

Terms and conditions of sales and warranty of Adam BD

1. INTRODUCTION

The general terms and conditions of sales and warranty (hereinafter the General Terms) is a document that determines the basics of and procedure for the relations between ADAM BD AS and the Buyer and the general terms and conditions for the conduct of transactions between ADAM BD AS and the Buyer.

In the case of any discrepancies between the General Terms and the Contract between ADAM BD AS and the Buyer, the terms and conditions of the Contract shall prevail.

2. DEFINITIONS

The Price List means a document that sets out the prices of the Standard Products and Services as approved by the Seller.

The Price Offer means a written offer that has been made to the Buyer by the Seller (incl. by e-mail) and concerns the terms and conditions of purchase and sale of the Product and/or the Service under which the Seller makes it possible for the Buyer to buy the Product and/or the Service during the term of validity of the Price Offer of the Product and/or the Service.

The Contract means a written agreement entered into between the Seller and the Buyer for selling and buying the Product and/or the Service.

The Seller means ADAM BD AS.

The Buyer means each natural or legal person who buys or expresses a wish to buy the Products or Services sold by the Seller.

The Parties means the Seller and the Buyer together.

The Service means a set of Product-related additional activities (design work, transport, installation, maintenance, disassembly, storage, etc.).

The Order means an order confirmation that has been drawn up by the Seller and signed by the Buyer or confirmed by e-mail and that the Seller starts to fulfil and that is deemed to be an agreement between the Buyer and the Seller for the purchase and sales of a certain Product and/or Service.

The deadline for the fulfilment of an Order means the date when the Products should be ready for the delivery to the Buyer in accordance with the delivery term agreed on in the Contract or the Order.

The Product means the product to be sold to the Buyer by the Seller.

The Legal Relationships means the legal relationships that arise between the Buyer and the Seller if the Buyer buys the Seller's Products or uses the Service.

The General Terms means these general terms and conditions of sales and warranty.

3. GENERAL PROVISIONS

3.1. These General Terms apply to all the Legal Relationships.

3.2. In addition to the General Terms, the Legal Relationships are also regulated by the laws and regulations of the Republic of Estonia and, if an Order and a Contract also exist, also by them.

3.3. The General Terms can be accessed in the Seller's office at Järvevana tee 9, Tallinn, or on the Seller's website at www.adam.ee/tingimused/generalterms.

3.4. If the General Terms are contrary to the Order, that set out in the Order shall prevail. If the General Terms or the Order are contrary to the Contract, that set out in the Contract shall apply.

3.5. If the context requires, words in the singular shall mean the plural and vice versa in the General Terms. The headings of clauses in the General Terms are only added for the purpose of reference and they do not affect in any manner the interpretation of the contents of the clauses.

3.6. Each clause of the General Terms shall be interpreted with other clauses thereof taking into account the spirit and purpose of the General Terms.

4. STANDARD AND SPECIAL PRODUCT AND PROJECTS

4.1. The Standard Product means a Product the price of which is included in the Price List and/or the Seller's product catalogue.

4.2. The Special Product means a Product that is different from the Standard Product and is made in accordance with the instructions, drafts, drawings or samples presented by the Buyer or in accordance with other instructions (hereinafter the Instructions) or which has been made, at the request of the Buyer, with the finishing and/or measurements different from the Standard Product.

4.3. In the case of Special Products, the Seller shall draw up, on the basis of the Buyer's Instructions, a draft plan, upon the written approval of which by the Buyer the special product shall be introduced into production. In the case of more complicated special products, the Seller may establish as a prerequisite for the fulfilment of an order for an additional working drawing to be drawn up, the costs of development of which shall be borne by the Buyer.

4.4. The Project means a set of the Products and/or Special Products and Services that is involved in the execution of the complex design.

4.5. The Seller shall draw up the Price Offer of the Project according to the initial task set by the Buyer. Prior to the execution of the project the parties shall agree on the need for and volume of the electrical work. Depending on the complexity and volume of the electrical work, a design and/or as-built drawings of the electrical work may be needed in order to ensure the conformity of the work. Following the performance of the electrical work, the Seller shall issue to the Buyer a declaration that confirms that the work has been performed in accordance with the requirements.

The parties shall also agree on issues related to traffic control, rights of the administrator of the site in connection with possible restrictions related to heritage conservation, the compliance of the structural requirements of buildings with the needs of the project, possibilities of access by hoists and means of installation, preparatory work by the Buyer, temporal restrictions on working on the site, security issues, insurance and spheres of responsibility. Prior to commencing the Project, it shall be agreed on who will bear the additional costs related to these activities.

