

## CHAPTER 12:

### CONCLUSION OF AGREEMENT FOR SUPPLY OF FLORIC, DECORATIVE GARDENING PRODUCTS AND OTHER PRODUCTS

We are glad to welcome you on the site "**m-flowers.com**" that is an information platform that brings together the sellers and the wholesale buyers of floriculture products, ornamental gardening and other goods agreed by the Parties. The service also offers an option and opportunities that allow you to conclude supply contracts, including with ModestoGroup OÜ, registration number 16203107, address: Estonia, Harju maakond, Tallinn, Kesklinna linnaosa, Tuukri tn 19-315, 10120, (hereinafter referred to as the "**Company, Supplier**") shall propose to conclude an agreement for the supply of floriculture, ornamental gardening and other products (hereinafter referred to as the "**Goods**") on the terms specified in this offer (hereinafter referred to as the "**Offer**"), by accepting the Company's offers in the Service by the Buyer, as this term shall be determined in the Company's User Agreement, under the terms and the condition of this Offer.

This Offer shall contain all the essential terms of the agreement for the supply of floriculture, ornamental horticulture and other products. Acceptance of this Offer and the terms of the Company located in the Service shall be similar to conclusion of the agreement for the supply of the Goods in writing.

The agreement concluded by accepting this Offer and the announcement of the Company shall be governed by the norms of the civil legislation of the Republic of Estonia.

The Parties confirm that all terms and definitions given in the User Agreement shall be an integral part of this Offer.

Unless otherwise provided by the terms of the User Agreement, the terms and definitions used in the text of this Offer with a capital letter have the following meaning:

**Buyer** means the legal entities, the individual entrepreneurs, as well as other entities, the structure and legal form of which is similar to the legal entities, the individual entrepreneurs registered in the European Union or having similar legal statuses in the territory of other states, including their relevant authorized representatives, purchasing from the Company products of floriculture, ornamental gardening and other products by non-cash payment method or using an electronic means of payment.

**Offer** means a contract for the supply of floriculture, ornamental horticulture and other products, concluded by Accepting this Offer between the Company and the Buyer.

**Acceptance** means full and unconditional acceptance of the Offer by the Buyer by performing the actions specified in sections 2, 3, 4 of this Offer.

**Invoice** means an invoice for payment for floriculture, ornamental gardening and other products issued by the Company containing all the essential terms of the Agreement, the payment of which to the Buyers is an Acceptance of the Offer and means the conclusion of the Agreement.

**Parties** means the Company and the Buyer.

**Request** means the Buyer's request based on the information posted by the Company on the Service with the intention to purchase floriculture, ornamental gardening and other products.

#### 1. SUBJECT MATTER

- 1.1. The Supplier undertakes to supply floriculture, ornamental gardening and other products agreed upon by the Parties - hereinafter referred to as the Goods, and the Buyer undertakes to accept the Goods and pay for it under the Invoice issued by the Company.
- 1.2. The Goods are supplied under the Buyer's Request. The Buyer's Request is submitted to the Company through the Service in the manner determined in the User Agreement.
- 1.3. After receipt the Buyer's Request and in the presence of the required quantity of the Goods, agrees with the Buyer on the terms of supply of the Goods (name, assortment, quantity, price, supply time and other possible conditions) and issues an Invoice to the Buyer for payment of the Goods indicating the essential conditions of a particular supply.
- 1.4. From the time the Company issues an Invoice to the Buyer on the basis of a specific application of the Buyer, such Buyer's Request is considered accepted by the Company for execution. At the same time, payment of the issued Invoice in any amount, either in full or in part, is the Buyer's Acceptance of the Company's offer to supply under the terms and conditions agreed in the Invoice

