

## GENERAL TERMS AND CONDITIONS OF THE SALES

### 1. OBJECT OF THE TERMS AND CONDITIONS

1.1 These general terms and conditions (hereinafter **Terms and Conditions**) regulate the production and/or sale and delivery of the profiles and other items (hereinafter together **Profiles**) indicated in the order confirmation(s) (hereinafter **Order Confirmation**) and the terms and conditions for the payment of the Profiles and shall apply to all such sales between the Buyer and Seller (Neular OÜ, registry code 12983077, address A. H. Tammsaare tee 47, 11316, Tallinn).

1.2 The quality of the Profiles corresponds to the average quality required of similar Profiles produced of recycled non-homogenous plastic / material. Bubbles/holes and variation in tone occur in the Profiles and the profiles may include small amounts of metal and other substances. The Profiles may also differ in measurements of up to 5% in all dimensions. These irregularities shall not be deemed to be defects. A product data is available to the Buyer for the physical and quality characteristics of each Profile.

1.3 The contract in every specific occurrence of sale of Profiles is based on these Terms and Conditions and the Order Confirmation, which specifies the agreement regarding the quantities of the Profiles, as well as the additional services, delivery, price and payment procedure, as well as the time and place of delivery (hereinafter together **Contract**).

### 2. PRICE AND ACCOUNTING

2.1 The price of the Contract is the total amount for the Profiles, additional services and delivery (hereinafter the **Purchase Price**), which is subject to VAT if applicable.

2.2 After the delivery of the Profiles, the Seller will send the Buyer an invoice by email to the address provided by the Buyer. If a prepayment is made for the Profiles, the Buyer will make the prepayment based on the Prepayment Invoice. And in this case, the Seller will forward an invoice for the outstanding amount of the Purchase Price agreed upon in the Order to the email provided by Buyer.

2.3 Buyer will undertake to notify any claims related to the invoice by the workday following the issuance of the invoice. The Buyer does not have the right to present any claims later.

2.4 The obligation to pay for the Profiles will be considered to have been fulfilled when the entire amount specified in the Purchase Price has been deposited in the Seller's bank account. In the case of any arrears, any payment, regardless of the explanation included on the payment order, will first go to pay the late penalty and contractual penalty and thereafter any unpaid amounts of the Purchase Price.

### 3. DELIVERY AND RIGHT OF OWNERSHIP

3.1 The Seller undertakes to deliver the Profiles to the Buyer at the time and place agreed upon in the Order Confirmation.

3.2 The delivery of the Profiles will be formalized by the parties with an instrument of delivery and receipt. The signed consignment note will be treated by the parties as the instrument of delivery and receipt. Regardless of the formalization of the aforementioned documents, the delivery will be considered to have occurred 3 days after the factual delivery of the Profiles.

3.3 The risk of the accidental destruction and/or damage of the Profiles will be transferred from the Seller to the Buyer upon the factual delivery

of the Profiles to the Buyer. If the Buyer does not accept the Profiles at the agreed upon time and place (including factually), the risk of the accidental destruction and/or damage of the Profiles will be transferred to the Buyer based on the date from which the Buyer is in delay in accepting delivery.

3.4 Upon the delivery at the Seller's location, the Buyer undertakes to examine the Profiles at the Seller's location. The Buyer is obligated to present any complaints about any non-conformity related to type, quantity and/or quality upon the acceptance of the Profiles. If the Buyer does not make notification of any non-conformity, it is considered that the Profiles have been delivered according to the Contract. The Buyer has the right to submit claims about any defects in colour or dimensions to the Seller within 7 days after the acceptance of the Profiles.

3.5 When making notification of any defects, the Buyer must exactly describe the defects in writing on the claim report. The claim report must include, among other things, a) Order Confirmation number; b) invoice number; c) shortages in the quantity of Profiles; d) an exact description of the defect; f) pictorial material proving the defect which includes pictures of all the delivered Profiles, whereas the transport damage must be established before accepting the Profiles from the transport company. Notification of defects does not absolve the Buyer from the obligation to pay for the delivered Profiles, unless otherwise agreed by the parties.

