

SALES CONTRACT No. 8-1/25-364-1

Concluded on [date].

Buyer: Geological Survey of Estonia (EGT), registry code 77000387 , **VAT/KMKR No. EE102038860**, address F. R. Kreutzwaldi tn 5, 44314 Rakvere, Estonia represented by Sirli Sipp Kulli , Director (hereinafter the “**Buyer**”).

Seller: Radar Systems Inc, registry code 40003304651, **VAT No.** LV40003304651, address Darzauglu str. 1-105, Riga, LV1012, Latvia, represented by Vladimirs Zolotajovs (hereinafter the “**Seller**”).

The Buyer and the Seller individually a “**Party**”, and jointly the “**Parties**.”

1. Subject of the Contract

1.1. The Seller sells and delivers to the Buyer, and the Buyer purchases and accepts, the following equipment: **Zond x500 Ground-Penetrating Radar (GPR) system**, together with accessories and documentation as defined in **Annex 1 (Seller’s Quotation Zond_x500_GPR_Quotation_2.pdf: Technical Specification & Supply Scope)** (the “**Equipment**”).

1.2. The supply includes, in addition to the Equipment: standard accessories, cables, batteries/chargers, software licence(s), and user manuals (English or Estonian).

1.3. The Annexes listed in Section 15 form an integral part of this Contract. In case of inconsistency, the order of precedence is specified in Section 15.2.

2. Price and Payment Terms

2.1. The **total Contract price** is 18 300 EUR **exclusive of VAT**. Prices are firm and include delivery according to Section 3.

2.2. Invoicing and payment: **Net 21 calendar days** from the date the **Acceptance-Delivery Certificate** is signed by the Parties. Invoices are issued as e-invoice or PDF to info@egt.ee.

2.3. Late payment interest: **0.05% per day** on the overdue amount, capped at 10% of the invoice amount. The Buyer may set-off; the Seller may do so only with the Buyer’s prior written consent.

3. Delivery, Risk and Title

3.1. **Delivery time:** No later than **31.12.2025**.

3.2. **Delivery term:** **Eesti Geoloogiateenistus, Ravila 14a, 50411, Tartu, Estonia** (unless otherwise agreed in writing). The Seller bears transport and insurance costs up to handover to the Buyer at the place of delivery.

3.3. **Risk** of loss or damage passes to the Buyer upon physical handover at the place of delivery. **Title** passes upon full payment of the Contract price.

3.4. The Seller shall provide all shipping and compliance documents (commercial invoice, packing list, transport documents, certificate of origin if applicable, EU conformity/CE documentation, etc.).

4. Inspection and Acceptance

4.1. Upon delivery the Buyer performs a visual inspection and checks documentation.

4.2. A **functional check** will be carried out within **14 business days** from delivery to verify conformity with **Annex 1**. The functional check includes at minimum: power-on and self-test; firmware/licence verification; antenna recognition; basic scan in a controlled area confirming data acquisition and storage; verification that user manuals have been delivered.

4.3. If non-conformities are found, the Buyer issues a **Defect Report** with a reasonable remedy period. The Seller remedies defects at its cost within 30 days, or as otherwise agreed. After remedy, the Parties repeat the relevant checks.

4.4. The Equipment is deemed accepted when it meets Annex 1 requirements and passes the functional check. Acceptance may be signed with a **punch-list** of minor defects and agreed deadlines for their remedy.

5. Warranty

5.1. The Seller provides a **warranty of 12 (twelve) months** from the Acceptance Certificate date (or 30 days after delivery, whichever occurs first).

5.2. The warranty covers defects in materials and workmanship. **Warranty service** includes labour, spare parts and two-way transport/logistics within the European Union at the Seller's cost.

5.3. If the repair exceeds 28 days, the Seller will provide a **loaner unit** (temporary replacement) or extend the warranty by the documented downtime, at the Buyer's option.

5.4. **Spare parts & availability:** The Seller warrants availability of spare parts and paid maintenance for **not less than 7 years** after acceptance.

5.5. **Software support:** during the warranty, corrective updates and compatibility fixes are included.

5.6. The warranty does not cover mechanical, thermal or chemical damage, normal wear and tear that's caused by misuse or unauthorised modifications by the Buyer.

6. After-Sales Service (Support)

6.1. The Seller provides technical support via email radsys@radsys.lv or by phone +371 6714041 on business days 10:00-16:00 by EET/UTC+2:00.

6.2. **Fault diagnosis and correction timelines.** The Seller shall offer:

(a) **Diagnostic support within 48 hours:** within Forty-eight (48) hours of the Buyer's written notice of a suspected fault, provide active remote technical assistance (including log/trace analysis, guided test steps, and confirmation of findings) sufficient to identify and verify the fault and its severity, at **no additional cost** to the Buyer; and
(b) **Permanent correction within 28 days:** permanently correct any confirmed non-conformity or defect within twenty-eight (28) calendar days from the Buyer's initial notice. Failure to meet this deadline constitutes a **material breach**; in such case, the Buyer may exercise remedies under Sections 5.3 and 12.2 (including repair/replacement, price reduction, or termination), and the warranty period shall be extended by the documented downtime.