## **2. TERMS OF SUPPLY**

- 2.1. The Goods are supplied on the terms of EXW (Incoterms-2020).
- 2.2. The Buyer independently organizes the process of supply of the Goods from the Manufacturer's\* warehouse Product.
- 2.3. By agreement of the Parties, supply can be arranged by the Supplier to the destination specified by the Buyer.
- 2.4. By written order of the Buyer, the recipient of the Goods may be a third party specified in the shipping documents.
- 2.5. Prices for Goods may be set in USD.
- 2.6. The price, quantity, assortment and terms of supply of the Goods are fixed in the invoice issued by the Supplier sent to the Buyer's e-mail address specified in the Offer and/or through the interface of the Supplier's website: m-flowers.com. Payment of each specific invoice means the Buyer's indisputable agreement with the price, quantity, assortment and terms of supply of the Goods.
- 2.7. The Buyer pays for the Goods on the terms of 100% prepayment by transferring funds in a non-cash order to the Supplier's bank account. The Buyer's obligation to pay for the Goods is considered performed after 100% prepayments for the Goods are charged to the Supplier's settlement account.
- 2.8. The Parties have separately agreed that the amount of prepayment before the supply of the Goods is a pledge in the meaning defined by the requirements of the legislation of the Republic of Estonia, including to ensure proper fulfillment by the Buyer of obligations under the Offer (the terms of the Offer). In case of full and proper fulfillment by the Buyer of obligations under the Offer, the amount of the deposit is credited to the payment for the Goods. In any other cases, including in case of non-fulfillment and/or improper fulfillment by the Buyer of obligations under the Offer, as well as the

Buyer's refusal of the Goods through no fault of the Supplier, the deposit remains with the Supplier in full.

- 2.9. In cases where the Buyer does not accept the Goods from the Supplier without the grounds established by law, other legal acts or the Offer or refuses to accept it, the Supplier has the right to demand payment of the Goods in full from the Buyer as well as to demand to indemnify the Supplier against any expenses and loss in full. The Buyer is obliged to indemnify the Supplier against any expenses and loss during Five (5) business days from the date of the sending the Supplier's demand.

### **3. RIGHTS AND OBLIGATIONS OF PARTIES**

#### **3.1. The Company is obliged:**

- to supply the Goods in batches or at a time in accordance with the terms of the Offer;
- provide accompanying documentation for the Product.

#### **The Company is entitled:**

- The Supplier has the right to unilaterally and indisputably change the cost (prices) at its discretion, assign and apply discounts on Goods and /or other preferential terms of supply of Goods, including, but not limited to: due to the circumstances of the time of year, the condition of the Goods, the quantity of Goods, the long-term relationship with the Buyer, the ratio of supply and demand in the market of similar Goods, etc., which the Buyer is informed about by any means of communication and in any form, at the discretion of the Supplier. If the Buyer pays for the Goods and/or performs any other actions in accordance with the terms of the Agreement, the cost is considered agreed by the Parties and the Buyer is considered to have accepted such changes.

#### **3.2. The Buyer is obliged:**

- to pay the Goods;
- to pick up the Goods from the Manufacturer's warehouse and/or from the destination agreed by the Parties;
- to ensure proper acceptance of the Goods. The Buyer hereby guarantees that all individuals, legal entities and/or other persons accepting the Goods at the place of supply are authorized by the Buyer in accordance with the requirements of the legislation of the Republic of Estonia to perform all actions regarding the acceptance and verification of the Goods, including the execution of transfer documents (acceptance) of the Goods. At the same time, the signatures of such persons in the documents on the transfer of the Goods on behalf of the Buyer are recognized by the Buyer as the signatures of his authorized representatives, and the Buyer is not entitled to subsequently dispute the facts certified by the relevant persons and the documents signed by them, and the Company proceeds from the reliability of the above circumstances. The fact of receipt by the Buyer of the Goods is the signature of the Buyer and/or persons authorized by him in the consignment note (CMR) confirming the transfer of the Goods.
- In the event of a discrepancy in the price, quantity, assortment of Goods, the Buyer undertakes to send a complaint to the Supplier i. In case of violation of the deadlines for filing a complaint the supply is recognized as duly accepted by the Buyer and means full agreement with the price, quantity and assortment of the received Goods.

