

## Terms and Conditions of Customs Services

Terms and Conditions of the customs services of Combidek Logistika  
Valid from 10.10.2008

### 1. Terms and Conditions

- 1.1 The object of the contract is the providing of customs services to the Client by the Agent
    - 1.1.1 Customs clearance of goods in import/export and in transit of goods
    - 1.1.2 Customs warehousing
    - 1.1.3 Customs warehousing of goods in pawn
    - 1.1.4 Counselling and consultation on customs-related questions
    - 1.1.5 Guaranteeing Client's customs debt and the payment of import charges to the account of the Estonian Tax and Customs Board in case broker services are used.
  - 1.2 The Agent is a third person responsible before the Estonian Tax and Customs Board, who communicates with the Estonian Tax and Customs Board in connection with the transportation of goods into or out of the territory of Estonia and organises customs clearance for the Client according to the agreement. The Agent may also be the principal in the transit of goods.
  - 1.3 The Agent submits the customs declaration in his/her name but for the Client and is responsible for the appropriate conducting of the customs procedure and payment of customs debt according to notice provided by the Customs. To pay the customs duty the Agent shall provide Customs Board with a satisfactory deposit.
  - 1.4 In the case of broker services, the Agent provides the calculated import charges on the goods of the Client and pays the charges to the account of the Tax and Customs Board. The Client pays the import charges of the goods and the according service fees to the account of the Agent given in the invoice.
  - 1.5 The Parties of this contract shall use the following terms in the following meanings:
    - 1.5.1 SD-declaration – the entry declaration of goods, that is used in the itinerary authorised by the Tax and Customs Board within the time specified in the law and which is followed by the formalisation of the declaration of goods or storing of the goods in the customs terminal specified in the SD-declaration.
    - 1.5.2 Declaration of goods – a document containing the specifications required by the Tax and Customs Board, which is submitted in writing or into an automatic data processing system and through other means of communications for the purpose of customs clearance.
    - 1.5.3 T-declaration – Declaration of goods, with which the goods are declared "customs transit" for customs procedures in entering the Republic of Estonia or in the case of moving goods in the territory of Estonia from one customs warehouse to another.
  - 1.6 For formalising the SD or T-declaration the Client is obliged to provide the following documents and information:
    - 1.6.1 Name, address and registry code of receiver
    - 1.6.2 Name and address of sender
    - 1.6.3 Name(s), quantity/quantities and value(s) of goods
    - 1.6.4 Place and time of crossing the customs boarder
    - 1.6.5 Name, address and registry code (if the carrier is an Estonian company) of the carrier
    - 1.6.6 Activity license for licensed import and export of goods
    - 1.6.7 Special permit for crossing goods over customs frontier if required by customs
    - 1.6.8 Other documentation and information that is essential for import of goods
  - 1.7 For formalising the import declaration the Client is obliged to provide the following data and documents:
    - 1.7.1 invoice with the name and address of seller; name and address of buyer; price and currency of goods; net- and gross weight of goods and number of package units; delivery terms
    - 1.7.2 other credentials certifying the value of goods, including: name and address of seller; name and address of buyer; price and currency of goods; net- and gross weight and number of package units; delivery terms
    - 1.7.3 origin of goods
    - 1.7.4 delivery note of goods (CMR, AWB, B/L)
    - 1.7.5 invoice for the transport of goods, according to the delivery terms
    - 1.7.6 document proving the preferential origin of goods (EUR1, invoice declaration, ATR, FormA).
    - 1.7.7 export declaration of sending country of goods, if required by Customs as additional document
    - 1.7.8 licences, certificates, evidences of origin due to specifications of goods
    - 1.7.9 SD-declaration
    - 1.7.10 TIR-carnet
    - 1.7.11 T1-declaration
    - 1.7.12 Statement of storage in the case of storage in customs terminal
    - 1.7.13 Any other customs document which is the basis for customs clearance
  - 1.8 For formalising the export declaration the Client is obliged to provide the following data and documents:
    - 1.8.1 invoice, including: name and address of seller; name and address of buyer; price and currency of goods; net- and gross weight and number of package units; delivery terms
    - 1.8.2 origin of goods
    - 1.8.3 other credentials certifying the value of goods including: name and address of seller; name and address of buyer; price and currency of goods; net- and gross weight and number of package units; delivery terms.
    - 1.8.4 import declaration of goods that are temporarily imported.
  - 1.9 EUR 1 - for formalising the certificate of preferential origin of goods the Client is obliged to present the following data and documents:
    - 1.9.1 invoice, including: name and address of seller; name and address of buyer; price and currency of goods; net- and gross weight and number of package units; delivery terms.
    - 1.9.2 import/export declaration of goods (original document)
    - 1.9.3 invoices that act as basis for the import of goods.
    - 1.9.4 supplier's declaration
    - 1.9.5 certificates or invoice declarations proving the origin of the imported goods.
    - 1.9.6 calculations for the usage of materials – in the case of processing.
    - 1.9.7 purchase invoices of materials.
- ### 2. Obligations of Parties
- 2.1 The Agent undertakes:

