

# Terms and Conditions of Inbank Hire Purchase Contract

Inbank Finance AS

Effective as of 17.10.2022

With Inbank's Hire Purchase, you can conveniently pay for purchases in instalments at a time that suits you. Upon receipt of the goods, payment for the purchase will be made on the basis of the agreed payment schedule, contract and terms and conditions below.

## 1. DEFINITONS

Annual Percentage Rate	The Total Cost of Credit expressed as an annual percentage rate of the amount of Credit drawn down and the value of which is specified in Your Service Contract.
Contract Fee	The service fee payable by You for entering into the Service Contract, the rate of which has been established in the Price List.
Cost of Goods	Price of the goods with VAT. Courier or shipping costs will also be included in the price, unless You have been informed otherwise.
Credit	The consumer credit offered to You for purchasing the Goods in the agreed amount that You will repay/pay in repayments to Us instead of the Seller on the terms and conditions set out in the Service Contract with any accessory expenses.
Default Interest	The Default Interest payable by You in the case of a delay in the performance of a monetary obligation, incl. the payment of the Instalment, at the rate set forth in the Service Contract. If the rate set out in the Service Contract is lower than the legal rate of the Default Interest on consumer credit, We will have the right to calculate the default interest according to the legal rate of Default Interest. Default Interest is calculated on the outstanding amount for each day of delay as of the day following the due date until the day of accrual of the sum owed. No Default Interest is charged on the Default Interest itself, Interest or other fees for using the money.
Down Payment	Your self-financing payment of the Credit, which You pay when the Service Contract is entered into.
Goods	The goods or service specified in the Service Contract.
Information Form	The Standard European Consumer Credit Information Form
Instalment	The monthly payment, the number and frequency of which is agreed in the Payment Schedule of the Service Contract and which consists of the monthly repayment of the Residual Value, Interest, the management fee of the Service Contract and the other fees that You are required to pay under the Service Contract.
Interest	The fee payable by You to Us on the basis of the Service Contract and the Payment Schedule for the use of the Credit and the Contract Fee for instalments (unless the Contract Fee is paid on the day the Service Contract is entered into).
Party or Parties	You and the Seller separately or jointly.
Payment Schedule	The repayment table agreed between us and You, which sets out the amounts and due dates of the Instalments. For information purposes, We will draw up a Payment Schedule for You as of the date of conclusion of the Service Contract. In the case of a Service Contract with a non-fixed interest rate, we apply clause 6.2 of the Terms of Service to change the Payment Schedule. Throughout the validity period of the Service Contract, You have the right to request a free Payment Schedule, which is presented to You within a reasonable period and reflects future payments.
Printed signature	The signature of Our representative that has been mechanically copied and printed on a document.
Residual Value	The credit amount at Your disposal, which is calculated by subtracting the Down Payment made and the principal payments paid every month from the Cost of the Goods (i.e. the repayment part of the Residual Value of the monthly Repayment indicated in the Payment Schedule).
Seller	The person that sells You the Goods.
Service Contract	The Inbank Hire Purchase contract or the Sales Contract for payment in instalments. The type of credit is hire purchase, i.e. consumer credit for financing the purchase of a thing or the provision of a service.
Service Terms and Conditions	These Terms and Conditions of Inbank Hire Purchase Contract.
Total Cost of Credit	The sum of all the costs associated with the repayment of the Credit with VAT (as at the time of entry into the Service Contract).
We, Us, Our or Inbank	Inbank Finance AS, registry code 16197915, registered office at Niine 11, 10414 Tallinn. The person to whom the Seller has assigned the claim against You arising from the Service Contract and who manages the



	claim and exercises all of the rights arising from the Service Contract (including the right to collect the claim) on behalf of the Seller.
You	The natural person who acquires/buys the Goods from the Seller on the basis of the Service Contract and pays Us for it pursuant to the procedure set forth in the Service Contract.

We use the other terms with capital initials in the meaning defined in the General Terms and Conditions of Inbank AS.

