

## VEHICLE LEASE AND SERVICES AGREEMENT

### 1. Parties to the Agreement:

Lessor:	Lessee:
SLYFOX SIA	Name of the Company
40203025969	Company's code
LV40203025969	VAT payer's code
Meža prospekts 15, Jūrmala, LV - 20101	Legal address
Vladimirs Reskājs, Member of the board	Represented by (name, surname, position), acting under the articles of association of the company/power of attorney
+(371) 27 33 27 33	Phone No/Mobile phone
LV29RIKO0000084839857	Bank account
info@carguru.lv	Email
Data on the company is collected and kept by the Commercial Register of the Republic of Latvia	Data on the company is collected and kept by the Commercial Register of the Republic of Latvia

### 2. Definitions

- 2.1. Lessee – a party to the vehicle lease and services agreement (hereinafter - Agreement), indicated hereto as the Lessee. The Lessee is a legal person that after registering in the website of the Lessor (hereinafter - Website), each time, when logging in the Website, unconditionally confirms by the respective action that the Lessee has the right to conclude and fulfil the Agreement. In the Website the Lessee authorize the Lessee's employee or other natural person (hereinafter - User) that has the right on behalf of the Lessee to use a fuel propelled vehicle (hereinafter - Vehicle) in accordance with the Agreement and the terms and conditions for lease and provision of services (hereinafter – Terms and Conditions). The Lessee ensures that the User is familiar and complies with the Agreement and Terms and Conditions.
- 2.2. Lessor – a party to this Agreement (see details in the Agreement Section 1.), indicated hereto as the Lessor.
- 2.3. Parties – collectively the Lessor and the Lessee, each of them separately as the Party, when avoiding distinguishing one of them.
- 2.4. User – Lessee's employee or other natural person appointed by the Lessee, who is 21 year old, possessing a valid category B driver's license held for a minimum of 2 (two) years, an active Vehicle search, reservation, use and payment services system (hereinafter - Mobile Application) and User profile in the Mobile Application (hereinafter – User Account), who is provided with a right, upon logging in the Mobile Application, to use Vehicle on behalf, at the expense and under the liability of the Lessee. The requirements and obligations provided in the Agreement and the Terms and Conditions applicable to the Lessee shall be applicable to the User and vice versa. Each time when the User registers in the

Mobile Application and begins to use the Vehicle, he/she unconditionally confirms by the respective action that he/she has the right on behalf of the Lessee to use the Vehicle under the conditions indicated in the Agreement and the Terms and Conditions. Until the Lessee deactivates (disconnects) the User in the Website, it shall be considered that the User uses Vehicle on behalf, at the expense and under the liability of the Lessee.

- 2.5. Agreement – this Vehicle lease and services Agreement, concluded between the Lessor and the Lessee, containing the conditions of this Agreement, the Terms and Conditions (Appendix A), List of Penalties (Appendix B).
- 2.6. Terms and Conditions – Terms and Conditions for lease and provision of services, which are confirmed by the Lessee by concluding this Agreement and which are an inseparable part of the Agreement indicated in the Appendix A.
- 2.7. Vehicle – a fuel propelled Vehicle, which is provided by the Lessor to the User for temporary use and exploitation, in accordance with the procedure and terms indicated in the Agreement and the Terms and Conditions.
- 2.8. Vehicle Use Period – period of time from the Vehicle unlocking by the User selecting command “Begin a Ride” on the screen of smartphone by using the Mobile Application of the Lessor, until returning the Vehicle to the location specified in the Terms and Conditions and selecting command “Finish Ride” on the screen of a smartphone by using the Mobile Application of the Lessor.
- 2.9. Vehicle System – an electronic system installed in the Vehicle, recording and delivering to the Lessor the location of the Vehicle, distance covered by the Vehicle, Vehicle Use Period, as well as other data in relation to the Vehicle and its use.
- 2.10. List of Penalties - List of Penalties for improper performance or failure to perform the Agreement (including, but not limited to the Terms and Conditions) indicated in the Appendix B.
- 2.11. Business Hours – business hours of the Lessor, i.e. time period from 9 AM to 5 PM Latvian time, from Monday to Friday, except for the public holidays, provided in the legal acts of the Republic of Latvia, as well as other exceptions indicated in the legal acts of the Republic of Latvia.
- 2.12. Price List – fees for the Vehicle lease and Services, as well as other fees, all of which are provided in the Website.
- 2.13. Mobile Application – Vehicle search, reservation, use, payment and other Services system owned by the Lessor, which is managed by a smartphone. The Mobile Application may be downloaded free of charge from the App Store or Google Play platforms.
- 2.14. Services – a car sharing service provided by the Lessor, that include the Vehicle maintenance (major, current repairs, technical service) services, compulsory insurance against civil liability for the Vehicle’s holder and Vehicle

insurance (CASCO), all other materials necessary for the exploitation of the Vehicle (e.g. fuel, oil, windscreen washing fluid).

- 2.15. Site - Vehicle parking place where the Lessee receives the Vehicle and returns it. The Site list is available here: [www.carguru.lv/lv/parkinglist](http://www.carguru.lv/lv/parkinglist) . The Lessor is entitled to unilaterally update the Site list at any time, informing the Lessee/User in the Mobile Application about any amendments to the Site list. Due to this reason, the Lessee/User is encouraged to get acquainted with the Site list when parking the Vehicle.
- 2.16. Home area - is a city within the boundaries of which the Vehicle can be leased and returned. Home areas in this Agreement are Riga, Airport “Riga” and Jurmala.
- 2.17. Lease Fee – is a fee that the Lessee pays to the Lessor for the Services, in accordance with the Price List and selected tariff in the Website.
- 2.18. Website – website of the Lessor under the address - [www.carguru.lv](http://www.carguru.lv).
- 2.19 – User Account – User profile in the Mobile Application.

### **3. Subject Matter of the Agreement**

- 3.1. Under this Agreement, the Lessor undertakes to provide the Lessee with the right to temporarily use and exploit technically neat and suitable for exploitation Vehicles, and the User undertakes to use the Vehicle in accordance with the Agreement and the Terms and Conditions. The Lessee undertakes to ensure that the User properly comply with the Terms and Conditions and use of the Vehicles, and to pay the Lease Fee. The Parties agree that the Vehicles under this Agreement shall be used only by the User having an active Mobile Application and User Account.
- 3.2. The Lessee may conclude the Agreement in the paper format in the Lessor’s office or electronically by signing the Agreement with a secure electronic signature (e-signature) recognised in the Republic of Latvia. On behalf of the Lessee, the Agreement may be concluded by that natural person, who is a representative of the legal entity, if necessary the Lessor may request to show a document evidencing the person’s identity and the rights to represent the entity (e.g. actual extract from the Companies Register). Upon concluding this Agreement within 2 (two) working days, the Lessor confirms the Lessee login details to the Website and informs the Lessee of such decision by email. The Lessee shall protect the given login and passwords’ data in the Website, the User shall protect the provided login number (mobile phone number) and password data in the Mobile Application and the Lessee/User shall immediately inform the Lessor if the data are lost or changed. The Lessee/User shall be responsible for security of such data.
- 3.3. The information about the Vehicle reservation management procedure, Vehicle use procedure, Vehicle inspection conditions, Vehicle defects and incompatibilities conditions and other conditions related to the lease of the Vehicle and the Services are provided in the Terms and Conditions, which are an

inseparable part of this Agreement and are published in the Mobile Application and the Website.

