



Annex 1 General Terms and Conditions of the Contract for Services for the installation of a heat pump

Valid from 01 April 2021

1. GENERAL PROVISIONS

- 1.1. These General Terms and Conditions set out the terms and conditions of heat pump installation services and the terms and conditions of heat pump sales (hereinafter also referred to as the Contract) entered into between the Customer and the Contractor, and they form an integral part of the Contract.
- 1.2. The Customer and the Contractor are hereinafter jointly referred to as the Parties, separately as the Party.
- 1.3. In the event of a conflict between the terms and conditions set out in the sales offer and the terms and conditions set out in these General Terms and Conditions, the Parties shall first proceed from the terms and conditions set out in the sales offer and then the General Terms and Conditions.

2. PERFORMANCE OF THE WORK

- 2.1. The Contractor undertakes to perform the work agreed in the Contract (also referred to as the Work or Works).
- 2.2. The completed Work and the equipment specified in the sales offer of the Contract shall be deemed to have been handed over to the Customer when both Parties have signed the instrument of delivery and receipt.
- 2.3. The Instrument of Delivery and Receipt shall be prepared and submitted by the Contractor to the Customer for signing.
- 2.4. If the Customer discovers any shortcomings in the Work, the Customer shall have the right to raise a claim to the Contractor before signing the Instrument of Delivery and Receipt. The Contractor undertakes to eliminate the shortcomings set out in the claim within a reasonable time. The Contractor shall resubmit the Instrument of Delivery and Receipt to the Customer for signing after the elimination of the shortcomings.
- 2.5. If the Customer has not signed the Instrument of Delivery and Receipt within three (3) business days after the submission of the Instrument by the Contractor, and the Customer has not raised any claims to the Contractor regarding shortcomings in the Work, the Work shall be deemed to be handed over to the Customer.
- 2.6. If the performance of the Work is delayed due to an obstacle arising from the Customer (including in a situation where the Customer violates an obligation specified in the Contract), the Work execution schedule shall be deemed to be extended by the time taken by the Customer to eliminate the violation and/or obstacle.

3. RIGHTS AND OBLIGATIONS OF THE PARTIES

- 3.1. The Contractor has the right to:
 - 3.1.1. Receive the information necessary for the performance of the Work from the Customer;
 - 3.1.2. Use subcontractors when performing the Work;
 - 3.1.3. Erect auxiliary facilities necessary for the performance of the Work (incl. stands, fences, shelters);

- 3.1.4. Place advertisements on the performance of the Work, provided that the placement of the advertisement has been previously agreed with the Customer;
- 3.1.5. Publish information about the performed Work (incl. description of the Work, name of the Customer, address for the performance of the Work) in its marketing channels (incl. website, publications), provided that the Customer is a legal entity and that the Customer has not informed the Contractor that they do not wish the mentioned data to be published;
- 3.1.6. Demand the elimination of obstacles resulting from the Customer in the performance of the Work;
- 3.1.7. Suspend Work in a hazardous work section or prohibit the use of a dangerous tool if the employee's life or health, property or environment is in direct danger and if the danger cannot be eliminated in any other way;

3.2. The Contractor is obliged to:

- 3.2.1. Perform the Work in accordance with the Terms and Conditions of the Contract;
- 3.2.2. Take into account the Customer's instructions on the progress of the performance of the Work;
- 3.2.3. Hand over the completed Work to the Customer;
- 3.2.4. Comply with the requirements of the rules of occupational health, occupational safety, fire safety and environmental protection when performing the Work;
- 3.2.5. Immediately notify the Customer of circumstances that may endanger proper performance of the Work;
- 3.2.6. Immediately notify the Customer of the suspension of the performance of the Work;
- 3.2.7. Eliminate the sources of danger and obstacles arising from the Contractor specified in Clause 3.1.7 as soon as possible, and to continue the Work after the elimination of sources of danger and obstacles;
- 3.2.8. Ensure compliance with the rules of work organization in the area of the performance of the Work;
- 3.2.9. Ensure the maintenance of the area of the performance of the Work;
- 3.2.10. Retain all technical documents related to the Work or copies thereof at least until the end of the warranty period for the Work, unless a longer retention period is prescribed by law;
- 3.2.11. After the completion of the Work, demolish and/or remove the auxiliary facilities erected by the Contractor for the performance of the Work;
- 3.2.12. Respond to all written inquires submitted by the Customer related to the performance of the Contract within 7 (seven) business days at the latest.

