

General terms of using the HECTA B2B eCommerce system

(„General terms “)

1. INTRODUCTORY TERMS

1.1 These General terms regard exclusively to using the HECTA B2B eCommerce system („HECTA“) as a software solution for e-sales, which is developed for the Microsoft Dynamics NAV system, and regulate the mutual relationships between the 4APP SOLUTION d.o.o., Drage Gervaisa 30, Zagreb, OIB: 18278836636 („Producer“), developed by HECTA and sells it as their product; and the HECTA user („User“).

1.2 The User is entitled to use HECTA based on the contract with the Producer (“User agreement”), according to which he/she accepts terms of use in accordance with these General terms of use.

1.3 These general terms and the User agreement make up an agreement between the Producer and the User. If the Producer and the User obtained the User agreement under different conditions than the ones determined by General terms, the General terms are applied in the part not contrary to the User agreement.

1.4 Unauthorized use of HECTA and/or usage contrary to the User agreement or General terms of use, is a direct violation of the Producer’s rights, including violation of copyright and similar rights, because of which the Producer is authorized to take all necessary legal actions, especially violating the User agreement, disabling the use of HECTA and seeking compensation.

2. Definitions

2.1 “HECTA” is an application software, including all functionalities, instructions and user documentation issued by the Producer, according to the condition at the moment of entering the User agreement, whose only and exclusive author, rights holder, owner and inventor is the Producer; and which serves in Internet sales (ecommerce) among legal persons for users of the Microsoft Dynamics NAV (“MD NAV”). Functionalities of HECTA are determined in section 3. of the General terms and by particular User agreement.

2.2 “Installation” is a collective of services that the Producer offers to the User, and by whose obtainment the User acquires the possibility of using HECTA in accordance with the General terms of use and the User agreement.

2.3 “User” is a legal person, a trade owner, sole trader or another business subject, that entered the User agreement with the Producer and thereby agreed to these General terms, as with a User related legal person/sole trader/ trades/other business subjects to whose benefit is the use of HECTA explicitly contracted by the User agreement.

2.4 “End user” is a physical person, employed by the User or is in another agreement with the User, and uses HECTA in its business.

2.5 “User agreement” is a contract on the delivery and the implementation of HECTA, that is concluded between the Producer and the User and whose integral part are these General terms of use. To avoid any doubt, the User’s written acceptance of the Producer’s bid, User’s order form and other similar written requirements from the User, whose acceptance signifies

the obligation of the Producer to cede the rights to using HECTA in accordance with General terms of use; all fall under the User agreement.

2.6 “Microsoft Dynamics NAV” or “MD NAV” is a software developed by the Microsoft corporation, including all functionalities, program code, instructions, user documentation and versions of the set forth software issued by the Microsoft corporation as a producer, according to the condition at the moment of entering the User agreement. User’s valid licence for using THE MD NAV is a necessary prerequisite for installing HECTA with the User. Installing HECTA with the User is done in accordance with the extent of licensing rights to the MD NAV that the User already has.

2.7 “Upgrading” is adding new functionalities or changes to the existing functionalities of HECTA (“updating”) after installing Hecta with the User, that are done solely at the request of the Producer. The Producer provides the service of Upgrading to the User in accordance with these General terms and terms prescribed for using the MD NAV by the Microsoft Corporation and a licensed distributor of the MD NAV for Croatia.

2.8 “Fee” is the compensation that the User pays to the Producer for using the version of HECTA determined by the User agreement (“Licensing fee”) and compensation for using Upgrading (“Upgrading Fee”)

2.9 “Personal data” is information defined as such by section 4. Of the REGULATION (EU) 2016/679 BY THE EUROPEAN PARLAMENT AND THE COUNCIL OF THE EUROPEAN UNION from 27th of April 2016 on the protection of individuals regarding processing personal data and free movement of such data, and on repealing Directive 95/46/EZ (“General data protection regulation”); and that the User delivered to the Producer for processing purposes, as described in section 7. of General Terms of use.

3. Functionalities of HECTA

Hecta is a B2B solution for e-commerce made for the MD NAV system that offers a complete integration.

