

Hire-purchase agreement

GENERAL CONDITIONS (private person)

Valid from 29.09.2017

These General Conditions for the hire-purchase agreement shall form an integral part of the hire-purchase agreement concluded between the Buyer and the Seller (hereinafter the **Agreement**). The Agreement shall consist of the special conditions agreed between the Parties, these General Conditions, the payment schedule and other annexes, including any further changes and additions to be introduced in the future.

1. TERMS AND DEFINITIONS OF THE AGREEMENT

- 1.1. Unless otherwise stipulated in the Agreement or evident from the spirit of the Agreement, the terms used in the Agreement shall bear the following meaning:
- 1.2. **Downpayment** is the first payment made by the Buyer to the Seller or Factor under the Special Conditions and on the basis of the Payment Schedule for acquisition of the Goods.
- 1.3. **Factor** is a person to whom the Seller has assigned the contractual financial claim against the Buyer, and who administers the contractual claim on behalf of the Seller and exercises all rights arising from the claim (including the right of collection).
- 1.4. **Interest** is the fee paid by the Buyer to the Factor under the Agreement and on the basis of the Payment Schedule for use of the Credit Amount and for the deferring of the Agreement Fee to be paid for concluding the Agreement (if not paid on the day of concluding the Agreement). Interest shall be calculated from and subject to payment from the date of entry into the Agreement (included) until the Payment Due Date of the last Instalment Payment (excluded) in accordance with the Payment Schedule arising from the Agreement. Daily Interest is the Interest calculated per day upon withdrawal from the Agreement (applicable in cases where the Buyer withdraws from the Agreement).
- 1.5. **Goods** are movables (including all accessories, things, equipment required for use and additional equipment as well as technical and warranty documents) which have been specified in the Special Conditions and which are to be transferred by the Seller to the Buyer, or a service to be provided by the Seller to the Buyer.
- 1.6. **Cost of Goods or the Net Price of Goods** is the purchase price of the Goods, plus the value added tax imposed in accordance with the Value Added Tax Act.
- 1.7. **Insurance Conditions** are the conditions of hire-purchase insurance (T-HP 20141). The Insurance Conditions constitute an annex to the Contract if the Buyer's financial loss insurance has been separately agreed upon in the special conditions of the contract.
- 1.8. **Total Cost of Credit** is the total amount of payments to be made by the Buyer for repayment of the Credit Amount and the costs arising from the use of the Credit Amount, consisting of the Credit Amount, Interest, Contract Fee, Monthly Fee and other fees which are to be paid by the Buyer in connection with the Agreement and which can be determined by the Seller and/or the Factor at the time of entry into the Agreement. The calculation of the Total Cost of Credit shall be governed by the assumptions set forth in clause 1.9 of the Agreement.
- 1.9. **Annual Percentage Rate of Charge** is the total cost of use of the Credit Amount for the Buyer (Interest, Contract Fee, Monthly Fee and other fees which are to be paid by the Buyer in connection with the Agreement and which are known to the Seller and/or the Factor at the time of entry into the Agreement), expressed as an annual percentage rate of the Credit Amount, and calculated based on the assumption that the Agreement will remain valid for the agreed period of time and that the Buyer will fulfil his obligations under the conditions and by the term set forth in the Agreement. Any costs and fees that cannot be determined by the Seller and/or the Factor at the time of entry into the Agreement, as well as the costs and fees to be paid by the Buyer upon breach of Agreement shall not be taken into account upon calculation of the Annual Percentage Rate of Charge. The Annual Percentage Rate of Charge has been presented for awareness purposes, is based on the contractual assumptions, and shall have no bearing on the contractual obligations and payable amounts. The calculation of the Annual Percentage Rate of Charge shall be governed by the formula established by the Minister of Finance of the Republic of Estonia, with the result rounded off to two digits after the decimal point.
- 1.10. **Credit Amount** is the consumer credit (hire-purchase) which is provided to the Buyer for the acquisition of Goods and which the Buyer obliges to return/repay Credit Amount Repayments together with the accessory expenses under the terms and conditions set forth in the Agreement to the Factor, instead of the Seller.
- 1.11. **Credit Amount Repayments** are the payments to be made by the Buyer to the Factor under the Payment Schedule for the acquisition of the Goods, with the Interest and other fees stipulated in the Agreement added thereof.
- 1.12. **Monthly Fee** is a monthly service fee paid by the Buyer for the management of the Contract. The amount of the Monthly Fee is established in the special conditions.
- 1.13. **Parties** are the Seller and the Buyer.
- 1.14. **Contract Fee** is the service charge to be paid by the Buyer each time for the preparation, conclusion and/or amendment of the Agreement. The Contract Fee payable for the conclusion of the Agreement shall be fixed in the Special Conditions.