– If the Buyer does not declare complaints (claims) to the Goods at the time of their acceptance, the Goods are considered accepted by the Buyer, including by name, assortment, completeness, quality, Presentation (consumer packaging), quantity and other mandatory attributes. In this case, the Buyer does not have the right to further refer to the non-compliance of the Goods with the terms of the Offer. The Parties agree the term of freshness for the Goods is not established

#### **4. SUPPLY TIME AND PAYMENT OF PAYMENT**

4.1. The Goods are supplied to the Buyer on the terms specified in the invoices for each individual supply.

4.2. The price, quantity, assortment and terms of supply of the Goods are fixed in the invoice issued by the Supplier sent to the Buyer's e-mail address specified in the Client profile and/or through the interface of the Supplier's website: m-flowers.com. The payment of each specific invoice means the Buyer's indisputable agreement with the price, quantity, assortment and terms of supply of the Goods.

The Buyer pays for the Goods on the terms of 100% prepayment by transferring funds in a non-cash order to the Supplier's bank account. The Buyer's obligation to pay for the Goods is considered performed after 100% prepayments for the Goods are charged to the Supplier's settlement account.

The Parties have separately agreed that the amount of prepayment before the supply of the Goods is a pledge in the meaning defined by the requirements of the legislation of the Republic of Estonia, including to ensure proper fulfillment by the Buyer of obligations under the Offer (the terms of the Offer). In case of full and proper fulfillment by the Buyer of obligations under the Offer, the amount of the deposit is credited to the payment for the Goods. In any other cases, including in case of non-fulfillment and/or improper fulfillment by the Buyer of obligations under the Offer, as well as the Buyer's refusal of the Goods through no fault of the Supplier, the deposit remains with the Supplier in full.

4.3. The Supplier has the right to unilaterally and indisputably change the cost (prices) at its discretion, assign and apply discounts on Goods and /or other preferential terms of supply of Goods, including, but not limited to: due to the circumstances of the time of year, the condition of the Goods, the quantity of Goods, the long-term relationship with the Buyer, the ratio of supply and demand in the market of similar Goods, etc., which the Buyer is informed about by any means of communication and in any form, at the discretion of the Supplier. If the Buyer pays for the Goods and/or performs any other actions in accordance with the terms of the Agreement, the cost is considered agreed by the Parties and the Buyer is considered to have accepted such changes.

4.4. The Buyer and/or persons authorized by him are obliged to ensure proper acceptance of the Goods. The Buyer hereby guarantees that all individuals, legal entities and/or other persons receiving the Goods at the place of supply are authorized by the Buyer in accordance with the requirements of the legislation of the Republic of Estonia to perform all actions regarding the acceptance and inspection of the Goods, including the execution of documents on the transfer (acceptance) Goods. At the same time, the signatures of such persons in the documents on the transfer of Goods on behalf of the Buyer are recognized by the Buyer as the signatures of his authorized representatives, and the Buyer has no right to subsequently challenge the facts certified by the relevant persons and documents signed by them, and the Supplier proceeds from the reliability of the above circumstances.

The fact of receipt by the Buyer of the Goods is the signature of the Buyer and/or persons authorized by him in the consignment note (CMR) confirming the transfer of the Goods.

- 4.5. In the event of a discrepancy in the price, quantity, assortment of Goods, the Buyer undertakes to send a complaint. In case of violation of the deadlines for filing a complaint, the supply is recognized as duly accepted by the Buyer and means full agreement with the price, quantity and assortment of the received Goods.
- 4.6. In cases where the Buyer does not accept the Goods from the Supplier without the grounds established by law, other legal acts or the Offer or refuses to accept it, the Supplier has the right to demand payment of the Goods in full.
- 4.7. If the Buyer has not accepted the Goods ordered by him at the agreed place within a day from the moment the Goods are ready for shipment, the Buyer is considered to have violated the Agreement and is responsible for the risk associated with a possible deterioration in the quality of the Goods due to its storage in full. The ordered Goods will be available to the Buyer during its storage period, while such storage will be at the expense of the Buyer and at his risk.

## **5. PRODUCT QUALITY**

- 5.1. The quality of the supplied goods must comply with the current standards of the country of Origin of the Goods.

