

Eumar General Terms and Conditions of Sales for Business Client

1 General conditions, scope of application

1.1 The general terms and conditions of OÜ Eumar Santehnika (hereinafter also referred to as "our", "us", "we", "Seller" or "Eumar") shall apply between Eumar and Eumar's business clients (hereinafter referred to as "Client" or "Buyer"). We shall not accept contrary conditions or supplementary provisions arising from laws which differ from our Terms and Conditions of Sale and Delivery that are imposed by the Buyer unless we have expressly agreed in writing that they shall have validity.

1.2 Our Conditions of Sale and Delivery shall continue to apply even if we effect unconditional delivery to the Buyer while aware of contrary conditions.

2 Information and Advice

2.1 Every form of verbal or written information and advice is given by us based on our experience to date and the best of our knowledge.

2.2 The Buyer is responsible for compliance with statutory and official regulations when using our goods.

2.3 Providing long term forecast by the Buyer is strongly recommended and highly appreciated as this will increase awareness and readiness of the Seller to accept and book production resources.

3 Brands and trademarks

3.1 Any Buyer of Eumar's products reselling the same shall not alter their original appearance nor delete or remove brands or trademarks.

4. Copyrights

4.1 We reserve ownership and copyrights in respect of illustrations, drawings, calculations and other documentation.

4.2 Disclosure or forwarding to third parties requires our written consent, except distribution of advertising materials produced by us.

4.3 In case we manufacture the Products on the basis of designs provided by the Buyer, the Buyer states that he is entitled to the copyrights, in particular to proprietary copyrights, to the designs of Products within the scope essential for the Contract execution.

4.4 The Buyer authorizes us to use the designs of Products within the scope necessary for the Contract execution.

4.5 The Buyer shall bear liability towards us for lack of the authorization to the abovementioned rights, and shall compensate for costs arising from lack of authorisation towards third parties related to the manufacture of Products pursuant to this Contract.

5. Offers, offer documentation

5.1 The information appearing in our catalogues, leaflets, pricelists and offers as statements by our representatives, agents or employees are given for information only and shall therefore be subject to modifications.

5.2 We reserve the right to carry out any product modification deemed by us to be useful, or to discontinue some of our products from the program without prior notice. The aforesaid right shall not extend to products regarding which a valid offer has been made to the Buyer.

5.3 Unless otherwise agreed in writing, our offers shall be valid 30 (thirty) days from the date of issue of the offers.

6. Quality guarantee

6.1 The Company gives 2 years guarantee to all the goods purchased. This guarantee only applies to products which:

- 1) are installed in accordance with the fitting instructions supplied with the products by the professional and
- 2) are maintained in accordance with maintenance instructions supplied with the products.

6.2 This guarantee is limited to the value of the product and does not cover removal and installation costs for replaced product, except in cases where damage has been caused intentionally or due to gross negligence.

6.3 The guarantee also does not include the damage caused by improper installation (unless the product was installed by the Seller, a person authorised by the Seller or it was done under the Seller's liability), storage and usage, as well as the results of careless handling, exposure to extreme temperatures and aggressive chemical agents, such as strong solvents, acids, lye etc.

6.4 The Buyer shall inform us of any nonconformities within 20 (twenty) days from the discovery of such nonconformities.

6.5 The Buyer loses its right to demand replacement, repairing or application of a discount for the nonconforming Products if it does not manage to fulfil its obligations brought out in points 6.4 and 7.3.

7. Defects

7.1 Any quality claims should be forwarded in writing at once upon the appearance of such quality imperfections, but not later than within 20 (twenty) days as of becoming aware of such non-conformity.

7.2 Manufacturer defects will be accepted and reimbursed by Eumar on receipt of corresponding filled forms (e.g. digital photo).

7.3 The Buyer is to communicate in writing any material defects in comprehensible and detailed format, providing the information necessary for determining and analyzing the defect. If nothing other has been agreed to, the customer shall use the Seller's relevant forms and procedures to do this. The Buyer shall receive the relevant forms for filling upon request. Issuance of the Seller's relevant filled forms and followance of the Seller's relevant procedures by the Buyer are prerequisites for claim management. **Photos shall be made according to the situation but have to be reasonable for understanding and determining the defect.** The Buyer shall answer the Seller's possible additional questions, provide additional explanation and/or follow the Seller's instruction for making and sending digital photos and/or video(s) to determine the defect. Free access to the Products must be assured to the Seller by the Buyer on site for inspection. Please note:

IF THERE IS NO PRODUCTION FAILURE AND/OR GUARANTEE CASE, THE BUYER SHALL BEAR THE CUSTOMER SERVICE COSTS AS AN ORDERING PARTY INCLUDING BUT NOT LIMITED TO TRANSPORT AND WORK COSTS FOR THE INSPECTION WORKERS OF THE SELLER.

