General agreement CONTRACT No. BMC 2017/419

Riga 01.12.2017.

**Derived Public Person "Latvian Biomedical Research and Study Centre",** Registration Number 181002, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter referred to as "The Buyer", as one of the parties hereto, and

**Metabion Internation AG**, Registration Number HRB154338, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter referred to as, "The Seller", as the other party, hereto

both together and each individually hereinafter referred to as the Party/Parties, on the basis of the results of the Procurement Procedure "Primer synthesis" (BMC 2017/419) hereinafter referred to as the Procurement Procedure, organized under the Public Procurement Law, conclude this contract, hereinafter referred to as the contract, as follows:

1. **Subject of the Contract**
   1. The Seller shall produce, supply and sell, and the Buyer shall buy goods that are synthesized in concordance with the orders of The Buyer, and the provisions of the Contract and its annex (hereinafter referred to as the Goods).
   2. Product description and prices are specified in the annex of the Contract "Technical/Financial offer" (Annex 1).
2. Obligations of the Parties
   1. The Buyer orders the Goods online, via the Seller's website online ordering form, or via e-mail, or via phone.
   2. The Buyer shall buy the Goods at the price specified in the contract's Appendix 1, provided their quality meets the Buyer's requirements.
   3. The Seller delivers the Goods to the Buyer within the required time term (no more than 2 (two) calendar weeks from the moment of the order, except for the RNA primers which delivery time must not exceed 15 (fifteen) working day from ordering moment, and peptides delivery time must not exceed 5 (five) calendar weeks from the moment of the order) and at its specified address (specified in the Parties details section of the Contract).
   4. There is no limit for one order on the minimum or the maximum amount, except for the maximum contract price of the Contract.
3. The Quality and Price of the Product
   1. The Goods must be new, previously unused, and supplied in packaging that ensures the preservation of the Goods during their transport and storage, according to the manufacturer's requirements and existing regulations.
   2. The delivered Goods must comply with the requirements of existing laws of the Republic of Latvia and/or European Union standards, and must fully comply with the technical requirements of the Procurement Procedure.
   3. The Seller is responsible for the quality of the Goods and shall cover all the proven losses to the Buyer of the Goods caused by non-compliance with its declared quality.
   4. The Product's price includes packaging costs, all taxes and fees, and other costs related to the Goods and their delivery, and other expenses, excluding VAT. The delivery expenditure of the Goods, within the meaning of the Contract, is an individual position (product), so transport and processing costs in the invoice can be decrypted as a separate heading.
   5. If in accordance with the laws and regulations, the VAT rate of the Goods is being amended, the price of Goods and the Contract amount with VAT is amended without a separate agreement between the Parties. The following changes of VAT rates shall enter into force on the date laid down in the laws and procedures.
   6. Prices of the Goods are not increased throughout the term of the Contract.
   7. The maximum possible contract price of the Contract is EUR 41 000, separately adding VAT.
   8. The Buyer is not obliged to make an order for the entire contract amount defined in the Contract, without VAT.
4. The Delivery and settlement arrangements
   1. The Seller shall cover all expenses related to the delivery of Goods to the Buyer (the delivery expenditure of the Goods, within the meaning of the Contract, is an individual position (product), so transport and processing costs in the invoice can be decrypted as a separate heading).
   2. The Sellerensures the delivery and unloading of the Goods to Buyer's specified space by using its own (including involvement of outsourcing) transport and human resources.
   3. The Seller delivers the Goods to the Buyer together with the invoice of the Goods.
   4. When issuing an invoice, the date and the number of the Contract are required, as well as other information if specifically requested by the Buyer, otherwise, the Buyer is entitled, without the application of the sanctions provided in this paragraph, to delay the payment deadline.
   5. The Seller before delivery of the Goods coordinates (by phone or electronically) the delivery time with the Buyer's contact person specified in the Contract.
   6. Product packaging must be accompanied by usage instructions and storage requirements.
