

GRIGEO GENERAL TERMS AND CONDITIONS OF THE SALE OF GOODS No. IS/2018-85-EN
(effective from 17 September 2018)

1. TERMS AND DEFINITIONS

1.1. The definitions written in capital letters have the following meanings, unless the context requires otherwise:

Contract The General Terms and Conditions of Sale and the Special Terms and Conditions of Sale, including all existing and future annexes, amendments, and additions.

General Terms and Conditions of Sale These Grigeo General Terms and Conditions of Sale of Goods, which constitute a part of the Contract, establishing the general terms and conditions applicable to the agreement between the Seller and the Buyer on the purchase and sale of the Goods.

Special Terms and Conditions of Sale The part of the Contract establishing the special terms and conditions applicable to the agreement between the Seller and the Buyer on the purchase and sale of the Goods, which provides information on the Goods, established price of the Goods, procedure and time limits for settlement for the Goods, terms of delivery of the Goods, and other information related to the sale of the Goods of importance to the Parties. The Special Terms and Conditions of the Contract may be established in a written document drawn up in any form (agreement on special terms and conditions of sale, Order confirmations etc).

Seller A company of AB "Grigeo" Group of Companies, the name, code, and other data and details of which are specified in the Special Terms and Conditions of Sale (including, but not limited to, AB "Grigeo", AB "Grigeo Klaipėda" and UAB "Grigeo Baltwood").

Buyer The party to the Contract buying the Goods, the name, code, and other data and details of which are specified in the Special Terms and Conditions of Sale.

Party or Parties The Seller and the Buyer, either each separately or both together.

Goods The movable items specified in the Special Terms and Conditions of Sale, which are being sold by the Seller and being bought by the Buyer in accordance with the terms and conditions established in the Contract.

Credit Limit The maximum permissible amount of the Goods, including VAT, bought by the Buyer in accordance with the Contract and remaining unpaid.

VAT Value added tax calculated in accordance with the procedure established by legal acts effective in the Republic of Lithuania.

Order The order submitted by the Buyer to the Seller for the delivery of the Goods, which specifies the Goods, their specification, time and terms of delivery as well as other important terms and conditions related to the delivery of the Goods.

1.2. The terms used in any document related to the Contract shall have the meanings defined in the General Terms and Conditions of Sale, unless specified otherwise or unless a different meaning is required by the context.

2. APPLICATION OF THE GENERAL TERMS AND CONDITIONS OF SALE

2.1. The General Terms and Conditions of Sale shall apply to the sale of Goods in accordance with any agreements or contracts regarding the sale of Goods concluded between the Seller and the Buyer and all acceptances or confirmations of Orders by the Seller, when the application of the General Terms and Conditions of Sale is provided for in the Special Terms and Conditions of Sale.

2.2. The General Terms and Conditions of Sale are presented to the Buyer for familiarisation on the website www.grigeo.lt/en and, upon the request of the Buyer, may be provided to the latter by means of electronic communications, sent by fax, post, or delivered in person. The application of the General Terms and

Conditions of Sale shall not depend on whether the Parties have signed them. If the Parties wish so, the General Terms and Conditions of Sale may be signed and attached to the Special Terms and Conditions of Sale.

- 2.3. Any amendments to the General Terms and Conditions of Sale or arrangements on the non-application of certain provisions of the General Terms and Conditions of Sale shall be drawn up in writing and signed by the authorised representatives of the Parties or explicitly acknowledged in writing by the Seller.
- 2.4. In case of discrepancies or contradictions between the General Terms and Conditions of Sale and the Special Terms and Conditions of Sale, the Special Terms and Conditions of Sale shall apply.

3. SUBJECT MATTER OF THE CONTRACT

- 3.1. By the Contract, the Seller shall undertake to sell and transfer to the Buyer the Goods by the right of ownership, and the Buyer shall undertake to accept the Goods and to pay for them the price established by the Parties in accordance with the terms and conditions, time limits, and procedure established in the Contract.