- 2.1.1 To comply with the customs arrangements of the Republic of Estonia and the European Union in completion of customs formalities based on the documents submitted by the Client or the Clients representatives.
- 2.1.2 To organise proper customs legislation of customs clearance in his/her name for the Client or in the name of the Client for the Client.
- 2.1.3 To organise customs warehousing of goods.
- 2.1.4 To organise customs warehousing of goods in pawn.
- 2.1.5 To pay the import charges of arrived goods in the name of the Client (except margin payments) in the case of using broker services.
- 2.1.6 To store the goods of the Client and to keep stock records.
- 2.1.7 To give out warehoused goods to the Client or to an authorised representative of the Client under an authorisation document.
- 2.1.8 To present the Client with an invoice including the number of declaration of goods, import- and export charges by classification of tariffs and service fee including VAT.
- 2.1.9 To keep the business secrets of the Client, that become known to the Agent through the documents needed for the declaration of goods.
- 2.1.10 Not to give out the content of the financial reports submitted by the Client to third parties.

## 2.2 The Client undertakes:

- 2.2.1 To submit an order to the Agent including all necessary data and documents for the export and import of the goods that are described in the annex no. 1 of this contract and which is an integral part of the contract.
- 2.2.2 To comply with the customs arrangements of the Republic of Estonia and the European Union, be liable for the accuracy and completeness of the documents provided for the customs clearance, providing the documents directly or through representatives.
- 2.2.3 To provide the Agent with all essential data for declaration of goods according to numerical code of goods on the declaration of goods (weight, description, value, transportation requirements and proof and amount of transportation expenses of goods)
- 2.2.4 To provide the Agent with a SD or T-declaration in the time given by the customs after the carriage of goods across the customs frontier. To submit all essential documents which are described in the list in Appendix 1 of this contract along with the SD or T-declaration. In case the Client fails to submit the SD or T-declaration along with the additional necessary documents to the Agent, the Client shall, at own expense, deliver the goods to the customs terminal prescribed by the Agent and marked in the SD or T-declaration.
- 2.2.5 To settle the invoice submitted by the Agent with a bank transfer to the bank account of the Agent or in cash to the Agent.
- 2.2.6 To pay a guarantee cover to the bank account of the Tax and Customs Board, which may be determined during the customs clearance by the customs inspector in connection with the minimum price of goods shown in the Customs Information System in case of temporary import etc?
- 2.2.7 Not to use and realise goods carried across the customs frontier with SD or T-declaration before final customs clearance and receiving a corresponding note from the Agent.
- 2.2.8 To pay all penalties, that occur from the breach of clause 2.2.2 of this contract by the fault of the Client, in double to the Agent and compensate the expenses (including customs debt of the Agent) that

- 2.2.9 have occurred or may occur due to the breach of stipulations enacted in this contract. Immediately inform the Agent in case of customs seal, in order for the Agent to be able to send for a representative of the Customs Board to inspect the goods and remove the customs seal.
- 2.2.10 Not to breach customs seals without the permission of the Agent and the customs inspector, if they have been set on a means of transport by the Estonian Tax and Customs Board, and about which the customs inspector has made a corresponding notice on the customs documents of the goods.
- 2.2.11 To present the Agent with an act of delegation provided by law as an essential document for the execution of work.
- 2.2.12 In case of additional customs control of documents (Yellow channel) and physical control (Red channel), the Client shall help the customs service in any way and if needed, be present in the controlling of documents or customs examination. To present documents required by the customs service in the period of time given by the customs for the follow-up control of documents (Blue channel).
- 2.2.13 Is obliged to present an overview of the company's financial situation (income statement, balance sheet and statement from the Tax Board, certifying the absence of tax arrears) to the Agent upon the first request of the Agent.
- 2.2.14 Inform the Agent about any significant changes of the company (change of location, deterioration of financial status etc).
- 2.2.15 Inform the Agent about the terms and specifications of the storage of goods upon storing the goods.