- 1.15. **Payment Schedule** is the schedule of payment of the amounts arising from the Agreement.
- 1.16. **Payment Due Date** is the date established in the Payment Schedule and/or on the basis of the Agreement, by which the contractual payment to be made by the Buyer shall be transferred to the Factor's bank account.
- 1.17. **Instalment Payments** are the periodical (monthly, unless otherwise agreed) payments to be made by the Buyer to the Factor for obtaining the Goods, consisting, among other things, of the Credit Amount Repayments, Interest, Monthly Fee and other fees payable by the Buyer in connection with the Agreement.
- 1.18. **Fine for Delay** is the interest payable by the Buyer for delay of fulfilment of a financial obligation in the rate agreed in the Special Conditions.

2. CONTENTS OF THE AGREEMENT

- 2.1. With the Agreement, the Seller undertakes to sell the Goods to the Buyer under the terms and conditions of the Agreement, and the Buyer undertakes to pay to the Factor for the Goods under the terms and conditions set forth in the Payment Schedule.
- 2.2. The Agreement shall be treated as a financing and credit agreement, under which the Seller and the Factor undertake to finance the Buyer within the Credit Amount, and the Buyer undertakes to repay the Credit Amount, together with the accumulated Interest and accessory expenses to the Factor, instead of the Buyer, in accordance with the terms and conditions set forth in the Agreement.
- 2.3. The right of the ownership of the Goods shall be transferred from the Seller to the Buyer upon fulfilment of all contractual obligations (including payment of the Instalment Payments) by the Buyer, except if the Goods are registered to a public register as in that case the ownership of the Goods are transferred to the Buyer after the conclusion of the Agreement. In addition to this Agreement, the sales of Goods shall be governed by the Seller's supplementary conditions insofar as these do not contradict the Agreement.
- 2.5. **The Buyer confirms being aware that the Seller has assigned to the Factor all requirements arising from the Agreement, including any claims against the Buyer for payment of Instalment Payments and other contractual payments as well as collateral claims (above all, the fine for delay, and claims for compensation of damage arising from breach of the payment obligation). The Buyer is aware that the payments to be made under the Agreement shall only be considered as paid upon their transfer to the Factor.**
- 2.6. **The Contract contains Buyer's Financial loss insurance for the reimbursement of damages resulting from the Buyer's declining financial situation based on the Insurance conditions, provided that such agreement has been made in the special conditions of the Contract.** The Factor has a unilateral right to change the Insurance Conditions by notifying the Buyer of this at least 2 (two) months in advance.

