

JSC „GAUDRĖ“
GENERAL TERMS AND CONDITIONS OF PURCHASE AND SALE

1. GENERAL PROVISIONS

1.1. These general terms and conditions of purchase and sale (hereinafter - "**General Terms and Conditions**") apply to all transactions between JSC GAUDRĖ, Ateities st. 10, LT-08345 Vilnius, Lithuania, (hereinafter - **the "Seller"**) and its business partners and customers (hereinafter - **the "Buyer"**), for the supply of goods and the provision of services. All Seller's offers and order confirmations are based upon on these General Terms and Conditions. Hereinafter, the Seller and the Buyer are collectively referred to in this document as **the "Parties"** and each individually as a **"Party"**.

1.2. Should any of the provisions in these General Terms and Conditions directly contradict those contained in the Seller's offer or order confirmation, the provisions of the Seller's offer and order confirmation shall apply. In this event only those provisions of these General Terms and Conditions, or parts thereof, that are not in direct conflict with the provisions of the Seller's offer or order confirmation shall remain valid.

1.3. These Terms and Conditions shall apply – unless a newer version of the General Terms and Conditions are applied to the transaction – as the framework agreement for all further transactions with the Buyer. Should any of these individual General Terms and Conditions be or become invalid, this shall not affect the validity of the remaining provisions.

1.4. These General Terms and Conditions are valid from August 27, 2024 and are published on the Seller's website www.gaudre.lt.

2. Offer

2.1. The Seller's offer is the price offered to the Buyer for the goods the Buyer wishes to purchase. The validity of the Seller's offer is limited, the deadline is specified in the offer document. After the Buyer makes a decision to purchase the goods specified in the Seller's offer, the Seller prepares an order confirmation.

3. Order Confirmation

3.1. The Buyer and the Seller agree that after the Seller receives the order, confirms it in writing and sends the order confirmation to the Buyer, a sales contract is concluded between the Buyer and the Seller, of which these General Terms and Conditions are an integral part. The buyer, having confirmed the order, agrees that he has familiarized himself with the General Terms and Conditions.

3.2. Unless otherwise stated in a separate contract or order confirmation, the order starts to be executed only after receiving the written confirmation of the Buyer and only from the date of receipt of the advance payment.

3.3. The nature and scope of the services provided by the Seller are described in the relevant order confirmation. By paying the advance, the Buyer confirms that he agrees with the product set, parameters, and quantity and will not have any claims about them later.

3.4. When making an advance payment, it is necessary to indicate the order confirmation (PU) number.

4. Price

4.1. The price of the product and the terms of payment are specified in the Seller's order confirmation.

4.2. The cost of transporting and storing the goods for more than 14 (fourteen) days from the notification of the obligation to collect the goods is not included in the sale price of the goods. In the event of a separate agreement, these costs are added to the total sales price of the goods.

4.3. In the event of a change in the VAT tax rate, the sales price of the goods specified in the order confirmation is recalculated accordingly, prior to informing the Buyer in writing.

5. Terms of Payment

5.1. The goods are paid for in euros or in another currency, if the Parties have agreed on this in a separate agreement.

5.2. Unless otherwise stated in the order confirmation, the Seller always applies prepayment terms.

5.3. Where the Seller has granted the Buyer a credit facility, the terms of payment are specified in the order confirmation. The Seller reserves the right to cancel or change the credit terms at any time by notifying the Buyer in writing.

5.4. If the Purchaser has overdue debts to the Seller and/or third parties and/or if the Seller has information about factors that may have a significant impact on the Purchaser's solvency, the merchandise credit limit granted to the Purchaser may be either reduced or canceled, or the Seller has the right to demand additional guarantees acceptable to the Seller (bank guarantee, irrevocable letter of credit, advance payment, surety of a reliable third party, etc.) ensuring the proper fulfillment of the Purchaser's obligations.

5.5. The Buyer agrees to settle the Seller's invoice in full without any deductions or set-offs.

5.6. When paying, the Buyer indicates the VAT invoice number as the basis of payment. All payments are made by bank transfer to the Seller's account specified in the order confirmation.

5.7. In the event of non-fulfilment of the Agreement due to the Purchaser's fault (when the Purchaser refuses the submitted order, does not collect or accept the Products, etc.) or if the Purchaser terminates the Agreement, the advance paid to the Seller is considered the Seller's minimal loss and is not returned to the Purchaser. The non-return of the advance specified in this clause of the Agreement does not deprive the Seller of the right to claim all incurred losses, if the advance is not sufficient to compensate the losses incurred by the Seller (reimbursement of the costs of ordering materials, delivery services, etc.).