## 2. APPLICATION OF SERVICE TERMS AND CONDITIONS

**2.1** The Service Terms and Conditions are an integral part of the Service Contract, which include the main terms and conditions of the Service Contract and these Service Terms and Conditions, the General Conditions of Inbank AS, the Terms and Conditions of Digital Channels, the Price List, the Principles of Processing Client Data and other annexes, incl. any amendments made to the Service Contract in the future. The Service Contract may be a part of the service of Payment Methods. All of the aforementioned terms and conditions are accessible on Our Website.

**2.2** In addition to the terms and conditions listed in the previous clause, the additional terms and conditions established by the Seller and effective at the moment the Service Contract is entered into will apply to the terms and conditions of sale of the Goods to the extent to which they are not in contravention of said terms and conditions.

## 3. CONCLUSION AND ENTRY INTO FORCE OF SERVICE AGREEMENT

**3.1** We will enter into the Service Contract on the basis of Your Application in the manner and pursuant to the procedure selected by Us: (1) on Our Website; via another electronic channel or means of communication; or (2) via the electronic channels or other means of communication of the Seller; or at the Seller's point of sales. The Service Contract will enter into force upon the transfer of the Goods to You pursuant to the terms and conditions specified in clause 4 of the Service Terms and Conditions retroactively as of the entry into the Service Contract.

**3.2** The Service Contract may be entered into in writing as Well as in a format which can be reproduced in writing. The Service Contract will be deemed entered into if You sign the Service Contract that bears Our printed signature, with which We represent the Seller at the time of entry into the Service Contract, or if the Seller signs the Service Contract by hand. Handwritten changes made to a Service Contract entered into in writing will not be taken into account. We also deem a signature saved on an electronic device a handwritten signature.

## 4. SALE AND TRANSFER OF GOODS

**4.1** The Seller will hand over the Goods to You at the Seller's location after the payment of the Down Payment and in the case of a Service Contract entered into by way of a means of communication as agreed by the Parties either at the Seller's or Your location or at another place agreed between the Parties. The Seller will hand over the documents and user instructions as Well as other accessories belonging to the Goods to You with the Goods and, if necessary, inform You about how to use the Goods for their intended purpose. If the Seller issues a warranty to the Goods, the Seller will give the warranty documents and terms to You.

**4.2** You will be liable for the maintenance, preservation and prudent use of the Goods from the moment the Goods are handed over to You and bear all of the costs and risks related to the maintenance, preservation and use of the Goods.

**4.3** You must check the Goods upon receipt to ascertain the compliance of the Goods and any obvious defects.

**4.4** The right of ownership to the Goods will transfer to You after the payment of the last Instalment and any other payments due on the basis of the Service Contract (reservation of ownership), excl. in the cases specified in clause 4.5 of the Service Terms and Conditions, whilst the Seller confirms to You that the payments have been made. The Seller confirms to You that all payments have been made only after receiving the respective data from Us. You are aware that if the Seller cancels the Service Contract on the basis of clause 10.7 of the Service Terms and Conditions or terminates the Service Contract due to another reason arising from You, the right of ownership to the Goods will transfer to Us and You will be obliged to transfer the possession and the documents of the Goods to Us.

**4.5** Clause 4 of the Service Terms and Conditions will not be applied to the Goods if the Goods are a service to which these terms and conditions cannot be applied. If the Goods are a vehicle that must be entered in the Traffic Register, the right of ownership will be transferred to You when the Service Contract is entered into.

## 5. REPAYMENT OF CREDIT

**5.1** You must pay the Instalments and the other payments due on the basis of the Service Contract according to the Payment Schedule and the e-invoices submitted by You on the basis of the Service Contract (incl. also if We act as the representative of the Seller). You must pay the Instalments set forth in the Service Contract and the other payments due under the Service Contract also if the Goods have been destroyed, damaged or lost after being transferred to You (but before the last Instalment was paid), irrespective of whether or not You are responsible for the destruction, damage or loss of the Goods.

**5.2** We will deem an Instalment made as of the receipt of the Instalment in Our Current Account specified in the Service Contract, provided that the reference number of the payment matches the reference number specified in the Service Contract. You must pay the Instalment from Your Current Account, unless otherwise agreed.