The whole HECTA solution is run directly from the MD NAV system, and the prices and information on products are imputed and modified in only one place by using existing data and calculations form the MD NAV system, which removes the risk of incompatibility in data transfer.

In case that the specification of functionalities and other features supported by HECTA is not contained in the User agreement, the Producer will deliver the set forth specification to the User based on the User’s written request. Producer holds the right to changing the functionalities of HECTA at any time, on which the User will be notified in written form (e-mail) no later than 30 days from when the scheduled modification takes effect.

As an exception to the previous obligation, modifications that are not damaging to the User, the Producer can apply without postponement and delivering a written notice to the User. Changes made to the functionalities of HECTA are published on the website of the Producer.

4. Intellectual property rights

4.1 The producer is the sole holder of all intellectual property rights to HECTA, which includes all functionalities, translations, instructions, user documentation and certain other components of HECTA and Upgrading. HECTA is a registered trademark for computer applications and other products and services of the Producer. The User is obliged to respect all copyright, intellectual and other related rights regarding HECTA and Upgrading.

4.2 If not otherwise explicitly agreed upon in the User agreement, by concluding the User agreement and paying the Fee, the User is nonexclusively and nontransferably entitled to use HECTA for its internal use not limited by time, but also entitled to Upgrading during the first year of using HECTA. If agreed upon by the User agreement, using HECTA by the User's related legal persons, who have been stated as such in the User agreement and in the extent determined by the User agreement, falls under internal use.

4.3 The User is authorized to use HECTA only if he/she possesses the adequate valid license issued by the Microsoft corporation, to use the MD NAV.

4.4 The User is not authorised to interfere with the computer or program equipment of HECTA and to change the manner of its use or operating. If the User causes a malfunction or interference in HECTA's functioning, the Producer will remove them and charge compensation according to the current price list.

4.5 The User is especially prohibited:

- to use HECTA in any other manner than stated in these General terms
- develop backwards, decompile, expound or in any other manner independently reveal HECTA's source code or take any other actions that would infringe HECTA's intellectual property rights
- take any other actions that could jeopardize, lessen or prevent using HECTA by the Producer or third persons.

4.6 The User guarantees that all End users are familiar with intellectual property rights related to HECTA. In case that the User does activities of internal development or maintenance because of which the End users have the possibility of immediate access to HECTA's program code, the User is obligated to ensure that all such End users sign a special statement by which they confirm that they are acquainted with intellectual property rights related to HECTA and to pledge to honour those rights against the threat of compensating the whole ownership and non-ownership damages to the Producer.

5. Using HECTA

5.1 The User has to fulfil technical and personnel conditions, which are necessary to efficiently and securely install and use HECTA. Concerned conditions are contained in the User agreement and/or in written instructions issued by the Producer, and are delivered to the User before installing HECTA or they are published on the web portal of the Producer. They determine:

1. Internet access
2. Program and hardware equipment for using the internet

3. Additional program equipment which is a prerequisite for using HECTA and/or certain functionalities of HECTA

4. Valid licensing rights regarding the MD NAV.

5.2 The User himself ensures requirements from section 5.1 of General terms. The Producer does not guarantee installation or adequate and certain performance of HECTA if the User does not meet requirements from 5.1 of General terms.

5.3 The Producer will enable the User to use HECTA after entering the User agreement, paying the Fee and installing HECTA on the User's equipment. The Producer will notify the User in written form on the executed installation of HECTA on the User's equipment.

5.4 The User is authorised to use HECTA exclusively in accordance with the functionalities from section 3. of General terms. Any other utilization of HECTA is prohibited.

5.5 The producer ensures a noninterrupted functioning of HECTA, except in the following cases:

- When the User's hardware or program equipment is not functioning or in any other case when the User does not fulfil requirements from section 5.1 of General terms.

- When there are interferences and obstructions in functioning of the MD NAV, of the cloud services provider, telecommunication capacities, the system, other hardware or any other technical facilities of the User; especially included (not exempting other circumstances): interferences in the operator's signal, interferences in the operator's network or the User's internal network, shortcomings in the service provided by the operator and or GPS signal and/or other resources and services the User uses for utilizing HECTA (BT support, GPRS/3G support, GPS support, servers, internet connection, telephone operator, telephones and other)

- During the installation of Upgrading - some other force majeure.