3. DELIVERY OF GOODS

- 3.1. The Seller shall transfer direct possession of the Goods to the Buyer at the Seller's place of business or, in case of a distance agreement, at the location of the Seller or the Buyer, as agreed between the Parties to the Agreement, immediately after the payment of the First Instalment and the Agreement Fee (if the Agreement Fee for concluding the Agreement is paid on the day of concluding the Agreement).
- 3.2. Together with the Goods, the Seller undertakes to deliver to the Buyer all documents accompanying the Goods, the user manual for the Goods (in Estonian) as well as other accessories, and inform the Buyer of the appropriate use of the Goods, if necessary. Where a warranty is provided for the Goods, the Seller shall deliver to the Buyer, together with the Goods, the warranty documents accompanying the Goods (including the warranty conditions).
- 3.3. Upon receipt of the Goods, the Buyer is obliged to immediately inspect the Goods in order to determine their compliance and discover potential deficiencies, and to make sure that the Goods are intact and can be used purposefully.
- 3.4. The risk of accidental loss of or damage to the Goods shall be transferred to the Buyer from the moment of the acceptance of the Goods, with the Buyer taking responsibility for the maintenance and preservation of the Goods and bearing any expenses related to the maintenance, preservation and use of the Goods.
- 3.5. Any destruction of, loss of or damage to the Goods (for reasons beyond the control of the Buyer) shall have no bearing on the Buyer's obligation to make the contractual payments to the Factor under the Payment Schedule.

4. PAYMENTS AND INTEREST

- 4.1. Unless otherwise agreed in the Special Conditions, the Buyer shall make the Downpayment and pay the Seller or Factor the Contract Fee for the conclusion of the Agreement on the day of conclusion of the Agreement.
- 4.2. The Buyer is obliged to make Instalment Payments to the Factor in accordance with the Payment Schedule for the entire term of the Agreement. The Buyer shall have the right to demand from the Factor the presentation of the Payment Schedule free of charge at any time during the validity of the Agreement.

