



## AVESCO SIA'S GENERAL TERMS AND CONDITIONS OF PURCHASE 06.08.2025

### 1. General

- These general terms and conditions of purchase (hereinafter "the Purchasing Terms") are applicable to orders placed from its Suppliers (hereinafter "the Supplier") by Avesco SIA (Business ID 40003441517) or a company belonging to the same group (hereinafter "Avesco"). Avesco and the Supplier are hereinafter in these Purchasing Terms referred to together as "the Parties" and separately as "the Party".
- By accepting an order from Avesco, the Supplier shall be deemed to have accepted the Purchasing Terms as part of the sales contract and/or a confirmed order between Avesco and the Supplier ("the Contract"). The Contract or any delivery made by the Supplier to Avesco shall not be subject to any other terms and conditions used by Avesco or the Supplier, unless otherwise agreed in writing between the Parties.
- Avesco shall be entitled to modify these Purchasing Terms by notifying the Supplier in writing one month prior to the effective date of the modifications.

### 2. Content of the Contract and conclusion of the Contract

- Only orders made by Avesco to the Supplier in writing shall be valid. Orders made and contracts concluded in any other ways shall only be valid if Avesco confirms them in writing afterwards.
- If special conditions deviating from these Purchasing Terms are agreed upon in writing on an order-specific basis, the special conditions separately agreed between the Parties shall prevail and these Purchasing Terms shall apply as supplementary to the special conditions.
- If the Supplier does not deliver the ordered goods to Avesco immediately, the Supplier shall confirm in writing the orders placed by Avesco without undue delay. However, an order placed by Avesco with the Supplier shall not be binding on Avesco if the Supplier has not sent an order confirmation to Avesco within one week of the date of placing the order, indicating the binding delivery date of the goods accepted by Avesco.
- The Supplier shall mark Avesco's order number and reference number on all documents related to the order. If the Supplier fails to include this information on the documents related to the order, Avesco reserves the right to return the order and/or its related invoice.
- The Supplier shall be liable for all additional costs that arise from its failure to comply with these Purchasing Terms.

### 3. Prices

- The prices are exclusive of value added tax.
- Unless otherwise agreed in writing between the Parties, the prices offered to Avesco shall include packaging and delivery costs, customs duties, taxes and other charges and any additional charges imposed by the authorities, in addition to the value of the goods or services. The Supplier shall itemize all additional charges on the invoice submitted to Avesco for Avesco's commercial statistics.
- The Supplier shall not be entitled to change the prices agreed between the Parties without the prior written consent of Avesco.

### 4. Delivery, transfer of right of ownership and liability for risk

- Orders shall be subject to the Incoterms 2020 DAP delivery clause.
- The type, scope and time of delivery shall be specified in the order. Deviations from information agreed in the order shall require the written consent of Avesco.
- The right of ownership of the product shall be transferred to Avesco when it takes possession of the goods. Liability for risk shall be transferred to Avesco in accordance with the Incoterms 2020 DAP delivery clause.
- The Supplier shall bear the risk of the goods being destroyed, lost, spoiled or reduced in volume for reasons beyond Avesco's control prior to their hand-over at the agreed destination. This condition shall also apply to free-of-charge consignments and to consignments whose freight has been paid in advance.
- The delivery must be made to the specified delivery address during its opening hours. Deliveries taking place outside opening hours must be agreed upon in advance with Avesco.
- Avesco reserves the right to reject deliveries with inadequate packaging or incomplete markings or documentation, as well as partial or advance deliveries not agreed in writing in advance. Avesco may, however, accept partial or advance deliveries and retain them at the Supplier's expense and risk until such time as the entire order has been properly fulfilled.
- The Supplier shall be responsible for ensuring that the packaging of the goods can be recycled in an environmentally friendly way. If not, Avesco shall be entitled to charge the Supplier for the costs of disposing of the packaging material and for any other additional costs that may arise.
- Each Party shall bear its own costs arising from any agreed and/or official acceptance inspection or the inspection of incoming goods. A report on the acceptance inspections carried out and/or the inspection of the incoming goods will be drawn up and signed by both Parties.
- If the inspection referred to in clause 4 h. above is not passed, the Supplier shall bear the costs of the re-inspection, unless it can prove that it is not responsible for the reasons for the rejection.
- For the sake of clarity, let it be stated that the warranty period shall commence from the date set out in Clause 8.

### 5. Declaration of origin

- If the Supplier provides or is required to provide a declaration of the origin for the goods sold, the following conditions shall apply:
  - The Supplier shall ensure that the customs authorities are able to verify the origin, and shall provide them with the necessary information, explanations and documentary evidence; and
  - The Supplier shall compensate for any damage caused by the authorities' refusal to accept the declared origin because of an incomplete certificate or the impossibility of verifying the declared origin. This liability shall, however, only apply if the non-acceptance of the origin is due to the Supplier's intentional action or lack of a guaranteed feature.

### 6. Delay by the Supplier

- The dates of delivery and/or deadlines agreed between the Parties shall be binding on the Parties. The Supplier must immediately initiate actions to prevent a delay in delivery if it notices the possibility of one. The Supplier must inform Avesco in writing without undue delay once it has noticed the possibility of a delay in delivery.
- The delivery date and/or deadline agreed between the Parties will be assessed according to when Avesco has received or accepted the goods or services at the location specified by the Parties.
- In the event of a delay caused by the Supplier, Avesco shall be entitled, after the additional period of time set by it, to demand that the Supplier meet its contractual requirements and pay the contractual penalty and damages pursuant to clause 6 d. Avesco shall also be entitled to refuse late delivery and claim either compensation for damages caused by non-performance of the Contract or to cancel the Contract.
- If the Supplier fails to meet its contractual obligations, the Supplier shall be obliged to pay Avesco a contractual penalty of 1% (one percent) of the value of the order for each week of delay, up to a maximum of 10% (ten percent) of the value of the order. Payment of the penalty shall not relieve the Supplier of its contractual obligations towards Avesco, but the penalty paid by the Supplier shall be deducted from the purchase price to be paid.

