

GENERAL TERMS AND CONDITIONS OF THE CONTRACT**1. Basis and subject of the contract**

- 1.1. The procurement contract has been awarded based on the documents of the dynamic purchasing system „ Küberturvalisuse, andmeturbe ja kõrgkäideldavuse lahendused, sh riist- ja tarkvara soetamine, koolitused, konsultatsioonid jm “ (reference number 255269) and the tender submitted by the seller in the related procurement.
- 1.2. The Estonian Centre of Defense Investments (hereinafter: buyer) has awarded the procurement contract with the seller based on the seller's tender, the seller's statements and confirmations and assuming in good faith the seller's professionalism and ability to properly perform the procurement contract. If subcontractors are used, the seller remains responsible to the buyer for the proper performance of the procurement contract.
- 1.3. The seller declares and confirms that:
 - 1.3.1. the seller and the sellers representative have all the rights and authorizations to enter into the procurement contract;
 - 1.3.2. the seller has examined the procurement contract and related procurement documents and fully understands the content and consequences of its obligations and agrees with the conditions set out therein;
 - 1.3.3. the performance of the procurement contract doesn't harm the rights of third parties and there are no circumstances that would exclude seller's rights to enter into the procurement contract and perform it properly;
 - 1.3.4. the seller has the valid permits, registrations, representation rights and certificates necessary for the performance of the pr contract and undertakes to extend/renew them upon their expiry during the period of validity of the procurement contract. If the extension of the permits, registrations, rights of representation and certificates is not possible due to circumstances beyond the seller's control, the seller is obliged to inform the buyer immediately;
 - 1.3.5. the seller confirms that there are no third-party claims or other rights, which third parties may be able to enforce in relation to the goods to be delivered to the buyer;
 - 1.3.6. the goods are not subject of international sanctions and don't originate from a region under international sanctions within the meaning of the International Sanctions Act.
- 1.4. The subject of the procurement contract involves goods and/or services described in the technical description of the related procurement.
- 1.5. Based on the general terms of the procurement contract (hereinafter: general terms) and conditions set out in the procurement contract, the seller undertakes to sell the goods and/or provide the service to the buyer, and the buyer undertakes to accept the goods or service and pay to seller the purchase price for the goods and/or service in money. If the goods are purchased with a life-cycle supporting service or other service, the terms of the service contracts set out in the Estonian Law of Obligations Act apply to the service to the extent not regulated in the procurement documents.
- 1.6. The type or specification of the goods, the quantity, the content of the service, the places of delivery and the delivery times are set out in the related procurement and/or purchase order and/or procurement contract(s).
- 1.7. The goods/services must comply with the conditions of the related procurement, the invitation to tender and the tender submitted by the seller. The goods/services to be transferred must meet the conditions, including in terms of quality, type, description and

quantity. The documents and packaging accompanying the goods/services must also meet the conditions.

2. Parts of the procurement contract

- 2.1. Purchasing orders which involve a financial commitment are also considered as procurement contracts.
- 2.2. The integral parts of the procurement contract are the invitation to tender, the seller's tender and its annexes, explanations given during the public procurement procedure, confirmation letters, notices forwarded between the parties, general terms and conditions and any modifications to the procurement contract to be awarded.

3. Buyer's rights and obligations

- 3.1. The buyer has the right to verify the performance of obligations arising from the procurement contract and the documents related to the purchase of goods/services.
- 3.2. The buyer has the right to verify the correctness and accuracy of the invoices, calculations, and other expenses submitted by the seller. If necessary, the buyer is entitled to request invoices of subcontractors.
- 3.3. The buyer has the right to consult with the seller on matters related to the goods/services, such as the delivery and use of the goods.
- 3.4. The buyer is obligated to pay for the goods/services received without defects.