- 4.3. Among other things, the Buyer shall pay Interest to the Factor as a part of the Instalment Payment on each Payment Date, with the interest calculated on the outstanding Credit Amount, which is fixed at the beginning of each Interest calculation period, or on the Credit Amount (as agreed in the Special Conditions) and outstanding Agreement Fee (if the Agreement Fee for concluding the Agreement is not paid on the day of concluding the Agreement). The interest rate and how Interest is calculated is agreed in the Special Conditions. Until the first Payment Due Date for repayment of the Credit Amount, Interest shall be calculated based on the actual number of days per month and a 360-day year. Thereafter, Interest shall be calculated based on a 30-day month and a 360-day year. Interest shall be calculated and paid from the day of entry into the Agreement until (excluding) the last Payment Due Date for repayment of the Credit Amount under the Payment Schedule.
- 4.4. If the Buyer wishes to order from the Factor operations not specified in the Agreement (for example, introduction of amendments to the Agreement), the Buyer shall pay to the Factor the Contract Fee or another fee in accordance with the Factor's price list, or, upon the agreement of the Buyer and the Factor, another service charge.
- 4.5. For payment of the contractual amounts, the Factor shall send the Buyer an invoice to the Buyer's e-mail address specified in the Agreement, or, if the Buyer so desires, a hard copy of the invoice to the Buyer's address specified in the Agreement. If the Buyer wishes to receive from the Factor a hard-copy invoice for payment of the contractual amounts, the Buyer shall be obliged to pay to the Factor the corresponding fee (hard-copy invoice fee) for each delivery in accordance with the Factor's price list. Failure to receive the invoice shall not affect the Buyer's obligation to make contractual payments to the Factor in accordance with the Payment Schedule.
- 4.6. If the Buyer fails to make the Instalment Payment or pay any other contractual amount by the Payment Due Date, the Factor shall have the right to demand from the Buyer a Fine for Delay, which is calculated on the outstanding debt amount in accordance with the stipulations of the Special Conditions, from the day following the Payment Due Date until appropriate fulfilment of the obligation. No Fine for Delay shall be calculated on the Interest and the Fine for Delay.
- 4.7. Should the amounts paid by the Buyer prove insufficient for the fulfilment of the Buyer's obligations, the collection costs of the debt shall be deemed as paid in the first order, repayments of the Credit Amount in the second order, Interest due in the third order, and the Fine for Delay, contractual penalties and other fees and compensation of damage thereafter.
- 4.8. If the Buyer fails to pay the contractual amounts in a timely manner, the Factor shall have the right to demand from the Buyer compensation for the expenses incurred for the collection of the debt (i.e. the debt processing fee) in accordance with the rate(s) established in the Factor's price list and/or the actual costs incurred by the Factor (the fees charged by the collection service provider and/or legal costs and/or bailiff's fees).
- 4.9. Where the payment due date for an amount payable under the Agreement has not been fixed in the Payment Schedule and/or the Agreement, the amount must be paid by the payment due date established by the Factor in the invoice.
- 4.10. All contractual payments (except for the Contract Fee for the conclusion of the Agreement, if paid by the Buyer on the date of entry into the Agreement and the First Installment if both are paid to the Seller) shall be paid to the Factor's account specified in the Special Conditions, and shall be considered as paid upon transfer of the corresponding amount to the aforementioned Factor's account. The Factor shall inform the Buyer of any changes in the account information, as well as of other details required for the effecting of the payment.
- 4.11. **In order to fulfil the payment obligations arising from the Agreement, the Buyer undertakes to conclude, for the benefit of the Factor, an e-invoice standing payment service agreement with regard to a Buyer's current account opened in a credit institution operating in Estonia, authorising the corresponding credit institution to debit the Buyer's account for the benefit of the Factor on the basis of the invoices presented by the Factor under the Agreement in accordance with the Payment Schedule or other contractual arrangements not reflected in the Payment Schedule, and to ensure the validity of the e-invoice standing payment service agreement during the validity of the Agreement. The Buyer is obliged to ensure availability of sufficient funds on the aforementioned account on the Payment Due Date for debiting of the contractual amounts.**
- 4.12. The Seller and the Factor hereby warn the Buyer that any failure to pay the contractual amounts could have serious consequences for the Buyer (including the obligation to pay a Fine for Delay, premature termination of the Agreement, return of the Goods and the potential obligation to compensate for the Credit Amount, with deductions made under the Agreement). This in turn, may complicate the Buyer's credit funding in the future.
- 5. OTHER RIGHTS AND OBLIGATIONS OF THE PARTIES AND THE FACTOR**
- 5.1. The Buyer undertakes to use the Goods in a diligent, sustainable and prudent manner for the purposes set forth in the technical documentation of the Goods and in accordance with the requirements established by the manufacturer of the Goods and the Seller for technical maintenance, use and exploitation of the Goods.
- 5.2. The Buyer undertakes to ensure, during the validity of the Agreement until appropriate fulfilment of all obligations arising from the Agreement, the preservation of the condition of the Goods at the time of delivery of the Goods to the Buyer, considering the normal wear and tear conditioned by the purposeful use of the Goods.