### 7. Payment terms

- The payment term is 30 (thirty) days net, unless otherwise agreed in writing between the Parties. If the Supplier's payment terms are, however, longer than this, they shall be observed.
- The payment period shall be calculated from the date of receipt of an approved invoice by Avesco. However, notwithstanding the above, the payment period shall not start before the date of receipt of the goods or services or the date of acceptance or inspection of the goods or services.
- As a result of delay or defective goods attributable to the Supplier, Avesco shall be entitled to withhold part of the payment until the Supplier has delivered the entire order.
- Avesco shall pay the Supplier an advance payment only if an irrevocable bank guarantee is issued for the advance payment at no cost to Avesco.

### 8. Warranty

- The warranty period given by the Supplier for the goods shall be 24 (twenty-four) months from the date of commissioning or use of the goods or 36 (thirty-six) months from the date of delivery of the goods, unless the Supplier has specified a longer warranty period, in which case it shall be applicable between the Parties.
- Avesco shall be entitled to make claims for latent defects even after the expiry of the agreed warranty period, provided that they are made as soon as the defect is discovered, but not more than 5 (five) years after acceptance of the delivery.
- The warranty shall also cover defects in design and manufacture and the costs of incorrect installation and commissioning of the goods, where the Supplier is responsible for the installation or commissioning of the goods in accordance with the terms of the order.
- In the event of a warranty claim, Avesco shall be entitled to demand that the Supplier repair the defects or deliver replacement goods at its own expense.
- If parts of the goods are replaced or repaired during the warranty period, the Supplier shall provide a separate warranty for these parts in accordance with clause 8a.
- For the avoidance of doubt, let it be stated that the warranty under this clause 8 also covers other defects in the goods, which arise or appear during the warranty period, legal errors relating to the goods and the lack of features of the goods, which can be regarded as having been agreed between the Parties, or which can be presumed to be features of the goods.

### 9. Supplier's responsibilities

- The Supplier must deliver the goods or services free of defects in material and workmanship and of legal errors. In particular, the Supplier warrants that the goods or services comply with generally accepted technological standards and the guaranteed features agreed in the Contract, and meet all requirements of the relevant standards, occupational safety regulations, accident prevention guidelines and other acts, decrees and official regulations in force from time to time.
- The Supplier shall be liable for any third-party claims relating to the goods or services supplied, for example in relation to product liability, environmental protection or infringement of intellectual property rights, and shall reimburse Avesco for any costs and damages caused by such claims.

### 10. Spare parts

- The Supplier undertakes to supply spare parts on reasonable terms for the expected service life of the goods, but at least 10 (ten) years from the start of the warranty period.
- If the Supplier or its subcontractor intends to discontinue production of a spare part, it must notify Avesco well in advance so that Avesco can order a sufficient number of the spare parts for its use.
- If the Supplier fails to notify Avesco in accordance with clause 10 b. above, Avesco shall be entitled to procure spare parts elsewhere at the Supplier's expense, unless the Supplier provides Avesco with a completely suitable alternative to the previous spare part with similar features, specifications and price.

### 11. Intellectual property rights and confidentiality

- The Supplier may use tools, models, drawings and other documents provided or produced by Avesco only for the purpose of fulfilling Avesco's orders. Making them available to third parties without the written consent of Avesco is prohibited. If Avesco's material is no longer required to be used in accordance with the above, the Supplier shall return all such material to Avesco.
- Copyright and other intellectual property rights to the end-results of the work, tools, models, drawings and other documents shall belong exclusively to Avesco. The Supplier undertakes to ensure that the Supplier's employment contracts and subcontract agreements contain corresponding terms and conditions enabling the transfer of the copyright and intellectual property rights to Avesco.
- The Supplier shall treat non-public commercial and technical information obtained through the business relationship as confidential and shall not disclose such information to third parties.
- The Supplier may use its business relationship with Avesco for marketing purposes only with the prior written consent of Avesco.

### 12. Information

The Supplier shall prepare the necessary product information and certification documents and submit them to Avesco. All documents and any test- and inspection certificates must be submitted together with the delivery of the goods or services.

### 13. Applicable law and resolution of disputes

- These Purchasing Terms shall be governed by Latvian law, with the exception of its connecting factor rules relating to the conflict of laws.
- Any disputes arising from these Purchasing Terms shall be resolved primarily through negotiation between the Parties. If disputes cannot be resolved, they shall be resolved by court.

### 14. Partial invalidity

- If any of these Purchasing Terms is found to be invalid, the other conditions shall remain in force. An invalid term shall be replaced with a valid term whose meaning and purpose correspond as closely as possible to the original term.

### 15. Other terms and conditions

- Supplier shall not be entitled to assign the Contract or its rights or obligations under it to a third party without the prior written consent of Avesco.
- Avesco shall not be liable for any indirect or consequential damage. Avesco's liability for direct damages shall be limited to 10% of the value of the Contract.

### 16. Validity

These Avesco Purchasing Terms applicable from 06. August 2025 shall be valid until further notice.