4.6. If the Seller has made, on the order of the Buyer, a Special Product or Project on the basis of the instructions presented by the Buyer and if the Special Product completed on the basis of such instructions or the use of the instructions violates the intellectual property rights of third parties, the Buyer shall be obliged to compensate the Seller for all the damage that such violation of third party rights has caused to the Seller.

5. PRICE OFFER

5.1. The Price Offer shall be valid within the term specified therein. If the Price Offer does not specify any separate term of validity thereof, the Price Offer shall be valid for 7 (seven) calendar days as of the submission of the Price Offer by the Seller to the Buyer.

6. ORDERING PRODUCT AND/OR SERVICE

6.1. In order to buy a Product and/or Service, the Buyer shall submit to the Seller a written or verbal inquiry.

The Seller shall submit to the Buyer a Price Offer about the Product and/or Service specified in the inquiry, by providing therein in addition to the price of the Product and/or Service also the term for the fulfilment thereof and any other essential conditions.

6.2. If the Parties have reached an agreement on the Price Offer that contains the essential conditions set out in clause 6.1, the Seller shall draw up a standard format order confirmation. The order confirmation that has been signed (incl. by e-mail) by a person authorised by the Buyer is deemed to be an agreement of purchase and sales entered into between the Buyer and the Seller, i.e. an Order. The person authorised by the Buyer shall submit to the Seller a document certifying the authorisations, if it is not publicly available.

The Order shall set out the person authorised by the Buyer for the receipt of the Product and/or the Service.

6.3. If a site plan of the location of the Products requested by the Buyer, a scale of the premises or other documentation required for the exact fulfilment of an application has been added to the Order confirmation, the Price Offer or the written application of the Buyer, the aforesaid documents shall belong to the Order as integral parts thereof. The person responsible for the accuracy of the aforesaid documents shall be the Buyer.

6.4. If a separate written contract of purchase and sales (hereinafter the Contract) that contains additional terms and conditions is entered into between the Buyer and the Seller for buying and selling the Product/Service, the Buyer and the Seller shall adhere to the terms and conditions provided for in the Contract when buying and selling the Products and/or Services.

6.5. The terms and conditions specific to the rental of Products shall be agreed with each Buyer.

7. TERM FOR FULFILMENT OF ORDER

7.1. The term for the fulfilment of an Order shall be agreed on in the Order confirmation.

7.2. If the Buyer has not ensured the conditions required for the provision of a Service in accordance with clause 10.6 of the General Terms or has failed to perform any other obligations arising from an Order, the Seller shall have the right to unilaterally amend the term for the fulfilment of the Order. The Seller shall notify the Buyer of the new term for the fulfilment of an Order immediately after the Buyer has performed its obligations arising from the Order.

7.3. If the Buyer does not agree to the new term for the fulfilment of an Order, it may withdraw from the Order by notifying the Seller of the withdrawal in writing no later than within 3 (three) working days as of the receipt of a written statement from the Seller. If the Buyer does not inform the Seller of its non-acceptance within the aforesaid term, it shall be deemed that the Buyer has accepted the new term for the fulfilment of the Order.

7.4. If the Buyer withdraws from an Order in accordance with clause 7.3 of the General Terms, it shall compensate the Seller for all the costs arisen and losses incurred due to the withdrawal from the Order.

8. PRICES

8.1. The prices valid for Standard Products and Services are set out in the Price List established by the Seller. The prices provided for in the Price List do not include value added tax.

8.2. The Seller shall have the right to unilaterally make changes in the Price List. The changes shall enter into force as from the day of making the change or on the date established by the Seller. Changes in the Price List have no retroactive effect in respect of the Orders that have been confirmed prior to changing the Price List.

9. PAYMENT TERMS

9.1. If no valid credit agreement or contract has been entered into between the Buyer and the Seller, the Buyer shall pay the Seller the part of the price of the Product, which has not yet been paid, by the moment of delivery of the Product.

9.2. If no valid credit agreement or contract has been entered into between the Buyer and the Seller and if the delivery of the Product and/or the installation of the Product by the Seller to/in a place agreed on with the Buyer and/or the provision of any other Service has been agreed on in an Order, the Buyer shall pay the Seller the part of the price of the Service, which has not yet been paid, no later than 3 working days before the due date of fulfilment of the Order. If the Buyer delays with the payment of the price of the Order, the due date for the fulfilment of the Order shall be postponed by the number of days during which the payment of the price of the Order was delayed.