- 3.4. After the Parties have concluded the Agreement, the Lessee is activated in the Website and the User with the active Mobile Application and User Account is authorised in the Website, the User is entitled to perform operations in relation to reservation of the Vehicle by using the Mobile Application. The Parties actions performed by using the Website, shall have the same mandatory legal effect as the signed document in paper form and shall be a permissible evidence in the court or any other dispute settling institution.
- 3.5. The Lessor represents and warrants that every Vehicle has a Vehicle ignition key, Vehicle registration certificate, agreement on insurance, insurance rules and the Circle K fuel card.
- 3.6. Before starting to drive the Vehicle or starting the engine of the Vehicle, the User must inspect the Vehicle, and check if there are no detectable faults, externally visible or otherwise detectable irregularities or absence of attachments of the Vehicle indicated in Section 3.5, and if such are determined, the User shall immediately inform the Lessor under the procedure determined in the Terms and Conditions. Otherwise, it shall be considered that the faults and irregularities have occurred during the period, when the User was using the Vehicle and the Lessee shall take the responsibility for such faults and irregularities.
- 3.7. During the Vehicle Use Period, the User can park the Vehicle in any permitted public parking site in accordance with the Road Traffic Rules.
- 3.8. After using the Vehicle, completing the lease, the User shall return the Vehicle to the Site location in the condition in which the User received the Vehicle, subject to its ordinary tear and wear as specified in the Terms and Conditions, observing the Road Traffic Rules and parking the Vehicle in a way that does not disturb any other participants of the road traffic and pedestrians, making sure that the Vehicle is located in a publicly available parking Site. When completing the lease, the Lessee has to park the Vehicle in a way that does not make it difficult for the other lessee of the Vehicle to find the Vehicle, access it and start driving.

#### **4. Vehicle exploitation conditions**

- 4.1. The User shall use the Vehicle in a way appropriate to its intended purpose, with the care of an orderly and prudent owner, without contradicting the requirements of the Terms and Conditions and the Road Traffic Rules.
- 4.2. The User shall comply with the Vehicle exploitation requirements, instructions and recommendations of the Vehicle's producer, Road Traffic Rules determined by legal acts and requirements of other applicable legal acts of the Republic of Latvia. The User also undertakes to comply with the Vehicle exploitation requirements, which, even, though are not mentioned above, are considered ordinary for the use of such objects.
- 4.3. The User shall immediately inform the Lessor and the respective state authorities (e.g. police, fire department, rescue service etc.) in case the Vehicle is lost, destroyed, damaged or breaks down, as well as if circumstances occur, that

hinder the exploitation, use of the Vehicle and ensuring of ordinary exploitation conditions.

## 5. Liability

- 5.1. The Vehicle is considered to be a source of increased risk, therefore, during the Vehicle Use Period the Lessee assumes the liability, which is similar to the liability of the manager of the source of increased risk.
- 5.2. The Lessee is not liable for external damage of the Vehicle (damage that can be detected when inspecting the Vehicle from outside), that arose as a consequence of a former exploitation or ordinary tear and wear of the Vehicle, provided that the User immediately before the start of the Vehicle Use Period informed the Lessor by taking and sending the pictures of damage, misuse or defects, that is prohibiting to enjoy the Service, via Mobile Application and carried out instructions provided by the Lessor.
- 5.3. The Lessee is not liable for internal damage of the Vehicle (damage that can only be detected when inspecting the Vehicle internally) that arose as a consequence of a former exploitation or ordinary tear and wear of the Vehicle, provided that the User immediately informed the Lessor before starting to drive the Vehicle or starting the engine of the Vehicle by taking and sending the pictures of damages, misuse or defects that is prohibiting the Lessee to enjoy Service via Mobile Application and carried out instructions provided by the Lessor.
- 5.4. In case during the Vehicle Use Period the Vehicle is damaged or lost (including, but not limited to confiscation of the Vehicle), attachments of the Vehicle are lost or damaged (e.g. the ignition key), the Lessee shall pay the Lessor a penalty provided in the Agreement and compensate all the damages, costs and losses to the Lessor, if they are not compensated by the insurance company that insured the Vehicle. If the Vehicle has been damaged, destroyed or lost (including but not limited to the Vehicle confiscation) due to the User's breach of the Road Traffic Rules or other legislation related with the road traffic and road safety, the Lessee shall fully indemnify all the losses and costs incurred by the Lessor.
- 5.5. In case after the use of the Vehicle, it is dirtier than after the ordinary exploitation (both interior and exterior), the Lessee shall reimburse the costs of the Vehicle washing and interior cleaning.
- 5.6. In case due to the fault of the User, while using the Vehicle, or due to circumstances that occurred because of such use of the Vehicle, the Vehicle is confiscated, detained, or any other rights to the Vehicle are lost or restricted, the Lessee must perform all other conditions of the Agreement related to such Vehicle, until the Vehicle is returned to the Lessor. The Lessee must compensate all the costs and losses of the Lessor that incurred due to occurrence of the circumstances indicated in this Section of the Agreement.
- 5.7. The Lessee/User shall perform the requirements of the insurance rules determined by the insurance company that insured the Vehicle. The insurance rules are present in every Vehicle.
- 5.8. The Lessee assumes full liability for breach of legal acts of the Republic of Latvia. If the third parties turn to the Lessor in connection with any of the Lessee's/User's action during the Vehicle Use Period, the Lessor informs the Lessee of this fact. The Lessee shall within 10 (ten) working days indemnify the Lessor for the losses and costs incurred due to the Lessee's/User's actions. In case the User exploits the Vehicle improperly or breaches this Agreement in any other

way, which shall result in the Lessor incurring losses and costs (e.g. charges or penalties to state institutions, etc.) the Lessee shall reimburse such losses and costs to the Lessor.

- 5.9. In case the Lessee fails to properly perform the Agreement and provides incorrect representations, alongside other losses and costs occur, the Lessee must reimburse the losses and costs of the Lessor incurred due to debt recovery or other actions related to securing the performance of the provisions of the Agreement, including, but not limited to the costs of legal fees, debt recovery costs.

## **6. Terms and Conditions of Payment**

- 6.1. The Lessee pays the Lease Fee to the Lessor for the Services used by the User in accordance with the selected tariff in the Website effective at the moment of reservation of the Vehicle. The prices are end prices that include the applicable statutory value-added tax.
- 6.2. The Lessee pays the Lease Fee in accordance with this Agreement after receiving the invoice from the Lessor by performing the bank transfer. The Lessor, at its own discretion and informing the Lessee in advance, determines how many times (once or twice) a month the Lessee has to pay the Lessor for the Services provided by the Lessor. Respectively, the Lessor sends the invoice for the Services to the e-mail registered in the Website and places the invoice in the Website once a month, not later than on the 15th day of the each month, or twice a month, no later than on the 1<sup>st</sup> and 15<sup>th</sup> day of each month.

The Lessee shall pay the invoice not later than in 5 (five) working days after receiving the invoice. The Lessee agrees that the invoices shall be provided only via electronic means - in the Website and/or sent to the following e-mail address: \_\_\_\_\_ . After receiving invoices in the Website and/or e-mail, the Lessee shall check within 3 (three) working days if the data provided in the invoice are correct. If the Lessee in the invoice finds an incorrectness, then it shall contact the Lessor via e-mail. If the Lessee does not submit an objection within the term above, it shall be considered that the Lessee agrees with the received invoice.

- 6.3. The Lease Fee is calculated in accordance with the data in the Mobile Application, the Website and the Vehicle System. The Lease Fee includes the Vehicle parking in all parking Sites and the entrance fee in the Jurmala special zone. If User needs to temporarily park the Vehicle in another place/zone, where a separate fee for parking is charged, the User for the Vehicle parking pay independently.
- 6.4. In case the Lessee fails to pay any sums under the Agreement, fails to settle, the User fails to return the Vehicle to the Site or in case of any other breaches of the Agreement or the Terms and Conditions, the Lessor is entitled to block the Lessee's/User's access to the Website/Mobile Application, suspend the execution of the Agreement and block the use of the Vehicle (block the ignition of the Vehicle) until all the Lessee's/User's breaches are rectified.
- 6.5. For every day of delay in which the Lessee does not settle with the Lessor, the Lessee shall pay the Lessor a default interest of 0,03 % (three hundredths) of the not paid amount.