7.4 In case of any eventual faults discovered, according to our preferences, the product will be replaced with a reasonable time of the goods recognized to be faulty and without any other charge than carriage for the said goods or corrected at the discretion of the manufacturer or become a subject of the reduction of invoiced price.

7.5 If the Buyer does not comply with his immediate duty to inspect the Products and give notice of defects with regard to identifiable defects in quality and/or installs the Products, the supplied Products shall be regarded as approved with regard to identifiable defects in quality and the Buyer loses its right to submit any complaints and demand replacement, repairing or discount for the Products.

7.6 Due to the distinctive characteristics of the given material, small variations in color and texture may occur.

7.6.1 This also counts for minor irregularities, which will be not visible from a distance of 60 centimeters.

7.7 Eventual faults on the back surface of the product, which will remain invisible after the installation, are also not taken into account.

7.8 All drawings contain necessary measurements stated in millimeters (mm), which are subject to standard tolerances. In the case of tolerances not stated on drawings, the below limit deviations shall be proceeded from.

7.9 Due to the distinctive characteristics of production technology, below tolerance of material could appear and not considered as manufacture defects:

7.9.1 Length tolerance -2/+2 per 1,000 mm;

7.9.2 Surface curvature for basins -2/+2, baths and shower trays -3/+3 mm per 1,000 mm;

7.9.3 Mixer, soap dispenser and overflow hole diameter 0 /+1 mm;

7.9.4 In the case of tolerances not stated on drawings, standard tolerances in accordance with ISO 2786 Classes C and L shall apply.

7.10 Note:

7.10.1 Cast marble and CreaCore™ washbasins may vary in color over time due to ultraviolet radiation.

7.10.2 Not all products are proper for heavy use public lavatories. Please ask for advice from your salesperson.

8. Orders

8.1 Orders must always be made in writing via fax or e-mail. Telephone or other verbal orders are executed at the Buyer's risk.

8.2 The Buyer states that any and all orders placed by him or his employees with the use of fax or e-mail are binding for the Buyer and the Buyer obliges not to make any claims within this scope towards us.

8.3 Orders received directly or through the medium of our agents, representatives or employees only become definite after express and written order confirmation by our company.

8.4 On Buyer's request any order may be subject to the return of an acknowledgement of receipt within a given time.

8.5 The Buyer is definitely bound from the moment he signs an order confirmation or contract with one of our representatives, agents or employees.

8.6 We reserve the right to refuse any order cancellations or to subject it to prior payment of a compensation corresponding to the loss suffered.

8.7 Withdrawal (cancellation) of the order by the Buyer always requires a written consent from us.

9. Prices

9.1 Unless otherwise stated in our offers or order confirmations our prices always apply „Ex works“ and are subject to custom charges, delivery and insurance cost and value added tax as applicable on the delivery date.

9.1.1 Value added tax is shown separately on the invoice.

9.2 The goods to be dispatched will only be insured by us on request and at the Buyer's cost. Packing is included in the price of consignments.

9.3 In case of increase of the price of raw materials or in the cost of labour for products ordered and in case such increase occurs between placing the order and confirmation of the order, we are entitled to pass such increases either partly or fully on the rates in force on the day of order confirmation.

9.4 Unless express, written and special agreement to the contrary, discounts and rebates granted to the Buyers are temporary and specific to each individual case.

10. New molds

10.1 Eumar will charge fee for the startup tooling costs of a new mold if the Buyer needs Products manufactured based on its special needs, and Eumar does not have such Product in its standard range. 10.1.1 The fee for the startup tooling includes engineering services, new model and mold production, new product development and setup.

10.2 The fee for the startup tooling costs shall be agreed between the Parties separately.

10.3 All molds shall stay properties of Eumar even after the end of the cooperation.

10.3.1 The Parties can agree otherwise, stating the agreement in a written format.

10.4 Due to the limited amount of turns of Product from the same mold per day/week/ month (exact information depends on different factors and will be suggested/informed in each individual case at request), the production capacity depends on the available molds for offered Products.

10.5 In case of larger amounts of Product and short delivery time expectations, the Buyer shall order extra molds for each needed type in advance and in reasonable time, and observe the average mold production time of 5-7 weeks. In such situation the Buyer shall:

- a) Inform the Producer about the needs and
- b) Order the needed amount of molds.

10.6 Eumar reserves the right to offer this Product made based on the Buyer's special needs and with our mold to other clients afterwards and/or include this Product in our standard range.

11. Payments

11.1 Payment and terms are stated in order confirmation.

11.2 Payments are due on the payment deadline stated on the invoice.

11.3 In the case of an advance payment, the delivery time promised to the client shall

commence on the date on which the advance payment is received.

11.4 No payment shall be deemed to have been received until the Company has received cleared funds.

11.5 Payments made by non-Estonian resident or by a person who does not have a liability account in an Estonian credit or payment institution shall be done by international bank transfers only.

