

General Terms and Conditions of HEAT3 OÜ Services

1. General

1.1. On the basis of the following general terms and conditions, the service provider is HEAT3 OÜ, registry code 11256808, address Härgmäe 21, 13524 Tallinn (hereinafter referred to as the Contractor).

1.2. The services offered by the Contractor are the packaging of the Customer's products, development of packaging solutions, training for packaging (hereinafter referred to as the Work) and sale of packages and devices (hereinafter referred to as the Goods) and rental of equipment required for packaging.

1.3. The services offered by the Contractor can be used by all natural and legal persons (hereinafter referred to as the Customer).

1.4. These general terms and conditions, an order and a price offer constitute a contract (hereinafter referred to as the Contract). The Contract always prevails over the terms and conditions of the products/services set out or referred to by the Customer.

2. Ordering and performing Work

2.1. To order the Work, the Customer sends a query to or places an order with the Contractor.

2.2. Based on the order, the Contractor provides order confirmation or prepares a price offer that sets out the price of the Work, deadlines and other important conditions.

2.3. After the price offer has been accepted, the Contractor sends the Customer a final confirmation for performing the Work.

2.4. The Contractor performs the Work according to their best professional skills, observing all the requirements for the performance of the Work applicable pursuant to legislation.

2.5. The Contractor has the right to subcontract the ordered Work either in part or in full to third parties, remaining itself liable before the Customer.

2.6. The Contractor has the right to refuse to perform additional work that it did not and could not foresee upon entry into the Contract and that had not been indicated in the price offer. The parties enter into a separate agreement on the conditions and remuneration for performance of such additional work.

2.7. The Customer is aware that the Work cannot be performed and the Contractor has the right to postpone the final deadline of the Work if such impediments to the performance of the Work occur for which the Customer is at fault (for example, a delay in making an agreed payment to the Contractor, lack of material or delay in delivery, no access to the work site, non-compliance of the working environment with that agreed, etc.) or, in the case of outdoor work, such weather conditions (wind or gusts of wind over 5 m/s, precipitation, etc.) occur that are not suitable for outdoor work.

2.8. The Customer agrees to ensure such conditions at the work site, which allow safe, high-quality and proper performance of the Work by the Contractor. The Customer:

2.8.1. takes care of obtaining permits necessary for the performance of the Work;

2.8.2. observes the wind, snow and rain loads of impact on the packages and items to be packaged and immediately applies measures to avoid emergency situations and damage at its own cost;

2.8.3. is responsible for the load-bearing capacity of the surface under the items being packaged as well as the structures;

2.8.4. ensures that the packages and structures are not overloaded or changed without the Contractor's prior consent;

2.8.5. ensures that the surroundings of the place of performance of the Work are clean, free of dust, steam, gas, rubbish and other flammable material;

2.8.6. is responsible for fire safety in the place of performance of the Work and the room or area adjacent thereto;

2.8.7. turns temporarily on and off the automatic fire safety device during the performance of the Work, if necessary.

2.9. The Customer agrees to deliver to the Contractor all materials, designs, drawings and other similar information necessary for proper completion of the Work on the delivery of which the Parties have agreed beforehand and which may have an impact on the performance of the Work and on the condition of the site after the Work has been completed.

2.10. The Customer is aware that, while performing the Work, the Contractor may use work equipment with which short-term high temperature (up to 140 °C) is created on the surface of the packaging. The Customer is required to notify the Contractor of proximity of highly flammable elements to the hot work performed by the Contractor as well as if high temperature or flame may, to the knowledge of the Customer, pose a threat to the performance of the Work or preservation of the Customer's property in order for the Contractor to assess the possibility of performance of the Work.

2.11. The Contractor guarantees that its employees use all required personal protective equipment (appropriate working clothes, a helmet, working footwear, body harnesses, etc.) while performing the Work on the site and take appropriate measures to minimise or avoid the risk of injuries and damage on the site. The Customer carries out the initial occupational safety training of possible risks on the site.

2.12. The Customer has the right to check the course of performance of the Work.

2.13. The Contractor is required to inform the Customer, on an ongoing basis, of the problems arisen in the course of performing the Work and request instructions and information from the Customer, if necessary.