5.8. When payment of any of the Seller's invoices is overdue, the Seller may suspend the contract to which the invoice relates and any other contract then subsisting between the Seller and the Buyer. The Seller may suspend all deliveries under the contract to which the invoice relates as well as under any other contractual relationship between the parties. No deliveries will take place if invoices are overdue.

5.9. If the Seller is required to bring legal action for collecting overdue accounts the Buyer agrees to pay the Seller's reasonable attorney fees and legal costs.

6. Packaging and Labeling

6.1. Packaging shall comply with resistance requirements applicable for loading and unloading procedures, influence of weather conditions during transportation. The packaging must ensure that the Products remain intact during their transportation by vehicles.

6.2. The Buyer shall be extra charged for substandard or extra packaging.

7. Delivery Terms and Conditions

7.1. The goods are delivered to the Buyer within the time limit specified in the order confirmation, which is preliminary. If the ordered goods are not in the Seller's warehouses, the Seller does not guarantee that the goods will be delivered within the delivery time specified in

the order confirmation, but the Seller undertakes to make every effort to deliver the goods as soon as possible. At the same time, the Buyer agrees that in exceptional cases the delivery of the goods may be delayed due to unforeseen circumstances beyond the control of the Seller. The Buyer is informed about the exact delivery date of the goods or possible delivery delays by e-mail and/or phone.

7.2. If the Seller does not specify otherwise, the goods are delivered to the Buyer under EXW conditions (Ateities st. 10, Vilnius 08345, Lithuania, Incoterms 2020), as specified in the Seller's order confirmation, unless the Parties have agreed otherwise in writing.

7.3. The goods can be delivered to the Purchaser by the Seller's transport according to a separate agreement and for an additional fee.

7.4. For the storage of goods that have not been accepted by the Buyer within 14 (fourteen) days from the day when the Buyer was informed about the delivery and collection of the goods, a storage fee of 25 (twenty-five) EUR/month will be charged to the Seller for each pallet location according to the actual load size.

7.5. Ownership of the goods passes to the Buyer from the date of final payment for the goods.

7.6. All sales of products by the Seller to the Buyer are final. No products may be returned without the Seller's prior written acceptance, save for returns of defective products required to be permitted under applicable law. In the event of a return of non-defective products accepted by the Seller, the Buyer shall return such products at its own expense and subject to a restocking fee. The restocking fee shall be payable by the Buyer and shall be (a) an amount equal to 30% of the selling price of the returned products or (b) such other amount that is specified by the Seller in connection with the acceptance of the Buyer's request to return the relevant products. Any returned non-defective products shall be unused, undamaged, in excellent condition and in the original packaging.

8. Inspection and Handover of the Products

8.1. The Purchaser shall inspect quality, quantity and range of the Products during handover procedures. Quality, quantity and range violations, which could not be found during handover procedures, the Purchaser must report this to the Seller within 3 (three) days after the arrival of the Products.

8.2. The Products delivered are considered as complying with quality, quantity and (or) Product range requirements, if the Buyer does not make particular comments on the consignment note or, in cases listed in article 8.1 of the Agreement, fails to notify the Seller within the time limits set forth in article 8.1 hereof about actual quality, quantity and (or) Product range deviations between the indices in the order and the accompanying documents.

8.3. If during the acceptance of the products it is found that the packaging of the products is damaged or the products are missing, the Purchaser, having refused to accept the Products, formalizes a free-form violation report and informs the Seller about it on the same day. If damage to the packaging of the Products and/or shortage of the Products is determined due to the Seller's fault, the Seller undertakes to replace the Products whose packaging is damaged and/or deliver the missing Products accordingly.

8.4. If the Buyer fails to take delivery of a project order or a delivery of products produced, programmed or assembled for the Buyer or if such delivery is otherwise postponed for reasons owing to the Buyer, the Seller has the right to invoice the products according to the original delivery date. The risk of loss or deterioration shall pass to the Buyer on the original delivery date. Seller shall be entitled to full compensation for damages incurred due to the postponement as well as other rights or remedies available under the applicable law.