## 3. Liability of Parties

- 3.1 In the case of non-performance or unsuitable performance of contractual obligations, the Parties will be liable in the prescribed manner of the contract and the legislation of the Republic of Estonia.
- 3.2 Liability of the Agent:
  - 3.2.1 The Agent is obliged to compensate the Client for damages – a fine or injunction by the Estonian Tax and Customs Board – deriving from the non-performance or unsuitable performance of contractual obligations by the Agent stipulated in clauses 2.1.1 to 2.1.4. Loss of revenue or other damages are not subject to compensation.
- 3.3 Liability of the Client:
  - 3.3.1 The Client is obliged to compensate the Agent for all material damage deriving from the non-performance or unsuitable performance of contractual obligations by the Client. The Agent shall present an invoice for the damages.
  - 3.3.2 The Client is liable for the safekeeping and use of the SD-declaration starting from the moment of formalisation in the Customs Information System until presenting to the Agent.
  - 3.3.3 In case of non-performance of contractual obligations stipulated in clause 2.2.2, the Client is obliged to compensate the Agent for all damages.
  - 3.3.4 The Client is obliged to pay a contractual penalty of 0.5% per calendar day for delay in payment in the case of non-performance of contractual obligations stipulated in clauses 2.2.3 and 3.3.1. The contractual penalty shall be calculated starting from the date marked on the invoice given to the Client until the date of payment of the outstanding amount to the bank account of or in cash to the Agent.
  - 3.3.5 The Client is liable for the intactness of the goods in declaring them to the office of destination in the given time and for the following of measures given by the Estonian Tax and Customs Board for the identification of the goods.

- 3.3.6 The Client is fully liable for the completeness and authenticity of the data and the authenticity of the documents attached to the declaration given to the Agent pursuant to the legislation of the Republic of Estonia. In the case of presenting inaccurate data, which brings about the non-performance or unsuitable performance of the issued contract, the Client is obliged to compensate the Agent in full for the damages caused by the latter.

#### **4. Payment**

- 4.1 Payment shall be made on the basis of an invoice by the Agent according to the price list. In the case of missing prices and services in the price list, prices according to contract or agreements will be used.
- 4.2 Payment shall be made to the bank account of or in cash to the Agent in Estonian kroons. **Exchange risk:** if the Estonian kroon becomes obsolete or if the exchange rate of the Estonian kroon changes in relation to the EU euro compared to the date of entering into contract, the Agent shall then take into account that the sum calculated into the EU euro (rate on the day of release of invoice: 1 EUR = 15,6466 EEK) must be equivalent on the day of release of invoice and settlement of invoice.

#### **5. Amendments**

- 5.1 All amendments to this contract must be formalised in writing and signed by both Parties, except for the price list presented in Appendix 2 of this contract.
- 5.2 The Agent has the right to change the price list, notifying the Client in writing in advance of 30 (thirty) calendar days.

#### **6. Force Majeure**

- 6.1 Force Majeure shall be regarded as a situation (war, mobilisation, natural disasters etc.) which prevents or disables the Parties from performing the contractual obligations.
- 6.2 In case the delay of the contractual obligations of this contract or its appendices comes from force majeure,

the time of performing contractual obligations shall be considered extended no more than the time of the hindrance. The Parties are obliged to inform one another immediately of hindering the performance of obligations.

#### **7. Disputes**

- 7.1 Any contractual disputes shall be settled primarily through negotiations.
- 7.2 In case of disputes in entering into, enforcing, interpreting and any other disputes coming from this contract, the Law of Obligations Act, Customs Act and other laws of the Republic of Estonia shall be applied.
- 7.3 In case a settlement is not reached, disputes shall be

#### **8. Validity and expiry of contract**

- 8.1 This contract shall enter into force upon the signing of the Parties and shall be valid for an unspecified term.
- 8.2 The Parties have a right to terminate the contract, informing the other Party in writing 30 days in advance, whereby contractual obligations are subject to execution until termination of contract.
- 8.3 The Agent has a right of unilateral amendment of the Terms and Conditions of Customs services, price list, services and their nature, informing the Client not any later than one month before validating amendments
- 8.4 The contract shall extend automatically for one year, if neither Party informs the other in writing of a request of terminating the contract prematurely.
- 8.5 Any notice shall be considered sent if it is sent by registered mail to the address of the Party marked in the contract. Prompt notices may be sent via e-mail, after which original documents shall be sent to the other Party.

#### **9. Final provisions.**

- 9.1 The contract has been drawn up in Estonian in two original copies of equal legal force, one for each Party.
- 9.2 The Terms and Conditions of this contract have been laid down by the decision of the management board of Combidek Logistika OÜ on 10.10.2008.