4. Seller's rights and obligations

- 4.1. The seller is obligated upon the buyer's demand to submit a consolidated statement for goods and services purchased (including the date of conclusion of procurement contract or purchase order, the name of the goods, quantity and the value of goods/services (excluding VAT), the total value of procurement contracts/purchase orders (excluding VAT), etc.) in MS Excel format or in another format agreed with the buyer, within 10 days after receiving the request, unless the parties have agreed otherwise.
- 4.2. The seller is obligated to provide information (quantity and purpose) about subcontractors upon the buyer's demand. If the seller has provided such information before awarding the procurement contract, any subsequent changes in the mentioned individuals must be pre-approved by the buyer.
- 4.3. The seller is obligated to inform the buyer of any circumstances preventing the performance of the procurement contract.
- 4.4. The seller is obligated to immediately inform the buyer of any cyberattack or cyber incident against the seller and to provide the buyer with a cyber incident report upon the buyer's request.
- 4.5. The seller is obligated to comply with the terms of fair trade when executing the procurement contract, to be based on environmentally sustainable principles, and not to use slave and child labor.
- 4.6. The seller is obligated to conclude an insurance contract if the parties have agreed on this in the procurement contract.
- 4.7. The seller has the right to receive necessary information from the buyer for the performance of the procurement contract.

5. Packaging and marking of goods

- 5.1. The seller is obligated to provide the goods with packaging, which ensures the unchanged condition of the goods during transport and storage.
- 5.2. The packaging and marking of the goods must comply with the requirements provided by the buyer's related procurement.

6. Delivery and acceptance of goods/service

- 6.1. The acceptance time for goods/services is generally from Monday to Thursday, between 8:30 and 15:00, excluding national and public holidays, as well as the immediately preceding working days before these holidays and the last three working days of each month, unless otherwise specified in the procurement contract to be awarded.
- 6.2. The seller sends a delivery notice to the buyer about the delivery of the goods or the provision of the service before the planned delivery at least 5 working days in advance, to the e-mail address specified in the procurement contract (a copy should be sent to the e-mail address ostud@rkik.ee), unless the parties agree otherwise in the procurement contract/purchase order. To be added to the delivery notice:
 - 6.2.1. name of the goods/services;
 - 6.2.2. procurement contract (purchase order) number;
 - 6.2.3. public procurement reference number 255269;
 - 6.2.4. quantity to be delivered, including number of pallets, containers, etc.;
 - 6.2.5. dimensions of the logistic unit;
 - 6.2.6. method of packaging (film, net, Euro pallet, etc.);
 - 6.2.7. mode of transportation, which is used for delivery (van, lorry etc.), and quantity;
 - 6.2.8. specific requirements or needs for unloading the shipment;
 - 6.2.9. scheduled delivery date and time;
 - 6.2.10. delivery address of destination.
- 6.3. The seller delivers the goods/provides the service to the buyer and the buyer accepts the goods/service on agreed terms.
- 6.4. The seller provides the delivery note together with the delivery notice or at the latest at the moment of transferring the goods/providing the service. The delivery note must include:
 - 6.4.1. details of the seller;
 - 6.4.2. details of the buyer;
 - 6.4.3. procurement contract (purchase order) number;
 - 6.4.4. public procurement reference number 255269;
 - 6.4.5. product/service name, product code, and quantity.
- 6.5. In addition to the delivery note, the seller obligates to hand over all documents necessary for the receipt, possession, use and disposal of the goods/service to the buyer.
- 6.6. The buyer prepares an act of delivery and receipt, which is signed by both parties and forwarded to the seller.
- 6.7. In the event of absence of a delivery note, the buyer has the right to take possession of the corresponding goods, but the act of delivery and receipt is considered to be performed upon receiving a correct delivery note.
- 6.8. More detailed and, if necessary, different conditions for the delivery and receipt of the goods/service are provided in the related procurement.

