

GENERAL PROVISIONS

1.1. These General Terms and Conditions of Sale (hereinafter the "Terms") are an integral part of any sales contract and agreement concluded by **UAB SOLVIKA**, code: 302871585 (hereinafter the "Seller") and another party (hereinafter the "Buyer") for products or services offered by the Seller. Any other agreements, terms or conditions shall not obligate the Seller unless the Buyer and the Seller (hereinafter collectively referred to as the "Parties") clearly express such agreement in writing. By ordering / accepting our products or paying the price agreed by both Parties, the Buyer clearly indicates its consent to these Terms.

ESTABLISHMENT OF THE AGREEMENT

2.1. Any Seller's offers are non-binding and subject to written confirmation by the Seller. All prices are valid for a single order, unless otherwise agreed in writing. All price quotes are individual and subject to raw material, packaging and transport availability at the moment of price calculation. All bank charges for payments shall be paid at the Buyer's expense, unless clearly agreed otherwise.

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

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

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

2.5. Standard production time for all orders up to 10 trucks / containers: up to 8 weeks, subject to raw material availability and weather conditions, unless the Parties agree otherwise in writing or the Seller informs the Buyer about a different production time required. Production and delivery times shall be understood as non-binding estimates only and not as final deadlines. Delivery time is subject to carrier availability at the time of shipping.

2.6. The Seller undertakes to inform the Buyer about the departure of products from the Seller's warehouse by sending a VAT invoice to the Buyer by e-mail.

2.7. After order confirmation, the Buyer has the right to cancel the order during its production only, but not later than loading onto trucks or containers. If the product has already been produced and is ready for shipping, the Buyer shall pay a penalty equal to 50% of the total order amount upon order cancellation. In case the products have already been loaded for delivery and the Buyer requests termination of the contract during delivery or refuses to accept (import) the products upon delivery, the Buyer shall pay a penalty equal to 100% of the total order amount and reimburse the Seller for all losses incurred (including, but not limited to, production, packaging, delivery, return and/or documentation costs), if the penalty does not cover all Seller losses.

2.8. All Seller's invoices must be paid before the due date stated on the invoice issued by the Seller in the manner and currency specified by the Seller. Payment shall be deemed completed only when the full amount has been received in the bank account specified in the invoice. The Seller may require advance payment for any order at its sole discretion.

In case the Buyer fails to make full payment within the agreed payment term, the Buyer shall pay a contractual penalty of 0.1% per day calculated from the overdue amount for each delayed calendar day until the overdue amount is paid in full.

The Buyer acknowledges that the Seller may assign receivables arising from invoices to a factoring company and/or financial institution. In such case, payment must be made strictly in accordance with the payment instructions specified in the invoice.

The payment of contractual penalties or debt recovery costs shall not exempt the Buyer from any other obligations. Any additional costs concerning debt recovery, including but not limited to court procedures, bailiff costs and/or lawyer consultations, shall be borne by the Buyer.

2.9. In case of the Buyer's inability to pay for longer than 30 days, the Seller shall have the right to retrieve the goods belonging to it from the place where they are kept or to have them retrieved at the Buyer's expense. The Buyer shall irrevocably authorize the Seller to access premises owned or used by the Buyer for that purpose.

2.10. The Buyer confirms that he/she is a professional grower or specialized retailer / distributor well versed in his/her area of business activity and therefore a higher standard of care and precaution shall apply. The Buyer understands that peat-based products may not produce the same or expected results, as this depends on environmental impact, individual management and/or individual fertilization programs. Any

Seller's consultations and recommendations for products, product labels and descriptions are recommendations only and therefore the Seller shall not be responsible for final results.

2.11. In case of shipment by sea container, all risks and additional costs arising after the goods have been loaded on board the vessel at the port of shipment shall be for the Buyer's account. This includes, but is not limited to, any carrier surcharges, deviation costs, war risk surcharges, port congestion charges, storage, re-routing, discharge at alternative ports, End of Voyage declarations by the carrier, or any other measures taken by the carrier for safety or operational reasons. Any such charges imposed by the carrier shall be reimbursed by the Buyer to the Seller immediately upon request.

2.12. The Seller's delivery obligations shall be considered fulfilled once the goods have been handed over to the carrier in accordance with the agreed Incoterms® rule. Any delays, deviations, transshipment issues, discharge at alternative ports, carrier operational decisions, End of Voyage declarations, or other events occurring during transportation shall not release the Buyer from its payment obligations.

2.13. The Seller shall not be liable for any acts, omissions, delays, route changes, cargo handling decisions, or additional charges imposed by the carrier, shipping line, port authorities, terminal operators, or other third parties involved in transportation after the goods have been handed over for shipment.

IMPORT PERMITS AND IMPORT TAXES

3.1. The Buyer shall be responsible for all import procedures (including, but not limited to, any import licenses, import permits and/or import certification/analyses and/or other necessary permissions to be obtained from the authorities of the importing country in accordance with local laws). All import permits and procedures shall be at the Buyer's risk and expense.