4. PROCEDURE OF ORDERING AND DELIVERY OF THE GOODS

- 4.1. The Goods shall be sold and transferred to the Buyer only in accordance with the Order submitted by the Buyer and confirmed by the Seller.
- 4.2. The procedure and time limits for the submission and confirmation of orders are established in the Special Terms and Conditions of Sale.
- 4.3. The terms and conditions, procedure and time limits for the delivery of the Goods to the Buyer are established in the Special Terms and Conditions of Sale.
- 4.4. The Seller shall undertake to sell the ordered Goods and deliver them to the Buyer in accordance with the terms and conditions established in the Contract, annexes to the Contract and / or Orders confirmed by the Seller and / or Order confirmations.
- 4.5. The Buyer shall undertake to timely accept the ordered Goods in accordance with the terms and conditions established in the Contract, annexes to the Contract and / or Orders confirmed by the Seller and / or Order confirmations.
- 4.6. For the delivery of the Goods, the Seller may use reusable transportation packaging specified in the Special Terms and Conditions of Sale. The reusable transportation packaging shall not be transferred to the ownership of the Buyer and shall be returned to the Seller or the person specified by the latter in accordance with the procedure and within the time limits established in the Special Terms and Conditions of Sale, unless the Parties agree otherwise in the Special Terms and Conditions of Sale.
- 4.7. The Goods shall be considered as have been transferred by the Seller and accepted by the Buyer when the authorised representative of the Buyer or the representative of the carrier of the Buyer signs CMR Consignment note for the Goods or another document wherein the fact of the transfer of the Goods is recorded.
- 4.8. Representative of the Buyer must confirm the receipt of the Goods by his signature on the CMR Consignment Note, box 24. The confirmation shall contain the company name of the Buyer, surname and position of the signatory, date of signing.
- 4.9. The right of ownership to the Goods as well the risk of accidental loss of or damage to the Goods shall pass to the Buyer from the moment when the Seller transfers the Goods to the Buyer.

5. REQUIREMENTS FOR THE GOODS

- 5.1. The Goods must comply with the requirements of the legal acts of the Republic of Lithuania and the requirements provided for in the Contract and annexes thereto.
- 5.2. The quality of the Goods must comply with the standards, technology regulations approved by the Seller, specifications for the Goods, descriptions of the Goods, and requirements specified in the Special Terms and Conditions of Sale. The Seller may issue the Buyer with declarations of conformity (quality certificates) certifying the quality of the Goods.
- 5.3. In case when packaging are sold in accordance with the Contract, the Seller shall represent that the Goods, as of the day of their delivery to the Buyer, will comply with the relevant requirements of Regulation (EC) No 94/62/EC of the European Parliament and of the Council of 20 December 1994 on packaging and packaging waste as last amended by the harmonised standards of the European Union (LST EN 13427-13432).
- 5.4. The Seller represents hereby that the Goods intended to come into contact with food have been made in compliance with the requirements of the legal acts applied to products to come into contact with food as well as with the good manufacturing practice established in Commission Regulation (EC) No 2023/2006

of 22 December 2006 on good manufacturing practice for materials and articles intended to come into contact with food.

- 5.5. The Buyer must check the quantity, range, completeness, and packaging of the Goods as well as to visually inspect whether the Goods meet the requirements established for them in the Contract at the moment of the delivery of the Goods to the Buyer. If the Buyer has detected obvious deficiencies of the Goods, he must indicate them in writing in the documents for the carriage of the Goods (CMR Consignment Note) when accepting the Goods and immediately inform the Seller in writing by lodging a claim.
- 5.6. The Buyer must examine the quality of the Goods within 3 (three) months from the transfer of the Goods and, if he establishes that the Goods (a part of them) have latent (hidden) defects, he shall have the right to lodge, within 5 (five) calendar days from the examination of the quality of the Goods, claims against the Seller in respect of the latent (hidden) defects (deficiencies that could not be detected at the moment of delivery of the Goods) of the Goods sold.
- 5.7. The claim in respect of the quality of the Goods must specify the delivered Goods, their identification number, date of delivery of the Goods and the deficiencies of the Goods and be attached with photographs of the Goods and the transport vehicle which has delivered the Goods, documents evidencing the claim as well as specify other circumstances.
- 5.8. The claim in respect of the deficiencies of the Goods shall specify the delivered Goods, their identification number, date of delivery of the Goods and the deficiencies of the Goods and be attached with a photograph of the Goods and the transport vehicle which has delivered the Goods (in case of obvious defects detected at the moment of the delivery of the Goods to the Buyer), documents evidencing the claim as well as specify other circumstances.
- 5.9. The Seller shall consider the claim of the Buyer within 14 (fourteen) calendar days from the moment of their receipt, unless the Parties agree otherwise in the Special Terms and Conditions of Sale. The Seller shall have the right to send his representative to the Buyer to examine the justification of the claims of the Buyer in respect of the quality of the Goods.
- 5.10. The Buyer shall not have the right to lodge any claims in respect of the Goods to the Seller if he fails to meet the deadlines for the inspection of the quality of the Goods and/or time limits for the submission of claims as indicated above or is unable to provide the Goods to the Seller in order to assess the justification of the claims of the Buyer.
- 5.11. The Seller shall be responsible for the deficiencies of the Goods if the Buyer proves that the deficiencies arose before the moment of the transfer of the Goods to the Buyer or due to any other reasons that emerged before the transfer of the Goods, which are the responsibility of the Seller.
- 5.12. If the claims of the Buyer in respect of the quality of the delivered Goods are justified, the Buyer shall have the right to demand that the Seller should replace the Goods failing to meet quality requirements with the Goods of proper quality within the period established by agreement of the Parties or to reduce the payment for the Goods to the extent of the amount of the discount for the Goods failing to meet quality requirements.

6. PRICE OF THE GOODS AND SETTLEMENT PROCEDURE

- 6.1. The price of the Goods shall be specified in the Special Terms and Conditions of Sale.
- 6.2. The Seller may demand the change of the currently effective prices of the Goods in case of change of factors affecting the price of the Goods. The Seller must inform the Buyer about the change of the price 14 (fourteen) calendar days before the planned date of the change of the price of the Goods, unless the Parties agree otherwise in the Special Terms and Conditions of Sale. The change of the price of the Goods shall be documented by a written agreement of the Parties and / or Order confirmations and / or fixed in invoices for the Goods. In case the Parties fail to reach agreement on new prices, the previous prices of the Goods shall be effective; however, in this case, the Seller shall have the right to refuse the delivery of the Goods.
- 6.3. In accordance with the legal acts of the Republic of Lithuania, the Goods may be subject to a 0 percent VAT rate if they are supplied to a VAT payer registered in another member state of the European Union and shipped from the territory of the Republic of Lithuania to another member state of the European Union. The Goods may also be subject to a 0 percent VAT rate if the Buyer who is established outside the territory of the Republic of Lithuania and has no division in the territory of the Republic of Lithuania or, at the request of the latter, another person ships the Goods from the territory of the European Union.
- 6.4. The Buyer shall undertake to pay for the Goods, in accordance with the procedure and within the time limit established in the Special Terms and Conditions of Sale, to the bank account specified by the Seller. Any claims related to the Goods do not release the Buyer from responsibility to duly and timely fulfil his payment obligations for the Goods in respect of which there are no disputes between the Parties.

- 6.5. The time limit for settlement for the Goods shall be considered to have commenced from the day of the issue of the VAT invoice for the Goods. The Buyer shall be considered to have paid for the Goods when the money for the Goods is debited to the bank account of the Seller.
- 6.6. The Seller may grant the Buyer a Credit Limit, the amount whereof shall be specified in the Special Terms and Conditions of Sale.
- 6.7. The Seller may issue VAT invoices and credit invoices for the Goods and present them to the Buyer in an electronic format. The Buyer agrees hereby that no written VAT invoices and credit invoices (issued on a paper blank) for the Goods shall be presented to the Buyer. Electronic VAT invoices and credit invoices for the Goods shall be presented to the Buyer by the e-mail address indicated in the Special Terms and Conditions of Sale or indicated by the Buyer in other way. All electronic VAT invoices and credit invoices sent by the e-mail address indicated by the Buyer shall be considered to have been received at the moment of their sending.