   7. The Buyer makes a payment for the Goods in 20 (twenty) days from the date of the invoice unless the Parties have agreed otherwise in writing.
   8. The Seller shall inform the Buyer of the storage requirements and specific usage instructions of the delivered Goods.
   9. The Seller agrees at the time of delivery, when working in the Buyer's space, to comply with the applicable job security and fire regulations within the Republic of Latvia, and comply with the Buyer's internal rules. By signing the contract, the Seller confirms that it is aware of these internal rules.
5. Claims for the Goods
   1. If while accepting the Goods, the Buyer discovers the shortfall or another type of non-compliance with the terms of the Contract, and invoice, the Buyer within 5 (five) working days informs the Seller about the fact of shortage or discrepancy.
   2. The Seller's obligation is within 48 hours (during working days) to send a representative for the fact-finding or notify the Buyer about the recognition of the claim. If the goods are damaged, or another non-compliance with the instructions is found, the Seller must give instructions about actions with the damaged Goods and must prevent the non-compliance found, ensuring the substitution of damaged or poor quality goods with appropriate Goods within five working days on its own expense.
   3. If the Parties cannot agree on the defect conformity or responsibility, the Parties have the right to invite an independent expert, whose services shall be paid for by the Seller, if it is found that the causes of the defect are not the fault of the Buyer. If the independent expert finds that the defect occurred due to the fault of the Buyer, the services of the independent expert are paid by the Buyer.
   4. The Parties are aware that not all items that are accepted and with signed invoice are used at once, so the product conformity or quality control may also occur during the term of the Contract, i.e. when using the product in action.
   5. If during the use of the product (but not later than the duration of the Contract) the defect is found, the appropriate prevention of defects is applied according to the 5.2-5.3 points of the Contract.
6. Liability of the Parties
   1. During any non-compliance with the obligations of the Contract, the Parties shall inform one another of the claims and negotiate an agreement on these claims.
   2. If these claims are not resolved by negotiation, the default is pending in a court according to the procedures specified by the law in the Republic of Latvia.
   3. The Seller is not entitled to transfer the contractual obligations to third parties without agreement with the Buyer, except in cases defined in the legislation, as well as, if the contracting Party is replaced by other, according to appropriate regulations of commercial law area rules on the reorganization of the economic operators and the transition of companies.
   4. If the seller fails to deliver the Goods within the time limit laid down in the Contract, the Seller pays the Buyer a contractual penalty of 0.5% of the in time undelivered Goods' price for each day of delay, but not more than 10% of the amount of the principal obligation. The Buyer may decide to non-application of sanctions.
   5. If the Buyer delays the payment period of the Goods specified in the Contract, the Buyer pays the Seller a contractual penalty of 0.5% of the in time unpaid value of the Goods for each day of delay, but not more than 10% of the amount of the principal obligation. The Seller may decide to non-application of sanctions.
   6. If the Seller does not exchange the non-conforming Goods within the time limit laid down in the Contract, the Seller shall reimburse the Buyer for the non-conforming Goods price and a contractual penalty of 10% (ten percent) of the amount of the corresponding prices.
   7. Sanctions and contractual penalty laid down in the Contract is paid within 14 (fourteen) days from receiving the receipt of the contractual penalty. If the Seller has not paid the contractual penalty or other debts, the Buyer is entitled to withhold the corresponding amount of money from other payments to the Seller.
   8. Payment of contractual penalty does not relieve the Parties of Contract execution and the Parties may request the compliance with contractual penalty terms and contractual provisions.
   9. The Parties are responsible for direct damages to the other Party caused because of their action/inaction.
