

Purchase Conditions

1. ORDER CONFIRMATION

1.1. Having received an order, the Seller shall immediately confirm the order to the Buyer.
1.2. The Buyer will assume that a confirming response to this order means that the Seller accepts all terms, conditions, provisions and requirements of the Buyer.
1.3. Any terms or conditions in the Seller's order confirmation that change or alter the terms of the order shall only be valid if these are approved in writing by the Buyer.

2. TERMS OF DELIVERY

2.1. All goods shall be delivered to the address mentioned on the order unless agreed otherwise in written.

2.2. Seller is responsible for delivering the goods to the named place in the country of the Buyer, and pays all costs in bringing the goods to the destination including import duties and taxes. Unless otherwise agreed on, the term of delivery is DDP – Delivered Duty Paid Tallinn "Incoterms 2010".
2.3. The set delivery dates are to be considered as latest arrival date in destination.

2.4. ORDER NUMBER; ITEM NUMBER and SHIPPING MARK must always be mentioned in each shipping documents, package/collie and invoice.

3. CHANGE IN DELIVERY TIMES

3.1. The Buyer shall be entitled to extend and shorten any agreed delivery time by notice to the Seller so as to coordinate the deliveries with changes in the Buyer's own production Schedule.
3.2. No additional price or other changes shall be payable to the Seller in consequence of such changes in the delivery times.

4. PRICE
The price is fixed and cannot be changed, adjusted or revised for any reason whatsoever including, without limitation, cost and wage increase, Governmental action, and increases in taxes, duties, and other public charges, unless otherwise agreed in writing.

5. ADDITIONAL PURCHASES

The Buyer shall have the option to purchase from the Seller additional products identical or similar to the products covered by this Agreement in such volume as the Purchaser may wish during the time informed to the Seller in negotiations preceding the order.

6. ADDITIONAL WORK AND ALTERATIONS

6.1. The Seller is obliged to make the alterations informed by the Buyer.

6.2. Small alterations do not have any effect on the price.

7. LACK OF PURCHASER'S INITIAL INFORMATION

7.1. If the Seller does not receive the necessary technical drawings, schemes etc. in time, the Seller shall inform the Buyer about this in writing. Otherwise, such negligence shall not be a reason for late delivery.

7.2. Changes to this agreement have to be agreed in writing by both parties (letter or e-mail) after which they become part of this agreement.

8. INTERVENING SUPPLIES

Considering the importance of timely deliveries for the Buyer's own production, the parties agree that the Seller shall not without prior written consent from the Buyer accept from any third party any additional intervening orders for products which should be manufactured and/or delivered during the period necessary for the manufacture and delivery of the products covered by this Agreement.

9. INSPECTION OF THE PRODUCTS

9.1. The Seller shall inspect the products' quality and quantity carefully before shipment and confirms that the products delivered are only high quality.

9.2. Upon delivery, the products shall be inspected at the Buyer's plant, unless otherwise agreed separately in writing.

9.2.1. The Seller recognizes that the inspection to be carried out by the Buyer upon delivery of the products shall only consist of an ocular inspection without opening the packages of the products, and partly of random spot checks.

9.3. A more thorough inspection shall be carried out when the products are taken into use in the Buyer's production process.

9.4. This inspection method shall not limit the Seller's liability for any defects in the products.

9.5. Within 7 business days after delivery, the Buyer must give notice to the Seller of any claim for damages on account of condition, quality of grade of goods, and the Buyer must specify the basis of the claim in detail.

9.6. The Buyer loses the right to require the repair or delivery of a substitute product from the Seller if the Buyer does not submit a corresponding claim to the Seller at the same time as a notice concerning the lack of conformity of a product or within a reasonable period after submission of the notice, unless the behavior of the Seller is contrary to the principle of good faith. Reasonable period is considered to be 4 weeks.

9.7. When the defect is discovered in the product, the Seller shall, in the first place, replace the defective product by delivering immediately at its expense a new product to buyer.