8.5. The date of handover-acceptance of the goods is considered to be the date of handover-acceptance of the goods specified in the documents of handover-acceptance of the goods or the waybill signed by the Buyer or his authorized person. The Buyer's representative must present a duly approved power of attorney when picking up the goods.

9. Warranty Period

9.1. The Seller provides a 24 (twenty-four) month warranty for the products from the moment of handover of the products, unless otherwise specified in the Annexes to the Agreement; if during the period of the Agreement and/or warranty, defects in the product are found that cannot be corrected, the Seller undertakes to replace the product of inadequate quality with a new one or otherwise remove the defects of the product without additional charge.

9.2. During the warranty period, the Seller is responsible for the quality of the products, their defects caused by the fault of the manufacturer, if the Buyer has paid for the products, they have been properly operated and serviced. In this case, the Seller undertakes, at its discretion, to repair or replace the Buyer's products or their parts free of charge, which do not meet the warranty conditions. The Buyer disassembles the products for replacement or repair and returns them to the Seller at his own expense. If there is a need to install new products at the address specified by the Buyer and if the Seller agrees to provide installation services, these services will be charged additionally according to the Seller's rates valid at that time.

9.3. The Seller is not responsible for defects caused by natural wear and tear, damage during transportation, improper use, maintenance, storage or other circumstances beyond the Seller's control.

9.4. The warranty is immediately void if the product is repaired, altered or opened by anyone other than a person authorized and approved by the Seller. Invoices for third party repairs are not accepted.

9.5. If the Seller does not repair or replace the defective product within a reasonable time, the Seller shall return to the Buyer the purchase price paid by the Buyer for such defective product, in whole or in part, depending on the nature of the defect. The cost of other parts, components or systems that may be or may have been sold to the Buyer as a result of such defective part shall not be refunded.

9.6. Any third party software that may be embedded in or made available in connection with the products or which is required for the installation of the products, if any (including but not limited to any generally available applications or open source software) ("Third Party Software") is provided by the seller "as is" without any warranties. The seller expressly disclaims any and all warranties, express or implied, for any Third Party Software. The seller shall not be responsible for repair or replacement of, and/or any refunds related to, any Third Party Software.

10. Claims

10.1. The Buyer is entitled to make claims against the Seller in respect of quality and quantity of the products in accordance with the procedure established in clause 8.1.

10.2. Claims regarding delay in delivery of the products can be placed by the Buyer to the Seller within 3 (three) days after violation of the time limits for delivery of the products set forth in the General Terms and Conditions.

10.3. The legal validity of the claims regarding defects in the quantity and/or quality of the goods must be confirmed by objective evidence.

10.4. The Seller undertakes to provide an answer to the claim submitted by the Buyer as soon as possible, but no later than within 30 (thirty) calendar days from the date of receipt of the claim.

11. Liability of the Parties

11.1. The Seller shall pay a forfeit of 0,03 % of the price of non-delivered products for each day of delay to deliver the products to the Buyer.

11.2. The Buyer shall be charged a forfeit of 0,03 % of the due amount for every day of delay in payment for the products.

11.3. Seller's liability, if any, for any damages shall always be limited to an amount equal to the price paid by Buyer for the item to which the damage relates. In no event shall Seller be liable for any special, incidental, indirect or consequential losses or damages, such as lost profits, loss of contract, property damage or liabilities to third parties.

11.4. Seller's limitations of liability apply to the fullest extent permitted by applicable law, but do not apply (a) to damage caused by willful misconduct, gross negligence, fraud or fraudulent misrepresentation, or (b) by mandatory liability for personal injury or property damage under EU product liability laws.

11.5. Notwithstanding the foregoing, Seller expressly disclaims any liability for defects in any third-party software and/or damage caused by third-party software.

11.6. Payment of late interest does not release the Parties from the obligation to fulfill the obligations assumed in these General Terms and Conditions. Late interest is paid only if the opposite Party submits a corresponding claim.

11.7. The other Party to the Agreement shall be notified 30 (thirty) days in advance of the decision to terminate the Agreement for the reasons specified in this section.

12. Force Majeure Circumstances

12.1. 11.1. The Parties shall be released of their contractual duties fully or partially if irrespective of their intentions fulfilment of obligations becomes impossible due to force majeure circumstances which could not have been foreseen or prevented.

