

GENERAL TERMS AND CONDITIONS OF SOFTWARE LICENCES SUBSCRIPTION

1. SCOPE OF APPLICATION OF TERMS

- 1.1. These terms and conditions provide for the procedure whereby the customer indicated in the invoice (hereinafter- the Customer) orders and settles the payment for, but SIA "DPA" (hereinafter – the Supplier) supplies software licences to the Customer (hereinafter – the Products).
- 1.2. Supplier supplies Products to the Customer in separate batches according to the orders performed by the Customer and accepted by the Supplier.
- 1.3. Supplementary to these terms the terms of the manufacturer of Products shall be binding to the Customer whereto the Customer may get acquainted on the internet site: <https://squalio.com/csp-terms-conditions/> (hereinafter – Terms and conditions of manufacturer of Products). As of the moment of payment of invoice the Customer shall approve the acquaintance with the Terms and conditions of the manufacturer of Products, agrees with them and recognizes them as binding.
- 1.4. In case of discrepancies between these general terms and conditions of software licences subscription (hereinafter – General terms and conditions) and Terms and conditions of the manufacturer of Products, the Terms and conditions of the manufacturer shall prevail.

2. CONCLUSION OF AGREEMENT

- 2.1. Products shall be purchased by Customers that pursuant to the Civil Law of the Republic of Latvia (hereinafter – Civil Law) have legal capacity and the capacity to act for making such transaction. Persons having a legal capacity in lawful transactions are:
 - 2.1.1. Natural persons who have been adjudged as of age and with an ability to act pursuant to the Civil Law;
 - 2.1.2. The State, local governments, associations of persons, institutions, establishments, and such aggregations of property as have been granted the rights of a legal person shall be considered to be legal persons.
- 2.2. Agreement is concluded and becomes effective as of the moment where the Customer has performed a payment of the invoice. Pursuant to the Civil Law providing for that if a contract is entered into between absent parties, it shall be regarded as entered into from the moment the offerer has received unconditional consent of the party to whom the offer was made. A contract legally entered into shall impose on a contracting party a duty to perform that which was promised, and neither the exceptional difficulty of the transaction, nor difficulties in performance arising later, shall give the right to one party to withdraw from the contract, even if the other party is compensated for losses.
- 2.3. Contents of the Agreement consist of the General terms and conditions and the Terms and Conditions of the manufacturer of products.

3. CONTACTS OF PARTIES

- 3.1. For the exchange of information, the Parties shall use the following e-mail addresses:
 - 3.1.1. Supplier's e-mail address: CSP_Latvia@squalio.com and e-mail address of the Supplier's customer manager;
 - 3.1.2. Customer's e-mail address: e-mail address whereof the initial order of Products has been placed from.
- 3.2. Customer shall ensure that in the framework of the Agreement the sending of notifications of the Customer to the Supplier is performed from one and the same e-mail address. The Customer shall notify the Supplier on changes in the e-mail address of the Customer upon sending a notification from the initial e-mail address to the Supplier's e-mail address indicated in the paragraph 3.1.1 of the Terms.

4. PROCEDURE OF ORDERING AND SUPPLY OF PRODUCTS

- 4.1. Supplier shall perform supply of Products to the Customer in a manner of electronic licences in 2 (two) working days' time as of the moment of receipt of Customer's order.
- 4.2. Along with the supply of Product the Customer shall be sent to an invoice for the subscription fee for the current month.
- 4.3. Up to the date 25 (twenty-five) of each calendar month the Customer shall notify the Supplier by e-mail with the current volume of Products (the necessary number of licences for subscription) for the upcoming calendar month.

4.4. In case the Customer has not notified the actual quantity of Products in a term mentioned in the paragraph 4.3 of the Term, the Supplier shall issue an invoice, on its part the Customer – shall perform the payment for the quantity of Products that is active on the first date of the current month.

5. PROCEDURE OF SETTLEMENT OF PAYMENTS

5.1. In case no other term of payment is indicated, the first subscription payment the Customer shall perform in 10 (ten) calendar days' time.

5.2. Parties agree that according to this Agreement invoices shall be submitted electronically to the Customer. Non-receipt of an invoice shall not release the Customer from liability of payment.