3.6 If the Buyer does not make notification of the defects of the Profiles, which were visible upon delivery and which, upon careful examination, should have been seen by the Buyer by the deadline specified in clause 3.4 of the Contract and/or the Buyer does not describe the defects exactly enough, the Buyer may not rely on the defects of the Profiles.

3.7 The Profiles will be transferred into the ownership of the Buyer once the Buyer has paid the Purchase Price and fulfilled all other obligations based on the Contract (made compensation for expenses, damages, late penalties, etc.). If the Buyer and the Seller have agreed in the Contract that the Buyer will partially or totally pay for the Profiles after their transfer to the possession of the Buyer, the ownership of the Profiles will not be transferred to the Buyer until the payment of the entire Purchase Price (reservation of ownership).

3.8 At the time when the ownership of the Profiles has yet to be transferred to the Buyer, the Buyer may not transfer the possession of the Profiles or sublease them to third party without the approval of the Seller.

3.9 If some payment is partially or totally unpaid, or if the assets of the Buyer are impounded, or if a bankruptcy proceeding is started against the Buyer, or if the Seller has a justified doubt that the Buyer will not be able to fulfil the obligations it has accepted on time, the Seller may enter the Buyer's rooms/property for the purpose of partially or totally regaining possession of the Profiles and/or to resell them or demand notification of the retention of title to the owner of rooms or territory where the Profiles are delivered or used.

### 4. RIGHTS AND OBLIGATIONS OF THE PARTIES

4.1 If the Seller is obliged to ensure transport and delivery, the Buyer is obligated to make the necessary preparations at the transfer location (ensure the existence of the necessary space/territory, lifting equipment, ensure the possibility for the transport of the Profiles to the space/territory), which are necessary for the trouble-free transfer of the Profiles to the Buyer by the agreed upon deadline.

4.2 The Buyer will notify the Seller of its insolvency, any bankruptcy proceeding initiated against it, liquidation, restructuring or reorganization during the validity of the Contract and time that the

Order Confirmation is being fulfilled, within 3 (three) days of finding out about such situation or a threat thereof.

4.3 In cases described in clause 3.9, or if the Buyer delays in the fulfilment of any of its obligations, including accepting the Profiles or making payment, the Seller has the right to not to fulfil any of its obligations, including those related to other Order Confirmations until the Buyer fulfils its obligations or provides sufficient security.

4.4 All copyright and other intellectual property rights for the construction solutions, drawings, sketches and plans related to the Profiles belong to the Seller and the Buyer does not have the right to use them except for their intended use, and cannot produce nor allow production of new analogous or similar products.

**5. CONFIDENTIALITY**

5.1 The Buyer acknowledges that all technical, commercial and financial information disclosed to Buyer by Seller is confidential information of Seller. Buyer shall not disclose nor pass on any such confidential information to any third party and shall not use any such confidential information for any purpose other than as for the intended use of the Profiles and in conformance with the Contract.

5.2 The obligation of confidentiality is for an indefinite period and shall continue to apply after the termination of the contract.

5.3 This obligation of confidentiality shall not include any information that (i) the Buyer lawfully possessed prior to the Seller’s disclosure of such information, (ii) is lawfully known to the public, or (iii) has been lawfully obtained from a third party.

5.5 The Buyer shall ensure that its employees and cooperation partners are subject to similar confidentiality obligation set forth in this Contract by means of appropriate contractual agreements, too.

5.6. Any breach of the obligation of confidentiality set out in this Section 5 shall be considered a material breach and, in the case of a reasonable suspicion of breach, the Party shall, at the request of the other Party, prove that it has not breached an obligation.

**6. SALES WARRANTY**

6.1 The Seller provides a warranty on the Profiles and the terms and the conditions of the warranty that apply to each and every sale are available on the Seller’s website - [www.neular.com/warranty](http://www.neular.com/warranty) (hereinafter **Warranty**). The sales warranty commitment is provided for full polymeric Profiles for residential use and, in the case of use for other purposes, the statutory guarantee obligation applies. These Profiles shall not have manufacturing defects and the warranty shall be valid from the date of the original purchase to:

● “Neular Craft” – 10 years	● “Neular Natural” – 5 years	● products made from “Neular Craft” / “Neular Natural” – 2 years.
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**7. LIABILITY**

7.1 If the Buyer does not make the payment specified in the Contract to the Seller no later than the deadline prescribed in the Contract, the Buyer undertakes to pay the Seller a late penalty of 1 % of the unpaid amount for every day that payment is delayed. Late penalties will not be applied to other payments, including the pre-payment.

7.2 If the Buyer does not accept the Profiles at the time specified in the Contract, the Buyer undertakes to pay the Seller a contractual penalty of 1 % of the unpaid amount for every day that acceptance is delayed.

If the Buyer does not accept the Profiles indefinitely, the Buyer undertakes to pay the Seller a contractual penalty of 50% of the Purchase Price of the Profiles that were not accepted.

7.3 Among other things, the Seller has the right to withdraw from the Order Confirmation and to demand the contractual penalty prescribed in clause 7.2, if the Buyer has not accepted the Profiles at the agreed upon time and place, and does not do so even when given a reasonable amount of additional time by the Seller.

7.4 The Seller is only liable for a breach of Contract that is caused by intentional or grossly negligent act in the extent of the total amount of the remuneration paid under any specific Order Confirmation.

7.5 The Buyer may withdraw from the Order Confirmation and demand that the Profiles be taken back and the Purchase Price refunded only if there is a defect that cannot be repaired and replacing the Profiles with new Profiles would not produce a result whereby the Profiles could be utilized according to purpose and the Seller was aware of this situation upon concluding the Order Confirmation.

7.6 The claim for any contractual penalty prescribed by this Contract must be submitted, at the latest, within 1 (one) month of time when the party became aware of the violation.

7.7 The parties are not liable for the non-conforming performance of the obligations under this Contract, if the unsatisfactory performance is caused by force majeure. Force majeure is defined by the Parties, among other things, as legislation and amendments thereto, which make the performance or partial performance of the Contract impossible, as well as export or import restrictions, a delay in the delivery of the Profiles, and circumstances that occur after the Order Confirmation and prevent its fulfilment or make performance unduly expensive or otherwise impractical and which could not be foreseen or prevented with reasonable efforts.

**8. VALIDITY OF THE CONTRACT**

8.1 The Terms and Conditions are valid from the time of publishing on the Seller’s website in regard to all the Order Confirmations. Each Contract is valid until the proper fulfilment of the obligations based on the Contract and Order Confirmation.

8.2 The Order Confirmation can be cancelled by either party by notifying the other party at least 14 workdays in advance and by first reimbursing the costs and damages incurred by the other party in the belief that the Order Confirmation was valid.

**9. OTHER TERMS AND CONDITIONS**

9.1 The parties to the Contract undertake to immediately notify the other party of changes in its contact information as well as any other matter significant regards the Contract. The notices related to the Contract between the parties must be presented in a format which can be reproduced in writing to the authorized person of the other party, except in cases where the Contract calls for notification in written form. All notifications will be considered to have been received as follows: when sent by registered mail or by courier – upon delivery or when 5 days have passed since being mailed; when sent by email – from the moment that the email is sent unless the sender of the email receives a notice that sending the email has been unsuccessful.

9.2 Any disputes resulting from the Contract will be resolved by agreement between the parties. If agreement cannot be reached, the disputes will be resolved by the Harju County Court according to the legislation of the Republic of Estonia.