12.2. Circumstances of force majeure include natural disasters (earthquakes, floods, droughts, fires), strikes, lockouts, blockades, military actions, import or export bans, other government measures that stop the Party's ability to fulfill its obligations under the General Terms and Conditions.

12.3. The rise of force majeure circumstances and expected duration of such situation must be reported to the other Party by fax, email or telephone listed herein not later than within 3 (three) business days since the date when such circumstances became evident to the Party. In case of failure to notify about force majeure circumstances in time, the Party is entitled to rely on force majeure circumstances as of the date of notification to the other Party.

12.4. During the period of existence of force majeure circumstances, the deadline for the performance of the contractual duties may be extended or changed, upon mutual agreement between the Parties, until the closure of force majeure period.

12.5. If force majeure circumstances exist for more than 1 (one) month either Party shall be entitled to terminate the General Terms and Conditions without compensation of the other Party's losses resulting from non-performance of the contractual duties.

12.6. If so requested by the other Party, the Party, who notified about force majeure circumstances, shall submit a certificate or any other documents evidencing the rise and duration of force majeure circumstances issued by a competent institution of the location where force majeure situation exists.

13. Settlement of Disputes

13.1. Any disputes, disagreements or claims arising from or related to these General Terms and Conditions shall be resolved through negotiations, and if no agreement can be reached, in the competent court of the Republic of Lithuania (according to jurisdiction) in the city of Vilnius.

14. Export Control

14.1. If the Buyer transfers the products delivered by the Seller or the works and services performed by the Seller (including all types of technical assistance) to third parties outside the Republic of Lithuania, the Buyer undertakes to comply with all valid national, European Union and international (re)export control regulations.

14.2. The Buyer assures that goods supplied that fall under the scope of Article 12g Regulation (EU) 833/2014 or article 8g Regulation (EC) 765/2006, will not be sold, exported, or re-exported, either directly or indirectly, to the Russian Federation or Belarus or for use in the Russian Federation or Belarus.

14.3. The Purchaser shall undertake its best efforts to ensure that the purpose of paragraph 14.2 is not frustrated by any third parties further down the commercial chain, including by possible resellers.

14.4. The Purchaser shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of paragraph 14.2.

14.5. Any violation of paragraphs 14.2, 14.3 or 14.4 shall constitute a material breach of contract and entitles the Seller to terminate the supply relationship with immediate effect and to cancel orders already accepted without delay. The Buyer shall indemnify the Seller from all costs, third-party claims, and other disadvantages (e.g., fines) resulting from the breach of an obligation under the paragraphs 14.2, 14.3 or 14.4. This shall not apply if the Buyer is not responsible for this breach of duty. Furthermore, the Seller shall be entitled to demand a contractual penalty of 5% of the sales price of the goods sold in violation of the provisions of Article 12g Regulation (EU) 833/2014 or article 8g Regulation (EC) 765/2006. Any further claims for damages shall remain unaffected by this.

14.6. The Buyer shall immediately inform the Seller about any problems in applying paragraphs 14.2, 14.3 or 14.4, including any relevant activities by third parties that could frustrate the purpose of paragraph 14.2. The Buyer shall make available to the Seller information concerning compliance with the obligations under paragraph 14.2, 14.3 and 14.4 within two weeks of the simple request of such information.

15. Code of Conduct

15.1. The Seller expects the Buyer to agree to conduct business in strict accordance with the law and the highest ethical standards. The Buyer must comply with the Seller's Code of Conduct, which is constantly updated and available.

15.2. In particular, the Buyer must not engage in any activity related to bribery, child labor or violating natural human rights. In addition, the Buyer assumes responsibility for the health and safety of its employees. The buyer must act in accordance with applicable environmental laws and national and international competition laws. The buyer must avoid any conflict of interest that could affect the business relationship.

15.3. The Buyer acknowledges that strict adherence to the Seller's Code of Conduct is a prerequisite for continued business relations with the Seller. Non-compliance or refusal by the Buyer and/or its personnel to strictly comply with the Seller's Code of Conduct is considered a material breach of these General Terms and Conditions and the relevant agreement with the Buyer.

15.4. Buyer shall promptly respond to Seller's inquiries regarding the implementation of the Code of Conduct and permit Seller to conduct announced and unannounced visits to Buyer's premises to ensure compliance.