3.3. The Customer has the right to:



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- 3.3.1. Inspect the progress and quality of the Work at any time, and if shortcomings are discovered, issue a precept to the Contractor regarding the elimination of the shortcomings;
 - 3.3.2. Demand the Contractor to suspend the performance of the Work in the event of a risk of an accident, violation of the requirements provided for in construction legislation, failure to comply with the conditions of the building permit or written consent, or construction not in accordance with the construction project;
 - 3.3.3. Suspend the performance of the Work temporarily in the event of a cause arising from Clause 3.1.7 until the source of danger / obstacle has been eliminated.
- 3.4. The Customer is obliged to:
- 3.4.1. Obtain all the necessary permits and approvals (including building notice / building permit, consent of the apartment association, etc.) required for the installation of the heat pump before starting the Work;
 - 3.4.2. Provide the Contractor with all the information necessary for the performance of the Work;
 - 3.4.3. Give the Contractor all necessary authorizations, approvals, consents for the performance of the Work;
 - 3.4.4. Contribute to the performance of the Contractor's obligations, if assistance by the Customer is a prerequisite for the performance of the obligation;
 - 3.4.5. Ensure the Contractor (incl. the Contractor's employees, representatives and subcontractors) access to the place of the performance of the Work;
 - 3.4.6. Accept the completed Work (incl. technical documentation) and the equipment specified in the main body of the Contract;
 - 3.4.7. respond to all written inquires by the Contractor related to the performance of the Contract within 7 (seven) business days at the latest.
- 4. PAYMENT FOR THE WORK**
- 4.1. The Customer undertakes to pay for the Work and for the equipment specified in the sales offer of the Contract in accordance with the procedure agreed in the sales offer of the Contract.
 - 4.2. The cost of the Work shall include all expenses necessary for the performance of the Work, unless otherwise stated in the specific clause of the Contract.
 - 4.3. The Contractor shall have the right to refuse to perform the Work and hand over the equipment specified in the sales offer of the Contract if the Customer is late in paying the invoices.
- 5. VALIDITY AND AMENDMENT OF THE CONTRACT**
- 5.1. The Contract shall enter into force upon signature by both Parties, unless the Parties have agreed otherwise. The Contract is valid until the proper performance of the obligations arising from the Contract.
 - 5.2. The Contractor shall have the right to terminate the Contract in an extraordinary manner if the Contractor is unable to perform the Work. The Contractor shall not be able to perform the Work, inter alia, if the Customer materially breaches the obligations arising from the Contract, including the obligation to pay for the Work (or part thereof) or equipment specified in the main body of the Contract.
 - 5.3. Customer who is a natural person has the right to withdraw from a contract of services within 14 days from the conclusion of the Contract without giving a reason. If the Customer withdraws from the contract of services, the Contractor has the right to demand compensation from the Customer for the expenses incurred.
 - 5.4. Customer who is a natural person has the right to withdraw from the contract of sale of the heat pump without giving a reason within 14 days from signing the Instrument of Delivery and Receipt of the Work by both Parties.
 - 5.5. Upon withdrawal from the Contract in the cases provided for in Clauses 5.3 and 5.4, the Customer shall submit a corresponding application to the Contractor's contact person by e-mail.
 - 5.6. In the event of withdrawal from the Contract in the case provided for in Clause 5.4:
 - 5.6.1. The Contractor shall return to the Customer the cost of the heat pump specified in Annex 1 to the Contract (excluding the cost of installation and other work) within 14 days of receipt of the withdrawal application by the Contractor and returning of the equipment by the Customer to the Contractor;
 - 5.6.2. The Contractor undertakes to instruct the Customer on how to return the heat pump to the Contractor. The withdrawal shall be made at the expense of the Customer and the Customer shall be obliged to reimburse the Contractor for the normal costs of returning goods, taking into account the imperative restrictions arising from legislation.
 - 5.7. In the case provided for in Clause 5.4, the Contractor shall have the right to refuse the withdrawal or to offset the decrease in the value of the equipment with the amount paid by the Customer if the equipment (and/or equipment packaging) returned by the Customer has deteriorated or been damaged and such deterioration/damage is caused by circumstances arising from the Customer. The Customer shall be responsible for the decrease in the value of the equipment due to the use of the equipment in other ways than is necessary to verify the nature, characteristics and operation of the equipment. In order to ascertain the nature, characteristics and operation of the equipment, the Customer undertakes to handle and inspect the equipment only as it is permitted to do so in a store. The Customer shall be responsible for the decrease in the value of the equipment due to its installation. If the installation of the equipment has started, the value of the equipment is automatically reduced by up to 70% of the price of the equipment. The value of the equipment decreases according to the time it is used.



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5.8. The Contractor shall have the right to unilaterally amend these General Terms and Conditions. If the provisions are changed to be more unfavourable to the Customer upon amendment of the General Terms and Conditions, the Customer has the right to cancel the Contract by notifying the Contractor within five business days of receiving the notification of the amendments to the General Terms and Conditions.