- 5.3. The Buyer shall not be entitled, during the validity of the Agreement, to transfer the Goods or dispose of the Goods in any other manner, including to pledge or encumber the Goods with any rights of third parties.
- 5.4. The Buyer shall not have the right, without the Factor's previous written consent, to assign the contractual rights and obligations to third parties, or to offset the contractual payables.
- 5.5. The Seller undertakes to fulfil all obligations arising from the warranty, the Agreement or the law with regard to the Goods in accordance with the requirements stipulated in the warranty documents of the Goods and the Agreement (including the obligations arising from non-compliance of the Goods with the terms and conditions of the Agreement), and the Buyer shall have the right to demand the fulfilment of the corresponding obligation by the Seller. If the Seller is in breach of the Agreement – above all, if the Goods do not comply with the terms and conditions of the Agreement – the Buyer may file claims arising from the Agreement or the law only against the Seller. The Buyer is obliged to notify the Seller of any non-compliance of the Goods with the terms and conditions of the Agreement within two months after learning of the non-compliance. The Seller's failure to fulfil or appropriately fulfil the obligations with respect to the Goods shall have no bearing on the Buyer's obligation to make contractual payments to the Factor in accordance with the Payment Schedule.
- 5.6. The Factor shall have the right to assign the contractual claims against the Buyer. The Factor is obliged to notify the Buyer of the assignment of the claim pursuant to the procedure provided in the legal acts.
- 5.7. The Factor shall have the right to unilaterally change the price list by notifying the Buyer at least 2 (two) months in advance. The term of advance notification set forth in this clause shall not be applied, if the change is conditioned by a lowering of the price for a service listed in the price list, amendment of a contractual condition in favour of the Buyer, or addition of new services in the price list.
- 6. THE BUYER'S CONFIRMATIONS AND OBLIGATION TO INFORM**
- 6.1. By signing the Agreement, the Buyer shall confirm the following:
- 6.1.1. The Buyer has active legal capacity as well as the authorisation to enter into and perform this Agreement;
- 6.1.2. There are no restrictions which hinder or may hinder the entry into the Agreement or serve as the basis for premature termination or cancellation of the Agreement;
- 6.1.3. No bankruptcy or execution proceedings have been initiated against the Buyer, and the Buyer is not aware of any circumstances which could lead to the initiation of such proceedings in the future;
- 6.1.4. The Buyer shall guarantee fulfilment of the obligations assumed under the Agreement with all of his or her property or any future property that the Buyer may acquire;
- 6.1.5. The information (including the financial information on the Buyer) and other materials and documentation submitted by the Buyer are correct and complete;
- 6.1.6. The Goods have been chosen by the Buyer;
- 6.1.7. The Buyer has been informed and fully recognises the risks involved with the financing of the acquisition of the Goods by the Seller and the Factor as well as the use of the Credit Amount; the Credit Amount corresponds to the credit interest, needs and financial position of the Buyer;
- 6.1.8. The Buyer recognises that the Seller has assigned all claims arising from the Agreement to the Factor, and obliges to fulfil the contractual payment obligations to the Factor pursuant to the procedure and by the terms set forth in the Agreement and the Payment Schedule;
- 6.1.9. The Buyer recognises that, despite assignment of the claim to the Factor, the Seller shall remain liable for the compliance of the Goods, and is aware that any notices regarding deficiencies discovered in the Goods shall be submitted to the Seller and that the Factor shall not be held responsible for any deficiencies or submission of notifications.
- 6.2. The Buyer is obliged to inform the Factor within 5 (five) calendar days of the following:
- 6.2.1. any changes in the Buyer's contact address (including e-mail address), contact telephone or bank accounts specified in the Agreement;
- 6.2.2. the initiation of bankruptcy proceedings, debt restructuring proceedings or similar proceedings against the Buyer;
- 6.2.3. occurrence of other significant events that may hinder the appropriate performance of the Buyer's obligations arising from the Agreement, or render it impossible;
- 6.2.4. any breach of Agreement on behalf of the Seller; any loss of, damage to, or partial or full destruction of the Goods.
- 6.3. The Buyer is obliged, during the validity of the Agreement, to submit to the Factor, immediately upon the Factor's request, the documents regarding the Buyer's solvency and other information (e.g. pay slip, account statement, etc.).
- 7. LIABILITY AND CONTRACTUAL PENALTY**
- 7.1. The Buyer shall be fully and unconditionally liable for the preservation and maintenance of the Goods from the moment of acceptance of the Goods until the expiry or termination of the Agreement. The loss of possession of, destruction of, loss of or damage to the Goods or a similar event shall not exempt the Buyer from his or her liability and the fulfilment of the contractual obligations.
- 7.2. If the Seller fails to fulfil the obligation of delivery of the Goods, or if the Goods do not comply with the agreed conditions and the Seller has unjustifiably refused to satisfy the Buyer's legal remedies, the Buyer may refuse to fulfil his or her obligations to the Factor. The precondition for the exercise of this right is the unjustifiable refusal on behalf of the Seller to serve the legal remedy or remedies applied by the Buyer, as well as the evidence provided by the Buyer to the Factor in writing and/or in a format