7. REPRESENTATIONS, RIGHTS AND OBLIGATIONS OF THE PARTIES

- 7.1. The Seller represents hereby that the Seller is a legal person lawfully established, registered and operating in accordance with the laws of the Republic of Lithuania.
- 7.2. The Buyer represents hereby that the Buyer is a legal person lawfully established, registered and operating in accordance with the laws of the place of establishment of the Buyer.
- 7.3. The Buyer who is registered as a VAT payer in a member state of the European Union represents hereby that he is and operates as a person subject to tax and that as of the day of the conclusion of the Contract he has a valid VAT payer code indicated in the Special Terms and Conditions of Sale. The Buyer must immediately (within 24 hours from the moment when the fact referred to in this point becomes known) inform the Seller of his deregistration from the list of VAT payers. The Buyer shall provide this information to the Seller by the e-mail address indicated in the Special Terms and Conditions of Sale or by the e-mail address indicated by the Buyer on the website www.grigeo.lt/en if it is not specified in the Special Terms and Conditions of Sale.
- 7.4. The Buyer whose registration address is other than in the European Union represents hereby that he is established outside the territory of the Republic of Lithuania and has no structural division (branch, permanent office) in the territory of the Republic of Lithuania.
- 7.5. The representatives of the Parties represent hereby that they have all authorisations and the right to conclude and sign the Contract and to assume respective obligations on behalf of the Parties in accordance with the Contract.
- 7.6. The Seller represents hereby that the Goods, as of the moment of the transfer of the Goods to the Buyer, will be possessed by the Seller by the right of ownership, the Goods will not be pledged or seized, no third parties will have any rights or claims in respect of the Goods, the Goods will not be object of any litigation, the right of the Seller to dispose of the Goods will not be denied or restricted, and there will be no other limitations of the possession, use, or disposal of the Goods.
- 7.7. In case when the Seller manufactures the Goods in accordance with the individual needs of the Buyer, the Buyer represents hereby that the trademarks and other markings which have been provided by the Buyer for the execution of the Contract and which will be used to mark the Goods as well as the design, shape, and model of the packaging or other requirements presented by the Buyer for the Goods to be manufactured will not infringe any provisions of legal acts, any rights possessed by any third parties in respect of the trademarks and service marks, designs, inventions, any persons' copyrights, related rights, or other rights or lawful interests, or the rights to the name of a legal person or name and image of a natural person. The Buyer represents hereby that the entire responsibility for the infringement of the requirements provided for in this paragraph shall be borne by the Buyer.
- 7.8. In case when the Goods in accordance with the Contract are supplied to the Buyer on terms EXW, FAS, FCA, FOB, CPT, CIP, CFR and / or CIF (pursuant to Incoterms 2010) with indication of the place of delivery in Lithuania, for the purpose of the execution of Clause 6.3 of the General Terms and Conditions of Sale, the Buyer shall undertake:
 - 7.8.1. To ship the Goods delivered to him out from the territory of Lithuania to another member state of the European Union or from the territory of the European Union, when the Goods are supplied outside the territory of the European Union, immediately after the transfer of the right of disposal of the Goods to the Buyer. This condition shall be considered as have been fulfilled if the Buyer has shipped out the Goods using his own transport or hires another person who will ship out the Goods on behalf of the Buyer in accordance with the instruction of the Buyer. This condition shall not be considered to have been fulfilled properly if the Goods have been shipped out to another member state of the European Union or from the territory of the European Union, when the Goods are supplied outside the territory of the European Union, by a customer of the Buyer or any other person other than in accordance with an order of the Buyer.