7. Payment terms

- 7.1. The costs arising from the delivery and transport of the goods/service remain at the seller's expense until the delivery of the goods/service. The seller is also responsible for any expenses and charges associated with the goods/service until the delivery, except for costs caused by the buyer, unless otherwise agreed in the procurement contract.
- 7.2. The seller issues the invoice in an e-invoice (in machine-readable XML format). If a seller, registered outside the Republic of Estonia is unable to provide an e-invoice for technical reasons, they issue a PDF-format invoice to the email address specified in the procurement contract, unless otherwise agreed in the procurement contract. The seller issues an invoice with the following information:

- 7.2.1. The payer's details are set out in the procurement contract:
Estonian Defence Forces, Juhkentali 58, 15007 Tallinn, Estonia,
registry code 70008641

Other details to be included in the invoice:

contact person's name (specified in the procurement contract) Karin Piiri;
related procurement reference number 288047;
procurement contract (purchase order) number OTE-0490307;
name and quantity of product/service.

- 7.2.2. Seller's bank details:
seller's bank: AS "Citadele banka" (JSC)
IBAN: LV14PARX0000231601015
SWIFT Code: PARXLV22

- 7.3. The buyer pays for the accepted and eligible goods/services to the billing account set out in the invoice within 28 days of receiving an invoice that complies with the terms. The invoice submission is based on the act of delivery and receipt and delivery note signed by parties, unless otherwise set out in the procurement contract.
- 7.4. The buyer will not accept an invoice which does not comply with the terms and conditions of the contract. In this case, the seller will submit a new invoice within 7 days.
- 7.5. Before paying the invoice, the value of which is 10 000.00 EUR or more (inclusive of VAT), the buyer checks for absence of tax arrears via the Estonian Tax and Customs Board website. In the event of tax arrear of 10 000.00 EUR or more, the buyer informs the Estonian Tax and Customs Board of the invoice that is due for payment.

8. Force majeure

- 8.1. Breach of contractual obligations is excusable if the party was in breach of obligations due to force majeure. The parties consider force majeure to be a circumstance that the breaching party could not influence and, based on the principle of reasonableness, could not be expected to take this circumstance into account or to avoid it at the time of awarding the procurement contract, or overcome an impeding circumstance or its consequence, for example natural disasters, general power outages, wars, blockade. The parties do not consider the inability of the seller's third-party contractual partner to perform the procurement contract as force majeure.
- 8.2. If any circumstance corresponding the conditions of force majeure led to the non-performance of the procurement contract within the deadline specified in the procurement contract or its annexes, and the effect is temporary, the party who has breached the obligation arising from the procurement contract is excusable only during the time when force majeure prevented the performance of the obligation.
- 8.3. Due to the event of a force majeure, the deadline for the performance of the contractual obligation is postponed in accordance with the duration of the force majeure event, but for no more than 90 days unless otherwise agreed by the parties.
- 8.4. A party that is not able to perform its obligations due to force majeure must immediately inform the other party of the occurrence and termination of such a situation. Non-notification or untimely notification deprives the party of the right to refer to the excusability of the violation, i.e. the occurrence of force majeure, and the party that breached the obligation to inform is responsible for the violation of the contractual obligation in accordance with the provisions of the contract.
- 8.5. In the event that the effect of force majeure is permanent and does not allow the parties to perform their contractual obligations in whole or in part, the parties have the right to terminate the contract or withdraw from the contract by making a corresponding statement of termination or withdrawal from the contract to the other party.

- 8.6. The parties do not treat the consequences of the Covid-19 pandemic as force majeure. In the event that, after the award of the contract, new unforeseen restrictions related to the Covid-19 pandemic are introduced and due to which the performance of the contract is not possible or is prevented, then this may be considered as force majeure.
- 8.7. The parties shall not consider the impact of import restrictions related to the Russian Federation and Belarus on the performance of the obligation to supply goods/provision of services as force majeure if these circumstances existed at the time of awarding the procurement contract.