5.3. The price per 1 (one) Product unit in month indicated in the Invoice shall remain unchanged for 12 (twelve) months as of the day of first-time supply of the Product.

5.4. Upon termination of the 12-month period mentioned in the paragraph 5.3 of the Agreement, the price of the unit of Product shall be fixed pursuant to the actual pricelist of the Supplier. In case the Customer does not agree to the changes of the unit price, the Agreement shall be terminated grounding on a separate notification of the Customer

5.5. Upon performing the payment for Product in line with the monthly payment principle:

5.5.1. On the first working day of each calendar month the Supplier shall prepare and electronically send to the Customer a monthly subscription invoice for the Product to be supplied in the current month. If the Customer has notified on contrary until the 5th (fifth) day of the month, it shall be deemed that the Supplier has sent and the Customer has accepted the invoice of monthly payment.

5.5.2. Subscription fee for an incomplete calendar month shall be calculated *pro rata* to the respective number of days.

5.5.3. In cases where the Customer reduces the volume of Products, the Customer shall be compensated for the unused scope of Products in the particular time period, that is indicated in the next issued invoice.

5.5.4. Customer shall perform payment of monthly subscription fee until the 10th (tenth) date of the current month.

5.6. Upon performance of the payment for Products for a 12-month time period:

5.6.1. If in the framework of the Time period the Customer is willing to increase the volume of Products, grounding upon the Customer's notification the Supplier shall issue an invoice and the Customer shall perform a payment for additionally ordered Products for the remaining period.

5.6.2. Customer shall have rights to perform payment for Products for 12 (twelve) months (hereinafter for the purpose of this paragraph – Time period). Grounding upon such a separate Customer's order the Supplier shall prepare an invoice and the Customer shall perform a payment in a time period laid down in the invoice.

5.6.3. In the case of early termination of the Agreement, as well as in cases where the Customer reduces the volume of Product, neither of the payments previously performed by the Customer shall be reimbursed (neither fully, nor partially), except for the case mentioned in the paragraph 7.

6. GUARANTEES.

6.1. The Supplier guarantees the compliance of the supplied Product with the Terms and conditions of the manufacturer of Product and undertakes timely supply of Products.

6.2. Customer undertakes to observe Terms and conditions of the manufacturer of Product.

7. NON-CONFORMITY OF PRODUCTS WITH THE TERMS AND PROVISIONS OF THE AGREEMENT

7.1. Pursuant to the Consumer Rights Protection Law, if the Customer is a consumer, namely, a natural person, that purchases goods for a purpose which is not related to his or her economic or professional activity, and the Customer to whom Product not conforming to the provisions of the Agreement is sold or given for use is entitled to require the performance of one of the following actions by the manufacturer or Supplier:

7.1.1. Appropriate reduction of the price of the Product;

7.1.2. Rectification of the non-conformity of the Products with the provisions of the Agreement or indemnify the Customer for the expenses for rectification of such non-conformity;

7.1.3. Exchange of the Products for such products with which conformity with the provisions of the Agreement would be ensured;

7.1.4. Revocation of the Agreement and repayment to the Customer of the amount paid for the Products.

8. LIABILITY OF PARTIES

8.1. In case of delay of the payment liabilities the Supplier shall be entitled to request the Customer a payment of contractual penalty amounting to 0.5% from the unpaid sum for every day in delay.

- 8.2. Supplier shall be responsible for damage caused to the Customer as a result of supply of the Products, if these have occurred as a result to a deceit or gross negligence.
- 8.3. Payment of the Contractual penalty shall not release Parties from fulfilment of liabilities set forth in the Agreement.
- 8.4. In case if the Customer has delayed the payment laid down in the Agreement the Supplier shall be entitled to annul the Products supplied to the Customer. Annulment of Products shall not release the Customer from obligation to perform payment for supplied Products.
- 8.5. Parties are aware and agree that the terms and provisions anticipated in the Terms of manufacturer of the Product and the provisions arising thereof may be changed in case if the manufacturer of the Product unilaterally performs changes in the respective Terms of the manufacturer of the Product that are binding to both Parties hereto. In case of performance of such changes the Parties undertake in a time period agreed by both Parties hereto to sign respective amendments of the Agreement. In case if one Party refuses of signing such amendments that cause direct loss to the other Party, the guilty Party shall fully indemnify the other Party for all such directly caused loss.