## **7. Validity and Termination of the Agreement**

- 7.1. This Agreement comes into force on the moment of its signing and will remain in effect for an indefinite period of time
- 7.2. Any of the Parties is entitled to unilaterally terminate this Agreement by a written notice delivered to the other Party via e-mail at least 30 (thirty) working days prior to the termination.
- 7.3. The Lessor is entitled to unilaterally terminate this Agreement by a written notice delivered to the Lessee at least 10 (ten) working days prior to the termination if the Lessee breaches the Agreement materially. The following shall be considered as such material breach of the Agreement (including, but not limited to): delay of payment of any amount due for more than 5 (five) working days; repetitive failure to perform or improper performance of any of the obligations of this Agreement; in case the User uses the Vehicle without complying with the Terms and Conditions or intentionally performs unfair actions that are detrimental or may cause harm to the performance of the Vehicle, its system and the Mobile Application/Website.
- 7.4. The termination of the Agreement does not affect the validity of the provisions of the Agreement regarding dispute settlement procedure and other provisions, provided that such provisions in their essence remain valid after the termination of the Agreement.
- 7.5. The Lessor shall have the right to cease the Agreement execution, cancel the User's reservations and block the Lessee's/User's access to the Website/ Mobile Application, if the Lessee/User does not observe Agreement and Terms and Conditions. In addition, if the Lessee does not fulfil or fulfils the Agreement or Terms and Conditions improperly, the Lessor shall have the right to demand the User to return the Vehicle to the nearest Site within the term provided by the Lessor. If the User does not agree or does not fulfil the Lessor's requirement within the term set by the Lessor, the Lessor shall have the right to block the Lessee's/User's access to the Website/Mobile Application, hinder using the Vehicle (block starting of the Vehicle), not allow the User to continue using the Vehicle and the Lessor's employee shall have the right to take the Vehicle without notifying the User.

## **8. General Provisions**

- 8.1. The Parties agree that the Lessor is entitled to unilaterally transfer all the rights and obligations arising out of this Agreement to any third person upon informing the Lessee in the e-mail and/or Website.
- 8.2. The Parties agree that this Agreement is considered concluded, valid and binding after both Parties have countersigned it.
- 8.3. In case any provision of this Agreement is held as contradicting the legal acts of the Republic of Latvia or for any other reason becomes partially or fully invalid, the other provisions of this Agreement will remain in full force and effect.
- 8.4. Any dispute, controversy or claim arising out of or relating to this Agreement, its breach, termination or validity shall be firstly settled by mutual negotiations in accordance with the principles of fairness, reasonableness and justice. If the Parties fail to agree by negotiations within 20 (twenty) working days since the receipt of a written suggestion to proceed negotiations or if any of the Parties decides that further negotiations are inexpedient, any dispute, controversy or claim shall be finally settled in the respective court of the Republic of Latvia at the actual legal address of the Lessor (contractual jurisdiction). The applicant may choose to

finally settle any dispute, controversy or claim arising out of or relating to this Agreement, its amendment, violation, termination, legality, invalidity or interpretation in the Baltic Trade Arbitration (registration nr. 40003762437), in accordance with the rules of procedure of this arbitration, by one arbitrator appointed in the oral procedure.

- 8.5. The conclusion of this Agreement, its performance, expiration, interpretation and dispute settlement are governed by the substantive and procedural laws of the Republic of Latvia.
- 8.6. The terms and conditions of this Agreement may be changed by the Lessor unilaterally by sending a written notice to the Lessee by e-mail at least 10 (ten) working days in advance. During this period, the Lessee can unilaterally terminate the Agreement. If the Lessee upon receiving the above notification continues to use the Services referred to in the Agreement, it will be considered that the Lessee agrees to amendments of the Agreement. For this reason, the Lessee/User is recommended to get familiar with the Agreement/Terms and Conditions before the beginning of every lease of the Vehicle.

Lessor:  
SIA SLYFOX  
Meža prospekts 15, Jūrmala, LV-2010  
40203025969

Lessee:  
Company name  
Legal address  
Company registration number

Vladimirs Reskājs

\_\_\_\_\_  
Name, surname

\_\_\_\_\_  
Name, surname

Board Member

\_\_\_\_\_  
Position

\_\_\_\_\_  
Position

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature date)

\_\_\_\_\_  
(Signature date)

## TERMS AND CONDITIONS FOR LEASE AND PROVISION OF SERVICES

### 1. SUBJECT MATTER OF THE TERMS AND CONDITIONS

- 1.1. These terms and conditions regarding lease and provision of services (hereinafter – Terms and Conditions) establish:
  - 1.1.1. Vehicle reservation procedure;
  - 1.1.2. Vehicle use procedure;
  - 1.1.3. Requirements for the Lessee/User for reservation and using procedure of the Vehicles;
  - 1.1.4 Vehicle inspection conditions;
  - 1.1.5 Other conditions related to the use of Vehicle.
- 1.2. These Terms and Conditions indicate the necessary information regarding the reservation and use of the Vehicle. While reserving and using the Vehicle, the User on behalf of the Lessee must act in accordance with the criteria of reasonableness and fairness, must assure that the respective actions related to the reservation of the Vehicle are performed as expected with the care of an orderly and prudent owner.
- 1.3 Regarding any issues in relation to the Agreement, these Terms and Conditions or the use of the Vehicle the Lessee/User may contact the representatives of the Lessor by: phone +371 27 33 27 33 (working hours daily 00 - 24) or email [info@carguru.lv](mailto:info@carguru.lv)
- 1.4. The captions, titles, sub-titles and numbering set forth in these Terms and Conditions are for reading purposes only and shall not be taken into account when interpreting a specific clause.

### 2. DEFINITIONS

- 2.1. Lessor – a Party to this Agreement (see details in the Agreement Section 1.), indicated hereto as the Lessor.
- 2.2. Lessee – a Party to the Agreement, indicated hereto as the Lessee. The Lessee is a legal person that after registering in the Website, each time, when logging in the Website, unconditionally confirms by the respective action that the Lessee has the right to conclude and fulfil the Agreement. In the Website the Lessee authorize the User that has the right on behalf of the Lessee to use the Vehicle in accordance with the conditions indicated in the Agreement and the Terms and Conditions. The Lessee ensures that the User is familiar and complies with the Agreement and Terms and Conditions.
- 2.3. Parties – collectively the Lessor and the Lessee; each of them separately as the Party, when avoiding distinguishing one of them.
- 2.4. User – Lessee's employee or other natural person appointed by the Lessee, who is 21 year old, possessing a valid category B driver's license held for a minimum of 2 (two) years, an active Mobile Application and User Account, who is provided with a right, upon logging in the Mobile Application, to use Vehicle on behalf, at the expense and under the liability of the Lessee. The requirements and obligations provided in the Agreement and the Terms and Conditions applicable to the Lessee shall be applicable to the User and vice

versa. Each time when the User registers in the Mobile Application and begins to use the Vehicle, he/she unconditionally confirms by the respective action that he/she has the right on behalf of the Lessee to use the Vehicle under the conditions indicated in the Agreement and the Terms and Conditions. Until the Lessee deactivates (disconnects) the User in the Website, it shall be considered that the User uses Vehicles on behalf, at the expense and under the liability of the Lessee.