3. Sale of packages and other Goods

3.1. The Contractor sells the Goods on the basis of an order placed by the Customer.

3.2. By placing an order, the Customer confirms that the data provided by the Customer are true and complete and the measurements set out in the order are true. The Contractor is not held liable if the measurements of an item to be packaged are not in compliance with the measurements of the package and are not suitable for packaging the item if the Customer has failed to provide other important information due to which the

package or other Goods are not suitable for the Customer.

3.3. Based on the order, the Contractor provides order confirmation or prepares a price offer that sets out the price of the Goods, deadlines and other important conditions.

3.4. After the price offer has been accepted, the Contractor sends the Customer a final confirmation for selling the Goods.

3.5. The Parties agree on the delivery terms of the Goods separately.

3.6. If the Customer purchases a ready-made package and packages items themselves, the Contractor provides the Customer with a packaging manual setting out recommendations for the correct and secure packaging of items.

3.7. The risk of accidental damage to and destruction of the Goods transfers from the Contractor to the Customer after the Goods have been delivered to the Customer or the Customer's representative (e.g. the carrier).

3.8. The Customer is aware that in purchased film rolls the thickness, length and width of a package may differ from that ordered by up to 10% and the parties do not deem such a difference a breach of the Contract.

3.9. The Customer is required to use the purchased Goods prudently and purposefully as well as according to the packaging manual and the user manual of the Goods.

4. Rental of equipment

4.1. The Contractor rents out equipment on the basis of an order placed by the Customer.

4.2. Based on the order, the Contractor provides order confirmation or prepares a price offer that sets out the rental price of the equipment, deadlines and other important conditions.

4.3. After the price offer has been accepted, the Contractor sends the Customer a final confirmation for renting out the equipment.

4.4. Upon renting out equipment necessary for packaging, the rental period is deemed to be the period between the delivery and return dates of the devices. The delivery and return dates are included in the rental period. The rental day ends at 9:00 in the morning. The rented equipment is delivered from the warehouse and returned there according to the list or waybill of equipment, which will be signed by the representatives of the Customer and the Contractor.

4.5. The Customer is held liable for the good condition and preservation of the rented equipment throughout the rental period. If the rented equipment is damaged, destroyed or lost, the Customer is required to compensate the Contractor for the cost of new equivalent equipment to be purchased for replacement.

4.6. The rented equipment must be cleaned before returning it to the Contractor; otherwise, the Contractor has the right to request a fee for cleaning the equipment.

5. Terms of payment

5.1. The Customer is required to pay the Contractor for the services in the amount and under the terms and conditions set out in the price offer on the basis of an invoice submitted by the Contractor.

5.2. The Goods sold to the Customer by the Contractor are in the ownership of the

Contractor until the payment has been made and, upon failure to pay for the Goods by the due date, the Contractor has the right to discontinue the performance of the Contract and bring back the Goods sold and/or materials used for performing the Work from the Customer. The Contractor has the right to request that the Customer compensate for the expenses incurred in order to recover the Goods or materials.

6. Receipt of Work/Goods and liability of Parties

6.1. The Customer agrees immediately, but no later than within 7 (seven) days of performing the Work and/or receiving the Goods, to accept or reject it/them, submitting within the same term a written list of non-conformities of the Work and/or the Goods with the Contract or of defects thereof that hinder the receipt of the Work and/or the Goods. If the Work and/or the Goods are not rejected within this term, the parties deem it/them as accepted by the Customer. If, upon receipt of the Work and/or the Goods, the Customer has any complaints about the non-conformity of the Work and/or the Goods with the terms and conditions of the Contract, the Parties will agree on a term for the elimination of the defects.

6.2. The Parties are held liable for their failure to perform or properly perform the obligations assumed under the Contract pursuant to the procedure and within the scope prescribed by the Contract and the legislation in force in the Republic of Estonia.

6.3. The Contractor is held liable for direct proprietary damage wrongfully caused as a result of a breach of the Contract. The Contractor's liability is limited to 64,000 (sixty-four thousand) euros. Loss of profit is not subject to compensation.

6.4. If the payment deadlines agreed in the Contract are breached, the Contractor has the right to request that the Customer pay default interest at the rate of 0.2% (zero point two per cent) of the amount payable per day of delay.

6.5. If the Contractor is late with the transfer of the Work and/or the delivery of the Goods at the Contractor's fault, the Customer has the right to request that the Contractor pay a contractual penalty at the rate of 0.2% (zero point two per cent) of the amount payable per day of delay in the transfer or delivery, but in total no more than 5% (five per cent) of the price of the Work and/or the Goods. The penalties specified in this clause are not applied for the period when the circumstances of *force majeure* specified in clauses 2.7 or 6.9 occurred.