9.3. In the case of an Order for a Special Product or a Project Product, the Buyer shall pay the Seller a prepayment in the amount requested by the Seller, but no less than 30% (thirty percent) of the price of the Order, before the Seller starts the fulfilment of the Order.

9.4. The Seller shall submit to the Buyer an invoice about the amount subject to payment, which is in compliance with the requirements of law.

9.5. All the amounts subject to payment by the Buyer shall be deemed as properly paid to the Seller after the respective amount has been received to the Seller's bank account or has been paid in cash to the Seller's cash desk.

9.6. If the Buyer refuses to pay the amount subject to payment for the Product and/or the Service properly, the Seller shall have the right to require the payment of the respective amount by the Buyer (incl. involve a debt collection service provider).

9.7. In addition to that provided for in clause 9.6, the Seller shall have the right to claim from the Buyer late interest at the rate of 0.1% (zero point one percent) of the overdue amount per day of delay.

10. DELIVERY OF PRODUCT AND/OR SERVICE

10.1. The delivery of a Product means the granting of the Product to the disposal of the Buyer in the Seller's warehouse or salesroom. If the Buyer and the Seller have agreed that the Seller has to transport the Product to the Buyer, the Seller shall deliver the Product to the Buyer in the place where the Product will be transported in accordance with an agreement between the Buyer and the Seller. The transfer of title of Products will pass to the Buyer after full payment

10.2. The delivery of the Product to the Buyer shall be certified by signing a waybill/bill of lading by the Buyer's representative. If the Buyer itself comes to take delivery of the Products from the Seller's warehouse, the Buyer shall certify the authorisations of its representative.

10.3. The Buyer shall be obliged to take delivery of the Product and/or take it out of the Seller's warehouse no later than within 14 (fourteen) working days as of the due date of fulfilment of an Order. If the Buyer has not taken the Product out of the warehouse or taken delivery of it after 14 days have passed from the due date of fulfilment of the Order, the Seller shall have the right to submit to the Buyer an invoice for the storage fee at the rate of 0.1% (zero point one percent) of the price of the Order for each day of storage.

10.4. If the Buyer has not taken delivery of the Product within the term provided for in clause 10.3, the Seller may grant the Buyer an additional term which is up to 30 (thirty) calendar days. The Seller shall inform the Buyer of the granting of an additional term for taking delivery of the Product. If the Buyer does not take delivery of the Product within the additional term granted by the Seller either, the Seller shall have the right to withdraw from the Order and sell the Product to third parties. If the Seller withdraws from the Order on the bases provided for in this clause, the Buyer shall be obliged to pay the Seller a contractual penalty at the rate of 20% (twenty percent) of the price of the Order specified in the Price Offer and this shall be subject

to deduction from the prepayment made by the Buyer to the Seller. If the damage caused by failure to fulfil an Order by the Buyer to the Seller exceeds the amount of the contractual penalty, the Buyer shall also be obliged to compensate the Seller for the damage that exceeds the contractual penalty.

10.5. If the Seller has not delivered the Product to the Buyer within 30 (thirty) calendar days as of the due date of fulfilment of the Order at the latest and the Buyer has performed all of its obligations, the Buyer shall have the right to withdraw from the Order. The Buyer shall submit to the Seller a respective written application of withdrawal from the Order. In the case of withdrawal from the Order on the above grounds, the Buyer shall have the right to request from the Seller the return of the prepayment and other amounts.

10.6. If the Buyer and the Seller have also agreed on the installation of the Product by the Seller, the Buyer shall ensure the creation of suitable conditions for taking delivery and installation of the Product (in outdoor conditions: allocation of a respective area in accordance with the terms and conditions agreed on earlier; in the case of interior premises, complete constructional readiness of the premises, sufficient indoor temperature, dry premises, free and safe access, possibility to use electricity and lighting).

10.7. The Seller and the Buyer shall draw up a record of delivery and receipt about the delivery of a product and/or service. The record of delivery and receipt shall be formalised as soon as possible following the provision of the Service and the Service shall be deemed as received by the Buyer as from the signing thereof.

If the Buyer does not submit its objections and/or claims about the work performed or products made and does not send a signed record back within 3 working days as of sending the record, the Service shall be deemed as received by the Buyer.