9. FORCE MAJEURE

- 9.1. If any of the Parties hereto fail to fully or partially fulfil the liabilities undertaken due to such circumstances that are beyond the control of the Parties, i.e., nature calamities, fire, military actions, blockade, export prohibition in the manufacturing country of accessories, decisions adopted by higher institutions and other force majeure events that the Party, whose liabilities are affected thereby shall notify about the other Party in 3 (three) working days' time as of occurrence of such circumstances or termination thereof.
- 9.2. In the same manner the Parties may be entitled in the time period of existence of force majeure event to agree in written on prolongation of term of fulfilment of obligations of the Agreement or termination of the Agreement, if the performance of the Agreement becomes impossible.

10. SETTLEMENT OF DISPUTES

- 10.1. The procedure of performance of the Agreement and the relation of the Parties shall be regulated by the laws and regulations of the Republic of Latvia.
- 10.2. All and any disputes arising regarding this Agreement and the fulfilment thereof the Parties shall solve in mutual negotiations. In case the agreement may not be achieved in a 1 (one) month time, the disputes shall be referred for settlement in the court following the procedure prescribed by the laws and regulations of the Republic of Latvia.

11. EFFECTIVENESS OF THE AGREEMENT AND TERMS OF TERMINATION

- 11.1. Agreement shall become effective pursuant to the procedure set forth in the paragraph 2.2 of this Agreement and shall be valid until full execution of liabilities of Parties laid down in this Agreement. As of the moment of signing of this Agreement all the prior negotiations of the Parties, the results thereof and the correspondence of the parties, irrespective of it whether made in a verbal or written form become ineffective.
- 11.2. Any Party shall be entitled to terminate this Agreement upon submitting to the other Party a written 30 (thirty) days' advance notification to the other Party prior to the preferred term of termination of the Agreement.
- 11.3. Supplier shall be entitled to unilaterally terminate the Agreement in the following cases:
 - 11.3.1. If the Customer breached the Terms and conditions of the manufacturer of the Products;
 - 11.3.2. If the Customer has not performed any payment in a term and under procedure anticipated by the Agreement.
- 11.4. In any case of termination of the Agreement the Products supplied to the Customer shall be annulled and the Customer shall perform final settlement of payment for all the Products supplied up to the moment of termination of the Agreement. In the cases mentioned in this paragraph the Customer shall not be obliged to request from the Supplier a full compensation on payments that the Customer has made up to the day of termination of the Agreement, likewise the Supplier shall not be liable for the damage caused to the Customer as a result of termination of the Agreement.

12. OTHER COVENANTS

- 12.1. Supplier shall be entitled to perform changes in these Terms at any moment. The version of Terms effective at the moment of sending of invoice for Products shall be binding to the Customer.
- 12.2. Supplier shall be entitled to assign the rights arising from the Agreement to third parties, including – for initiation of debt collection.

- 12.3.** If any of the clauses of these Terms shall be announced as invalid or inapplicable, that shall not affect the existence and applicability of other paragraphs of these Terms.
- 12.4.** Customer agrees both to the processing of data, and the assigning to the debt collection companies for the improperly fulfilled liabilities of the Customer.
- 12.5.** Supplier shall be entitled to assign (sell) any debt of the Customer without a consent of the debtor/guarantor.
- 12.6.** General terms of the Agreement, Terms of the manufacturer of Product and any appendixes to the Agreement shall be applied and interpreted as a whole. General terms of this Agreement shall be applicable as far as the Terms of the manufacturer of Product and the Appendices to the Agreement do not provide otherwise.
- 12.7.** Any communication between the Parties in the framework of the Agreement shall be performed electronically, upon using e-mails indicated by the Parties, except in cases if the Agreement provides otherwise.
- 12.8.** In case if there is a written agreement concluded between the Parties anticipating other terms and provisions, in case of discrepancies written terms of agreement shall supersede.

Terms have been last updated: 11.07.2017.