- 7.8.2.** When the Goods are supplied to a VAT payer registered in another member state of the European Union, to declare the taxable value of the Goods acquired from the Seller in the VAT declaration for the respective tax period either in the member state of the European Union of the delivery of the Goods or in the member state of the VAT payer code of the Buyer.
- 7.8.3.** To transfer the right to dispose of the Goods as ownership to his customers other than in the territory of Lithuania or other than the territory of the European Union, when the Goods are supplied outside the territory of the European Union. Respectively, when selling the acquired Goods to his customers, the Buyer shall undertake not to use the terms EXW, FAS, FCA, FOB, CPT, CIP, CFR, and CIF (Incoterms 2010) with a reference to a place or address in Lithuania or a place or address in the European Union, when the Goods are supplied outside the territory of the European Union.
- 7.8.4.** Within 14 (fourteen) calendar days from the sale of the Goods, to provide the Seller with the following documents: copies of properly completed CMR Consignment Notes and order for transportation services or documents confirming the payment.
- 7.9.** The Buyer shall undertake to immediately provide any documents of the financial statements or other documents requested by the Seller in order to assess the solvency of the Buyer and the risk of the performance of obligations.
- 7.10.** The Buyer represents hereby that he is informed and does not object that the amounts receivable by the Seller in accordance with the Contract are or may be insured in a credit insurance company.
- 7.11.** The Buyer shall not have the right to exceed the Credit Limit granted to him and, having exceeded or where there is a probability of exceeding it upon the delivery of the Good, the Seller shall have the right not to supply the Goods in accordance with the Orders submitted by the Buyer and confirmed by the Seller until the amount of the indebtedness of the Buyer for the Goods no longer exceeds the amount of the granted Credit Limit.
- 7.12.** The Seller shall have the right to unilaterally reduce the granted Credit Limit or to cancel it, or to change the time limits for settlement for the Goods if the credit insurance company in which the credit limit of the Buyer is insured withdraws or reduces the credit limit granted to the Buyer or if the Buyer delays settlement for the sold Goods for more than 30 (thirty) days.
- 7.13.** For the purposes of the assessment of the solvency of the Buyer and the risk of the performance of obligations and management of debts, the Seller can receive information / data on the Buyer from firms providing creditworthiness assessment services, insurance companies providing credit insurance services as well as provide those firms with available information/data on the execution or improper execution of the pecuniary obligations of the Buyer under the Contract.
- 7.14.** If the Buyer fails to timely execute his pecuniary obligations under the Contract, the Seller shall have the right to provide data on the accrued debt to companies administering the debtor information system for the purpose of processing and, in this case, the respective companies shall have the right to process such data and to provide them to third parties that have a lawful interest.
- 7.15.** The Buyer shall not have the right to transfer his rights or obligations under the Contract to any third party without the prior written consent of the Seller.

8. RESPONSIBILITY OF THE PARTIES

- 8.1.** The Party which has infringed the Contract must compensate the other Party for direct losses caused by the failure to perform or improper performance of the Contract. No indirect losses shall be compensated in accordance with this Contract.
- 8.2.** If the Buyer demands so, the Seller shall undertake to pay the Buyer a default interest of 0.05 percent to be calculated on the basis of the Goods that were not delivered in time for each day of delay in the delivery of the Goods.
- 8.3.** If the Seller demands so, the Buyer shall undertake to pay the Seller a default interest of 0.05 percent to be calculated on the basis of the outstanding amount for the Goods sold for each day of delay in payment for the Goods.
- 8.4.** If the Buyer has failed to properly fulfil the conditions provided for in Clauses 7.3, 7.4, and 7.8.1 to 7.8.4, the Buyer shall undertake to pay the Seller a penalty equal to 30 percent of the selling price of the sold Goods, in respect of which the envisaged obligations were not complied with. The amount of this penalty shall be considered to be the minimal damages of the Seller due to the unreasonably applied VAT rate of 0 percent. If the actual losses of the Seller are greater than the agreed amount of penalty, the Buyer shall undertake to compensate the whole amount of damages to the extent as they are not covered by the aforementioned penalty.
- 8.5.** Other rates of penalties for the failure to perform or improper performance of the obligations provided for in the Contract shall be specified in the Special Terms and Conditions of Sale.

- 8.6.** Payment of penalties in accordance with the Contract shall not release the Party from the duty to fulfil the respective obligation and shall not restrict the right of the Parties to exercise the other remedies provided for in the Contract or legal acts.
- 8.7.** The Party shall be released from responsibility for the failure to fulfil the Contract if it proves that the Contract has not been fulfilled due to circumstances which could not be controlled and reasonably foreseen at the time of the conclusion of the Contract, and that it could not prevent the occurrence of those circumstances or consequences thereof. Force majeure shall be understood as it is defined by the legal acts of the Republic of Lithuania. The unavailability of any goods required for the execution of the obligation, the Party to the Contract does not have necessary financial resources, or counterparts of the debtor breach their obligations shall not be considered to be force majeure circumstances.

9. PERSONAL DATA PROCESSING

The parties, when executing the Contract, and processing received from each other personal data received from each other, including, but not limited to, names, contact details (work phone No., work e-mails, address of the employer), positions, etc. of employees, delegates, members of the management bodies and other representatives, undertake to comply with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) and other legal acts regulating processing of personal data.

