General terms and conditions of the contract for services

HOBENOOL

Customer contract

- These general terms and conditions regulate the legal relationship between the service provider (hereinafter referred to as the Hõbenool) and the recipient of the service (hereinafter the Customer) with respect to the sale of works related to the maintenance and repair of automatic transmissions (hereinafter the Works) or spare parts (hereinafter referred to as Spare Parts) (together referred to as the Services).
- General terms and conditions, order, price list and invoice are an integral part of the Customer Contract (hereinafter the Customer Contract). In other matters, the parties are governed by the legislation of the Republic of Estonia.
- The general terms and conditions are available to the Customer on the website of the Höbenool <u>www.hobenool.eu</u>, as well as at the site of the Höbenool. The general terms and conditions shall prevail over any standard terms applied by the Customer.
- 4. The Customer has had the opportunity to familiarize itself/himself/herself with the terms and conditions of the Contract (including the general terms and conditions) before concluding the Customer Contract.
- The Customer contract shall be concluded between the parties by accepting the offer submitted for the execution of the Works or the sale of Spare Parts or by handing over the Customer's car to the Hõbenool for the performance of the Works or diagnosis of the Works required.

Placing an order

- 6. The Höbenool shall perform the Works ordered by the Customer and shall deliver the Spare Parts requested by the Customer in the business premises and territory of the Höbenool, unless the parties agree otherwise.
- The Hõbenool acquires the materials, spare parts and accessories needed to carry out the Works.
- 8. The Hõbenool may use subcontractors to perform Works.
- The Customer is obliged to inform the H
 öbenool about the
 circumstances affecting the Works (including previous vehicle
 accidents, previous repair works, technical condition of the car, etc.).
 The Customer shall be liable for the damage caused as a result of the
 violation of this obligation.
- The H\u00f6benool will not carry out a review of the completeness and condition of the vehicle transferred to Customer by the H\u00f6benool upon receipt of the order.
- 11. The Hőbenool shall have the right to refuse to use the Customer's materials, Spare Parts and accessories if they do not guarantee the quality of the work or the subsequent road safety of the vehicle according to the Hőbenool. The Hőbenool carries out the visual inspection of the Customer's materials, spare parts and

accessories with due diligence. The Hõbenool is not responsible for any subsequent deficiencies that could not be detected during this inspection.

12. The Customer authorizes the employees of the Höbenool to use the Customer's vehicle for the test drive, including in traffic for the purpose of carrying out the Works. The Customer is obliged to ensure the compliance of the vehicle with the law (including valid inspection, insurance, seasonal tires, etc.). The Customer shall be liable for any damages or fines that may be incurred during the execution of the Works (incl. during the test drives in traffic) if the condition of the vehicle does not comply with the law,

Term of the order

- 13. The Hőbenool carries out the Works and delivers the Spare Parts to the Customer on the term notified by the Hőbenool.
- 14. The Hőbenool shall inform the Customer and determine a new term in the event of unexpected circumstances that do not allow the order to be executed by the term and which were not reasonably foreseeable by the Hőbenool. Unexpected circumstances include, but are not limited to, delays in ordering supplies, materials, and Spare Parts, if such delays are not dependent on the Hőbenool, interruptions in electricity, water or energy routes, etc. The Hőbenool is not responsible for postponing the execution of the order in the event of unexpected circumstances.

The price of the order, amendment of the order and additional works

- 15. The H\u00f6benool shall provide the Customer with an offer for the initial cost of the Works and Spare Parts. The H\u00f6benool can also give approximate price announcements orally or over the phone. Acceptance of works or supply of Spare Parts is considered to be an order.
- 16. The budget for the Works and Spare Parts submitted by the Hõbenool and the supplementary budget and calculations based on the Customer contract are non-binding.
- 17. The Hõbenool has the right to exceed the non-binding budget by 10% without prior notification of the Customer due to the additional works necessary for the quality of the Works.
- 18. The Hõbenool has the right to suspend the Works until the Hõbenool has received confirmation about the additional work from the Customer, if additional works, materials, Spare Parts or accessories are required to complete the order, the total cost of which exceeds 10% of the original order cost. If the Customer has not confirmed the additional works or withdraws from the contract within 5 working days, the storage fee shall be applied to the Customer's vehicle (see the paragraph 30 below) until the confirmation or removal of the vehicle from the territory of the Hõbenool.

19. The Customer may amend or cancel the order before completion of the Works or the supply of Spare Parts. In this case, the Customer is obliged to pay for the Works performed, as well as for Spare Parts and accessories specifically ordered for the purpose and for the fulfillment of the order, as well as for other expenses incurred for the order.