**5.3** If You would like to repay the Credit early in part or in full, submit Us an Application in a format which can be reproduced in writing, indicating the amount to be repaid and the date of the repayment. If You repay the Credit early in part or in full, You will not have to pay Interest or other expenses for the time when You no longer use the Credit. We will then inform You about the total amount of the payments arising from the Service Contract as of the moment of repayment and of the early repayment compensation at the rate specified in the Price List if We apply it.

**5.4** We will deem early repayments or overpaid amounts paid without the submission of an Application prepayments or cover for any other of Your obligations to Us that have become collectible. If the overpaid amount cannot be deemed a prepayment or offset with another amount that has become collectible, We will return the overpaid amount on the basis of Your Application within 10 (ten) calendar days. We will not return any overpaid amounts less than the amount specified in the Price List.

**5.5** If an amount less than an Instalment is received, We will count the payment towards outstanding amounts in the following order: (1) costs



incurred on the collection of the debt that has fallen due; (2) the overdue Credit principal, starting from the earliest debt; (3) the overdue Interest, starting from the earliest debt; (4) any other overdue payables.

**5.6** If You fail to make the payments arising from the Service Contract when due and We extraordinarily cancel the Service Contract, We have the right to demand compensation for the collection expenses according to the Price List. You must compensate Us for any and all costs incurred in connection with inquiries made by Us if the inquiry was caused by Your non-performance or improper performance of the Service Contract or the Service Terms and Conditions.

## **6. INTEREST**

**6.1** Interest means the fee payable by You to Us for using the Credit. Interest per day means the Interest that is calculated for one day upon withdrawal from the Service Contract. During the term of the Credit, We calculate the Interest according to the interest rate specified in the Service Contract on the outstanding portion of the Credit placed at Your disposal according to the time of its use unless the Parties have agreed otherwise in the Service Contract. The Interest must be paid as part of each Instalment unless otherwise agreed in the Service Contract. We calculate the Interest as of the date the Service Contract entered into force (inclusive) until the date of the Last Instalment of the Credit (inclusive). We calculate the Interest on the basis of the actual number of days in a month and a 360-day year.

**6.2** The interest rate is, according to the Service Contract, either a fixed interest rate or an unfixed interest rate. An unfixed interest rate consists of two components: (1) the Base Interest Rate ie. EURIBOR (Euro Interbank Offered Rate); and (2) The margin, ie the fixed part of the interest rate, which is added to the Base Interest Rate. We consider the negative Base Interest Rate equal to zero. The valid Base Interest Rates for the period agreed in the Service Contract (during which the interest rate does not change) are available online at European Money Markets Institute official webpage and the Base Interest Rate applicable to the Service Contract is available on Digital Channels. We determine the Base Interest Rate applicable to the Service Contract on the day of making the Credit offer, based on the latest Base Interest Rate known to Us, which is not older than 2 (two) banking days. Upon changing the Base Interest Rate following the period agreed in the Service Contract, We will determine the Base Interest Rate of the Service Contract based on the latest Base Interest Rate known to Us, which is not older than 2 (two) banking days. A banking day is a calendar day that is not a Saturday, Sunday, national or public holiday. We do not need to notify you in advance of any change in the Base Interest Rate. After the change of the Base Interest Rate, We will prepare a new Payment Schedule and make it available to You through the Digital Channels. At your request, We will send You a new Payment Schedule by e-mail or in another agreed manner. The Credit amount and Interest must be paid on time even if You have not received the Payment Schedule. If the publication of EURIBOR is suspended or terminated for an indefinite period of time, We have the right to replace EURIBOR and set a new applicable Base Interest Rate of which calculation principles are similar to EURIBOR. We have the right to replace EURIBOR if, in Our opinion, the principles of calculating EURIBOR have changed significantly. We will notify You of the new applicable Base Rate via Digital Channel and by e-mail or other agreed means. If You do not agree to replace the EURIBOR with the new applicable Base Interest Rate, You have the right to cancel the Service Contract within 60 (sixty) calendar days from the sending of the change. In order to cancel the agreement, submit an Application to Our Contact Details in a form that can be reproduced in writing before the expiry of the notice period. Upon termination of the

Service Contract, You must immediately, but not later than within sixty (60) calendar days of submitting the Application, return all payments arising from the Service Contract. If You have not paid all the Installments arising from the Service Contract within the aforementioned term, You shall be deemed to have agreed to the application of the replaced Base Interest Rate. The replaced Base Interest Rate will take effect on the calendar day following the expiry of the aforementioned term.