   10. If the Seller discontinues production or delivery of Goods under the offer during Contract harmonization or Contract performance and is able to provide confirmation from the manufacturer or authorized representative, the Seller offers the Buyer and the Buyer may agree that the Seller delivers equivalent or better Goods. In this case, the Seller agrees that delivered Goods meet all the Buyer's technical specifications (the compliance in such cases is determined in agreement with the Buyer). The Seller guarantees that in this case the offer price will not be increased, and all other procurement procedure terms and contract provisions will be respected.
7. Warranty of the Goods
   1. The warranty period for the Goods is 12 (twelve) months from the day when the invoice is signed by both Parties.
   2. The Buyer shall store and use the Goods according to the instruction manual of the Goods and rules for storage and care during the warranty period.
   3. During the warranty period, within 2 (two) working days from the date when the Buyer's written claim (e-mail) is sent, the Seller shall arrive at the location of Goods, form an act and prevent the defects identified and occurred after the invoice has been signed by both Parties; or exchange the damaged Goods for new, high quality Goods that complies with the contract provisions; or refund the money in value of the Goods, if it is not possible to exchange them. The Buyer shall inform the Seller by phone when sending the written claim.
   4. The seller is not obliged to exchange the low-quality Goods if the quality is lost because the Buyer has not complied with rules for storage and care, and instruction manual of the Goods.
8. Additions and Amendments to the Contract, Contract Components
   1. Additions and amendments to the Contract are valid if they are signed in writing by authorized representatives of the Parties, in accordance with the regulation of article 61, Public Procurement Law.
   2. Additions and amendments (mentioned in paragraph 8.1.), if any, and Buyer's orders-applications sent and signed by the Seller in the form of Seller's invoice, are an integral part of the Contract.
   3. An integral part of the Contract is also the Procurement regulations and the applicant's offer in the Procurement.
9. Early Termination or Suspension of the Contract
   1. The Contract is terminated before the deadline, only if the Parties voluntarily agrees in writing.
   2. The Buyer is entitled to unilaterally terminate the Contract before the deadline, if the Seller does not comply with any of the terms of the Contract, including, but not limited to - if the Seller has delayed the date of delivery mentioned in the Contract paragraph 2.3., delivered inadequate quality Goods or refused to deliver the Goods.
   3. The Buyer is entitled to unilaterally terminate the contract by informing the Seller 30 days in advance.
10. Disputes and Litigation
    1. All controversies and disputes will be resolved in mutual negotiation, however, if it fails, they will be settled in the court of the Republic of Latvia in accordance with the legislation of the Republic of Latvia.
    2. Any dispute arising out of or in the connection with this Contract shall be referred to a Court of the law of the Republic of Latvia as required in the laws of the Republic of Latvia.
11. Contract Period
    1. The Contract shall come into force at the time of signing and shall be in force for 24 (twenty-four) months or until the value of the Goods bought within the Contract exceeds the maximum contract price (indicated in paragraph 3.7.)
12. Additional Terms
    1. In matters that are not covered by this Contract, Parties should be guided by the acts of legislation of the Republic of Latvia.
    2. The Parties shall inform each other about changed address or billing details within 10 (ten) calendar days after the event.
    3. If any of the Contract provisions becomes invalid because of amendments in legislation, the Contract shall not become void in remaining Contract provisions, in such case the Parties are obliged to adjust the Contract to requirements of the valid legislation.
    4. If any of the Parties is reorganized, liquidated etc., the Contract shall remain valid and its provisions shall be binding to the successor of the Party's obligations.
    5. During the contract period, within no longer than 5 (five) working days, at the request of the Buyer, the Seller submit a summary of the Goods and their number, purchased during the Contract period.
    6. This Contract is drawn up in 2 (two) identical copies. After signing the Contract each of the Parties shall receive one copy of it.

13. Details of the Parties

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| **The Buyer**:  APP Latvian Biomedical Research and Study Centre  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | **The Seller:**  **Metabion International AG**  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| The Buyer:  \_\_\_\_\_\_\_\_\_\_\_\_ | The Seller:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

*Annex 1 of the General Agreement Contract BMC 2017/419*