- 9.1.** The parties undertake to inform each other in writing about each personal data breach relating to personal data provided by the other party, indicating the nature of the breach, the extent, the measures taken or recommended to reduce the negative consequences of the breach.
- 9.2.** The Parties confirm that personal data processing under the Contract is based on Article 6 Paragraph 1 points (b), (c) and (f) of the General Data Protection Regulation.
- 9.3.** When Parties provide each other personal data of their employees and (or) other natural persons that are involved in the implementation of the Contract, the Parties must:
- 9.3.1.** duly inform all natural persons that are involved in the implementation of the Contract that their personal data may be transferred to another Party of the Contract and may be processed for the purposes of the execution of the Contract;
 - 9.3.2.** not to transfer any personal data of person who was not informed about such processing of his personal data;
 - 9.3.3.** duly respond to the reports of the other Party regarding the correction, deletion and / or restriction of processing of personal data of the employees and other representatives of the Party, that was transferred to the other Party for the purposes of the execution of the Contract;
 - 9.3.4.** to inform the other Party about the need to adjust, correct, delete personal data of their employees and / or other representatives or restrict processing of such data.
- 9.4.** Personal data submitted by one Party to the other Party shall be protected for the whole period of validity of the Contract and the minimum period of retention of the documents related to the execution of the Contract as set in the legal acts of the country of establishment of the Party and / or local legal acts of the Party.

10. APPLICABLE LAW AND PROCEDURE OF THE SETTLEMENT OF DISPUTES

- 10.1.** The General Terms and Conditions of sale, as well as any Contracts and / or contractual obligations between the Seller and the Buyer related to the purchase and sale of the Goods shall be governed by the law of the Republic of Lithuania.
- 10.2.** Any disputes, differences or claims arising from or related to the General Terms and Conditions of sale and / or any Contracts and / or contractual obligations between the Seller and the Buyer related to the purchase and sale of the Goods, shall be finally settled in a competent court in Vilnius, the Republic of Lithuania.

11. VALIDITY AND TERMINATION OF THE CONTRACT

- 11.1.** The Contract shall enter into force on the day of its conclusion or on the day indicated in the Special Terms and Conditions of Sale and shall remain in force until the day indicated in the Special Terms and Conditions of Sale. If the Special Terms and Conditions of Sale do not specify the period of validity of the Contract, the Contract shall remain in force until the complete and proper fulfilment of the obligations of the Parties in accordance with the Contract.

- 11.2.** Either of the Parties shall have the right to terminate the Contract unilaterally, without going to court and without specifying the reasons for the termination of the Contract, upon a written notice to the other Party 30 (thirty) calendar days in advance before the planned date of the terminate the Contract.
- 11.3.** Either of the Parties shall have the right to terminate the Contract unilaterally, without going to court, upon a written notice to the other Party 7 (seven) calendar days in advance if the other Party commits a material breach of the Contract.

12. OTHER TERMS AND CONDITIONS

- 12.1.** The Contract, including all annexes and additions hereto, and any information which was received by either of the Parties hereto in the course of the execution of the obligations related to the purchase and sale of the Goods and is related to the other Party or to the activities carried out by the other Party, except for information which is publicly known or became publicly known without infringing the obligation of the non-disclosure of information, shall be considered confidential information.
- 12.2.** The Parties shall undertake to use confidential information only to the extent as it is necessary in executing the Contract. The Parties shall undertake not to use confidential information, without prior written consent of the other Party, for any purposes other than those provided for in the Contract and not to disclose it to any third parties other than those referred to in Clause 12.3. of the General Terms and Conditions of Sale.
- 12.3.** The Parties shall have the right to disclose confidential information to the management bodies, employees, other persons to whom confidential information is necessary in order to execute the Contract, lawyers and financial consultants, firms of auditors, companies providing credit, civil liability, and other insurance services as well as firms providing creditworthiness and solvency assessment services
- 12.4.** Either of the Parties shall have the right to disclose confidential information when it is imperatively required by the legal acts of the countries of the place of establishment of the Parties.
- 12.5.** All correspondence between the Parties shall be carried on in the English language.
- 12.6.** The Parties shall undertake to immediately inform each other about changes of any of their legal or contact details indicated in the Special Terms and Conditions of Sale (name, registered office address, e-mail, telephone, etc.).