9.7.1. In the event of a minor defect the Buyer may, in its discretion, accept that the Seller shall repair the defect at its expense.

9.7.2. In the event of errors, omissions or deficient in any documents relating to the products, the Seller or third party designated by the Seller shall, in the first place, come at its own expense to the Buyer's premises to clear the situation no later than the day immediately following the date of reclamation.

9.7.3. In the event of a minor defect in the markings of the products or documents the Buyer may, in its discretion, accept that the deficiency shall be remedied in some other manner at the Seller's expense.

9.7.4. If a defect is not remedied without delay to the Buyer's satisfaction, the buyer shall be entitled to repair the defect either itself or through a third party at the Seller's expense.

10. LIABILITY FOR DEFECTS IN THE PRODUCTS

10.1. The Seller guarantees that the products are free from defects and are fit for their purpose in accordance with general rules of law.

10.2. The liabilities of the Seller include, but are not limited to, the demounting of the defective product or part thereof from the object in which it is used, the repair or replacement of the defective product, and the installation of the new product in the object in which it will be used, as well as the payment of all related costs and expenses.

10.2.1. If the Seller fails to take the required measures within a reasonable period of time, the Buyer or any third party designated by the Buyer shall be entitled to take all necessary measures to remedy the defect or harm in question at the Seller's expense.

10.3. When the goods or service are not in accordance with the order or contract, the buyer has the right to deduct the cost of faulty delivery from the seller's invoice and, in addition, to withhold his payment until the matter has been finally agreed on or otherwise settled.

11. GUARANTEE

11.1. The guarantee period of the products shall be 24 months from receiving the products plus a **three** months notification period after the expiry of the guarantee period for faults appearing during the guarantee period. If a part of the product or whole product is replaced/repared, the guarantee period for this part or whole product shall be extended with 24 months.

11.2. The guarantee shall cover the removal of the faulty product, the repair of the product or the supply of a new product to the Buyer. The Seller shall also be responsible for cost of transport of goods covered by the guarantee.

11.3. The guarantee has been expanded for an additional 3 years directly to the end Client, so in total

there will be a 5 years guarantee starting from the receiving of the products by the Buyer.

11.4. During these periods, the Seller shall have the burden of proof concerning the existence or non-existence of defects in products.

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12. PENALTY DAMAGES FOR DELAYS

12.1. In the event of a delay in delivery, the Seller shall pay to the Buyer liquidated damages in the amount of 0,4% per day of delay (excluding Saturdays, Sundays and Public Holidays) calculated on the total value of the products which should have been delivered in one lot.

13.1.1. If this value is lower than the value of the products which cannot be taken into their intended use in consequence of the delay, the liquidated damages shall be calculated on that higher amount.

12.2. The total maximum amount of the liquidated damages shall be 15% of the total purchase price for all the products ordered hereunder.

12.3. Liquidated damages shall become payable irrespective of whether the Buyer has suffered any loss by reason of the delay.

12.4. In addition to the liquidated damages, the Seller shall, if so requested by the Buyer, pay to the Buyer damages equal to the amount by which the total sum of all

12.5. direct, indirect and consequential damages suffered by the Buyer exceeds the amount of the liquidated damages.

12.6. The Buyer has the right to deduct the compensation for delay from the Seller's invoice.

13. FORCE MAJEURE

13.1. The parties are free from liability for complete or partial nonfulfillment of their obligations if caused by circumstance not within their control, such as fire, flood, earthquake, acts of government (except those instituted by company).

13.2. A force majeure occurrence shall not include: breakdown on any item, equipment, engine, plant or machinery used by the Seller or the subsupplier; contractual commitment made by the Seller to third parties which limits the ability of the Seller to perform the work.

14. LAW

14.1. Applicable law is Estonian Law.

14.2. Convention on Contracts for the International Sale of Goods (CISG) and the international conflict of laws provisions shall not apply.

14.3. The parties submit all their disputes arising out of or in connection with this Agreement to the exclusive jurisdiction of the Harju Country Court, Estonia.

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