6. CONFIDENTIALITY

6.1. Confidential information (hereinafter Confidential Information) is any information obtained during the conclusion of the Contract, regardless of the form, context or medium through which the information was obtained by the Party, including the representative of the Party.

6.2. Confidential Information is not information that:

6.2.1. Regardless of the actions or omissions of the Party (including representative of the Party) receiving information, is or will be available to public without violating the Contract.

6.2.2. Was in the possession of the Party (including representative of the Party) receiving information, or was provided to it in a legal manner from a source that did not have an obligation of maintaining the confidentiality of the information with regard to the other Party;

6.3. The Parties undertake to:

6.3.1. Ensure the confidentiality of Confidential Information during the validity of the Contract and indefinitely after the termination of the Contract on any basis;

6.3.2. Use Confidential Information only for the purpose of performing the Contract;

6.4. The Parties have the right to disclose Confidential Information for the purpose of performing the Contract to their representatives, provided that:

6.4.1. Confidential Information is disclosed to the representative only to the extent necessary for the representative to perform the Contract;

6.4.2. The party has entered into a confidentiality agreement with the representative;

6.4.3. The representative has been informed of the nature of the Confidential Information.

6.5. The Parties shall ensure that the representatives of the Parties comply with the obligation of confidentiality arising from this Contract.

6.6. Representative of the Party is:

6.6.1. An employee of the Party, a member of the board, a subcontractor;

6.6.2. An undertaking belonging to the same corporate group as the Party, as well as an employee, member of the board or subcontractor of such undertaking;

6.6.3. Other natural person or legal entity acting on behalf of the Party or an undertaking belonging to the same corporate group as the Party.

6.7. The Parties have the right to disclose Confidential Information in cases provided by law. If a Party, on the basis of a legal act, must disclose the Confidential Information of the other Party, it must

make reasonable efforts in order to provide the other Party with the notification concerning such disclosure at least 10 (ten) business days in advance, limit the amount of Confidential Information to be disclosed as much as possible, and disclose Confidential Information to the extent only truly required in accordance with the legal act.

6.8. The Parties have the right to disclose the fact of entering into the Contract.

7. LIABILITY OF THE PARTIES

7.1. The Parties shall be liable to the other Party for damage caused by non-performance or improper performance of the obligations arising from the Contract. In the event of a breach of the Contract, the Parties have the right to use all legal remedies arising from the law and the Contract together, provided that the simultaneous application of legal remedies is not in conflict with the law.

7.2. The Parties shall be liable for the actions and omissions of the subcontractors involved in the performance of the Contract just as for their own actions and omissions.

7.3. A Party shall compensate the other Party for direct patrimonial damage caused by a breach of the obligations provided for in the Contract. Loss of income and non-patrimonial damage shall not be compensated.

7.4. The Contractor shall not be liable for exceeding the time limits agreed in the main body of the Contract if the time limits are exceeded due to:

7.4.1. The actions or omissions of the Customer, including instructions given by the Customer;

7.4.2. Delays not due to the Contractor in applying for permits/approvals required for the object of the Work or the performance of the Work.

7.5. The Contractor shall not be liable for non-compliance of the Work with the Terms and Conditions of the Contract due to following the Customer's instructions or defects in the materials provided by the Customer for the performance of the Work.

7.6. If the Contractor is late in performing the Work (incl. completion), the Customer shall have the right to demand a contractual penalty of 0.04% of the cost of the Work from the Contractor for each day of delay, unless the breach is excusable.

7.7. Among other cases, a violation of obligations arising from the Contract is excusable if it was caused by force majeure. Force majeure is a circumstance beyond the control of the Party, and, proceeding from the principle of reasonability, it could not be expected from the Party that it would take such circumstance into consideration at the moment of entry into the Contract, or avoid it, or overcome the impediment or its consequence.

7.8. The Party whose activities in performing the Contract have been hindered by force majeure must immediately make it known to the other Party.

7.9. If the Customer delays the payment of an invoice, the Contractor shall have the right to demand:



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- 7.9.1. A 0.2% default interest of the amount due for each day of delay from a Customer who is a legal entity until the amount due is paid in full;
- 7.9.2. A 0.066% default interest of the amount due for each day of delay from a Customer who is a natural person until the amount due is paid in full;

Default interest calculation shall begin on the day following the due date and shall end on the date of payment of the amount due (inclusive).

- 7.10. The Contractor undertakes to eliminate any non-compliance with the Terms and Conditions of the Contract for the Work as soon as possible after receipt of a relevant claim from the Customer.
- 7.11. If the invoice is not paid by the due date, the Contractor shall have the right to send the Customer a reminder at the price specified in the Contractor's price list.