- 2.5. Agreement – Vehicle lease and services agreement, concluded between the Lessor and the Lessee, containing the conditions of the Agreement, these Terms and Conditions (Appendix A), List of Penalties (Appendix B).
- 2.6. Terms and Conditions – Terms and conditions for lease and provision of services, which are confirmed by the Lessee by concluding this Agreement and which are an inseparable part of the Agreement, indicated in the Appendix A.
- 2.7. Vehicle - a fuel propelled Vehicle which is provided by the Lessor to the User for temporary use and exploitation in accordance with the procedure and terms indicated in the Agreement and the Terms and Conditions.
- 2.8. Vehicle Use Period – period of time from the Vehicle unlocking by the User selecting command “Begin a Ride” on the screen of smartphone by using the Mobile Application of the Lessor, until returning the Vehicle to the location specified in the Terms and Conditions and selecting command “Finish Ride” on the screen of a smartphone by using the Mobile Application of the Lessor.
- 2.9. Vehicle System – an electronic system installed in the Vehicle, recording and delivering to the Lessor the location of the Vehicle, distance covered by the Vehicle, Vehicle Use Period, as well as other data in relation to the Vehicle and its use.
- 2.10. List of Penalties – List of Penalties for improper performance or failure to perform the Agreement (including, but not limited to the Terms and Conditions), indicated in the Appendix B.
- 2.11. Business Hours – Business hours of the Lessor, i.e. time period from 9 AM to 5 PM Latvian time from Monday to Friday, except for the public holidays, provided in the legal acts of the Republic of Latvia, as well as other exceptions indicated in the legal acts.
- 2.12. Site - Vehicle parking place where the Lessee receives the Vehicle and returns it. The Site list is available here: [www.carguru.lv/parkinglist](http://www.carguru.lv/parkinglist). The Lessor is entitled to unilaterally update the Site list at any time, informing the Lessee/User in the Website, the Mobile Application and/or e-mail about any amendments to the Site list. Due to this reason, the Lessee/User is encouraged to get acquainted with the Site list when parking the Vehicle.
- 2.13. Price List – fees for the Vehicle lease and Services, as well as other fees, all of which are provided in the Website. The Lessor may change the Price List unilaterally prior notifying it in the Website, Mobile Application and/or e-mail.
- 2.14. Mobile Application – Vehicle search, reservation, use, payment and other services system, which is managed by a smartphone. The Mobile Application may be downloaded free of charge from the App Store or Google Play platforms.
- The User must have a smartphone that is compatible with the technical requirements of the Mobile Application. For every download of the Mobile Application, the system automatically checks whether the smartphone is compatible with such requirements. The Lessor does not guarantee compatibility in that respect. The User personally shall provide the possibility

of mobile data connection and shall bear any data transmission costs which become payable to the User's mobile service provider.

- 2.15. Services – a car sharing service provided by the Lessor, that include the Vehicle maintenance (major, current repairs, technical service) services, compulsory insurance against civil liability for the Vehicle's holder and Vehicle insurance (CASCO), all other materials necessary for the exploitation of the Vehicle (e.g. fuel, oil, windscreen washing fluid).
- 2.16. Home area - is a city within the boundaries of which the Vehicle can be leased and returned. Home areas in this Agreement and these Terms and Conditions are Riga, Airport "Riga" and Jurmala. It is forbidden to use the Vehicle out of the territory of the Republic of Latvia.
- 2.17. Personal Account – the Lessee account in the Website.
- 2.18. Website – website of the Lessor under the address - [www.carguru.lv](http://www.carguru.lv). In the Website, the Lessee is provided with an opportunity to receive all information related to the Services and Vehicle use by the User.
- 2.19. Lease Fee – is a fee that the Lessee pays to the Lessor for the Services, in accordance with the selected tariff in the Website.
- 2.20. User Account – User profile in the Mobile Application.

### **3. PERSONAL AND USER ACCOUNT**

- 3.1. To be able to lease, reserve, and use the Vehicle, the Lessee:
  - a) must have entered the necessary information in the Website, in order to establish the Personal Account (hereinafter – Personal Account); or
  - b) have an active Personal Account in order to authorize the Users and to receive the required information for the fulfilment of the Agreement.
- In turn, to be able to lease, reserve and use the Vehicle, the User:
  - a) must enter the required data in the Mobile Application to create the User Account; or
  - b) have an active User Account.
- 3.2. The Lessee have only the access to the Personal Account in the Website. The Lessee must warn the Lessor about the changes in data entered into the Website. If the data is demonstrably out of date, the Lessor reserves the right to temporarily block Personal Account.
- 3.3. In the Mobile Application and in the Website indicated User shall be one and the same person. The User must keep the personal data he/she entered into the Mobile Application in the User's Account up to date. If the data is demonstrably out of date, Lessor reserves the right to temporarily block the Mobile Application.
- 3.4. The User is strictly prohibited from enabling any third party, who is not the User, to drive Lessor Vehicles. In particular, it is not allowed to disclose the User login data (user name, password) and the Lessee's login data (user name, password) to any third party. This shall also apply if such third parties are other Lessees/Users himself/herself/itself. For every case of non-compliance, the Lessee shall pay a contractual penalty according to the List of Penalties. The right to claim further damages shall remain unaffected. In this case, the contractual penalty shall be deducted from such damages.

### **4. USE OF THE MOBILE APPLICATION AND THE WEBSITE**

- 4.1. By signing the Agreement, the Lessee shall provide e-mail address which shall be considered as the Lessee's login data. The Lessee may authorize in the Personal Account an unlimited amount of Users in the Website, who on behalf of the Lessee shall be entitled to reserve Vehicles in the Mobile Application and use the Vehicles. Each Agreement and the Terms and Conditions confirmed by the Lessee shall be directly applied to the User using the Vehicle according to the Agreement.
- 4.2. Lessee's manager or authorised representative shall have the rights of an administrator of the Personal Account in the Website, i.e. he/she shall be entitled to add in the Personal Account in the Website new User, as well as change, remove such User and their respective data. Such actions of the Lessee's manager or authorised representative shall have the same legal effect as manually signed and submitted documents. The User authorized by the Lessee shall have the right to act on behalf, at expense and liability of the Lessee and all of the actions of such User in the Mobile Application shall bind the Lessee, for which the Lessee assumes responsibility.
- 4.3. Login to the Website/Mobile Application is provided only to the Lessee/User, therefore, the Lessee/User must preserve such data and must not disclose it to anyone.
- 4.4. The Lessee/User must immediately inform the Lessor in case the Lessee/User loses the login data and such data becomes known to third persons to enable the Lessor to block the respective Mobile Application/Website and prevent misuse. The Lessee/User shall be informed that the Mobile Application/Website has been blocked. After the receipt of such notice, the Lessor shall immediately, but not later than within 8 (eight) Business Hours, provide the Lessee with a new login data.
- 4.5. The Lessee/User shall ensure the compliance with all reasonable security measures, including, but not limited to anti-virus programs while connecting to the Mobile Application/Website, and shall be liable for all the consequences, which arise due to insufficient security of the Lessee's/User's other systems.
- 4.6. The provision of Services may be subject to restrictions and inaccuracies that are outside of the Lessor's control. This applies in particular with regard to the availability of mobile data services provided by mobile network operators, the mobile network, the positioning services by a global navigation satellite system and the internet access. These are limited to the service area of the respective mobile services provider's radio stations. The unavailability of the mobile network may cause specific Services to be unavailable because the required data transfer does not work. Also, these Services may be affected by atmospheric interferences, topographic conditions or obstacles (e.g. bridges, tunnels, buildings). The same applies for the positioning services based on the global navigation satellite system. Also the use of the internet may be subject to additional restrictions (e.g. network overload). Furthermore, temporary capacity shortages may be a consequence of load peaks of the services, the mobile or fixed line networks or the internet.
- Disturbances may also result from force majeure including strikes, lock outs and orders from public administration as well as from technical and other measures (e.g. repair, maintenance, software updates, and enhancements) conducted at equipment of the Lessor, suppliers, other service and content providers as well as network operators that are required for a proper or improved provision of the services. The use of the Mobile Application/Website may also

be subject to limitations and inaccuracies due to the non-availability or interferences or disturbances of the Mobile Application/Website of the compatible device (e.g. due to reasons of force majeure or due to technical or other measures like maintenance, software updates, enhancements for the Mobile Application/Website).