- which can be reproduced in writing with regard to the existence of such circumstances.
- 7.3. In case of breach of a contractual obligation other than a payment obligation on behalf of the Buyer, the Factor shall have the right to demand from the Buyer a contractual penalty in the amount of up to 5% (five per cent) of the outstanding Credit Amount as at the moment of the breach of the Agreement, unless the breach is corrected within a reasonable period of time established by the Factor.
- 7.4. The payment of a contractual penalty shall not exempt the Buyer from the fulfilment of the breached obligation or any other contractual obligations, and does not deprive the Factor of the right to prematurely terminate the Agreement on the basis provided in the Agreement or by law.
- 8. AMENDMENT, EXPIRY AND PREMATURE TERMINATION OF THE AGREEMENT**
- 8.1. Any amendments, additions and changes in the Agreement shall be prepared in writing. The Factor (as the Seller's representative) and the Buyer shall have the right to agree, without the Seller's separate consent, on any amendment of the Agreement with regard to the exercise of the contractual right of claim assigned to the Factor.
- 8.2. The Agreement shall lapse upon expiry of the Agreement, when all obligations arising from the Agreement have been completely fulfilled. Upon expiry of the Agreement, the right of ownership of the Goods shall be transferred to the Buyer. The right of ownership of the Goods shall not be transferred to the Buyer, if the Buyer has any payables to the Factor.
- 8.3. The Buyer shall have the right to withdraw from the Agreement, without providing a reason thereof, within 14 (fourteen) days after entry into the Agreement, by submitting a written withdrawal application to the Seller (if the Buyer withdraws from the contract of sale, including if the Buyer returns the Goods under clause 8.3.1) or to the Factor (if the Buyer only withdraws from the credit agreement under clause 8.3.2) at the postal address or e-mail address specified in the Agreement, and following the below procedure:
- 8.3.1. In case of withdrawal from the contract of sale, the Buyer shall return the Goods to the Seller (fully intact and in the original packaging), or compensate the value of the Goods. Pursuant to the valid legal acts, the Seller shall have the right, where the Buyer withdraws from the Agreement, to demand compensation for the impairment of the Goods, service used by the Buyer, etc. The Buyer shall be responsible for any impairment of Goods, if this is conditioned by the use of the Goods in a manner which is not required for ascertaining the nature, characteristics and functioning of the Goods. In order to ascertain the nature, characteristics and functioning of the Goods, the Buyer is obliged to handle and inspect the Goods only in a manner which would be allowed in any shop or store. Where the Buyer withdraws from the contract of sale, the Buyer shall also be considered as withdrawn from the consumer credit contract.
- 8.3.2. Upon withdrawal from the consumer credit contract, the Buyer shall repay/return to the Factor the used part of the Credit Amount as well as Interest for the period from the use of the Credit Amount to full repayment of the Credit Amount within 30 (thirty) calendar days after submission of the application for withdrawal. Otherwise, it shall be considered that the Buyer has not withdrawn from the Agreement. If the Buyer withdraws from the contract of sale and returns the Goods, and is considered as withdrawn from the credit agreement, the Seller shall repay/return the used Credit Amount to the Factor on behalf of the Buyer (at the expense of the sales price of the Goods to be returned).
- 8.4. The Buyer shall bear the costs related to the withdrawal from the Agreement, and is obliged to compensate to the Seller the standard costs related to the return of the Goods, considering the mandatory restrictions established by law.
- 8.5. In case of breach of Agreement by the Seller, the Buyer shall be entitled to apply the legal remedies stipulated in legal acts (above all, the Law of Obligations Act). Where the Seller is in breach of the Agreement, the Buyer shall not have the right to refuse to fulfil his or her obligations to the Factor, unless otherwise provided in the Agreement and in the event of the circumstances provided by legal acts. Where the Buyer has the right, provided by legal acts, to cancel the service provision agreement concluded for the performance of ongoing/recurring operations (including a health service agreement), the Buyer is obliged to continue payment for the services rendered prior to the cancellation, but is not obliged, after the cancellation of the Agreement, to pay for services not yet rendered by the Seller, and shall have the right to request from the Factor (as the representative of the Seller) the cancellation of the last Credit Amount Repayments payable under the Agreement and the Payment Schedule in the amount which corresponds to value of services not yet rendered, with the costs incurred by the Seller for the provision of the service deducted thereof.
- 8.6. The Factor (as the Seller's representative) shall have the right to prematurely terminate the Agreement without any advance notice, if:
- 8.6.1. The Buyer has submitted false information in the application for the conclusion of the Contract or in other documents submitted to the Seller and/or the Factor, or has failed to submit information concerning his or her activities or legal status, which significantly affects the performance of the obligations arising from the Agreement;
- 8.6.2. The Buyer fails to make the First Instalment or to pay the Agreement Fee in a timely manner (if the Agreement Fee for concluding the Agreement was to be paid by the Buyer on the day of concluding the Agreement);