5.6 The User acquires the right to utilize Upgrading during the first year of using HECTA under the condition that he/she has at his/her disposal the adequate valid licenses for using the MD NAV. The first year of using HECTA starts on the day the Producer notified the User on the conducted expansion of the MD NAV license HECTA functionalities.

5.7 The right to use HECTA and the right to use Upgrading (HECTA updates) is not implied based on General terms, does not include and does not give the User the right to ask the Producer to perform related implementation services free of charge, e.g. possible combining of source code, migration, adjustment, education, support and other services, that could possibly be necessary in using HECTA and/or Upgrading. The producer will carry out all considered services to the User based on the User agreement or another separate agreement.

5.8 The User has the right to modify HECTA solely for personal needs and at their own risk, under the condition that he/she has the adequate rights according to Microsoft's licensing rights for the MD NAV.

5.9 The User is obligated to deliver information on all the facts that directly affect using HECTA and/or Upgrading and the Producer's rights based on these General terms, at the Producer's request.

6. Compensation

6.1 Compensation for using HECTA with functionalities determined by the User agreement (Licensing fee) and compensation for Upgrading during the first year of using HECTA (Compensation for Upgrading) is paid in advance, before installing HECTA with the User.

6.2 The User is obligated to pay compensation for Upgrading (HECTA updates) after the first and every following year of usage, seven days at the latest before the end of the period for which the Compensation for Upgrading had been paid for the previous year of usage.

6.3 The amount of Compensation is determined by the User agreement, i.e. the current price list from the Producer, depending on what is applicable in a specific case.

6.4 At the latest 30 days before the end of the first and every following year, the User can notify the Producer in written form, that he/she waives further use of Upgrading (HECTA updates) or otherwise the use of Upgrading is extended for the following one-year period.

6.5 A User who waives his/her rights to further use Upgrading (HECTA updates) can exercise that right again under the condition that the unpaid compensation for updating HECTA for the elapsed period is paid in advance, according to the pro rates principle, in the amount set by the bid or the current price list from the Producer.

7. Guarantees

7.1 If not otherwise explicitly agreed upon by the User agreement, the Producer is obliged to remove any possible hidden flaws in HECTA's program code, that appear within six months from the day the Producer notified the User on the conducted expansion of the MD NAV license to functionalities of HECTA, in a reasonable deadline from the day the User notified the Producer on the mentioned flaws and described them in enough detail so it is possible to identify a particular hidden flaw. The flaw will be corrected by installing a new version of HECTA by the Producer, without the considered flaw. The Producer is not obliged to remove the flaw that appeared due to the User's modifications of HECTA or the installation of software from third persons.

8. Responsibilities limitations

8.1 The User uses HECTA on his/her own responsibility. The Producer is not responsible for the regularity of HECTA's functionalities regarding processing data collected from the MD NAV and/or other sources, for possible data loss related to using HECTA. The User is obligated to

take any necessary steps to check accuracy and completeness of data that are processed via HECTA and to create a safety copy (back up) of all relevant data and reports.

8.2 The Producer is responsible exclusively for regular and immediate property damages of the User, caused on purpose or by crude disregard from the Producer. Producer's responsibility for property damages caused by common disregard, lost profit, non-property damage or any other type of immediate damage; is excluded. The total responsibility of the Producer towards the User for any and all damage in terms of these General terms is limited to the amount of compensation for Upgrading that the User paid for the last year of using Upgrading.

8.3 Based on these General terms, the Producer is not responsible for the contents and/or performance of the MD NAV and/or internet pages, products and/or services that have the possibility of connecting through HECTA (hereinafter: Related systems). Based on these General terms, the Producer is not authorised to change, update or confirm the contents of Related systems. The fact that the Producer enables connecting to related systems is not relevant and can't be deemed as permission, authorization, sponsorship or any other kind of connection between the Producer and Related systems. The Producer is not responsible for any kind property or non-property, direct or indirect, special, accidental or consequential damage (including, but not limited to lost profit, income, investments, name) caused by using any kind of content, products or services from Related systems or relying on them.