- 4.7. In case the security of software and data, which are necessary to use the Mobile Application/Website, is violated, the Lessor, in accordance with the request of the Lessee, shall provide the Lessee with a new password, which shall be immediately changed by the Lessee.
- 4.8. It is prohibited to read out, copy or manipulate the Mobile Application/Website by means of information technology. Any non-compliance will immediately lead to the exclusion from the Agreement, the Lessee shall bear the costs of any damage resulting from non-compliance, if any.
- 4.9. The Lessee shall, within the statutory limits, be liable for any damage caused by the loss of the smartphone, computer or other devices within which the Mobile Application/Website is available, in particular if a theft, a damage or a misuse of the Lessor Vehicle became possible as a result of such loss.

## **5. RESERVATION MANAGEMENT PROCEDURE**

- 5.1. The Vehicle reservation shall be performed by the Mobile Application. Advance reservation is available 20 minutes before the beginning of intended Vehicle use. It is only possible to reserve the same Vehicle twice without additional cost; starting from the third time, advance reservation is not possible. To perform advance reservation:
  - 5.1.1 Login to the Mobile Application;
  - 5.1.2 Select the desired Vehicle;
  - 5.1.3 Select the tariff and payment method;
  - 5.1.4 Mark in the Mobile Application whether the Lessee agrees to start paying the Lease Fee automatically after the reservation time ends;
  - 5.1.5 Confirm reservation of the Vehicle.
- 5.2. Confirmation of the reservation shall be generated on the display of the User's smartphone.

5.3. In the case that the User does not start using the Vehicle during 20 minutes since the moment of confirmation of reservation, and the User has not agreed to pay the Lease Fee automatically after the reservation time ends, the reservation of the Vehicle shall be automatically cancelled. If the User does not start using the Vehicle during 20 minutes since the moment of confirmation of registration, but in the Mobile Application it has been marked to pay the Lease Fee automatically after the reservation time ends, the use of the Vehicle is started and the Lessee also starts to pay the Lease Fee also in the case if the User has not started the actual use of the Vehicle.

- 5.4 In the case if the User has not agreed to pay the Lease Fee automatically after the reservation time ends, then the period for using the Vehicle, for which the Lessee shall pay the Lease, shall be calculated from the unlocking of the Vehicle reserved by the Lessee, until the termination of the lease of the Vehicle by using the Mobile Application and leaving the Vehicle at the location according to the Section 6.1.6. of these Terms and Conditions. In the case if the

User has agreed to pay the Lease Fee automatically after the reservation time ends, the Vehicle usage period that the Lessee has to pay the Lease Fee for is calculated from the end of the Vehicle reservation time until the moment when the Vehicle lease was completed using the Mobile Application and it is parked in compliance with the Section 6.1.6. of these provisions.

- 5.5. In the case if the User has agreed to pay the Lease Fee automatically after the reservation time ends, but the User has not actually started to use the reserved Vehicle, the Lessee contacts the Lessor.

## **6. VEHICLE USE PROCEDURE**

- 6.1. Vehicle use and exploitation instructions
- 6.1.1. The reserved Vehicle shall be unlocked by the User upon selecting command “Begin the Ride” on the screen of the smartphone, by using the Mobile Application of the Lessor;
- 6.1.2. Each time, before starting to use the Vehicle (before starting to drive the Vehicle or starting the engine of the Vehicle), the User must inspect the Vehicle (both interior and exterior), check if the tyres of the Vehicle are properly inflated, if the Vehicle’s fuel level is sufficient 25% of the fuel tank or more, check if there are no externally visible damage, defects and incompatibilities of the Vehicle or its equipment, and if such are found, immediately, before using the Vehicle (before starting to drive the Vehicle or starting the engine of the Vehicle), the User must inform the Lessor by phone or via Mobile Application by taking the picture, select the respective command on the screen of the smartphone, by using the Mobile Application of the Lessor;
- 6.1.3. Inside the Vehicle the User shall find the ignition key, a use instruction of Vehicle and insurance documentation. The User shall check if all the documents indicated in the instruction, attachments and accessories of the Vehicle are present. If any of the aforementioned are missing or damaged, defected and have incompatibilities, the User shall immediately, before using the Vehicle (before starting to drive the Vehicle or starting the engine of the Vehicle), inform the Lessor by phone +371 27 33 27 33 (working hours daily 00 - 24) or select the respective command on the screen of the smartphone, by using the Mobile Application of the Lessor;
- 6.1.4. The Vehicle use should be started in the manner provided in the instruction, indicated in Section 6.1.2. and 6.1.3 of these Terms and Conditions, as well as in other sections of the Agreement and terms and Conditions.
- 6.1.5. In case of temporary stopping, the Vehicle shall be locked and un-locked with the Mobile Application;
- 6.1.6. After using the Vehicle, completing the lease, the User shall return the Vehicle to the Site location in the condition in which the Lessee received the Vehicle, subject to its ordinary tear and wear as specified in the Terms and Conditions, observing the Road Traffic Rules and parking the Vehicle in a way that it does not disturb any other participants of the road traffic and pedestrians, making sure that the Vehicle is located in a publicly available parking Site. When completing the lease, the Lessee has to park the Vehicle in a way that does not make it difficult for the other lessee of the Vehicle to find the Vehicle, access it and start driving. The User Vehicle Use Period is not limited;

- 6.1.7. After arrival to the location indicated in Section 6.1.6. of these Terms and Conditions and getting out of the Vehicle, the User shall ensure that the Vehicle is parked in accordance with the Road Traffic Rules, other legal acts of the Republic of Latvia and security requirements, the Vehicle does not have both interior and exterior damages, the fuel level in the fuel tank is more than 25 % of the fuel tank, the User did not leave any of his/her belongings in the Vehicle, the Vehicle ignition key and documents are in the interior of the Vehicle, the User shall clean the Vehicle interior and remove rubbish. After performing the above-mentioned activities, the User shall select the command “Finish Ride” on the Mobile Application of the Lessor.
- 6.2 Fuel
- 6.2.1. Circle K fuel card is in each motor Vehicle, the card is a property of the Lessor. The Vehicle refuelling User perform independently, in any Circle K petrol station by using Circle K fuel card. The fuel price is included into the Lease Fee paid by the Lessee to the Lessor upon this Agreement. The Vehicle must be refuelled to ensure that the fuel in the motor Vehicle fuel tank is not less than 25%;
- 6.2.2. It is prohibited to use a fuel card to other vehicles or pour fuel to any other container by using a fuel card. In case the User breaches this provision, the Lessor in all cases shall notify the police about the fuel embezzlement. Also, the Lessee shall indemnify the Lessor for this unlawfully used fuel and pay the fees specified in the List of Penalties;
- 6.2.3. The User shall secure a fuel card and leave it in the motor Vehicle upon finishing to use it, and in case of its loss, he/she shall immediately inform the Lessor of it and the Lessee shall indemnify losses and costs incurred due to the loss;
- 6.2.4. If fuel in the motor Vehicle decreases down to 25% of the tank fuel volume, the User is obliged to fill the motor Vehicle fuel tank in the nearest Circle K petrol station. PIN code of the fuel card is provided on the fuel card.
- 6.3 Other terms for using the Vehicle
- 6.3.1. The Lessee/User must ensure that the Vehicle is used for its intended purpose in accordance with the terms of the Agreement, producer’s recommendations and instructions for use, also in compliance with the Road Traffic Rules and requirements of other legal acts of the Republic of Latvia;
- 6.3.2. The User is not entitled to use the Vehicle for racing, other sports or other purposes of competitive nature, as well as to use the Vehicle in permanent increased load mode (carriage of heavy cargo etc.), for other purposes for which the Vehicle is not suited and to use the Vehicle to carry out activities that are prohibited under the legal acts of the Republic of Latvia;
- 6.3.3. The User is not entitled to use the Vehicle for vehicle tests, driving trainings or for transporting persons on commercial terms;
- 6.3.4. The User is not entitled to use the Vehicle to commit criminal offenses;
- 6.3.5. The User must ensure that there shall be no smoking inside the Vehicle and if any animals are to be carried in the Vehicle, such animals must be carried in a specially suited boxes, making sure that the Vehicle does not get dirty. If it is smoked in the motor Vehicle, pets are transported not in special transportation boxes or the procedure set has been breached, the Lessee shall pay fees provided in the List of Penalties to the Lessor;
- 6.3.6. The User is not entitled to carry more passengers than the number permitted by the Vehicle registration certificate;