15.5. Clauses 15.1-15.4 of the General Terms and Conditions apply only to the Buyer who acts as a legal entity.

16. Intellectual Property Rights and Software

16.1. The Buyer acknowledges that all trademarks, trade names, patents, industrial designs, drawings, plans and other intellectual property, whether registered or not, as well as the Seller's or its suppliers' know-how, relating to the products or provided by the Seller are and shall remain, the exclusive property of the Seller or its suppliers and shall not be used, distributed, licensed, disclosed or registered by the Buyer or any third party unless otherwise expressly set forth herein or without prior written consent from the Seller.

16.2. The Seller hereby grants to the Buyer a limited non-exclusive, revocable and nontransferable license to the Seller's intellectual property rights in the software embedded in the products ("Seller's Embedded Software") for the use and resale of the products as sold to the Buyer.

16.3. The parties may separately agree on remote or other maintenance of the Seller's Embedded Software, if such remote or other maintenance is generally made available by the Seller. Any standalone software or applications of the Seller not embedded in the products are governed by separate license terms and conditions of the Seller.

16.4. All Third Party Software, if any, is made available in accordance with respective third party license terms.

17. Protection of Personal Data

17.1. The Parties mutually declare that they are informed (and, where applicable, expressly agree to that fact) that the personal data provided, including verbally during pre-contractual activities or in any case collected as a result of the execution of the order and during the execution of the order, will be processed in compliance with the April 27 2016 Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, which repeals Directive 95/46/EC. The Buyer's data processing time is 10 years from the date of fulfillment (termination) of the obligations under these General Terms and Conditions.

18. Confidentiality

18.1. Confidential Information means all financial, legal, technical, commercial or other information related to an order (given orally or in writing or in any other way), including but not limited to information about the Seller's company, the company's suppliers, customers and/or customers, which disclosed by the company.

18.2. The Buyer undertakes to keep confidential information confidential and to take all necessary measures to preserve its confidentiality.

18.3. The Buyer undertakes to use confidential information only for the purposes of order fulfillment.

18.4. Without the Seller's prior written consent, the Buyer has no right to disclose any information about the intended order or confidential information (or part thereof) to any third party other than as provided in these General Terms and Conditions.

18.5. The Buyer must immediately inform the Seller if he learns that confidential information has been illegally disclosed to a third party.

18.6. The Buyer shall not have the right, without the prior written consent of the Seller, to publicly publish any information related to the intended execution of the order, or related discussions or negotiations.

18.7. The Buyer's obligations provided for in clauses 18.1-18.6 will not apply to confidential information:

- (a) which is or becomes publicly available other than as a result of the Buyer's disclosure;
- (b) which was known to the Buyer before the signing of the General Terms and Conditions, provided that the source of such information, as far as it is known to the Buyer, had no contractual, legal or other obligation not to disclose confidential information and is not bound by these General Terms and Conditions; or
- (c) the disclosure of which is mandatory for the Buyer in accordance with the applicable legislation, their requirements, interpreted strictly, provided that before disclosing confidential information, the Buyer informs the Seller about such disclosure, and gives the Seller the opportunity to submit their reasonable requirements for the form and content of such disclosure, which are binding for the Buyer.

18.8. The Buyer undertakes to indemnify the Seller's company, its managers, employees, customers for any damages, losses, expenses (including, but not limited to, reasonable legal expenses) incurred as a result of the Buyer's violation of the General Terms and Conditions.

19. Miscellaneous

19.1. These General Terms and Conditions come into force for the Buyer from the moment of confirmation of the order and are valid until all obligations under these General Terms and Conditions are fully fulfilled or until terminated.

19.2. The Seller has the right to unilaterally terminate the execution of the order, without going to court, by notifying the Buyer in writing 5 (five) working days in advance:

19.2.1. if the Buyer does not accept the goods for more than 60 (sixty) calendar days;

19.2.2. if the Buyer is late in paying the Seller the advance and/or other payments stipulated in the order confirmation for more than 7 (seven) calendar days;

19.2.3. The Seller has the right to immediately terminate the execution of the order if the Buyer becomes insolvent or bankrupt, settles with creditors, starts liquidating or reorganizing debts, and requires the Buyer to pay the price of all delivered goods and performed works. kitais įstatymų numatytais atvejais.

19.3. Any changes or additions to the order or the General Terms and Conditions must be made in writing and signed by both Parties or representatives of the Parties in the prescribed manner.

19.4. Transfer of the rights, obligations or part of them to third parties is possible only with the prior written consent of the other Party.