11. RETURN OF PRODUCTS

11.1. Products shall be returned on the basis of a special agreement between the Seller and the Buyer.

11.2. The products returned (except in the event of cases of warranty) shall be in the original packaging, unused and in working order.

12. TRANSFER OF RISKS

12.1. The liability for accidental destruction of and damage to a Product shall transfer to the Buyer at the moment of delivery of the Product in accordance with clause 10.1 of the General Terms. If the Buyer and the Seller have also agreed on the installation of the Product by the Seller, the risk of accidental destruction of and damage to the Product shall transfer to the Buyer as from the signing of the record of transfer and receipt of the Service, unless otherwise agreed on. If the installation of the Product does not take place on the same day as the delivery of the Product, the Buyer shall be obliged to ensure the preservation of the Product delivered to the place agreed on with the Buyer in the Order in the original packaging until installation and the liability for accidental destruction shall be with the Buyer.

12.2. The Products shall be delivered to the Buyer in the place agreed on and the entire liability for the loss of and damage to the Products shall transfer to the Buyer as from the moment of delivery and receipt of the Products. If the Product is transported by the Buyer or a carrier authorised by it, the liability for accidental destruction of the Product shall transfer to the Buyer as from the moment of delivery of the Product to the Buyer for transporting.

13. WARRANTY

13.1. The Seller shall provide a sold Product with warranty against defects (hereinafter the Warranty) in accordance with the warranty periods and terms and conditions set out in the

General Terms, unless it has been agreed on otherwise. The Warranty period shall take effect as from the day of delivery of the Product to the Buyer.

13.2. Products rented shall be subject to the Warranty during the entire rental period.

13.3. If any damages become evident, the Seller shall ensure the repair or replacement thereof without charge during the warranty period prescribed for the products, except in the cases where the damages have arisen due to the violation of the rules for use of the product or as a result of activities (vandalism, natural disasters, wind at a speed of more than 32 m/s, failures of the electric system of street lighting, etc.) for which the Manufacturer assumes no liability.

13.4. The Manufacturer undertakes to repair or replace a product under warranty no later than within 30 (thirty) working days as of the receipt of a respective written notice. If it is not possible to carry out repair under warranty within 30 days, the Seller shall inform the client thereof within 5 working days and propose a realistic term or an alternative solution.

13.5. The products intermediated by the Seller shall be subject to warranty of the manufacturer's company.

13.6. The Warranty shall not extend to natural wear and tear of the Product as well as to physical damages caused by the use of the Product or arisen for another reason.

13.7. In order to exercise the rights arising from the Warranty, the Buyer shall inform the Seller of the defects that appeared during the warranty period within 7 calendar days after it became or should have become aware of the defect of the Product by submitting to the Seller a written reclamation.

13.8. The reclamation shall set out the name of the defective Product or detail of a Product and the description of the error and, if possible, (a) photo(s). The claim shall also be accompanied by the waybill received from the Seller or another document certifying the purchase of the Product.

13.9. In the event of a case of warranty, the Seller shall have the right to decide whether the product will be repaired or replaced with an equivalent one.

13.10. Any possible additional costs (transport, disassembly, installation, etc.) arising in the event of a case of warranty (except full warranty) shall be paid for by the Buyer.

13.11. In the case of full warranty, the Seller shall cover all the additional costs related to a case of warranty of the product and any possible damages that have arisen to the product during the warranty period. In the case of a respective agreement, damages caused by vandalism may also be subject to compensation.

13.12. The warranty shall not preclude or restrict the Buyer's right to use other legal remedies arising from the law or the Contract.

14. PROTECTION OF INTELLECTUAL PROPERTY

14.1. Documents (e.g. drawings, sketches, plans, etc.) delivered to the Buyer are and will be the Seller's intellectual property. They may not be copied or granted to the use of any third parties.

14.2. Products and their design may not be copied.

14.3. In case of a breach of clauses 14.1. and/or 14.2. the Buyer undertakes to compensate for costs arisen and losses incurred and pay a contractual penalty that is 50% of the sales price of the products, which the Buyer bought, intermediated or profited from in any other way or let a third party to profit from this.

15. RESOLUTION OF DISPUTES

15.1. Any disputes between the Buyer and the Seller shall be resolved by way of negotiations between the Buyer and the Seller.

15.2. If the resolution of disputes by way of negotiations yields not results, the dispute shall be settled in the Harju County Court, unless otherwise provided for in the Contract.