- 6.3.7. The User must ensure that even if the Vehicle is parked only for a short period of time, the lights and player shall be turned off, the windows and sunroof shall be closed and all the locks shall be locked up via Mobile Application;
- 6.3.8. The User shall ensure that the Vehicle shall not be parked in private parking lots, yards and parking lots reserved for third party vehicles. The User shall ensure that the Vehicle shall not be left in such places, where vehicle parking is forbidden by the road signs and road markings. The User is not entitled to leave the Vehicle in the zones where signs “Forbidden to Stop” and “Forbidden to Park” are valid, also to breach the Road Traffic Rules of the Republic of Latvia in any other way. The provision which prohibits to leave the Vehicle in the signs “Forbidden to Stop” and “Forbidden to Park” validity zone is applicable in all cases, where below the signs are placed additional panels specifying or limiting the period of validity of road signs, i.e. the User is not entitled to leave the Vehicle in the zones, where signs are valid and below the signs are placed additional panel specifying or limiting the period of validity of the road signs. The User is liable for breaches of the Road Traffic Rules and other legal acts of the Republic of Latvia, Agreement, these Terms and Conditions, for leaving the Vehicle at an improper place. The User, who during the Vehicle Use Period parks the Vehicle in paid Vehicle parking lots, shall pay for the Vehicle parking himself/herself;
- 6.3.9. Any actions or attempts to scan the Vehicle’s System data, copy, change or remove such are strictly forbidden.

## **7. TERMS FOR THE END OF USE OF THE VEHICLE**

- 7.1. The User must return the Vehicle in the condition, which is not worse than the one, when the User received the Vehicle, subject to its ordinary tear and wear. In determining whether the Vehicle’s suffered tear and wear is ordinary, the Parties shall refer to the guide prepared by the Latvian Authorised Automobile Dealers Association and Latvian Leasing association which is published in the association’s website: [http://www.autoasociacija.lv/files/konsolideta\\_instrukcija\\_nolietojumam.pdf](http://www.autoasociacija.lv/files/konsolideta_instrukcija_nolietojumam.pdf) (this guide shall be an inseparable part of the Agreement), and the requirements set by the state technical inspection rules. Alongside other damage, ordinary tear and wear shall not be considered:
  - 7.1.1. Parts being broken, deformed and otherwise damaged by mechanic or thermal means;
  - 7.1.2 Devices and equipment being out of order;
  - 7.1.3. Bodywork dents, paint layer cracks and vivid (paint layer damaged to the primer) scratches;
  - 7.1.4. Paint layer depreciation as a consequence of intense washing and cleaning of the Vehicle;
  - 7.1.5. Repair performed in poor quality and defects arising out of such poor quality repair;
  - 7.1.6. Vehicle windshields’ cracks;
  - 7.1.7. Vehicle windshields’ scratches, originating from messy use and cleaning of the Vehicle;
  - 7.1.8. Interior damage such as burnt or stained seats, broken plastic front panel parts, trunk hood, windows’ opening handles, etc.;
  - 7.1.9 Damaged geometry of bodywork.

- 7.2. The Lessor is entitled to demand for return of the Vehicle at any time in case the User uses the Vehicle dangerously, illegally and breaches these Terms and Conditions and the Agreement. In such case, the User shall return the Vehicle to the Lessor, bringing the Vehicle to any Site, no later than within 2 (two) hours since the moment of receipt of a demand from the Lessor (using the Mobile Application or by any other means permitted by the legal acts of the Republic of Latvia). In case the User fails to return the Vehicle to the Lessor on time, the Lessor is entitled to block the control of the Vehicle, take back the Vehicle and report to the police.
- 7.3. If the User, after completion of the Vehicle lease or by demand of the Lessor, in the case provided in Section 7.2 of these Terms and Conditions, does not return the Vehicle in a proper manner, the Lessor shall at all times report to the police a Vehicle theft, contact other third parties, as well as the Lessor shall have the right to block the ignition of the Vehicle.

## **8. FAILURES AND DAMAGES OF THE VEHICLE**

- 8.1. In case the Vehicle breaks down, warning signals appear on the dashboard, suspicious side sounds may be heard and there is no possibility to continue exploiting the Vehicle safely, the User must immediately cease using the Vehicle, inform the Lessor by smartphone regarding the aforementioned and perform further instructions given by the Lessor.
- 8.2. In case the Vehicle is damaged due to a traffic accident or due to presence of any other circumstances, the User shall immediately inform the Lessor and respective authorities (police, fire department, rescue service etc.), fill the traffic accident statement and perform other necessary actions in order to avoid or mitigate imminent damage to the Vehicle, people and property. Regarding advice on insurance and traffic accident statement filling call the Lessor on +371 27 33 27 33 (working hours every day 24/7).
- 8.3. The User may only leave the scene of the accident after:
  - 8.3.1. Acquisition of accident data by the police has been finished (or, where this is not possible, after the Lessor has been informed accordingly pursuant to the Terms and Conditions Section 8.2.);
  - 8.3.2. Measures to preserve the evidence and to mitigate the damage have been taken in consultation with the Lessor;
  - 8.3.3. Vehicle has been handed over to a towing company or otherwise safely deposited in consultation with the Lessor or has been removed by the User.
- 8.4. The User must ensure that the Vehicle is no longer used in case it is broken and such further use may lead to greater damage, increase losses or pose a threat to road safety.
- 8.5. In case the Agreement or Terms and Conditions does not determine any other time periods, the Lessee shall pay the losses, fines, default interests, other losses and costs, compensations and other amounts to the Lessor no later than within 10 (ten) working days since the receipt of a demand by the Lessor.

## **9. INSURANCE COVER**

- 9.1. The Lessor Vehicles are covered by the compulsory insurance against civil liability for the Vehicle's holder and CASCO insurance.

- 9.2. If the Lessor Vehicle is damaged whilst being used by the User or if the User causes any damage to the Vehicle, the Lessee in accordance with the chosen tariff in the Website has the obligation to pay a deductible for damages.
- 9.3. Notwithstanding the above, the Lessee assumes the liability for any damage, if the User has acted grossly negligent or if the damage is otherwise not covered by the insurance policy provided, the Lessee assumes the liability for such damage in accordance with these Terms and Conditions, Agreement and List of Penalties. In this case, the reasons why the insurance company does not compensate the losses do not have any influence (unconditional deduction, non-insured event, etc.).
- 9.4. In particular cases below, the insurance company, upon indemnification of the damage to the Lessor, shall acquire a right of recourse by recovering all paid indemnity from the Lessee if damage was caused to the Lessor's Vehicle for the fault or actions of the Lessee/User. The Lessee agrees that he/she is aware of the cases when the insurance company obtains the recourse right to the Lessee, in particular:
  - 9.4.1. When damage was caused to the Vehicle when it was managed by the person not provided in the Agreement concluded between the Lessor and the Lessee, i.e. a driver is not a lawful/authorised User;
  - 9.4.2. When damage was caused to the Vehicle and the Vehicle User left the accident site before arrival of the police or other competent institutions in cases when participation of these institutions in the traffic accident site has been stipulated in law of the Republic of Latvia;
  - 9.4.3. When the Vehicle was stolen, damaged or destroyed as a result of leaving open windows or a roof window, or the door was left unlocked;
  - 9.4.4. When damage was caused to the Vehicle while it was driven by the User, who did not have a valid driver's license and the Lessee did not check the validity of the driver's license;
  - 9.4.5. When damage was caused to the Vehicle due to breaching the requirement by the User, laid down in the Agreement concluded between the Lessor and the Lessee, to leave the leased Vehicle secure in specified locations indented for traffic.