Payment obligations

- 20. The Customer shall pay for the Works performed and the Spare Parts ordered in accordance with the invoices submitted by the Hõbenool before the Works and Spare Parts are delivered to the Customer, unless the Parties agree otherwise.
- 21. The Höbenool is entitled to refuse to hand over the Works to the Customer if the fee has not been duly paid to the Höbenool.
- 22. The Höbenool may require prepayment up to 100% for implementation of the Works or ordering the Spare Parts. The Höbenool is entitled to suspend the Works or ordering of Spare Parts, if the Customer does not pay the advance payment. The term for the completion of the order is extended by the delay in case of a delay in prepayment. The Höbenool has the right to withdraw from the contract in case of non-payment of the prepayment.
- 23. The payment for the execution of Works and sold Spare Parts shall be made in cash or by transfer to the Hõbenool's bank account. The penalty for late payment shall be applied if the invoice is not paid in due time.
- 24. The ownership of the Spare Parts ordered by the Customer shall be transferred from the Höbenool to the Customer after full payment of the Spare Parts' price (reservation of ownership). The Höbenool is entitled to remove the Spare Parts from the Customer's vehicle if the Customer fails to pay for the Spare Parts.
- 25. The Customer shall be deemed to transfer the Spare Parts replaced by the Höbenool on the vehicle free of charge to the Höbenool in the absence of any other agreement. The old spare parts will be returned to the Customer upon request, if the Customer has notified the Höbenool of such request before performing the Works.

Delivery of the order

- 26. The delivery and acceptance of the Works and Spare Parts by the Customer shall be effected by submitting an invoice to the Customer or by transferring the keys of the vehicle to the Customer, whichever is earlier.
- 27. The Client is deemed to have accepted the Works and/or the Spare Parts even if the order term has arrived, the Hőbenool has made it possible to receive the Works or Spare Parts in the Hőbenool's business premises or territory, and the Customer will not appear for any reason to accept the Works or Spare Parts to the Hőbenool. In this case the Hőbenool's fee shall become chargeable.
- 28. Risk of accidental loss or damage to Work and Spare Parts passes to the Customer upon the delivery and acceptance of Works and Spare Parts and when it is deemed to have been accepted.
- The Customer undertakes to remove its/his/her vehicle from the territory of the H
 öbenool after accepting the Works
- 30. In case the Customer does not remove the vehicle on the day of acceptance of the Works, the Customer undertakes to pay an additional fee for the storage of the vehicle in the territory of the

- Hőbenool in the amount of 5 euros per day up to the actual removal of the vehicle from the territory of the Hőbenool unless the parties agree otherwise. The Hőbenool has the right to refuse transfer of the vehicle possession before the vehicle custody fee has been reimbursed.
- 31. The Hõbenool has a statutory right of security to the Customer's vehicle that the Hõbenool has repaired, modified or that is in the possession of the Hõbenool for the provision of the service, to ensure it claims. Realization of the right of security and the transfer of the Customer's vehicle shall take place in accordance with the procedure provided by law.

Settlement of disputes

- 32. The Customer shall review the Works performed and the Spare Parts ordered by the reception. The Customer must immediately notify the Hõbenool about the deficiencies found no later than in 2 weeks in the case of consumers within 2 months starting of the occurrence of the defect.
- 33. The Customer has the right to submit a complaint on the grounds provided by law within 2 years from the receipt of the Works or when the Works are deemed to have been accepted. For vehicles used as taxis or rental cars the right to submit a claim is within 6 months starting of the acceptance of the Works or when the Works are deemed to have been accepted.
- 34. The used Spare Part may be installed on the vehicle of the Customer that may have defects in case this is agreed upon with the Customer. The Customer has the right to file a claim within 6 months starting from the period of the receipt of the Works or when the Works were deemed to have been accepted, in case the used Spare Part has been installed. For vehicles used as taxis or rental cars the right to submit a claim is within 2 months starting from the period of the receipt of the Works or when the Works were deemed to have been accepted.
- 35. The Hőbenool will eliminate the occurrence of the deficiencies of the Work for which the Hőbenool is responsible, in the event of deficiencies
- 36. The Hõbenool shall not indemnify the repairs carried out for the purpose of disposal of an error at another service provider by the Customer and is not responsible for damage caused by repair work at another service provider.
- 37. The Höbenool may compensate for the repair of the error by another service provider accepted by the Höbenool at a reasonable extent if the Höbenool cannot exercise the repairs itself, subject to prior agreement
- 38. The Hőbenool will compensate for defects in its work within the term for submitting the claim of its own expense, unless otherwise agreed in the quotation.