6.6. If damage is caused, the party who suffered damage must notify the party who caused the damage thereof no later than within 7 (seven) days of learning of the damage, but no later than within 3 (three) months of the day when the damage was caused. Any later complaints are unfounded.

6.7. The Contractor is not held liable for damage arisen by the fault of the Customer, as a result of non-purposeful use of the Goods and rented equipment, during storage, moving or transportation of the Goods and packaged items, or for damage arisen as a result of failure to observe the packaging manual and

due to unsuitable package or packaging material chosen by the Customer (the properties or size of the item being packaged, weather conditions, etc., have not been taken into consideration).

6.8. If damage has been caused to the Customer in the course of or after performing the Work, the Customer is required to notify the Contractor thereof immediately and ask the Contractor to come to assess the amount of damage. The Customer agrees to preserve, if possible, the damaged item in the condition in which it was after the loss event in order for the Contractor to assess the circumstances that resulted in the damage as well as the amount of the damage. The Customer agrees to certify that the damage has arisen by the fault of the Contractor as a result of a breach of the Contract by the Contractor.

6.9. Failure to perform or properly perform the obligations arising from the Contract is not deemed a breach of the Contract if it is caused by circumstances of *force majeure*, i.e. the circumstances beyond the control of the parties that the parties could not or should not or did not have to foresee or prevent (e.g. activities of third parties, vandalism, wind of more than 25 m/s and other adverse weather conditions).

6.10. If one of the parties fails to perform their obligations arising from the Contract, the other party has the right to withdraw from the Contract and request compensation for the damage.

7. Processing of personal data

7.1. The Contractor processes the following personal data of the Customer who is a natural person: given name and surname, phone number, e-mail address and address (hereinafter referred to as the Personal Data).

7.2. The controller of the Customer's Personal Data is 3 Selli OÜ, registry code 11256808, address

Härgmäe 21, 76902 Tallinn.

7.3. The Contractor processes the Customer's Personal Data for the purpose of providing services to the Customer and contacting the Customer, if necessary.

7.4. In addition, the Contractor processes the Customer's Personal Data for sending commercial communications, advertising materials and information on services offered by the Contractor if the Customer has expressed their request therefor.

7.5. The Contractor collects and stores the Customer's Personal Data in electronic form, making extracts thereof also in other forms, if necessary. The Contractor has the right to preserve the Customer's Personal Data during the period that is necessary for providing the service and up to 3 years after the provision of the service.

7.6. The Contractor has the right to transmit the Customer's Personal Data to third parties who are involved in the fulfilment of the purchase order (e.g. a carrier, courier service provider).

7.7. In respect of overdue amounts, the Contractor may communicate information on the Customer's arrears to a person engaged in the collection of debts and to persons registering payment defaults, who may process the data for the purpose of adopting

credit decisions in the credit register administered by a corresponding person.

7.8. The Customer has the right to know which data have been entered in the Contractor's database about the Customer, submitting a corresponding query to the Contractor. The Customer has the right to alter and rectify their Personal Data.

7.9. The Customer has the right to withdraw their consent to the processing of the Personal Data by the Contractor at any time, and to request that the processing of the Personal Data be terminated and that the Personal Data collected be erased. To this end, the Customer submits a corresponding application to the Contractor.

8. Communication of notices

The Contractor communicates all notices and information to the Customer to the e-mail address entered by the Customer when placing an order. The Customer communicates all notices and information to the Contractor to the e-mail address set out on the website www.heat3.eu.

9. Other terms and conditions

9.1. The Contract remains in effect until proper performance of the parties' obligations set out in the Contract.

9.2. The Contractor has the right to take photographs and make videos of the work that it has performed for marketing purposes and in order to certify correct performance of the work in the case of any further possible disputes.

9.3. The parties have no right to assign their rights and obligations arising from the Contract to any third parties without the other party's prior consent.

9.4. The Contractor's price offer is confidential, and the Customer has no right to disclose it to any third parties without the Contractor's prior consent.

9.5. Any disagreements and disputes arising from the Contract are resolved by way of negotiations. If no agreement is reached as a result of the negotiations, the disputes will be resolved in the Harju County Court. The Contract is governed by Estonian law.