## **7. RIGHTS AND OBLIGATIONS OF PARTIES AND BANK**

**7.1** We have the right to assign the claims that We have against You under the Service Contract and will inform You about the assignment of a claim pursuant to law. We have the right to disclose information regarding the Service Contract and You to Third Parties if the respective right and/or duty arise(s) from law or the Terms and Conditions.

**7.2** Until the transfer of the right of ownership to You (see clause 4.4 of the Service Terms and Conditions), the Seller has the right to transfer the right of ownership to the Goods to Us on the condition that the respective transfer transaction does not rule out or restrict the transfer of the right of ownership to the Goods to You after the payment of the last Instalment and all other payments due on the basis of the Service Contract. The Seller will inform You about the transfer of the right of ownership to the Goods to Us at least in a format which can be reproduced in writing. The Seller will transfer the right of ownership to the Goods to Us also in the case specified in clause 10.7 of the Service Terms and conditions.

**7.3** The obligations concerning the Goods that arise from the warranty, the Service Contract and law (incl. those that may arise due to the fact that the Goods do not comply with the terms and conditions of the Contract) will be performed by the Seller. If the Seller breaches the Service Contract, especially if the Goods do not comply with the terms and conditions of the Service Contract, You may file Your claims arising from the Service Contract or the law against the Seller. If the Goods do not comply with the terms and conditions of the contract, You must inform the Seller about this within two (2) months of becoming aware of the non-compliance. If the Seller fails to perform the obligation to hand over the Goods that arises from the Service Contract or if the Goods do not comply with the terms and conditions of the Service Contract and the Seller has unjustifiably refused to satisfy legal remedies, You may refuse to perform Your obligation to Us after You have submitted to Us evidence of the aforementioned circumstances. You do not have the right to offset the claims payable pursuant to the Service Contract with Your claims.

**7.4** You may not transfer the rights or obligations arising from the Service Contract to any Third Parties.

**7.5** You must guarantee the preservation of the Goods during the term of the Service Contract until the appropriate performance of all of the obligations arising from the Service Contract. The Goods must be preserved in the condition in which they Were at the moment the Goods Were handed over to You, considering the natural and ordinary Wear and tear arising from the purposeful use of the Goods. You may not transfer or encumber the Goods in any manner whatsoever until all of the payments due on the basis of the Service Contract have been paid and the right of ownership to the Goods has transferred to You.

**7.6** As the representative of the Seller, We are authorised to submit all the expressions of intent related to the Service Contract to You.



## **8. LIABILITY AND CONTRACTUAL PENALTY**

**8.1** You are fully and unconditionally liable for the preservation and maintenance of the Goods from the moment of receipt of the Goods until the expiry or termination of the Service Contract. If the Goods leave Your possession or are destroyed, lost or damaged or if another similar event occurs, this will not release You from liability or the performance of the obligations arising from the Service Contract.

**8.2** You must pay the contractual penalty by the due date indicated in the contractual penalty claim. We have the right to demand a contractual penalty according to the Price List for any breach that is not a payment delay, including if: (1) You have submitted false information and/or documents upon entry into the Service Contract; (2) You have failed to inform Us about the circumstances set out in clause 9.1 in the agreed time and manner. Demanding a contractual penalty does not rule out Our right to demand that the breached obligation be performed, or Our right to cancel the Service Contract for the same or another breach on the grounds provided in the Service Contract or by law.

## **9. COMMUNICATION OF IMPORTANT FACTS**

**9.1** During the term of the Service Contract, You must inform Us immediately but not later than within 5 (five) calendar days of any circumstances that have become known to You which may damage the performance of Your obligations under the Service Contract by You, including but limited to: (1) if Your creditworthiness deteriorates, incl. Your regular income decreases or liabilities increase; (2) if You have become insolvent or a bankruptcy petition has been filed against You with a court or enforcement proceedings have been brought against You; (3) if a court judgement where the claim upheld against You exceeds €100 has entered into force with regard to You; (4) if circumstances or events emerge that affect or may affect the performance of the Service Contract significantly in any other manner or impede or render impossible the performance of the Service Contract by You; (5) if the Seller breaches the Service Contract; (6) if the Goods are damaged, partly or fully destroyed or lost; (7) if Your contact details set out in the Service Contract change.

