

Purchase - Sale Agreement

for EcoCocon straw panels



No. YEAR/XX/XX - XX

The Seller: ECOCOCON, UAB
Corporate number: 302094574
Address: Odminių St. 10-9, Vilnius
VAT code: LT100006430619
website: www.ecococon.lt

Buyer:
Address:
.....
VAT code:

TERMS AND DEFINITIONS

The Parties – the Seller and the Buyer.

The Contract – defines the process, materials, services and final price of the project delivered by the Seller and paid for by the Buyer.

Estimate – simplified calculation that gives an overall approximate price of materials and labor based upon preliminary drawings.

Panel Project – the Technical Straw Panel Project developed in accordance with the architectural project provided by the customer, which specifies in detail the number of straw panels to be manufactured as well as specific measurements of straw panels.

Detailed Offer – a list of all materials and services to be delivered including final price of the Goods.

Straw panels – a wall construction made from a timber frame with straw insulation certified by the Building Product Certification Centre, the national technical assessment No. NTĮ-01-061:2013.

PROCEDURE

1. This contract is signed based on the Estimate (Appendix 1) that was prepared by the Seller for the Buyer. The preliminary plans provided by the buyer were the basis for the Estimate.
2. After signing the Contract, the Buyer and the Seller have agreed on these next steps (depending on the project, some steps might already have been completed at the time of signature):
 - a. The buyer provides **contact details of the architect** and ensures that detailed plans by the architect are delivered to Ecococon.
 - b. The plans will be used by Ecococon to prepare the **Panel Project** (Annex 2) in cooperation with the architect.
 - c. Upon receiving the Panel Project from the Seller, the Buyer must **approve/disapprove it within 10 days, or ask for corrections**.
 - d. Following its approval by the architect and the Buyer himself, a **Detailed Offer** (Annex 3) will be produced by Ecococon.

- e. By **signing the Detailed Offer, the contract is validated** by the buyer and a **50% pre-payment** is made. In case the buyer has already made an advance-payment, only the difference between the advance-payment and the 50% pre-payment is paid.
- f. If the offer **is not accepted** by the buyer, he agrees to **pay for the Panel Project** and the contract is thereby **cancelled**. In case the buyer has already made an advance-payment, the advance-payment is returned to the Buyer.
- g. After receiving the full 50% pre-payment, the Seller will **begin manufacturing** the Straw Panels and undertakes to **complete manufacturing within the number of weeks defined in the Detailed Offer (max. 12 weeks)**.
- h. The Buyer is **notified** when the production is complete and the Goods ready for delivery.
- i. **Delivery** is undertaken based on agreement usually within one week of receiving final payment. The outstanding payment has to be made latest 1 month after notification.
- j. The responsibility and risk for any **undelivered** goods is transferred to the Buyer after one year.

PAYMENT TERMS AND CONDITIONS

1. The **final Goods price** will be defined in the **Detailed Offer** (Annex 3).
2. The Panel Project price is mentioned in the Estimate (Annex 1). The price includes 2 corrections. Each further correction is billed at 50€.
3. Structural calculations and technical drawings can be provided at an hourly fee of € 30, - and will be billed as incurred.
4. Invoices have to be paid within seven (7) days, if not agreed differently. Goods prepared for delivery have to be paid for not later than one month after notification.
5. Invoices by the Seller to non VAT organisations and private persons will include added VAT.
6. By storing the order with the vendor beyond six months, € 90/month will be billed as incurred.

OWNERSHIP RIGHT

1. Ownership of the Goods shall be transferred to the Buyer after the last payment is made.
2. Ownership of the Goods belongs to the Seller until all payments are settled. In the absence of a settlement the Seller can require the goods returned undamaged within 5 working days.

LIABILITY OF THE PARTIES AND DISPUTE RESOLUTION

1. The Parties shall be deemed liable for non-execution or improper execution of this Contract in accordance with the procedure established by this Contract and the law of the Republic of Lithuania.
2. For delay in its payments the Buyer shall pay the Seller a penalty in the amount of 0.2% (two tenths percent) of the outstanding amount for each day of delay.
3. If the delivery of the Goods are delayed by more than 2 weeks beyond the agreed delivery time, the overall price will be reduced by 2,5%/week.
4. Should the Buyer cancel the order after start of production, the Buyer undertakes to pay the Seller a penalty of 50% (fifty percent) of the total amount of the order; the pre-payment shall remain with the Seller as compensation of the Seller's losses due to the Buyer's improper execution of the Contract. After the Seller has manufactured the Goods, the Buyer no longer has the possibility to refuse the Goods and must pay the full price of the prepared Goods.

5. Any and all disputes arising between the Parties in relation to this Contract shall be settled by mutual agreements based on the principles of reciprocity and finding solution maximally beneficial for both Parties. Should the Parties fail to reach mutual understanding, such disputes will be settled in court in accordance with the law established by the Republic of Lithuania.
6. All handling of the elements shall be in accordance with the instruction in the warranty (Annex 4). The Parties agree that in the occurrence of any mishap, the Parties shall cooperate, inform each other about the problems and seek to find the most appropriate solution to secure both the Buyer's interests and the Seller's reputation.
7. Parties' obligations are considered terminated when the agreement is honored.

FINAL PROVISIONS

1. This Contract and its annexes are made in two (2) copies of equal legal force. Each Party holds one copy.
2. If the Contract is not bound, it is to be signed on each page and each annex page.
3. Annexes:
 - Annex 1 – Estimate
 - Annex 2 – Technical straw panel project
 - Annex 3 – Detailed Offer
 - Annex 4 – Warranty
 - Annex 5 – Declaration of performance (delivered with the Goods)
 - Annex 6 – Acceptance Certificate (delivered with the Goods)

Signed,

Buyer:

Seller:

Name:

Name: Marius Tarvydas

Place:

Place: Vilnius, Lithuania

Date:

Date: