Other provisions

1. The KMM has the right to avoid any contractual relationship entered between the Parties, in case the Buyer fundamentally breaches the contractual obligations.
2. These GT are drafted and executed in English language.