3.2. All import taxes (including import customs clearance, import taxes and/or any other additional local expenses and taxes) must be paid exclusively by the Buyer.

3.3. All our products shall meet the quality and quantity standards and/or requirements of the European Union (EU). In case products are being exported, the Buyer shall be responsible for any differences in quality and quantity standards and/or requirements of the importing country. The Buyer shall inform the Seller if any such differences exist before placing the order for production.

3.4. In case the client orders additional stickers / labels to be placed on each bag or pallet, the Buyer shall prepare such stickers / labels in accordance with the import requirements of the importing country and shall remain responsible for the information included therein.

COMPLAINTS AND DISPUTES

4.1. Products may freeze during December, January, February and March, subject to weather conditions. Any complaints relating thereto shall be excluded.

4.2. Considering that peat moss products and substrates are mainly produced from natural raw materials, the natural peat moss raw material may sometimes include saprophytic fungal spores naturally present in nature. They are not detrimental to plants; however, under certain conditions (e.g. high humidity and warm temperatures), these fungi may form mycelium on the substrate surface, which normally disappears after a couple of days. The Seller expressly excludes its liability for such naturally occurring fungal growths.

4.3. The structure of peat moss raw material and/or other organic raw materials used in substrate production, including their weight, moisture and/or pH, may be subject to natural variations. Therefore, any deviation of products from sales samples or previous deliveries shall not constitute a defect in quality.

4.4. The quality and quantity of all our products are controlled in accordance with European quality standards: EN12580, EN13037, EN13038, EN13040. The product volume (EN12580) is determined at the moment of filling (+/- 5%, before compression).

4.5. The Buyer is obliged to check at the moment of delivery whether the delivery meets the agreement: a) whether the ordered products have been delivered, and b) whether the delivered product quantity meets the agreement (number of delivered packages). If the Seller does not receive written notice from the Buyer within 7 (seven) days after delivery stating that the delivered products do not meet the agreement, it shall be considered proven between the Parties that the delivery meets the agreement.

4.6. Any other possible complaints regarding the delivered products must be notified immediately, but in any case not later than 30 (thirty) days after delivery. Any claims concerning quality or quantity must be submitted to the Seller in detail (including order number, truck/container number, detailed claim information, photo and/or video evidence of the exact order, and testing results confirming the claim). Complaints may only be taken into account if submitted in complete written form. If the Seller does not receive a written complaint from the Buyer within 30 (thirty) days after delivery, it shall be considered proven between the Parties that the delivery meets the agreed quality and quantity requirements.

4.7. The Buyer is obligated to check the pH and EC of the product before using it.

4.8. The submission of a complaint shall not exempt the Buyer from any obligation to fully pay the invoiced amount (product price) to the Seller within the determined terms in accordance with the VAT invoice. Any compensation arising from complaints or disputes shall be settled independently from any other payments between the Parties, unless otherwise clearly agreed by signing an additional agreement regarding payment offsetting.

4.9. Any claims for compensation against the Seller are limited to the value of the defective products paid to the Seller. Any other claims for compensation (including the Buyer's direct or indirect losses or damages, transportation to any place other than the agreed place of delivery, or financial losses) are excluded and shall not be compensated.

4.10. All products supplied by the Seller are individual products custom-made for a specific client and specific order; therefore, product return to the Seller is not possible unless the Parties clearly agree otherwise in writing.

4.11. All disputes originating from these Terms and Conditions of Sale shall first be attempted to be settled through negotiations. If the agreement has not been reached within 30 days, the dispute shall be settled in the District Court of Vilnius or Vilnius Regional Court exclusively under the laws of the Republic of Lithuania.

JURISDICTION AND FINAL PROVISIONS

5.1. Any sale agreement and/or contract between the Parties shall be concluded and executed under the laws of the Republic of Lithuania. Any disputes arising out of or in connection with such agreements or contracts shall be settled by the competent courts of the Republic of Lithuania, with the Vilnius City District Court (or Vilnius Regional Court, depending on jurisdiction) having exclusive jurisdiction.

5.2. Incoterms® 2020 shall apply to all deliveries made by the Seller (including deliveries by truck, sea containers, vessels, bulk carriers, etc.).

5.3. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply to these Terms, agreements or contracts concluded between the Parties.

5.4. If any provision of these Terms becomes legally ineffective or unenforceable, the validity and enforceability of the remaining provisions shall remain unaffected. Any ineffective provision shall be replaced by a valid and enforceable provision that most closely reflects the economic intentions of the Parties.

5.5. The Seller shall not be liable for any failure or delay in performance caused by events beyond the Seller's reasonable control, including but not limited to war, sanctions, strikes, carrier disruptions (including delays caused by carriers or shipping lines), port congestion, natural disasters, pandemics, governmental restrictions, shortages of transport equipment or raw materials, energy supply disruptions, or other force majeure circumstances. In such cases, delivery times may be extended accordingly without liability to the Seller.

5.6. The Seller reserves the right to amend these Terms and Conditions of Sale by notifying the Buyer in advance. The official version of these Terms and Conditions of Sale is available on the Seller's website: www.peatmoss.lt