## **6. PACKAGING AND LABELING**

- 6.1. The packaging of the Goods is carried out in accordance with the procedure generally accepted in the wholesale trade of floricultural and plant-growing Goods, in a manner determined by the Supplier in accordance with reasonable business practice, unless otherwise explicitly established in writing.
- 6.2. By paying the invoice, the Buyer agrees with the quality and quantity of the packaging of the Goods agreed by the Parties. The Supplier is not responsible for the quality and quantity of the packaging material of the Goods.
- 6.3. Single-use packaging is included in the invoice, payable by the Buyer and is non-refundable.
- 6.4. If the Goods are supplied using reusable packaging materials (cardboard boxes) and/or long-term transportation material (forklifts, containers, packing trolleys, etc.), the Buyer is obliged to return to the Supplier identical packaging material with the same registration marking (label or product label) within one week from the date of supply, and if the cost of use is included in the invoice, unless otherwise explicitly stated in writing.
- 6.5. In case of untimely return or in case of non-return of reusable packaging and/or transportation materials provided to the Buyer for temporary use, within a reasonable time established by the Supplier, the Supplier reserves the right to a) demand compensation from the Buyer for the cost of these materials, as well as b) demand compensation for other losses incurred as a result of non-return, such as additional rental costs.

## **7. CLAIMS**

- 7.1. In case of non-supply of products to the Buyer, identified inconsistencies in terms of price, quality, quantity, assortment, or other qualities of the Goods supplied under the Offer, the Buyer may file a

complaint. The complaint is accepted by the Supplier at the time of acceptance of the Goods by the Buyer.

7.2. The Supplier has the right to check on the spot through his representative the validity of the complaint.

## **8. RESPONSIBILITY**

8.1. Upon the occurrence of circumstances where it is impossible for either party to fully or partially fulfill its obligations under the Offer, namely fire, natural disasters, blockade, prohibition of export/import, military operations, as well as other circumstances beyond the control of the parties, their performance under this Offer is extended for the duration of such circumstances.

8.2. Under this Offer, the party must inform the other party in writing about the occurrence and termination of circumstances preventing the execution of this Offer.

8.3. The Supplier is not responsible for the losses incurred by the Buyer, except in cases when (and to the extent) the Buyer proves that the losses were caused by the Supplier intentionally or through gross negligence. In any case, the Supplier's liability is limited to the amount of money received by the Supplier under the Offer.

8.4. On the amount of the advance, interest and penalties are not subject to accrual by the Buyer.

8.5. Defects in respect of possible phytosanitary and/or other requirements that exist in the country of import do not give the Buyer the right to compensation for losses or termination of the Agreement, except in cases when the Buyer has notified the Supplier in advance in writing about these requirements.

8.6. In no case shall the Supplier be liable for production losses, losses related to delay, loss of profits, stagnation and other indirect losses caused to the Buyer. However, if the Supplier is obliged to compensate for losses, the Supplier's liability for losses incurred by the Buyer should not exceed the value of the supplied Goods specified in the invoice, excluding VAT, in respect of which the claim is made.

## **9. DISPUTE RESOLUTION**

9.1. All disputes and disagreements that may arise from the Offer or in connection with it are resolved on the basis of the provisions of this Offer, if the Parties fail to solve the disputes, the latest are referred for resolution to the authorized court at the location of the Supplier, the decision of which is mandatory for both parties. Claims arising from this Offer may be filed by the Buyer no later than 1 (one) month from the date of transfer of funds to pay for the Goods.

9.2. When concluding and executing the Offer, the parties are guided by the legislation of the Republic of Estonia.

## **10. FINAL PROVISIONS**

10.1. When concluding and executing this Offer, the Parties shall be guided by the legislation of the Republic of Estonia.

- 10.2. The Parties have agreed that all commercial information relating to their relationship arising from the Offer already received by them from each other, or information that they will receive from each other during the term of the Offer, is strictly confidential and is not subject to disclosure without written consent Parties.
- 10.3. The Company has the right at any time, at its discretion, to change the terms of this Offer, with the exception of the terms on the cost of equipment / services, notifying the Buyer of these changes by publishing information on the Service and / or by email. In the event that changes are made to the Offer in the manner provided for in this clause, these changes in the terms of the Offer shall come into force from the moment the information is published on the Service.
- 10.4. The Offer comes into force from the date of Acceptance by way of payment by the Buyer of the Invoice and is valid until the Parties fully fulfill their obligations under the Offer. The date of Acceptance is the receipt of funds to the bank account of the Company on the Account in full.

## **11. REQUISITES AND SIGNATURES OF PARTIES**

### **The Company:**

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