## **10. REQUIREMENTS AND OBLIGATIONS FOR USER'S USING THE VEHICLES AND THE LESSEE**

- 10.1. The Lessee shall have the Personal Account that has been confirmed by the Lessor, and the User's right to receive and use Lessor's Vehicles shall be limited to User who:
  - a) Has reached a minimum age of 21 years and has had a valid category B driver's license for cars for at least 2 (two) years;
  - b) Has an active Mobile Application, has a User Account and is authorized in the Website;
  - c) Carry valid driver's license during the term of the lease and comply with all Agreement and Terms and Conditions requirements.
- 10.2. The Lessee must ensure that the User authorized by the Lessee manager or authorised representative meet the requirements indicated in Section 10.1., comply with all of the terms of the Agreement (including the Terms and

Conditions), with the Road Traffic Rules and other legal acts of the Republic of Latvia while using the Vehicle.

- 10.3. The Lessor activate the Personal Account for a maximum of 36 (thirty-six) months. To activate the Personal Account for another 36 (thirty-six) months, the Lessee shall review authorized Users and data entered in the Website. The non-EU/EEA/Swiss User's driver's licenses shall be activated for a maximum of 6 (six) months after entry into the Latvia. If the Lessee/User fails to comply with this request, the Lessor may block such Personal and User Account.
- 10.4. If the driver's license is withdrawn or lost, the right to use the Lessor Vehicle shall immediately be suspended for the duration of the withdrawal or loss. The same shall apply for the duration of a vehicle driving ban. The User shall notify both the Lessor and the Lessee without undue delay of the suspension or limitation of their right to drive, any driving bans becoming effective or any temporary securing or seizure of their driver's license.
- 10.5. The User, driving the Vehicle, must be sober (a strict ban on alcohol (0.0‰) applies) and not under the influence of narcotic, psychotropic or other psychoactive substances.
- 10.6. The User during the Vehicle Use Period is required to comply with Road Traffic Rules and other legal acts of the Republic of Latvia.
- 10.7. The Lessor reserves the right to reject the registration of a Lessee/User if there is reason to assume that he/she/it will not act in accordance with the Agreement and Terms and Conditions.
- 10.8. After successful registration of the Lessee, upon necessity the Lessor can request additional information or documents etc. from the Lessee at any time.

## **11. LIABILITY OF THE LESSEE AND THE USER**

- 11.1. Since the beginning of use of the Vehicle (Section 6.1.1. of the Terms and Conditions) until the end (Section 6.1.7. of the Terms and Conditions), the Lessee is liable for the Vehicle, therefore, during the Vehicle Use Period the Lessee assumes the liability, which is similar to the liability of the manager of the source of increased risk. This shall include without limitation the theft of, damage to or loss of the Vehicle, its keys and accessories (including the fuel card). If there is no insurance cover under the Vehicle insurance, the Lessee shall indemnify Lessor the losses and costs incurred, which have arisen, if the third parties turn to the Lessor in connection with any of the Lessee's/User's actions during the Vehicle Use Period.
- 11.2. The Lessee shall settle based on the selected tariff in the Website and pays the Lease Fee in accordance with this Agreement after receiving the invoice from the Lessor by performing bank transfer. The Lessor at its own discretion, sends the Lessee the invoice for the use of the Services to the Website registered email and inserts the invoice in the Website once per month not later than on the 15<sup>th</sup> day of the each month, or twice a month no later than on the 1<sup>st</sup> and 15<sup>th</sup> day of each month. The Lessee shall pay the invoice not later than in 5 (five) working days after receiving the invoice. After receiving invoices in the Website and/or e-mail, the Lessee shall check within 3 (three) working days if the data provided in the invoice are correct. If the Lessee in the invoice finds an

incorrectness, it shall contact the Lessor via e-mail. If the Lessee does not submit an objection within the term above, it shall be considered that the Lessee agrees with the invoice provided.

- 11.3. In any case, application of penalties determined in the List of Penalties, Agreement and the Terms and Conditions does not release the Lessee from the obligation to perform undertakings indicated in the Agreement and the Terms and Conditions.
- 11.4. Failure to execute the rights provided in the Agreement and the Terms and Conditions by the Lessee shall not constitute a waiver of such rights and partial execution of such rights shall not preclude further execution of such rights.
- 11.5. In case the User fails to inform the Lessor about the damage, defects and other incompatibilities of the Vehicle, its equipment and documentation until the actual use of the Vehicle (before starting to drive the Vehicle or starting the engine of the Vehicle), the Lessee assumes the responsibility for all the latter unveiled damages, incompatibilities and defects of the aforementioned.
- 11.6. The losses incurred by the Lessor that are arising out of this Agreement concluded with the Lessee, shall be covered by the Lessee. In case the User breaches the Road Traffic Rules and other legal acts of the Republic of Latvia, which results in additional actions being performed by the Lessor (e.g. forwarding police notices, invoices etc.), the Lessee shall pay the penalty set forth in the List of Penalties, as well as reimburse all the losses and costs of the Lessor incurred due to such breach.
- 11.7. Upon the request of the Lessor, the Lessee shall pay the Lessor a penalty equal to EUR 30 (thirty) for non-performance or breach of any undertaking determined in the Agreement and the Terms and Conditions, provided that the List of Penalties or other provisions of the Agreement or the Terms and Conditions do not determine any different liability for the respective breach.
- 11.8. In case the User breaches the Terms and Conditions and Agreement, penalties determined in the List of Penalties and the Agreement shall be applied to the Lessee. The Lessee acknowledges that such penalty is modest, reasonable and agrees, that it should not be reduced because upon agreement of the Parties, such penalty is considered as minimal and needless of proof losses and costs of the Lessor, incurred due to the activities of the User who breached the Terms and Conditions and Agreement.
- 11.9. The Lessor is entitled to unilaterally amend Terms and Conditions, providing a prior 10 (ten) working day notice before the amendments, the Lessee/User shall receive the notice about the amendments in the e-mail, Website and/or Mobile Application. Due to this reason, it is recommended that the Lessee/User get acquainted with the Terms and Conditions before starting the lease of any Vehicle. Following notice of the Agreement or Terms and Conditions or List of Penalties amendment to the Lessee/User and the end of term, the Lessee/User shall further use amended Terms and Conditions. In case, the Lessee/User following the notice further on use the Services provided in this Agreement, it shall be considered that he/she/it agrees with the amendments above. If the Lessee does not agree with the amendment above the Lessee shall contact the Lessor, the User shall, not later than within 2 (two) hours of the Lessor's request, return the Vehicle to the Site or properly complete the Vehicle use, cease using the Services provided in the Agreement.