- 8.6.3. The Buyer partially or completely delays payment of the Instalment Payment for 3 (three) consecutive times, and fails to eliminate the breach within the 14 (fourteen)-day additional term given by the Factor;
- 8.6.4. The Buyer is in breach of any other contract concluded with the Factor or the Factor's group company, and fails to eliminate the breach within the 14 (fourteen)-day additional term given by the Factor.
- 8.7. If the Factor cancels the Agreement under clause 8.6 of the Agreement, the Seller shall have the right to cancel the service agreement associated with the Agreement, concluded for the performance of ongoing/recurring operations.
- 8.8. In case of cancellation or premature termination of the Agreement, the Instalment Payments made by the Buyer during the validity of the Agreement or other amounts paid under the Agreement shall not be returned or otherwise compensated to the Buyer. In case of cancellation of the Agreement the Seller and/or the Factor has the right to demand the returning of the Goods (this also includes the return of ownership of the Goods if it was given to the Buyer) so that the Seller and/or the Factor could realize the Goods and use the resources gotten from realization to fulfil payment obligations, which arise from the Agreement. The realization of the Goods does not relieve the Buyer from the obligations that arise from the Agreement (including payment obligations).
- 8.9. The Buyer shall have the right to partially or completely fulfil the contractual obligations prematurely, by submitting to the Factor the corresponding application, and paying to the factor the unreturned Credit Amount or a portion thereof and the outstanding Agreement Fee to be paid for concluding the Agreement. If the Buyer fails to submit the above declaration of intention to the Factor, any amounts prematurely paid by the Buyer shall be considered as an advance payment. If the Purchaser exercises the right referred to in this clause, the Factor has the right to claim reasonable compensation in the amount directly or indirectly related to the premature payment of the Credit Sum or its parts at the rate provided in the price list, although the amount of compensation may not exceed that which is prescribed in the Law of Obligations Act.
- 9. CONFIDENTIALITY OBLIGATION AND PROCESSING OF PERSONAL DATA**
- 9.1. The Seller and/or the Factor shall have the right to disclose information on the Buyer, the terms and conditions of the Agreement and the performance of the Agreement (including failure to appropriately perform the Agreement) to the following parties:
- 9.1.1. the Seller and/or the Factor and their group companies, staff members and service providers, including companies or individuals who render debt collection services to the Seller and/or the Factor;
- 9.1.2. counsellors or auditors of the Seller and/or the Factor, AS Krediidinfo and the registrar of the payment default register;
- 9.1.3. the Factor's creditors who have provided financial resources for the purpose of financing the Agreement;
- 9.1.4. persons to whom the Seller and/or the Factor intends to or is planning to transfer or assign the rights, obligations or claims arising from the Agreement;
- 9.1.5. the providers of monitoring or similar services to the Seller and/or the Factor;
- 9.1.6. The insurer referred to in the Terms and Conditions of Insurance if the Buyer's insurance against financial loss has been agreed separately in the special conditions of the Agreement.
- 9.1.7. persons entitled to receive the information pursuant to the legal acts valid in the Republic of Estonia.
- 9.2. With the conclusion of the Agreement, the Buyer shall grant the Seller and the Factor his or her consent to the processing of the Buyer's personal data for the purpose of performance of the Agreement in accordance with the terms and conditions of the Agreement, and the Factor's „Principles for processing of customer data“, available at the Factor's website (www.lhv.ee/en/hirepurchase).
- 9.3. With the conclusion of the Agreement, the Buyer shall grant the Seller and the Factor his or her consent to the exploitation of the data provided by the Buyer (name and contact data) for marketing purposes – above all, for the sending of offers and marketing information concerning the products and services offered by the Seller and the Factor, i.e. for direct marketing via means of communication (including e-mail). The Buyer shall have the right to withdraw this consent at any time by filing with the Seller or the Factor, respectively, the corresponding declaration of intention in a format which can be reproduced in writing.
- 10. SUBMISSION OF NOTICES**
- 10.1. Any notices submitted to the other Party and/or the Factor under the Agreement shall be prepared in writing or in a format which can be reproduced in writing (i.e. communicated by e-mail or fax). In the cases provided in the Agreement, notices shall be submitted in writing.
- 10.2. Notices prepared in writing shall be considered as received by the other Party and/or the Factor, if delivered against signature or sent via a post office by registered mail to the Party's and/or the Factor's address specified in the Agreement, and 5 (five) calendar days have passed since the posting. A notice which has been digitally signed by the Party and/or the Factor and sent to the e-mail address of the Party and/or the Factor specified in the Agreement shall be considered as received by the Party and/or the Factor on the working day following the day of dispatch.
- 10.3. If a Party and/or the Factor has changed the address, fax number or e-mail address during the validity of the Agreement, and has failed to inform the other Party and/or the Factor thereof, the notice shall be considered as received by the Party and/or the Factor, if sent to the address specified in the Agreement. Any notices regarding breach of, withdrawal from and/or cancellation of the Agreement shall be submitted in writing (except