8.4 By using HECTA, the User is not free from responsibilities prescribed by positive regulations including, but not limited to regulations that regulate internet sales; and holds exclusive responsibility for complying to all positive regulations in that regard.

9. Personal data protection

9.1 With the purpose of complying to mutual rights and responsibilities regarding using HECTA, the Producer and the User exchange personal data when it is necessary for conducting services covered by these General terms, in a way that the Producer, as the processing executor, on the User's behalf, as the processing manager, conducts processing of personal data.

9.2 The Producer will process Personal data only in accordance with the nature and the purpose of processing as it is stated in these General terms and written instructions from the processing Manager. The User has the right to change and/or add instructions for processing Personal data and will timely notify the Producer on made changes.

9.3 The duration of processing is allowed and limited exclusively in the period from entering the User agreement until the User's rights to using Upgrading have expired, i.e. until fulfilling obligations from General terms, with the condition of adhering to prescribed storing deadlines.

9.4 The Producer will process Personal data that are collected while installing and using HECTA:

a) the following types of personal data:

(1) name

(2) e-mail address

(3) cell phone number

(4) IP address

(5) other Personal data from buyers of User's products through HECTA, that have been delivered to the User for buying and selling purposes

b) the ones that relate to: End users and buyers of User's products through HECTA

c) with the purpose of: fulfilling mutual rights and obligations between the Producer and the User that derive from using and updating HECTA and informing the User (e.g. about the performance and maintenance of HECTA, about the products and services of the Producer).

9.5 The Producer ensures that Personal data is not and will not be reported or revealed to unauthorised third parties, except in circumstances when allowed by the General data protection regulation, by the law, by the User or based on a written compliance from the examinee.

9.6 The Producer will notify the User if the data being accessed or processed is not in accordance with section 7.4 of General terms, without delay and in written form.

9.7 The User is obligated to take the adequate technical and organizational measures to ensure and to prove that processing is done in accordance with the General data protection regulation and possesses the following rights and obligations:

- to give instructions to the Producer in accordance with a legitimate legal basis for processing and principles of processing personal data from the General data protection regulation

- to take adequate measures in order to provide examinees the prescribed information regarding processing personal data that relate to them

- to take adequate measures in order to act in due time according to the examinee's request with the purpose of fulfilling the examinee's rights

9.8 The User is compliant and authorises the Producer to use manufacturers which will carry out certain activities regarding processing Personal data from these General terms, under the condition that the manufacturers will during and regarding processing of Personal data fulfil all obligations from these General terms. Every manufacturer will take organizational and technical measures to ensure an adequate level of security in accordance with regulations on personal data protection. In case a manufacturer fails to fulfil its obligations regarding Personal data protection, the Producer will answer to the User for the manufacturer's failure to fulfil concerned obligations. The User explicitly agrees to the Producer using manufacturers

that he has concluded agreements with at the moment the User adheres to these General terms. The Producer will notify the User on the intended addition or replacing a manufacturer, giving him the option of complaint. If the complaint is not reasonably justified and results in extra cost for the Producer, the User is obligated to compensate the Producer for the additional cost and agrees to accept all consequences that could appear regarding using and updating HECTA.

9.9 The Producer is obligated to:

- process Personal data according to prescribed instructions from the User and in accordance with General terms
- ensure that authorised persons for processing Personal data are acting in compliance with the User's instructions and that they are committed to honouring confidentiality
- implement and conduct technical and organizational measures of safety in accordance with article 32. of General data protection regulation and these General terms
- to honour the prohibition of employing a manufacturer without a written permission from the User in accordance with article 28. section 2. and article 4. of General data protection regulation and the previous section 7.8 of these General terms
- to obey all other applicable conditions prescribed by the General data protection regulation regarding processing Personal data
- to help the User, however possible, in fulfilment of obligations regarding answering requests for realising the examinees' rights
- help the User, however reasonable, in ensuring compatibility with obligations in accordance with articles 32. to 36. of the General data protection regulation
- enable the User to conduct supervision
- to inform the User on violation of Personal data
- erase or return Personal data to the User after completion of providing service regarding processing, by User's choice
- cooperate with a supervisory body in performing its tasks.