9. Warranty obligation

- 9.1. The warranty obligation applies to goods/services for which it is possible to provide a warranty.
- 9.2. The seller with the procurement contract provides a warranty for the goods/services for the period specified in the technical description or under the conditions set out in the procurement contract.
- 9.3. The warranty commences from the day of transfer to the buyer of the goods/service (in the case of services, from the signing of the act of delivery and receipt, unless otherwise specified in the procurement contract).
- 9.4. In the event that the manufacturer's warranty of the goods/services is in any way more favorable to the buyer (for example, in terms of time) than the warranty obligation specified in the general terms and conditions or the procurement contract, the seller obligates to organize the realization of the warranty claim for the buyer in the event of this incident under conditions more favorable to the buyer, which result from the terms of the manufacturer's warranty.
- 9.5. All defects that occur during the warranty period are covered by the warranty, taking into account normal wear and tear, unless otherwise agreed in the pr contract.
- 9.6. The buyer is obligated to inform the seller of any defects in the goods/service that arise during the warranty period to the seller's email address, unless otherwise agreed in the procurement contract.
- 9.7. The buyer is obligated to replace defective goods free of charge or eliminate deficiencies in the services provided within 60 days from the receipt of the buyer's respective reasoned warranty claim, unless otherwise agreed in the procurement contract.
- 9.8. The seller bears all costs related to the replacement of defective goods or the rectification of defects in the provided services.
- 9.9. Replaced goods or services during the warranty period will be covered by a new warranty of the same duration as the original warranty.

10. Confidentiality and security requirements

- 10.1. The parties understand as confidential information any information which becomes known in the performance of the procurement contract, personal data, security data, clearly marked documents declared for internal use and other information that, the disclosure of which could harm the interests of the buyer. Confidential information does not include information that is requires to be disclosed by law, provided that such disclosure is effected in the most restrictive manner from among the available options.
- 10.2. In accordance with the confidentiality requirement, the party undertakes not to disclose the other party's confidential information during the validity of the procurement contract or later without the written consent of the other party, including information intended for internal use. The party protects the confidentiality of the information that became known to him during the performance of the procurement contract.
- 10.3. The seller obligates not to use any document or information attached to the procurement contract without the buyer's written consent, except in cases necessary for the performance of the procurement contract. All documents except the procurement contract and its annexes, are the property of the buyer, and if the buyer requires is, the seller is obligated to

- return them after the termination of the procurement contract.
- 10.4. If the seller needs to enter the territory of the area of government of the Ministry of Defense in order to perform the procurement contract, the seller is obligated to comply with the applicable security requirements. If the seller uses subcontractors in the said territory, they must be previously approved in writing by the buyer, and they are also subject to all security requirements set out in the related procurement. The seller is responsible for ensuring that subcontractors comply with the security requirements.
 - 10.5. Communication to the public relating to the subject-matter of the procurement contract or the performance thereof, including press releases, references to the buyer in advertising or online publications, is permitted only with the express consent of the buyer in a format that can be reproduced in writing.

11. Intellectual property rights

In the event that the goods or any part thereof (including relevant documentation) are protected by intellectual property rights, the seller grants the buyer a worldwide irrevocable non-exclusive licence within the meaning of the Copyright Act, which is valid until the expiration of the copyrights. The licence is considered transferred from the moment of transferring of the goods or any part thereof (including the relevant documentation), for which a separate fee is not paid. The terms and conditions of transfer and use of intellectual property rights may be agreed otherwise in the procurement contract.