11.6 In case of fault in payment by the Buyer, the Seller shall have the right to: 11.6.1 seek late interest of 0.2% for each and every day of delay in payment of the Buyer and

11.6.2 withhold the delivery of the next batches of Products until any and all outstanding payments are settled by the Buyer (time period for the performance of delivery of the next batches of Products shall be extended by the time during which the Buyer was in default in payment);

11.6.3 grant the Buyer an additional term of 7 (seven) days for paying for the submitted claim, which states that after the additional term, Eumar shall withdraw from the Contract;

11.6.4 upon failure to perform the obligation during the additional term, Eumar shall be deemed to have withdrawn from the Contract;

11.6.5 demand the prepayment of the full price for the next ordered batches of Products from the Buyer, unless the Buyer provides the Seller with the security for payment for the next batches of Products in a form satisfactory for the Seller.

11.6.6 shorten the payment period for the next batches of Products.

11.7 Eumar shall have the right to invoice the Buyer 6.95 Euros for every late payment reminder sent.

12. Ownership

12.1 The ownership of Products shall be transferred to the Buyer on the date Eumar receives the payment for these Products and if the payment of the whole price is made before the releasing of the Products to the Buyer, the ownership shall be transferred at the moment of releasing the Products to the Buyer.

12.2 The payment day shall be the day of crediting the bank account of the Seller.

12.3 The risks for the goods delivered are transferred to the Buyer upon delivery of the goods sold with reservation of title.

12.4 The Buyer shall be responsible for any damage caused to the goods as from delivery, be responsible for their preservation, maintenance and use at his own expenses and own risk.

13. Deliveries and shipment

13.1 The date of the delivery marked on the Order Confirmation indicates the date when the goods will arrive at the agreed delivery location.

13.2 If the prerequisite of delivery of the order is making of any payment(s), we reserve the right to postpone that delivery by days the respective payment(s) was (were) delayed.

13.3 Delay in delivery shall neither entail cancellation of orders or purchases for account nor entitle to any penalty or indemnity.

13.4 The delivery period has been met if the consignment has been dispatched within the delivery period or there has been notification that the consignment is ready for dispatch.

13.5 In the event of delay in acceptance by the Buyer, we shall be liable for delay in delivery only if such a delay by us is caused intentionally or due to gross negligence.

13.6 The Buyer must check the goods immediately upon receipt, count the packages, check the condition of the packages before accepting the shipment and, without delay, fix complaints for any possible damages on a national consignment note or an international consignment note (CRM form). If defects on the goods are not evident, the complaint concerning any possible damages must be submitted within 7 (seven) days as of receipt of goods.

13.7 Transportation of the goods can only be done by fixing goods on the pallets.

13.8 The packages shall be stored upwards to the direction marked on the package by "arrows".

13.9 Note: When notifying defective and/or incorrect pieces of bathroom furniture, please use a drawing of the set, mark the defective piece and indicate the invoice number and date.

13.10 In case the Seller fails to meet the Order execution period due to reasons for which the Seller bears liability, the Buyer shall be obliged – before the withdrawal from the Contract – to set for the Seller the additional period of at least 30 (thirty) business days for the Order execution stipulated in the Contract.

13.11 The Seller reserves the right to deliveries by parts.

14. Confidentiality

14.1 Any information received during the execution of the Contract or before its concluding which concerns the other Party shall be confidential and shall not be made available to third parties, disclosed or used for any reasons other than pertaining to the execution of the Contract or the Framework Cooperation Agreement, without a consent of the Party it relates to.

14.2 Confidentiality applies to the information constituting a business secret, in particular to the information on production, trade, finances, technology and organization (hereinafter referred to as: "Confidential Information").

14.3 The Party which received information shall be released from the obligation of confidentiality of Confidential Information only in the following cases:

14.3.1 on the condition of receiving a prior written consent of the other Party, in the scope covered by the consent;

14.3.2 when the demand to disclose Confidential Information shall originate in a judicial authority or any other authority which acts within its rights based on current legal regulations.

14.4 The breach of the confidentiality clause shall entitle to demand from the other Party the payment of a contractual penalty in the amount of EUR 30,000 (thirty thousand euros) for each breach.

14.4.1 The reservation of contractual penalty shall not exclude the right to seek the payment of compensation exceeding the value of the reserved contractual penalty.

15. Settlement of disputes

15.1 Should a dispute arise concerning the contractual compliance etc. of the goods purchased, the parties will do their utmost to solve such disputes in mutual negotiations.

15.2 Shall the parties fail to agree during these negotiations, all such cases will be solved in the Harju County Court, Estonia without regard to where the Buyer operates.

15.3 The applicable law is Estonian law. United Nations Convention on Contracts for the International Sale of Goods (CISG) and international conflict of laws provisions shall not apply.

16. Invalidity of Individual Clauses

16.1 If individual provisions of these General Terms and Conditions of Sale and Delivery shall be invalid or become ineffective, the validity of the remaining provisions shall not be affected in any respects.

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