6.3. Return-to-depot service (Latvia). If remote resolution is determined by Seller as not feasible, the Buyer ships the equipment to the Seller's service depot in Latvia (address as notified by the Seller). The Seller performs warranty repair or replacement at the depot and ships the equipment back to the Buyer. In confirmed warranty cases, round-trip transport within the European Union is arranged and paid by the Seller.

6.4. **Preventive maintenance & calibration:** as recommended by the manufacturer and agreed in writing between the Parties.

7. Intellectual Property (IP) and Data

7.1. IP rights to the Equipment, software and documentation remain with the Seller or its licensors.

7.2. The Buyer is granted a **non-exclusive, non-transferable licence** to use the software with the Equipment and to process data acquired with the Equipment.

7.3. **Data ownership:** all raw and processed measurement data collected by the Buyer belong to the **Buyer**. The Seller may not use such data beyond Contract performance without the Buyer's prior written consent (aggregated/anonymous statistics excepted if agreed).

7.4. Reverse engineering, decompilation and redistribution are prohibited except as permitted by law.

8. Compliance, Export Controls and Sanctions

8.1. The Seller ensures the Equipment complies with EU and applicable standards (including CE marking and safety requirements, where applicable).

8.2. The Seller is responsible for obtaining required **export/import licences** in its jurisdiction and confirms compliance with **US/EU export controls** and **sanctions regimes**. The Buyer will not re-export the Equipment to sanctioned jurisdictions.

8.3. The Parties comply with applicable **anti-bribery and anti-corruption laws**.

9. Liability

9.1. Each Party is liable for direct damages caused by its breach. The Seller's aggregate liability for damages, penalties and costs under this Contract shall not exceed the **total Contract price**, except for personal injury, wilful misconduct or gross negligence.

9.2. Indirect or consequential losses (including lost profits) are excluded to the extent permitted by law.

10. Force Majeure

10.1. A Party is not liable for delay or non-performance caused by an event beyond its reasonable control (natural disasters, war, strikes, epidemics, etc.). The affected Party shall notify the other Party without undue delay and use reasonable efforts to mitigate the impact.

11. Public Disclosure and Data Protection

11.1. The Buyer is a **public sector body**. This Contract may be wholly or partly public under Estonian law (incl. Public Information Act). Trade secrets and confidential information shall be clearly marked and will not be disclosed except as required by law.

11.2. If personal data are processed, each Party shall comply with **GDPR** and applicable laws; a separate data processing agreement will be signed if necessary.

12. Term, Termination and Survival

12.1. This Contract enters into force upon signature and remains in effect until all obligations are fulfilled.

12.2. Either Party may terminate for material breach if the breach is not cured within **30 days** after written notice.

12.3. Provisions that by their nature should survive (confidentiality, IP, liability limits, governing law, dispute resolution) shall survive termination.

13. Governing Law and Dispute Resolution

13.1. This Contract is governed by the **laws of the Republic of Estonia**. The **CISG (UN Convention on Contracts for the International Sale of Goods)** shall not apply.

13.2. Disputes shall first be resolved by negotiations. Failing settlement, the dispute shall be submitted to the **Harju County Court (Harju Maakohus)**.

14. Notices and Assignment

14.1. Notices shall be in writing to the contacts below. Email notices with signed PDF are deemed received on the next business day.

14.2. The Seller may not assign this Contract without the Buyer's prior written consent.

15. Entire Agreement, Priority of Documents and Annexes

15.1. This Contract together with Annexes constitutes the entire agreement and supersedes prior understandings on the subject.

15.2. **Order of precedence** (highest to lowest): (i) this Contract; (ii) **Annex 1** (Seller's Quotation Zond_x500_GPR_Quotation_2.pdf – Technical Specification & Supply Scope); (iii) **Annex 2** (Acceptance-Delivery Certificate).

15.3. **Languages:** This Contract is drawn up in English. If a translation is prepared, the **English version prevails** in case of discrepancy.

16. Parties' Details

Buyer

Geological Survey of Estonia (EGT)

Address: F. R. Kreutzwaldi 5, 44314 Rakvere, Estonia

Registry code: 77000387

VAT No: EE102038860

Contact person in contract-related matters: Tavo Ani, senior geologist

Email: tavo.ani@egt.ee

Phone: +372 5554 0729

Seller

Radar Systems Inc

Address: Darzauglu str. 1-105, Riga, LV1012, Latvia

Registry code: 40003304651

VAT No: LV40003304651

Contact person: Sergejs Zelenkovs

Email: radsys@radsys.lv

Phone: (+371) 6714 1041

17. Signatures

Signed in two counterparts (including digitally), each having the force of an original.

Buyer: Geological Survey of Estonia (EGT)

Name: Sirli Sipp Kulli

Title: director

Signature: *signed digitally*

Date: _____

Seller: Radar Systems Inc

Name: Vladimirs Zolotajovs

Title: Managing Director

Signature: *signed digitally*

Date: _____

Annexes (Integral Part)

- **Annex 1.** Seller's Quotation **Zond_x500_GPR_Quotation_2.pdf** (Technical Specification & Supply Scope)
- **Annex 2.** Acceptance -Delivery Certificate