12. Liability

- 12.1. The parties bear responsibility towards each other in the event of improper performance or non-performance of the obligations arising from the procurement contract in accordance with the general terms and conditions, the terms of the related procurement, the provisions of the procurement contract and applicable legislation.
- 12.2. Ownership of the goods and the risk of accidental destruction and damage are generally transferred from the seller to the buyer upon proper handover of the goods, unless the parties have agreed otherwise in the related procurement.
- 12.3. The seller is responsible for non-conformity (defects) of the goods or services to the conditions of the procurement contract, if the non-conformity exists during the transfer of the risk of accidental destruction and damage to the buyer, and if the non-conformity of the goods to the conditions of the procurement contract is discovered (i.e. the defects could not be detected during their normal inspection, so-called hidden defects) after the said risk transfer to the buyer.
- 12.4. In the event that the seller performs the procurement contract improperly, the buyer has the right to refuse to accept the goods and/or service and to perform the obligation to pay the purchase price, and to submit to the seller a demand for the performance of the obligation in the manner stipulated in the procurement contract after learning of the breach of the obligation, giving the seller a reasonable deadline to perform the procurement contract. Delivery by the seller is considered delayed until the appropriate goods and/or services are handed over to the buyer.
- 12.5. The goods do not comply with the terms of the procurement contract, among other things, if the goods do not have the agreed characteristics, the goods cannot be used for the intended purpose, a third party has a claim against the goods or other rights that he can submit, the goods are not packaged in accordance with the terms of the procurement contract or there is no delivery note.
- 12.6. The service does not comply with the the terms of procurement contract, among other things, if the service has not been provided in accordance with the expected quality, the result of the service does not allow the goods to be used as intended, or if an invoice has not been submitted for the service.
- 12.7. The buyer or an authorized representative of the buyer is obligated to inform the seller via email of any non-conformity with the terms and conditions of the contract for the goods or

services (i.e., shortage of goods or services) within 60 days from the moment when the buyer or the buyer's authorized representative became aware of the non-conformity of the goods or services with the terms and conditions of the contract. In the notice, the buyer undertakes to require the seller to perform the obligation, while at the same time granting the seller a reasonable deadline, which may not normally exceed 30 days.

- 12.8. If the buyer does not inform the seller of the deficiencies in the goods or services within the time limit set out in the contract after becoming aware of the defect, the seller is released from liability for defects in the goods or services, except if the failure to report the deficiencies was reasonably justifiable.
- 12.9. In case of the timely non-delivery of the goods or the failure to provide the service, the buyer has the right to request from the seller a contractual penalty of up to 0.25% of the cost of the undelivered goods or unprovided service per day for each day delayed, but not exceeding 50% of the contract value.
- 12.10. Parties have the right, in addition to terminating the procurement contract or withdrawing from the procurement contract, to demand a contractual penalty for a material breach, according to the extent of the incurred damage.
- 12.11. In case the seller breaches any other contractual obligation than timely delivery or service provision, the buyer has the right to demand a contractual penalty from the seller, up to 10% of the total cost of the goods or services that are the subject of the entire contract.
- 12.12. In the event of a breach of confidentiality obligations, the party has the right to demand a contractual penalty of up to 10 000.00 euros for each corresponding incident from the party that breached the obligation.
- 12.13. If the buyer delays the payment of the invoice, the seller has the right to demand from the buyer an interest as specified in § 113 (1) of the Law of Obligations Act on the unpaid amount for each day of delay, up to 0.25% per day, provided that the delay has been notified to the buyer within 30 days of its occurrence. The total amount of interest does not exceed 10% of the delayed amount.
- 12.14. The contractual penalty is agreed upon to ensure the performance of the agreed obligation, not as a substitute for the performance of the obligation. Demanding a contractual penalty does not deprive the buyer of the right to seek compensation from the seller for the damages caused by a breach of the procurement contract.
- 12.15. Contractual penalties and default interest are paid within 28 days of receiving the corresponding claim. The buyer has the right to deduct sums contractual penalty claims and the sums of compensation for damages submitted by the buyer from the amount payable for the seller.
- 12.16. If the seller fails to perform the procurement contract, the buyer has the right to award a procurement contract with the next tenderer in the related procurement and to demand compensation from the seller for the difference in cost between the value of the tender submitted by the seller and the value of the tender submitted by the new successful tenderer.
- 12.17. In the case of a quantity shortage of the goods, the buyer is entitled to accept the goods and request the seller to deliver the missing quantity of goods to the destination specified by the buyer within the Republic of Estonia at the seller's expense.