## **10. AMENDMENT, EXPIRY AND EARLY CANCELLATION OF AND WITHDRAWAL FROM CONTRACT**

**10.1** The Service Contract can only be amended by written agreement between You and Us unless otherwise agreed in the Service Contract. The deadline for payout of the credit, the payment date of the Instalments, the agreement term, the partial early repayment, the grace period and the current account linked to the Service Contract may also be changed in a format which can be reproduced in writing or via Digital Channels, whilst We are authorised to amend the Service Contract as the representative of the Seller on the basis of the irrevocable power of attorney of the Seller. We and You have the right to enter into agreements about amendments to the Service Contract that are related to the performance of the right of claim arising from the Service Contract that has been assigned to Us without getting Your approval in advance.

**10.2** We may amend the Service Contract unilaterally if the laws governing consumer credit or the relationships arising from the Service Contract are amended and the unilateral amendment of the Service Contract is justified by bringing it into compliance with effective law.

**10.3** The Service Contract will expire with the full performance of Your obligations arising from the Service Contract, the withdrawal of a Party or Us from the Service Contract or the cancellation of the Service Contract.

**10.4** You have the right to withdraw from the Service Contract without disclosing the reason within 14 (fourteen) calendar days of receipt of the Goods. The 14-day right to withdraw from the Sales Contract applies to sales contracts entered into via Electronic Channels or means of communication. If You withdraw from the Sales Contract, You will be deemed to have withdrawn from the Service Contract as Well. Submit a written Application by e-mail or post to the Seller in order to withdraw from the Sales Contract and to Us in order to withdraw from the Service Contract on the contact details specified in the Service Contract within the deadline specified above. In the case of withdrawal from the Sales Contract, You must return the Goods or compensate their value to the Seller. In order to use the right of withdrawal and return the Goods, You must comply with the terms and conditions of the Seller and return the Goods during 30 calendar days of sending the Application for withdrawal from the Sales Contract; otherwise, it will be deemed that You have not withdrawn from the Sales Contract. The Goods are returned at Your expense by agreement with the Seller, considering the restrictions arising from effective law. In the event of withdrawal from the Sales Contract and the Service Contract, You must repay the credit amount You have drawn down to Us and pay the Interest calculated by the payment date within 30 (thirty) calendar days of submission of the withdrawal Application; otherwise, We will deem that You have not withdrawn from the contract.

**10.5** If you wish to return a part of the ordered Goods and therefore the Cost of the Goods arising from your Service Contract decreases, we will unilaterally reduce the amount of the Goods resulting from the Service Contract and provide you with a new reduced Payment Schedule. We do not prepare or submit a new Service Contract or Information Form. However, if the amount of the Cost of the Goods under the Service Contract is less than the amount indicated in the Price List after the partial return of the Goods, we will send you the final invoice for the Service Contract, which must be paid within 30 (thirty) calendar days.

**10.6** You may use the legal remedies stipulated by the Law of Obligations Act if the Seller breaches the Service Contract. You may not refuse to perform Your obligations due to a breach committed by the Seller, unless otherwise provided for by law. If You have the legal right to cancel a contract for provision of a service aimed at durable performance (e.g. a health service contract based on a treatment plan), You must continue paying for the services provided but must not pay for the services not yet provided by the Seller after the cancellation. In this case, You may request from Us as the representative of the Seller the annulment of the last payments due on the basis of the Service Contract in the amount that corresponds to the value of the services not provided less the costs already incurred by the Seller for the provision of the service. If the Seller fails to perform the obligation to hand over the Goods that arises from the Service Contract or if the Goods do not comply with the terms and conditions of the contract and the Seller has unjustifiably refused to satisfy Your legal remedies, You may refuse to perform Your obligation to Us on the basis of the Service Contract or withdraw from the Service Contract.