## **12. DEFECTS AND INCOMPATIBILITIES OF THE VEHICLE AND RELATED LIABILITY OF THE LESSOR**

- 12.1. The Lessor shall ensure that the Vehicle is in the working order and prepared for the exploitation.
- 12.2. Vehicle defects that do not have and shall not have any influence in the near future to the road safety, as well as the defects that are not the consequence of an improper technical maintenance of the Vehicle by the Lessor, shall not be considered as defects.
- 12.3. The Lessor is liable for the performance of undertakings indicated in the Agreement and must reimburse any direct losses of the Lessee, which were incurred due to improper performance of undertakings by the Lessor. The Lessor shall not be held liable for acts or omissions by local authorities or other third persons. Also, the Lessor shall not be held liable for losses that the Lessee/User incurred or may incur due to inefficient use of the Vehicle and losses that have arisen due to the Vehicle failing to meet the User's/Lessee's expectations. In any case, the Lessor shall not be held liable for any indirect losses and the losses, which are compensated under the Agreement, are limited to the amount, which would be paid by the insurance company that has insured the Lessor.
- 12.4. The Lessor shall not be held liable for the losses of the Lessee that he/she suffered due to the fact that Lessee/User could not use the Vehicle in the event of an accident or due to some other reasons outside the control of the Lessor.
- 12.5. In case the Lessor fails to ensure the lease of the Vehicle, which was reserved by the User (i.e. the reserved Vehicle or other Vehicle during the time of the reservation by the User is not present at the location chosen by User or the Vehicle is technically unfit and unavailable to exploit) and such circumstances become known before the start of the Vehicle lease, unless the Parties agree otherwise, upon the User's notification of it to the Lessor, the Lessor, upon the Lessor's choice (1) shall indemnify the Lessee/User taxi expenses agreed on the telephone (expenses shall be indemnified upon the invoice provided by the Lessee for the same sum) or (2) not later than within 1 (one) hour, to deliver another Vehicle to the User.
- 12.6. In case the Vehicle breaks down and cannot be exploited further after the User has already started using the Vehicle and unless the Parties agree otherwise, the Lessor in the invoice to the Lessee does not include Lease Fee for the respective ride.
- 12.7. When the Lessor has an obligation to return any amounts to the Lessee, unless the Parties agree otherwise, such amounts shall be returned into the same bank account, which is indicated in the Agreement.
- 12.8. Under any circumstances, the Lessor is not responsible for the User's items left in the Vehicle.

## **13. FINAL PROVISIONS**

- 13.1. The Terms and Conditions form an inseparable part of the Agreement.
- 13.2. The Lessor does not assume any risk or liability and is unconditionally released from such, in case the Lessee/User did not get familiar with the Terms and Conditions and/or the Agreement, although such option was granted to the Lessee/User.

- 13.3. In case authorities of the Republic of Latvia adopt decisions by which taxes, fees or any other monetary obligations, which are included into the Agreement or Terms and Conditions or List of Penalties prices, related with charging of the Lessor's provided Services and final price, the Lessor can change the Lease Fee but not more than affected by the changed circumstances. In such case, recalculation of the Lease Fee provided shall not be considered the change of the Lease Fee or Terms and Conditions of Service provision. Amendment of an informative data published in the Agreement, Terms and Conditions (e.g. contact information, telephone numbers, denomination of Services, etc.), shall be reported to the Lessee by the Lessor in advance.
- 13.4. Each Party undertakes to inform the other Party in writing, not later than within 5 (five) working days if the legal address or other contact information provided in the Agreement changes.
- 13.5. The capitalised terms used in these Terms and Conditions shall have the same meaning ascribed to them in the Agreement, except when these Terms and Conditions clearly and unambiguously determine otherwise.

## LIST OF PENALTIES

	Breach	Penalty amount, EUR	Explanation
1	Irreparably damaged navigation device and/or the Vehicle System due to User's fault	200	Navigation device and the Vehicle System are integral Vehicle components and essential for the Lessor's activities
2	Lost or damaged ignition key and/or documents of the Vehicle due to User's fault	200	After termination of the lease, the ignition key and documents of the Vehicle must be left in the Vehicle
3	Smoking in the interior of the Vehicle	100	Professional cleaning of the interior is required to remove the scent of nicotine
4	Fine for failing to comply with smoking ban inside the Vehicle	50	The Vehicles are essential for the Lessor's activity
5	Transporting animals not in special transportation boxes in the interior of the Vehicle	100	Professional cleaning of the interior is required to remove dirt
6	Extra ordinary interior cleaning	150	Professional cleaning of the Vehicle in extra ordinary situations
7	Littering in the interior of the Vehicle	30	After termination of the lease, no litter, food, liquids and other items may be left in the interior of the Vehicle
8	The interior of the Vehicle and/or its parts are damaged	Full coverage of all cleaning and repairing costs	Reconstruction of the interior might require professional cleaning, repair and original parts
9	During the lease period the Road Traffic Rules and/or other legal acts are breached then the notice of such breach shall be sent to the Lessee	30 + penalty of third party according to penalty receipt	The penalty consists of administrative costs of the Lessor and additionally the Lessee must pay separately the penalties imposed by the third persons for performed breaches
10	Activities involved in the re-notification of fines	25	The penalty is used to cover administrative costs of the Lessor
11	The Vehicle is passed to drive to a third party, who is not this Agreement Party or User	250	Only the User has the right to drive the Vehicle
12	The Lessee disclosed login data (user name, password) and/or User disclosed login data (login number, password) to any third party	250	Only the Lessee/User has the right to use login data
13	Failure or delay to inform about the traffic accident	300	In case of the traffic accident User must inform immediately the

			police, other authorities (if necessary) and the Lessor
14	Failure to comply with the instructions provided by the Lessor or the Lessor intervening operator (in the case of Vehicle fault, breakdown, accident, etc.)	250	The Vehicles are essential for the Lessor's activity
15	The Vehicle is damaged or destroyed in a traffic accident due to the fault of the User	500 + Compensate all the damages and losses if they are not compensated by the insurance company	The Vehicles are essential for the Lessor's activity
16	The Vehicle is lost (including, but not limited to confiscation of the Vehicle) due to Lessee's/User's fault	Compensate all the costs and losses if they are not compensated by the insurance company	The Vehicles are essential for the Lessor's activity
17	The Vehicle is not left in the Terms and Conditions indicated Site and the territory, but it is in the territory of Riga city, Airport "Riga" or Jurmala with the fuel level, which is less than 25% of the fuel tank	30	The Vehicle must be transported to the nearest Site in Riga city, Airport "Riga" or Jurmala
18	The Vehicle is not left in the Terms and Conditions indicated Site and the territory, outside the territory of Riga city, Airport "Riga" or Jurmala with the fuel level, which is less than 25% of the fuel tank	50 + covering the Vehicle's transportation costs	The Vehicle must be transported to the nearest Site in Riga city, Airport "Riga" or Jurmala. The penalty amount consists of the penalty and the Vehicle transportation costs.
19	The Vehicle is and/or it is used outside the Republic of Latvia	500	The Vehicles cannot be used outside the Republic of Latvia
20	Inconsistency in the amount of fuel delivered and the amount of fuel introduced into the Vehicle	50	If User is diligent, there should not be any inconsistencies
21	Refuelling with inadequate fuel	1000	The Vehicles are essential for the Lessor's activity
22	The Fuel card is used for other vehicles or to pour fuel to any other container by using a fuel card	100 + the Lessee shall indemnify the Lessor all	The fuel card should be used for Lessor's Vehicles only, in any other case the police will be

		the losses and/or costs	notified about the fuel embezzlement
23	Loss or damage of the fuel card	50 + the Lessee shall indemnify the Lessor all the losses and/or costs	The penalty is used to cover administrative costs and losses of the Lessor
24	The Vehicle is left at an inadmissible place in Riga, Airport "Riga" or Jurmala	30 + covering the Vehicle's transportation costs	The Vehicle must be left in Riga City, Airport "Riga" or Jurmala in place specified in the Agreement
25	The Vehicle is left in the Site with the lights on and/or open windows	50	The User must ensure the security of the Vehicle
26	Driving the Vehicle under the influence of alcoholic, narcotic or psychotropic substances	1000	It is forbidden to drive under the influence of alcoholic, narcotic, psychotropic substances