8. WARRANTY

- 8.1. The Contractor shall provide a contractor's guarantee of 2 (two) years for the performed Work, starting from the delivery of the Work. The Parties shall proceed from § 650 of the Law of Obligations Act when providing content to the contractor's guarantee.
- 8.2. Equipment installed under the Contract is covered by the manufacturer's warranty. The manufacturer's warranty conditions are available on the Contractor's website https://www.energia.ee/-/doc/8644186/energia-tooted/soojuspump/Soojuspumba_garantiitingimused.pdf.
- 8.3. During the warranty period, the Contractor shall eliminate all non-compliances with the Terms and Conditions of the Contract at its own expense. The Contractor shall eliminate non-compliances with the Terms and Conditions of the Contract within a reasonable term.
- 8.4. During the warranty period, the Contractor shall be released from the elimination of non-compliance with the Terms and Conditions of the Contract if the specified non-compliance arises from improper use or maintenance (incl. non-maintenance) by the Customer.

9. SUBMISSION OF MESSAGES

- 9.1. The contact persons of the Parties have the right to resolve issues related to the performance of the Contract. The contact persons do not have the right to terminate the Contract or change the Terms and Conditions of the Contract.
- 9.2. In the event of changes in the contact persons or their data, the Parties shall not agree to amend the Contract but shall notify each other of changes in such data by e-mail.
- 9.3. Messages, confirmations, claims, etc. communications submitted on the basis of the Contract (hereinafter Message) shall be formalized at least in a form that can be reproduced in writing unless otherwise provided by a specific clause of the Contract.
- 9.4. A Message submitted under the Contract shall be deemed to have been duly submitted if it has been prepared in Estonian and

sent by e-mail, in which case the Message shall be deemed to have been received by the other Party upon sending the e-mail if it takes place on a business day at 9:00-17:00, and in other cases on the next business day at 9:00 after sending, if the server has not sent a message about non-delivery of the e-mail and the Message was sent to another e-mail address or to the Contact Person of the other Party at the e-mail address of that Contact Person.

10. FINAL PROVISIONS

- 10.1. The Parties confirm that by entering into the Contract, they have not violated any law, article of association or other legal act applicable to them or any obligation assumed by them in previous contracts and arrangements, and they have the necessary powers, permits and competence to enter into the Contract under the conditions and pursuant to the procedure provided by it.
- 10.2. The terms and definitions given in singular in the Contract also mean plural, and vice versa, unless the text or meaning in the Contract provides otherwise.
- 10.3. If any of the provisions of the Contract turn out to be completely or partially invalid due to its contradiction to legal acts of the Republic of Estonia, it will not affect the validity of other provisions or their parts. The Parties shall do their best to replace a void provision with a valid one which would correspond to the content and idea of the Contract.
- 10.4. With regard to the requirements not provided in the Contract, the Work must meet the usual requirements for similar activities and/or enable the Customer to achieve the objective of the Contract and be of reasonable but not lower than average quality, taking into account the circumstances.
- 10.5. The Parties agree that until the full cost of the Work is paid, the ownership of the equipment to be installed under the Contract shall remain with the Contractor. Ownership of the equipment to be installed on the basis of the Contract shall be transferred to the Customer after full payment of the cost of the Work.
- 10.6. If one of the Parties is forced to bear expenses related to the collection of a debt from the other Party (including expenses related to waiving the right of claim), the other Party undertakes to compensate for all of the expenses related to the collection of the debt. From the amounts paid for covering the debt, overdue default interest shall be regarded as paid first, then the expenses related to the collection of debt (including legal aid expenses), and lastly the principal debt.
- 10.7. The Contractor shall process the Customer's personal data in accordance with the Contractor's Customer Data Processing Principles available on the Contractor's website <https://www.energia.ee/et/avaleht>.
- 10.8. All disputes arising from the Contract shall be attempted to be resolved through negotiations by the Parties.
- 10.9. In order to resolve disputes arising from the Contract that the Parties have not been able to resolve by agreement, the Customer who is a natural person may file a complaint with the Consumer Disputes Committee of the Consumer Protection and

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Technical Surveillance Authority on the basis and pursuant to the procedure provided for in the Consumer Protection Act.

- 10.10. Disputes arising from the Contract that the Parties are unable to resolve by agreement shall be settled in the local court of the Customer on the basis of the legislation of the Republic of Estonia. If the Customer settles abroad or transfers its place of business or registered office abroad after entering into the Contract, or if the Customer's place of business, residence or registered office is not known at the time of filing the action, the dispute shall be settled in a court of the Republic of Estonia on the basis of the legislation of the Republic of Estonia. The foregoing shall not preclude the right of the Parties to file an application in expedited payment order procedure in accordance with the jurisdiction provided for such proceedings.