**10.7** As the representative of the Seller, We have the right to cancel the Service Contract early in a format which can be reproduced in writing if: (1) You have failed to pay at least 3 (three) consecutive Instalments in full or in part, and We as the representative of the Seller have unsuccessfully given You an additional deadline of 14 (fourteen) calendar days for payment of the delayed amount with a warning that if You do not make the payments during this deadline, We as the representative of the Seller will cancel the Service Contract and demand





payment of the entire debt; (2) any of the representations and warranties made by You in the Service Contract are untrue or inaccurate.

**10.8** We have the right to cancel the Service Contract without notice and demand that the payments arising from the Service Contract be made on the grounds and pursuant to the procedure arising from law and/or the General Terms and Conditions of Inbank AS. We also have the right to cancel the Service Contract without notice and demand that the payments arising from the Service Contract are made in the case of the occurrence of even one of the following events, which We and You consider a good reason and which You have failed to eliminate or remedy within an additional term of 14 (fourteen) calendar days: (1) You have failed to pay at least three (3) consecutive Instalments in part or in full; (2) the circumstances specified in subsections (2), (3) and (4) of clause 9.1 occur; (3) You have breached other obligations set out in the Service Contract or in the Service Terms and Conditions; (4) You have breached any other Service Contract entered into with Us.

**10.9** In the event of the early cancellation or expiry of the Service Contract, the Instalments or other amounts paid by You on the basis of the Service Contract during the term of the Service Contract will not be refunded to You or compensated to You in any other manner.

**10.10** In the event of the early cancellation of the Service Contract by the Seller, the right of ownership to the Goods will transfer to Us, unless We separately inform You otherwise. If the Seller transfers the right of ownership to the Goods to Us pursuant to clause 4.4 of the Service Terms and Conditions, You will transfer the possession of the Goods directly to Us.

## **11. PROCEDURE FOR SENDING APPLICATIONS AND NOTICES**

**11.1** All of the Applications and Notices addressed to the Parties and/or to Us, which must be made in writing or in a format which can be reproducing in writing, will be forwarded to the Parties or to Us to the Contact Details specified in the Service Contract or on Our Website. Applications and Notices can also be sent to Us via Digital Channels.

## **12. OTHER TERMS AND CONDITIONS**

**12.1** Any previous declarations of intent or agreements between the Parties or Us that are not included in the Service Contract are not considered parts of the Service Contract. The invalidity of a single provision of the Service Contract will not release the Parties or us from the obligation to comply with the other provisions of the Service Contract and will not bring about the invalidity of the entire Service Contract or the other provisions of the Service Contract.

**12.2** Any delay in the exercise of a right or performance of an obligation arising from the Service Contract will not constitute a waiver of such a right or obligation. The separate or partial exercise or performance of a right does not rule out the exercise or performance of this right in any other respect or the performance of another right and/or obligation.

## **13. RESOLUTION OF COMPLAINTS**

**13.1** Our aim is to provide a high-quality Service to You. If You are dissatisfied with Our Service or the customer service, please inform Us according to the Procedure for Resolutions of Complaints accessible on Our Website. Please file Your complaint in a format of Your choice (orally, in writing or electronically) to Our Contact Details. In the complaint, please describe the circumstances of Your dissatisfaction as accurately as possible and enclose the documents serving as the basis for Your statements.

**13.2** Our aim is to resolve any possible disputes by means of negotiations. Should negotiations fail to resolve the dispute, You as a consumer have the right to turn to the court or to the Consumer

Protection and Technical Regulatory Authority (Endla 10A, 10122 Tallinn, phone 620 1707, email [info@ttja.ee](mailto:info@ttja.ee)) or its Consumer Disputes Committee (phone 620 1707, email [avalduis@komisjon.ee](mailto:avalduis@komisjon.ee)) to protect Your rights. You can find information at [www.ttja.ee](http://www.ttja.ee). Complaints arising from an agreement entered into via means of communication may be submitted at [ec.europa.eu/odr](http://ec.europa.eu/odr). Court actions are resolved in a court of Our location, unless We and You have agreed otherwise or the law stipulates otherwise.

**13.3** We are supervised by the Financial Supervision Authority (Sakala 4, 15030 Tallinn, [www.fi.ee](http://www.fi.ee), telephone 668 0500).