13. Grounds for termination of the procurement contract

- 13.1. In the event of termination of or withdrawal from the procurement contract, the buyer grants the seller a reasonable time for performance of the contract, which generally may not exceed 30 days. The granted time for performance of the procurement contract does not relieve the party from liability for a breach of obligation.
- 13.2. After the expiry of the additional time for the performance of the procurement contract, the buyer may submit a written termination or withdrawal statement to the seller. The termination of or withdrawal from the procurement contract is considered to have occurred from the moment the seller receives the termination/withdrawal statement. An application of termination or withdrawal is not required if the buyer, when granting an additional time,

has made it clear in writing in advance that the buyer terminates or withdraws from the procurement contract if the contractual obligations are not performed within the time. In this case the procurement contract terminates upon the expiration of the additional time and on the term that the seller has not offered an appropriate performance to the buyer.

- 13.3. A party is entitled to terminate or withdraw the procurement contract without further notice if the other party has significantly breached the obligations arising from the procurement contract (material breach). In this case, one party submits a written termination/withdrawal statement to the other party within a reasonable time from becoming aware of the material breach of the contract. The termination/withdrawal of the procurement contract(s) is considered to have occurred when the party has received the termination/withdrawal statement. Material breaches of the contract include, among other things, situations where:
- 13.3.1. obligations arising from the general terms and/or the procurement contract are violated intentionally or due to gross negligence.
 - 13.3.2. the seller has not performed their obligations within the additional time given by the buyer;
 - 13.3.3. the seller informs the buyer of the refusal to perform;
 - 13.3.4. false information or falsified data is provided;
 - 13.3.5. there are breaches of the confidentiality obligation;
 - 13.3.6. the breach of obligation gives the party a reasonable ground to believe that the other party will not perform the obligation in the future.
 - 13.3.7. the seller commits legal violations in the sale of goods or provision of services that are the subject of the procurement contract during the validity of the contract.
 - 13.3.8. the seller's permits for performing obligations expire, and the seller does not extend them.
 - 13.3.9. the seller has breached the general terms, related procurement and/or procurement contract conditions more than five times.
- 13.4. The buyer has the right to terminate the procurement contract extraordinary if a bankruptcy decision has been made against the seller or a liquidation process has been initiated, or if the seller's necessary authorisations for performing obligations expire, and the extension of authorisations is not possible due to circumstances beyond the seller's control.
- 13.5. The buyer has the right to terminate the procurement contract at any time by informing the seller at least 90 days in advance.

14. Final provisions

- 14.1. The procurement contract enters into force upon signing by the Seller, unless otherwise specified in the procurement contract.
- 14.2. In the performance of the procurement contract and in the event of disputes arising from the procurement contract, the legislation of the Republic of Estonia applies, unless the parties have agreed otherwise.
- 14.3. The parties have agreed to take all measures to solve any disagreements between them through negotiations. In the event of not reaching an agreement, the dispute will be settled in accordance with the legislation of the Republic of Estonia in the Harju County Court, unless the parties have agreed otherwise.
- 14.4. The invalidity of a single provision of the procurement contract does not lead to the invalidity of the entire procurement contract or other provisions.
- 14.5. Neither party has the right to transfer its contractual rights and obligations to third parties without the written consent of the other party.
- 14.6. Modifications to the awarded procurement contract may be agreed upon on a basis and scope specified in the Public Procurement Act.
- 14.7. Modifications to the procurement contract are valid if they have been documented in writing. If the written form requirement is not followed, the modifications to the contract are void. All contract modifications enter into force after being signed by the parties or on the date set

- by the parties, unless otherwise agreed.
- 14.8. All notifications that do not have legal consequences will be submitted by email and must be addressed to the contract contact persons, unless otherwise agreed in the procurement contract.
 - 14.9. The party informs the other party immediately by email of any changes in contact person or other data. This notice shall not be considered as a modification to the procurement contract.
 - 14.10. The transmission of notices and other information with legal significance between the parties must be done in writing or digitally signed by e-mail. The notice is considered received if it has been delivered by a postal authority with a return receipt to the address specified in the procurement contract and five days have passed since the notice was posted. If the notice is sent by e-mail, the notice is considered received on the next working day.
 - 14.11. Hierarchy of documents: related procurement technical description, procurement contract, general terms.