for notices of obligations, which may be submitted in a format which can be reproduced in writing).

11. DOCUMENTS OF THE AGREEMENT

- 11.1. The Special Conditions, General Conditions of the Agreement, Payment Schedule(s) and other additions, amendment and annexes to the Agreement shall form an integral part of the Agreement.
- 11.2. The General Conditions of the Agreement shall be valid insofar as they do not contradict the Special Conditions. In case of discrepancies between the Special Conditions and the General Conditions, the terms and conditions agreed in the Special Conditions shall prevail.
- 11.3. The Parties and the Factor have agreed that, where the Buyer is a customer of AS LHV Pank (registry code: 10539549), the General Conditions of AS LHV Pank shall be applied in issues not regulated by the Agreement. The General Conditions of AS LHV Pank are available in the branch offices of AS LHV Pank as well as the website of AS LHV Pank (www.lhv.ee).

12. APPLICABLE LAW AND SETTLEMENT OF DISPUTES

- 12.1. This Agreement (including the entry into, performance of and any disputes arising from the Agreement) shall be governed by the laws of the Republic of Estonia.
- 12.2. Any disputes arising between the Buyer and/or the Seller and/or the Factor within the framework of the Agreement shall be solved by way of negotiation.
- 12.3. If the parties fail to reach an agreement by way of negotiation, the dispute shall be settled by the courts of the Republic of Estonia. The Parties have agreed that Harju County Court shall serve as the court of first instance in the settlement of disputes. The jurisdiction agreement stipulated in this clause shall be applied insofar and on the condition that this is not prohibited under a mandatory provision of the law in the particular dispute.
- 12.4. The Buyer confirms and agrees that the Agreement shall be governed by the laws of the Republic of Estonia and all disputes shall be settled by Harju county court (this also implies to cases when the Buyer settles in, or transfers the place of business or seat thereof to a foreign state after the Agreement, or if the residence, place of business or seat of the Buyer is not known at the time of filing the action).
- 12.5. The Buyer shall also have the right to turn to the Consumer Protection Board (Rahukohtu 2, 10130 Tallinn) for the protection of his or her rights.