9.10 The Producer guarantees that he will conduct adequate technical and organizational measures to ensure the level of security in accordance with the GDPR and in proportion to risks related to processing Personal data, while fulfilling obligations from these General terms. The Producer will do it in a way that ensures such protection that precludes accidental or illegal destruction, loss, modifications, unauthorised revealing of personal information or unauthorised access to personal information that were transferred, stored or otherwise processed. The Producer will especially ensure the following technical and organizational measures:

- to ensure sufficient measures of physical safety for business spaces where devices and systems used for processing of Personal data are located, so they could be available only to authorised personnel
- regularly update all computers including laptops and mobile devices with the help of security program corrections issued by the manufacturer of the operative and applicative system
- implement adequate mechanisms with the purpose of protecting electronical mail and business applications from unauthorised access (unauthorised modifications, copying, erasing, forwarding and browsing)
- implement an identification and authorisation system for persons authorised to process personal data on all devices and systems used for processing personal data, where it is possible to unambiguously determine activities for each individual person (user name and password, i.e. a PIN for mobile devices)
- to avoid using unique user names and passwords for more authorised persons – to define and use strong passwords
- to use only authorised and properly licensed software on laptops and mobile devices
- to activate an antivirus system on all laptops and mobile devices
- to ensure that the antivirus system permanently works and that it is regularly updated with the latest updates according to manufacturer's recommendations
- to additionally protect sensitive Personal data with a password (e.g. Excel or Word password) for external media (USB, CD, external hard drive etc.) while storing or encrypt with the help of some of the encrypting tools (e.g. 7zip, Bitlocker etc.) so they couldn't be readable in case of unauthorised access if a loss or theft of external media occurs
- to prevent any unauthorised revealing of Personal data outside official spaces, but also any unauthorised sharing via physical media or by sharing via a network
- to ensure preliminarily that all Personal data is permanently and irreversibly erased when writing-off or ecologically destroying computers and computer equipment, using some of the tools for secure erasing or by physical destruction
- to preclude access to spaces, equipment or systems immediately after the termination of working/contractual relationship with a person that conducted the processing of Personal data.

9.11. While performing its tasks and obligations, the Producer collaborates with the User's official for data protection if there is one, or otherwise with a person authorised by the User and of which the User has notified the Producer in written form.

9.12 The Producer guarantees that Personal data is not transferred to countries outside The European Economic Area. In case there is a need for the Producer to transfer personal data to countries outside the European Economic Area, he will notify the User immediately. In the afore mentioned instance, the Producer will ensure that the transfer of personal data is in

accordance with the appropriate safety measures prescribed in the binding regulations that regulate the area of Personal data protection and in that case, the Producer will sign the Standard contract clauses of the European commission that will be valid at that point.

9.13 The Producer and the User are mutually responsible for the compensation of damage that would occur because of violating obligations form section 7. of General terms.

10. The validity and amendments of General terms

10.1 These General terms are valid since 19th of September 2019.

10.2 The Producer publishes General terms and amendments of General terms on the web portal of the Producer (www.hect.biz) where it is not possible to download general terms in a printable form. Amendments of general terms are published on the Producer's web portal 8 (eight) days at the least before they take effect.

10.3 The User is authorised to ask the Producer to be granted access to General terms that were in affect for a certain time period and are no longer in affect, if they regard the period during which the User was obligated to act according to General terms.

11. Final regulations

11.1 For interpreting General terms, as well as in case of a certain issue not being regulated by General terms, the regulations of the Republic of Croatia are applied. The use of United Nations Convention on Contracts for the International Sales of Goods (CISG) is excluded.

11.2 Zagreb court is responsible for the resolution of any disputes derived from these General terms, including the dispute regarding the interpretation of these General terms, with the application of Croatian laws.

11.3 These general terms are composed in English and in Croatian language. The Croatian version is applicable in case of any discrepancies between the Croatian and the English version of General terms.