The right of claim includes:

- all the manufacturing faults of the details (e.g. clutch discs, seals, bearings, etc.) installed on the transmission and the vehicle by the Höbenool
- all the works done by the Hõbenool (e.g. the position of the cotter, pre-tension of bearings, tightening torques of bolts, values of the plays, etc.) and the resulting errors
- 39. The right to submit a claim shall not include:
 - normal wear and tear of details and the resulting errors
 - details not exchanged by the Hõbenool (e.g. cone, piston, clutch basket, torque multiplier, hydraulic block, solenoids,

gear sensors, etc.), their defects and faults, which were not possible to detect with reasonable costs in the error detection process (e.g. microscopic crack caused by fatigue strength)

- gearshift failure due to hydraulic block wear and the resulting damages if the Hõbenool has not exchanged the control unit
- disruptions caused because of the electronic transmission control unit and other electronics components and the resulting damages, in case the Hőbenool has not exchanged the details
- errors and malfunctions due to engine or transmission control software and losses incurred
- 40. The conditions (in case of the occurrence of one or more) under which the right to submit a claim shall be lost:
 - the contracting entity wishes to reduce the amount of the details indicated in the initial price offer (this is separately documented in the quote)
 - when the value of the vehicle's odometer has been changed with a manipulation device after the repairs of a transmission and this is fixed by the Hőbenool
 - the software of the control unit of the vehicle's engine or the transmission is modified in the way that it does not to meet the requirements of the manufacturer (any modification of the engine parameter that leads to power, torque, rev limiter, shifting mode, etc.)
 - the vehicle does not have the manufacturer's transmission
 - in case of unauthorized alterations to the vehicle which do not correspond the type approval and may cause a larger load to transmission
 - the vehicle has participated in competitions (rally, including rally, rally sprints, ice trail, acceleration, drift, final speed race, etc.)
 - coolant, water, etc. other liquid, that does not belong there, are in the transmission
 - the transmission oil temperature has been significantly higher than intended (e.g. faulty cooling system, disregarding car warning lights for heavy duty driving, getting stuck, etc.)
 - damage caused by an accident, which occurs later in course of operation (e.g. blow from the drive shafts towards the transmission etc. such losses)
 - the vehicle has not been used in accordance with the manufacturer's requirements
 - the transmission has been opened during the validity period of the claim by someone else than the Hõbenool
 - the proper maintenance is not carried out for the transmission (see the interval below) or there has been used a non-original (OEM) ATF without an approval

DSG 40, 000 km

CVT 40, 000 km

Planetary automatic transmission front-wheel drive 60,000 km Planetary automatic behind and four-wheel drive 80,000 km

Liability

- The parties are guided by the legal remedies provided by law in case of the violation of the customer contract.
- 42. The Customer has the right to claim compensation for the damage caused by the Hőbenool for intentional violation of the customer contract, but not more than the cost of the Works or Spare Parts ordered.
- 43. The parties shall be liable for direct patrimonial damage caused by the violation of the customer contract. The parties are not responsible for any loss of income.

- 44. The Hõbenool shall not be liable for violations caused by force majeure. The parties deal with the supply chain failures and delays between the Hõbenool and third parties as a force majeure.
- 45. The Hõbenool is not responsible for any personal items of the Customer left in the vehicle, including in case of their destruction, loss or damage to thing.
- 46. The Höbenool nor its employees are responsible for the damage caused to the Customer's vehicle in the execution of the Works or during the test drive due to depreciated parts of the vehicle or under normal conditions of the Höbenool during the course of a test drive or maintenance, unless caused by the intent or gross negligence of the employee of the Höbenool.
- 47. The Customer shall be liable for any damages or fines that may arise during the execution of the Works (incl. during the test runs in traffic) due to the illegal condition of the vehicle (incl. valid inspection, insurance, seasonal tires, etc.).
- 48 . Disputes between the parties shall be settled by negotiations. The case shall be settled in the court of the Hôbenool's location in case the solution of the negotiations is not reached.

Termination of the contract

- 49. The Customer may cancel the order at any time and cancel the Customer contract. The cancellation of the order will be governed by the clause 19. The fee set out in paragraph 30 shall be applied in case of the deposition of the Customer's vehicle after cancellation of the order and the general conditions are followed in other matters.
- 50. The Höbenool has the right to cancel the order and to cancel the Customer contract if it is obvious that the Customer is unable to pay for ordered Works and Spare Parts, is insolvent or there is another circumstance that may significantly affect the Customer's fulfillment of the obligations under the Customer contract.
- 51. The Höbenool can withdraw from the contract even if in the opinion of the Höbenool the quality repairing of the Customer's vehicle is not possible within the budget requested by the Customer or further repair of the vehicle is not reasonable in the circumstances.